



**CenCal HEALTH**<sup>®</sup>  
Local. Quality. Healthcare.



# ***CenCal Health Board of Directors Meeting Packet***

***Wednesday, June 15, 2022  
6:00 pm***

**Santa Maria Inn**

801 South Broadway  
Santa Maria, CA  
Santa Maria Room



**Notice of Regular Meeting  
CenCal Health Board of Directors  
June 15, 2022 at 6:00 p.m.**

Santa Maria Inn (Santa Maria Room)  
801 South Broadway  
Santa Maria, CA

Members of the public will be allowed to provide public comment in real time during the public comment portion of the Board meeting (Item 1 below) or you may do so by emailing comments before 10:00 am, May 16, 2022 to the Clerk of the Board at [pbottiani@cencalhealth.org](mailto:pbottiani@cencalhealth.org) with "Public Comment" in the subject line. Comments received will be read during the meeting.

If you require any special disability-related accommodations, please contact the CenCal Health Board Clerk's Office at (805) 562-1020 or via email at [pbottiani@cencalhealth.org](mailto:pbottiani@cencalhealth.org) at least twenty-four (24) hours prior to the scheduled board meeting to request disability related accommodations.

## Agenda

### Action/Information

1. Public Comment
2. **Consent Agenda** (*Action to accept reports*) (*Ms. Tanner*) Action
  - 2.1 Approve Minutes of May 18, 2022 Regular Meeting (pg 1)
  - 2.2 2022 In-Person Meeting Covid-19 Protocols (pg 7)
  - 2.3 Administrative Reports
    - 2.3.1 Executive Summary (pg. 8)
    - 2.3.2 Administrative Report (pg 11)
    - 2.3.3 Health Services Report (pg 19)
    - 2.3.4 Operations Report (pg 29)
    - 2.3.5 Information Technology Report (pg 31)
  - 2.4 Quality Improvement Committee (QIC) Report (pg 32)
  - 2.5 Provider Network Development for Applied Behavioral Analysis (ABA) Services Report (pg 54)
  - 2.6 Human Resources Recruitment Report (pg 57)
  - 2.7 Accept Family Advisory Committee (FAC) Memo & Meeting Minutes of February 24, 2022 (pg 58)

### **Regular Agenda**

3. Executive Report (*Ms. Owen*) Information
4. Appoint Board Development Committee Members and Adopt 2022 Schedule (*Ms. Owen & Ms. Kim*) (pg 63) Action
5. Communications Update on Supporting the Safety Net Award from ACAP (*Ms. Worley Marselian and Ms. Santos*) (pg 72) Information
6. Adopt July 2022 – January 2023 Budget (*Mr. Ambrose*) (pg 94) Action



7. Advocacy Update on AB2724  
(Alternative Health Services Plan) (Ms. Owen & Mr. Harris)(pg 120) Action
8. Update on 2023-2026 CenCal Health Strategic Planning  
(Ms. Owen)(pg 133) Information
9. Financial Update (Ms. Bauer) (pg144) Action
- 9.1 Financial Statements (Period Ended May 31, 2022)(pg 162)
10. Items for Immediate Action Action

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL: PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.9 Pursuant to Potential Litigation

*Items for which the need to take immediate action arose subsequent to the posting of the agenda (requires determination of this fact by vote of two-thirds of the Directors present or, if fewer than nine Directors are present, unanimous vote)*

*Note: The meeting room is accessible to the handicapped. Additional information can be found at the CenCal Health website: [www.cencalhealth.org](http://www.cencalhealth.org)*



**DRAFT**

**MINUTES  
CenCal Health  
BOARD OF DIRECTORS REGULAR MEETING  
May 18, 2022**

The regular meeting of the Board of Directors of CenCal Health was called to order by Lynda Tanner, Chair, on May 18, 2022 at 6:00 PM at the Santa Maria Inn, Santa Maria, CA.

**MEMBERS PRESENT:** Daniel Herlinger, Daniel Nielson, Edward "Ned" Bentley, MD, Lynda Tanner, Mark Lisa, René Bravo, M.D., Sue Andersen, Supervisor Debbie Arnold, Supervisor Joan Hartmann and Van Do-Reynoso, Penny Borenstein, MD, MPH, Mohammad Zafar Iqbal, Ph.D.

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Amanda Flaum, Bill Cioffi, Carlos Hernandez, Chris Morris, David Ambrose, Karen Kim, Lauren Geeb, Marina Owen, Michael Harris, Mimi Hall, Puja Shah, Tommy Curran and Paula M. Bottiani (Clerk)

**GUESTS PRESENT:** Linnea Koopmans (LHPC), Jordan Turetsky (Provider Network Officer) and Patrice Iqbal (Dr. Iqbal's spouse)

1. **Public Comment: Ms. Gloria Ortiz** (member of the public) requested assistance with a housing issue she and her family have been dealing with unsuccessfully. She also appealed to CenCal Health and specifically, board member, Daniel Nielson for help with her brother's social service needs. She was given contact information and referred to CenCal Health's Member Services and County Social Services department for follow-up.
2. **Consent Agenda (Action to accept reports)(Ms. Tanner)**
  - 2.1 Approve Minutes of March 16, 2022 Regular Meeting
  - 2.2 Revised 2022/2023 Board Meeting Schedule and Group Meeting Covid-19 Protocols
  - 2.3 Board of Directors 2022 Survey Results
  - 2.4 Administrative Reports
    - 2.4.1 Executive Summary
    - 2.4.2 Administrative Report
    - 2.4.3 Health Services Report
    - 2.4.4 Operations Report
    - 2.4.5 Information Technology Report
  - 2.5 Community Engagement Report: *CEO Listening Tour*
  - 2.6 Behavioral Health Insourcing Report
  - 2.7 Compliance Report and Revised Compliance Charter
  - 2.8 Communications Report
  - 2.9 Community Advisory Board (CAB) Meeting Minutes of January 13, 2022
  - 2.10 Provider Advisory Board (PAB) Meeting Minutes of January 10, 2022

**Discussion:**

**Mr. Lisa** appreciated the administration report and stated that CenCal Health staff needs to press our lobbyists to get Santa Barbara and Ventura County Organized Health Plans (COHS) exempted from the Kaiser legislation given the impact of this legislation on our local community.

**ACTION: On motion of Mr. Lisa and seconded by Mr. Herlinger the Board Accepted the Consent Agenda Reports with no objection.**

**Regular Agenda**

**3. Executive Report:**

**Ms. Owen:**

- Welcomed Dr. Penny Borenstein and Dr. Mohammad Iqbal as the newest members to join the CenCal Health Board of Directors.
- Reported that Santa Barbara was the host city for the Local Health Plans of California (LHPC) strategic retreat. This is CenCal Health's most valuable association and CEOs from across the state were briefed on the Governor's May revise and other major developments within our industry. She introduced Linnea Koopmans, CEO of LHPC who was able to attend our board meeting tonight.
- Announced that Dr. Emily Fonda will be joining CenCal Health as our new Chief Medical Officer (CMO). She thanked Drs. Bravo and Bentley for their contributions on the interview panel.
- Announced that Jordan Turetsky has joined CenCal Health as our new Provider Network Officer overseeing Provider Services and Claims.
- With respect to Kaiser, our health plan continues advocacy against AB 2724 (Arambula). Since the last briefing, we met with our San Luis Obispo legislative advocates, Senator Monique Limón and Senator Laird. Senator Laird's office was open to hearing our concerns and Senator Limón advocated strongly to support our communities with this legislation. Additionally, the Central Coast Medical Association (CCMA), our local medical association, has taken an opposed position and will be making their voices heard.

**4. Adopt Organizational Values**

**Ms. Owen:**

- Introduced the organizations values of 1) Compassionate Service, 2) Collaboration, 3) Integrity and 4) Improvement.
- Stated that these values are key to guiding our work. These values were recently articulated and clarified by staff, who brings them forward as a focus for our organization.
- Reported that Town Hall meetings with approximately 250 staff members were held to develop these values and staff were engaged to support the development of these values and values statements.

**Discussion:**

**Ms. Andersen** commended staff on this exercise and asked where health equity fits into our values.

**Ms. Owen** stated that this fits in with our emerging vision for the organization moving forward and is represented in the value of Compassionate Service.

**ACTION: On motion of Mr. Nielson and seconded by Mr. Lisa the Board Approved the adoption of the Organizational Values without objection.**

5. **Health Equity Collaborative**

**Mr. Hernandez and Ms. Geeb** gave a detailed PowerPoint presentation and update of the Health Equity Collaborative.

**Ms. Geeb** reported that CenCal Health applied to be part of the Health Equity Learning Collaborative offered by the Association of Community Affiliated Plans (ACAP), our Federal Advocacy Organization. CenCal Health was accepted as one of 15 of the total 78 represented plans to participate in this program.

**Discussion:**

**Mr. Lisa** raised the question of whether or not the use of the term “equity” was just virtue signaling. He requested that once we complete the strategic plan, and once we determine measures and once we determine a plan of action, that we manage our expectations and as we see changes in the outcomes, we commit to taking meaningful action towards the focus of equity. Did we really make an impact or are we measuring ad nauseum? He wants to see expectations set on what we are going to see in the future, real concrete measurable targets and progress towards these. He recommended that the board's charge to staff is to not let this become just virtue signaling.

**Ms. Owen** accepted these recommendations to staff. She agreed on setting clear expectations, concrete targets and showing progress throughout the length of the engagement.

**Mr. Lisa** requested that the board be educated on an on-going basis of the progress that is tied back to the stated goals. This will ensure that staff is being held accountable and the board is being held accountable as well for progress.

**Mr. Hernandez** added that this is great feedback. The State's plan and our plans are aligned. The State is going to require that CenCal Health stratify their HEDIS (Healthcare Effectiveness Data and Information Set) measurements so we can trend disparities moving forward and we are accountable to close the gaps in care.

**Mr. Herlinger** asked for an explanation of what ACAP (Association of Community Affiliated Plans) does and how many plans are a part of it.

**Ms. Owen** explained that ACAP is a national organization that advocates mostly on the national level for policy supporting the local plans. Approximately 30 plans are from California.

**Ms. Andersen** asked if we would need to increase data system capacity for this initiative.

**Ms. Geeb** stated that we would need to increase capacity in addition to current data.

**Dr. Bravo** stated, “It's about time.” He added that those practicing medicine and in the medical industry have been talking about equity for a long time without having metrics or the ability to truly realize what is going on in terms of equity. Prior, we were not capturing the social aspects of the inequities that existed. He is pleased that we are addressing this as a whole, but especially within CenCal Health because of the populations that we serve. He believes it is critical right now and when we identify the metrics correctly, we start to see the inequities in all of our delivery systems. He commended staff on taking this on and stated that staff may come upon some difficulties but, like the newly adopted value of Integrity, this is an example of doing the right thing even when it is hard. This work is appreciated.

**Ms. Tanner** commended staff as well for embarking on this journey towards equity.

6. **Adopt 2023 Community Supports**

**Ms. Flaum** gave a detailed PowerPoint presentation on 2023 Community Supports.

**Discussion:**

**Mr. Neilson** asked about the cost savings for reduction in ER visits. Is this cost neutral?

**Ms. Flaum** stated that DHCS has identified for all 14 community supports where the cost savings should be coming from.

**Ms. Owen** added that LHPC has brought together plans who have begun these services in January to share their experience and strategies. We will need to watch the costs closely.

**Mr. Herlinger** asked if there was any relation to the Meals-on-Wheels program.

**Ms. Owen** stated that the Medically Tailored Meal Program has specific requirements for those members who require specific meals and these will be provided and shipped to the member through contracting with two vendors who specialize in this service. It is a program that will supplement the Meals-on-Wheels program and Meals That Connect program, which will not provide Community Supports.

**Ms. Andersen** asked if we are considering expanding the recuperative care program and putting sobering centers where none exist. She would like for CenCal Health to collaborate with Marian on this.

**Mr. Lisa** asked how members will access the sobering centers.

**Ms. Flaum** stated that staff is currently working with others in the community on expansion.

**Dr. Borenstein** stated that SLO County is planning on building a sobering center. This will be a nice marriage with CenCal Health to collaborate.

**Supervisor Hartmann** stated she is very supportive of this, but questioned what is CenCal Health's role in all of this; especially in the homeless arena.

**Ms. Owen** stated that CenCal Health will support the community through obtaining the funding and partner with community based organizations on existing and new programs.

**ACTION: On motion of Mr. Lisa and seconded by Supervisor Hartmann, the Board Approved adoption of the 2023 Community Supports without objection.**

7. **DHCS Housing and Homelessness Incentive Program**

**Mr. Harris** gave a detailed verbal report. Presentation slides were provided within the board packet materials. He will provide a status update at our fall meeting.

**Discussion:**

**Supervisor Hartmann** asked how we will identify our members.

**Mr. Harris** stated through partnership with community based organizations.

**Mr. Nielson** advised to use the one-time funding wisely and to focus on how to assist once the individual is housed.

**Ms. Tanner** commended staff on their efforts on their herculean efforts in launching these new initiatives.

8. **CenCal Health Performance Program CenCal Health 2022 Operating Plan and Integrated Planning**

**Mr. Morris** gave a detailed PowerPoint presentation. He stated that a new performance dashboard is being developed and will be presented to the board in the fall. There were no questions or comments.

## 9. Information Technology Roadmap

**Mr. Cioffi** gave a detailed Power Point presentation. Staff has engaged the expert vendor InfoTech to assist us in developing a catalogue of services that will maximize IT efforts for the organization. CenCal Health bought Essette Medical Management software to assist with case management, population health management and utilization management. There were no questions or comments.

## 10. Financial Update

**Mr. Ambrose** gave a detailed PowerPoint presentation.

### **Financial Highlights (year-to-date)**

- o Consolidated gain or loss from all programs and activities show a year-to-date operating loss of \$5.3 million compared to anticipated flexible budget operating loss of \$13.4 million.
- o Capitation revenue is over budget by \$79.2 million and 8.9%.
- o Total medical costs are over budget by \$75.2 million and 9.5%.
- o Medical loss ratio (MLR) FYTD is running at 90%.
- o Administrative expenses are under budget by \$5.0 million and 10.1%.
- o Admin Costs as a Percentage of Capitation Revenue FYTD is running at 5.0%.
- o Other revenue and unrealized gain (loss) is over budget by \$1.8 million and 157.4%.
- o Tangible net equity (TNE) is at \$165.0 million, which is 65% of the Board approved Minimum TNE Target at \$252.0 million.
- o Member enrollment is at 213,165 covered lives as of April 2022.

### 10.1 Financial Statements (Period Ended April 30, 2022)

**ACTION: On motion of Mr. Herlinger and seconded by Mr. Lisa the Board Approved the Financial Statements for the period ended April 30, 2022 without objection.**

## **12. ITEMS FOR WHICH THE NEED TO TAKE ACTION AROSE SUBSEQUENT TO THE POSTING OF THE AGENDA (REQUIRES DETERMINATION OF THIS FACT BY VOTE OF FOUR DIRECTORS OR, IF LESS THAN FOUR DIRECTORS ARE PRESENT, UNANIMOUS VOTE).**

**Ms. Tanner** adjourned the open session at 7:55 pm and opened the closed session at 7:59 pm.

### **Closed Session:**

- CONFERENCE WITH LEGAL COUNSEL: PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.9 Pursuant to Potential Litigation

**Ms. Tanner** adjourned the closed session 8:20 pm and opened the open session at 8:21 pm.

### **Report from the Closed Session:**

**Ms. Tanner reported:** After discussion in closed session, the Board of Directors took no action. As there was no further business to come before the Board, Ms. Tanner adjourned the meeting at 8:22 pm.



Respectfully submitted,

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Paula Marie Bottiani, Clerk of the Board

## Group Meeting COVID Safety Protocols

CenCal Health is committed to the safety and well-being of our customers, partners, board members and staff and has adopted the following S.A.F.E.R. principles to guide our decision-making as we continue to navigate COVID-19:

- SAFE: We prioritize the safety of our employees, board members, members and providers and align with best practices and guidelines.
- ALIGNED: We prioritize collaboration to support a cohesive organization and strong culture.
- FLEXIBLE: We value work/life balance for employees and embrace a hybrid work model.
- EMPATHETIC: We communicate proactively and empathetically.
- RESPONSIVE: We respond to the needs of our customers and partners as a local health plan committed to our community by retaining a local presence.

As these principles apply to public indoor meetings, the following COVID safety protocols have been modeled off public health guidance and available best practices. Please review these protocols before traveling to/arriving at a CenCal Health meeting, to ensure you have taken safety precautions.

1. **Vaccination** plus a booster is recommended or testing is required.
2. **Testing**<sup>1</sup>. COVID-19 test with a negative result within 48 hours prior to the meeting is recommended, regardless of vaccination status. Pre-entry testing on-site can be arranged as needed.
3. **Self-Screening** for potential COVID-19 symptoms is required the day of the respective meeting.
4. **Illness**. Should you test positive prior to the meeting, please follow updated CDC guidelines for isolation and quarantine and do not attend the meeting.
5. **Face Coverings**<sup>2</sup>: Masks are *strongly recommended* in indoor public places, for everyone, regardless of vaccination status. Masks will be available on-site as needed.
6. **Focused Attendance**. Staff attendees will be limited to those with a business need to attend.
7. **Ventilation**<sup>3</sup>. Meeting rooms will be ventilated naturally (windows and doors) when possible.

Attendance at meetings open to the public, pursuant to the Brown Act, is welcomed and precautions will be taken to ensure the safety of members of the public, board members and staff. CenCal health will continue to assess and adapt protocols based on public health and best practice information to promote the safety and well-being of our customers, board members, partners and staff.

I, hereby, understand, acknowledge, and attest that I have reviewed the Group Meeting COVID Safety Protocols and agree to abide by the principles and COVID safety protocols included herein.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

<sup>1</sup> [California Department of Public Health Safe and SMART Events Playbook, April 1 2022](#)

<sup>2</sup> [California Department of Public Health, Masking and COVID-19 in California, April 2022](#)

<sup>3</sup> [California Department of Public Health, COVID-19 & Indoor Air Quality Ventilation Tips, July 2021](#)



**Date:** June 15, 2022  
**To:** Board of Directors  
**From:** Marina Owen, Chief Executive Officer  
**Subject:** Executive Summary

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**State Budget** Governor Newsom presented the May Revise to his State Budget proposal. The plan includes \$227.6B for health and human services programs with \$67.4B coming from the General Fund. The allocation swelled from his January Proposal by \$10B and has been generally well received by all segments of the health care community. Additional funding to support low and middle-income families afford health insurance and behavioral health services for youth and children have been appreciated. The Legislature has until June 15 to pass the budget. Legislative leaders must then work out a final package to be signed by the Governor by June 30 before the start of the new fiscal year. Additional detail can be found in the State Lobbyist Briefing.

**Alternative Health Services Plan (AB2724)** The California Department of Health Care Services (DHCS) continues to stay the course in their current position on AB2724 and the Local Health Plans of California (LHPC) continue to advocate for local plans by presenting amendments for their consideration and adoption. With introduction of new Trailer Bill Language (TBL) that includes the Whole Child Model (i.e. CCS Program) in Santa Barbara and San Luis Obispo Counties, local concerns continue to be present and CenCal Health has met with elected officials and the Director of DHCS to request amended language in AB2724 or the newly introduced TBL. Additional details can be found in the Administration and Alternative Health Services Plan Reports.

**Federal Policy** The Biden Administration has repeatedly assured states and other stakeholders that they will give sixty (60) days' notice before the end of the COVID public health emergency (PHE). The current PHE officially ends on July 15, so when no announcement was forthcoming last month, observers are confident that it will be extended yet again, probably to mid-October. The Center for Medicare and Medicaid Services (CMS) continues to encourage states and California is exhorting health plans and counties to prepare for the eventual end of the PHE and returning to normal enrollment operations and preparing for the unwinding of flexibilities on eligibility for members. CenCal Health is engaged in implementation strategies for outreach and communication with members. The \$10B COVID supplemental appropriation package has not cleared the Senate, even as the Administration warns that time may be running out to replenish the nation's stockpiles of vaccines, tests and therapeutics. As noted in

the Federal Lobbyist briefing, the situation is further complicated by the fact that at least some of the offsets intended to pay for the package have already been spent, which may require new ones to be identified. In positive news and as anticipated, CMS announced that California received approval to provide continuous Medi-Cal enrollment coverage for 12 months postpartum. This benefit is expected to support an estimated 57,000 pregnant and postpartum individual's state-wide.

**Financial Position** CenCal Health's net operating gain in May 2022 was \$200K, given improving revenue and administrative expense factors. Administrative expenses are under budget by \$462K for the month and \$5.5M for the year (or 10%). May revenue is near budget forecast. Medical expenses are reported over budget forecast by \$887K (or 1.2%) for the month as influenced by the following expense categories: out of area inpatient care, skilled nursing care and mental health/behavioral health services. Tangible Net Equity (TNE) is \$165.1M, which is 436% of the DMHC required minimum and 66% of the board approved target. May represents the fifth consecutive month ending in a positive operating margin, which trends well against the revised budget forecast covering the months of January –June 2022. Additional details can be found in the Financial Report and Statements.

**Provider Network Development** Provider Services staff continue to engage potential Enhanced Care Management (ECM) and Community Supports (CS) providers in the ongoing effort to build provider networks for these two CalAIM initiatives. Provider agreements and exhibits specific to each program and service have been approved by DHCS and are being sent out to potential providers for execution. CenCal Health continues to host bi-weekly ECM Provider Roundtable Collaborative meetings, as well as individual meetings to discuss each provider's progress and unique needs and questions. Additional details can be found in the Operations Report.

**NCQA Innovation Series** On May 26<sup>th</sup>, Population Health's Rachel Ponce and Gabriela Labraña, MPH presented the multi-award-winning human papillomavirus (HPV) vaccination education program, "Know More: HPV," as part of the National Committee for Quality Assurance (NCQA) Quality Innovation Series. It provided CenCal Health the opportunity to share quality improvement successes to a wide-reaching audience on a national stage. Included in the presentation was a review of best practices for leveraging community partnerships, guidance on developing sustainable and adaptable interventions to improve healthcare quality, as well as challenges experienced. Additional details can also be found in the Health Services Report.

**Medical Audit** The 2021 DHCS Medical Audit (Audit) was held virtually from October 25 through November 5, 2021. The Audit was a full scope audit with a two-year look-back period from November 1, 2019 through September 30, 2021 and included the following components: Utilization Management, Case Management and Coordination of Care, Access and Availability, Member Rights, Quality Management, Administrative and Organizational Capacity, and State Supported Services. The DHCS Exit Interview with CenCal was held on April 26, 2022 to review preliminary audit results and to provide an opportunity to ask questions before formal rebuttals are submitted to DHCS and the final audit report is published. On May 11, 2022, CenCal Health formally submitted a response to the DHCS Preliminary Audit Report with supporting documentation. On

June 1, 2022 the final Audit Report was received with a summary of findings and next steps. Additional details can be found in the [Compliance Report](#).

**Staffing Update** I am pleased to announce two additions to CenCal Health's executive leadership team. Both leaders believe in mobilizing communities to support meaningful change and we know that with CalAIM on the horizon these opportunities have never been more apparent for local public plans.

[Emily Fonda, M.D., MMM](#), will be joining CenCal Health as Chief Medical Officer (CMO) on June 12<sup>th</sup>. Dr. Fonda served as CalOptima's CMO, Deputy CMO and Medical Director since 2013, with focus areas in long term care, dual special needs programs and NCQA requirements. Prior to this experience, Dr. Fonda served as a Regional Medical Director at OrthoNet and Senior Director of Audit, Compliance and Education at Optum. By way of background, Dr. Fonda graduated from USC with a Bachelor's degree in Biological Sciences, went on to get her Medical Degree from UC Irvine and completed her Internal Medicine Residency shortly thereafter. She obtained a Masters in Medical Management from USC in 2010 and prior to that was in private practice for 20 years associated with Hoag Memorial Hospital.

[Van Do-Reynoso, MPH, PHD](#), will be joining CenCal Health as our Chief Customer Experience Officer (CXO) effective August 1<sup>st</sup> 2022. We know Dr. Do-Reynoso well locally from her leadership as Director of Santa Barbara County's Public Health Department during the COVID-19 pandemic and for her service on CenCal Health's Board of Directors. By way of background, Dr. Do-Reynoso graduated from UC Santa Cruz with a Bachelor's degree in Biology, went on to get a Master of Public Health from UC Berkeley, and a doctorate in Public Health Systems and Services from UC Merced. She was previously the Public Health Director of Madera County before moving to Santa Barbara County five years ago. Van has a strong understanding of Medi-Cal member's needs with experiences in a variety of settings including a mental health department and addressing drug and alcohol use. This reimagined executive role (previously COO) will focus on expanding access to care, providing excellence in and improved member experience, and strengthening community collaboration.

Additional information can be found in the [Human Resources Recruitment Report](#).

### **Administration Report**

**Date:** June 15, 2022

**From:** Michael Harris, Director of Government and Administrative Services

**Through:** Marina Owen, Chief Executive Officer

### **Executive Summary**

CenCal Health staff continue to work on numerous activities and projects geared towards continually improving its services, partnering with the communities we serve and displaying value to the State, our members and our providers. Significant new requirements are coming in the future through a new 2024 proposed contract with the Department of Health Care Services (DHCS).

DHCS is requiring, and CenCal Health supports, the need for managed care plans to recognize their roles in eliminating health disparities, providing whole person care services that address members' social determinants that impact their health, ensuring health equity and being able to demonstrate and quantify quality. Focus areas of administration include supporting CenCal Health departments in implementing CalAIM, understanding incentive programs that seek to address social determinants and working with local school districts to address student mental health.

The San Luis Obispo office reopened on June 1, 2022. Maintaining a work environment that is both welcoming and provides flexibility to employees, while ensuring excellence in service, continues to be an administrative priority. Almost 20 employees now plan on having flexible schedules that allow them to work at CenCal Health's San Luis Obispo offices.

Legislative activities have been numerous as various proposals move in the legislature that may impact CenCal Health. As discussed in a separate Board item, staff have been very active regarding the State's proposal to contract with Kaiser Permanente and expand their Medi-Cal line of business; including in some County Organized Health Systems.

### **Government Affairs**

#### *2024 Health Plan Contract*

Government Affairs and the Compliance Department are working with other local health plans in reviewing the over 375 Pages of the newly proposed 2024 contract. As your Board was informed in the May 2022 Administrative Report, considerable time and analysis is ongoing in this area. A significant focus of DHCS in this agreement is addressing health disparities and significantly expanding data requirements of the health plans and can shoring high quality.

### *Incentive Programs*

As your Board was briefed in its May 2022 meeting, CenCal Health is working with local counties, Continuums of Care, community partners and others on the Homelessness Housing Incentive Program, to improve housing and wraparound services for homeless members. CenCal Health is also working with the County Offices of Education and local school districts in conducting an assessment on available mental health services for students. This three-year incentive program from DHCS has a first year assessment where strengths and gaps will be identified and CenCal Health will work with the local school districts in determining their interests in moving forward to assist with student access to mental health and behavioral health services. Years two and three will implement any services that the districts may want to in order to address their students' needs. Future services must be sustainable as Medi-Cal billable activities.

### *CalAIM Implementation*

During the implementation of CalAIM, it is anticipated that CenCal Health will need to address the need to expand services and engage in data exchange. Working with DHCS, CenCal Health has obtained funding to help mitigate barriers to implementing the various aspects of CalAIM. CenCal Health staff who are implementing the various aspects of Enhanced Case Management and Community Supports of CalAIM will identify with providers what enhancements need to be made in order to continually improve and expand the services provided and to ensure CalAIM success.

### *Behavioral Health Integration*

Expanding mental health services in primary care clinics has been an effort in a DHCS incentive program, "Behavioral Health Integration Program". This program has CenCal Health working with local clinics to expand the clinic access to mental health services and working with Marian Regional Medical Center in addressing mental health services through the hospital. This program will ultimately look at the experiences of the providers and to integrate those types of services into the health care system locally.

## **Administrative Services**

### *Office Re-Opening*

CenCal Health has been welcoming back its employees in various stages, focused on principles that include those focused on: *safety first, adaptability of operations, flexibility for staff, empathy in communication and responsiveness to our customers*. After establishing COVID-19 protocols that align with public health guidelines and distributed by Human Resources, departments began to phase back into the office at the end of Q1 2022. The office in San Luis Obispo reopened on June 1, 2022 and staff are working flex schedules that are established between their respective department directors and each employee. Employees will be workspace "hoteling" - sharing.

Hybrid (i.e. flexible) work schedules are accommodated aligned with business needs. Given flexible work schedules in the office, improving workspace efficiency is important. Having an employee that uses their workspace, for example, two days per week, leaves that workspace open the majority the work week. Workspace hoteling will become part of CenCal Health's future in more efficiently managing its workspace. The Administrative Services Manager and a representative from the IT Department are exploring various platforms that assist organizations with the efficient use of existing office space.

As your Board may recall, CenCal Health was in the final stages of discussing electric vehicle chargers being placed at CenCal Health's main offices by Southern California Edison. Unfortunately, SCE could not implement the program due to the need to have an electrical transformer on-site. While the SCE staff tried various scenarios to get the project approved, ultimately the cost was too great.

Administrative Services continues to look at other ways of lessening CenCal Health's environmental footprint. Studies are underway regarding solar panels and an evaluation is anticipated regarding outdoor landscaping and the potential of reducing CenCal Health's water bill for outside irrigation. These type of evaluations and approaches are not just good environmentally, but they make good business sense.

### **Legislative Matters**

Previously, staff have provided information regarding the State's efforts to expand Kaiser Permanente into local communities. CenCal Health's CEO and Director of Government Affairs have been spending considerable time involved in this issue and CenCal Health's legislative advocate in Sacramento has been deeply involved. A full report to your board and a separate agenda item is contained in your Board packet.

CenCal Health staff continue to work with its health plan associations, particularly the local health plans, on a myriad of issues directing health plan activities and Medi-Cal benefits. A report from Russ Noack, principal at Public Policy Advocates, may be found at [Attachment A](#).

On the federal level, CenCal Health's federal legislative advocate in Washington, DC, continues to monitor federal activities. Of particular interest to health plans is the current Public Health Emergency (PHE). The PHE allows individuals who qualify for Medi-Cal to stay on Medi-Cal without having to go through a redetermination process to prove their eligibility. It is anticipated that when the PHE ends, CenCal health may lose several thousand members who no longer qualify for Medi-Cal. In addition, Medi-Cal members change their home location more often, particularly when financial hardships, such as skyrocketing rents, force them to move. This makes advising members that they need to reapply for Medi-Cal because the PHE has ended extremely difficult.



Ms. Owen and Mr. Harris will be in Washington, DC, to meet with federal officials regarding current federal and state events. A report from Paul Beddoe on federal matters may be found at [Attachment B](#).



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## Attachment A

**To:** Marina Owen, Chief Executive Officer  
Michael Harris, Director of Government Affairs  
CenCal Health

**From:** Russ Noack, Legislative Advocate

**Subject:** Legislative Update –June 2022

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Governor Newsom’s proposal to permit DHCS to enter into a direct contract with an alternative health care service plan, that is defined to refer exclusively to Kaiser, to serve as a primary Medi-Cal managed care plan commencing in January of 2024 remains the crucial legislative issue at the Capitol. The Governor has indicated it is a top three priority to him along with providing relief checks to the public based on the State Budget surplus and establishing a Care Court to assist the mentally ill portion of the homeless population. The proposal is contained in Assembly Bill 2724 by Dr. Joaquin Arambula, a Democratic member from Fresno. We continue to meet with legislators and staff to push for insertion of language to provide greater clarity of the geographic regions Kaiser is eligible to enter and to establish an open negotiation process with DHCS.

Additionally, we actively participated in the lobbying effort opposing AB 2724 as it faced a severe test on the Assembly Floor last week. Along with the LHPC coalition that includes the COHS, the National Union of Health Care Workers strongly opposed the bill arguing that since Kaiser is failing to meet its current enrollees’ behavioral health needs it should remedy these deficiencies prior to adding thousands of new Medi-Cal beneficiaries. Countering expectations, the bill did not sail out of the Assembly, but rather passed off the floor with the bare minimum of 41 votes and only after the Governor personally placed calls asking for votes from several key legislators. With gratitude to the CenCal Health leadership and Board, I am pleased to report that none of the legislators from Santa Barbara and San Luis Obispo County voted for the measure. AB 2724 now moves to the Senate waiting referral to the Health Committee chaired by Dr. Pan of Sacramento, a member who has expressed concerns with aspects of the bill. However, the possibility remains that the Kaiser direct contracting provisions will be amended into a budget trailer bill which would short circuit the normal policy committee hearing process in the Senate.

Governor Newsom has presented his “May Revise” to his State Budget proposal. His plan includes \$227.6 billion for health and human service programs with \$67.4 billion coming out of the General Fund. The allocation swelled from his January proposal by \$10 billion and has been generally well received by all segments of the health care community. Additional funding to support low and middle-income families afford health insurance and behavioral health services for youth and children have been applauded. The Legislature has until June 15 to pass a budget. Legislative leaders must then work out a final package to be signed by the Governor by June 30 before the start of the new fiscal year.

During the last few weeks, the Assembly seemed poised to make leadership changes. Last Friday (May 27), Robert Rivas, a Democratic member from Salinas appeared to have sufficient votes within the caucus to become Speaker. However, by Tuesday, the caucus altered their course and decided

that their long-time leader, Anthony Rendon will remain Speaker at least for the rest of the Legislative Session.

**To:** Marina Owen, Chief Executive Officer  
Michael Harris, Director of Government Affairs  
CenCal Health

**From:** Paul V. Beddoe, Principal  
Paul V. Beddoe Government Affairs, LLC

**Subject:** Federal Report, June 2022

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**Overview**

During the Memorial Day recess, House leadership announced their intention of bringing an ambitious set of gun safety measures to the floor, in response to the ongoing spate of horrific shootings, including those in Uvalde, Texas, and Buffalo, N.Y. Meanwhile a bipartisan group of senators are meeting to see if they can reach agreement on a package that could gain enough support to overcome an expected filibuster. Increasing resources for mental health is said to be on the table. With an ever-shrinking number of legislative days before the August recess, and the imperatives of campaign season, even significant legislative priorities may fall by the wayside.

**Congressional and Administrative Action to Watch**

*COVID Response*

The Biden Administration has repeatedly assured states and other stakeholders that they will give sixty days' notice before the end of the COVID public health emergency (PHE). The current PHE officially ends on July 15, so when no announcement was forthcoming on Monday, May 16, observers are confident that it will be extended yet again, probably to mid-October.

Meanwhile, CMS continues to exhort states to prepare for the eventual end of the PHE and returning to normal Medicaid and CHIP eligibility and enrollment operations, including releasing resources and pointing to what it considers the ten basic things states need to do to prepare for unwinding, including engagement with health plans/MCOs and providers to develop and implement strategies for outreach and communication with beneficiaries.

The \$10 billion COVID supplemental appropriation package continues to languish in the Senate, even as the Administration warns that time may be running out to replenish the nation's stockpiles of vaccines, tests, and therapeutics. The situation is further complicated by the fact that at least some of the offsets intended to pay for the package have been spent, which may require new ones to be identified.

### *12-month Continuous Coverage Postpartum*

As anticipated, on May 26, CMS announced that California received approval to provide continuous Medicaid and Children's Health Insurance Program (CHIP) coverage for 12 months postpartum. This benefit is expected to support an estimated 57,000 pregnant and postpartum individuals.

### *Bipartisan Behavioral Health Legislation*

The Senate Finance Committee released a bipartisan telehealth package, intended to form a title in the planned behavioral health bill they hope to mark up before the August recess. Additional packages could be released soon, including measures aimed at improving mental health integration, increasing access to services, and improving services for children and youth.

On May 18, the House Energy and Commerce Committee marked up a package of six health bills including measures to reauthorize expiring programs in SAMHSA and HRSA, provide grants to states to enforce mental health parity laws, prepare for implementation of the new 988 behavioral health crisis response hot line. Another measure of interest would lift the Medicaid payment exclusion for juveniles in custody pending disposition of charges, and require states to provide screenings and referrals to youth reentering the community after detention.

### **Activities**

We continue to monitor the California Department of Health Care Services pending State Plan Amendments (SPAs) submitted to CMS, and CMS approved SPAs for California. We are preparing to engage with relevant members of the California Congressional Delegation in conjunction with the ACAP meetings in Washington, DC in June. This will provide an opportunity to raise awareness of possible Federal dimensions to the State's new alternative health care service plan and potential impacts on health outcomes for vulnerable populations.

We continue to monitor for, and report to CenCal Health on any legislation introduced and or proposed CMS regulations which would impact the County Organized Health System (COHS) model.

### Health Services Report

**Date:** June 15, 2022

**From:** Amanda Flaum, Chief Health Operations Officer  
Carlos Hernandez, Quality Officer

**Contributors:** Isis Montalvo, MBA, MS, RN, CPHQ; Director of Medical Management  
Jeff Januska, PharmD; Director of Pharmacy Services  
Seleste Bowers, DBH; Director of Behavioral Health  
Lauren Geeb, MBA; Director of Quality  
Rita Washington, Health Services Program Manager

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### Chief Health Operations Officer and Quality Officer Update

CenCal Health's new Chief Medical Officer, Dr. Emily Fonda, will join the organization on June 13<sup>th</sup> and Director of Medical Management, Chris Hill, will join on June 6<sup>th</sup> 2022. After nearly five years with the company, Dr. Karen Hord retired at the end of May, and will remain available to support and answer questions during the transition period. CenCal Health's Interim Director of Medical Management, Isis Montalvo, will remain engaged through June 2022 to facilitate a smooth transition and hand off to the Director of Medical Management.

CenCal Health's Health Services team has filled 6 of the 7 approved CalAIM positions to manage and operationalize the Enhanced Care Management and Community Supports Programs. Of the 6 positions filled, 4 were internal promotions which demonstrates our commitment to internal growth and opportunities.

The Behavioral Health team implemented a corrective action plan to support the processing of timely authorizations, turn around time compliance, and address staff recruitment challenges. A 2 day rapid process improvement event was held to identify process efficiency and solutions. The Behavioral Health team has shared their corrective action plan with CenCal Health Compliance for tracking and monitoring and it is anticipated that the team will meet and sustain authorization inventory and turn around time compliance by 8/1/22.

Medical Management continues to support improvements in the authorization process. The leaders conduct daily huddles to monitor authorization inventory, turn around times, and case escalations. The Medical Management team is also supporting the

Behavioral Health team by dedicating time to address inventory backlog. The Master Clinical Trainer has extended her scope to include Behavioral Health going forward.

Medi-Cal RX (administered by Magellan) rolled out their planned 3-phased approach to reinstate the suspended claims edits and prior authorization requirements for retail prescriptions. Wave 1 of Phase I is targeted to be in place July 22, 2022. More detail on timeline is noted in the Pharmacy section of this memo.

CenCal Health kicked off the CalAIM Population Health Management Program development effort, with the formation of multidisciplinary workgroups that will assess the health plan's operational compliance with NCQA standards for the accreditation of managed care plans. This assessment is the first of many to assess accreditation readiness, and it is prerequisite to implementation of operational refinements needed to achieve PHM accreditation readiness by January 2023.

## **Medical Management Update**

### *Utilization Management*

For Adult Utilization Management (UM) in May, Turn-Around Time (TAT) rates for urgent pre-service authorizations ( $\leq 72$  hours) were high at (99%), retrospective ( $< 30$  days) or post-service authorizations were at (100%) and standard pre-service ( $\leq 5$  days) authorizations were at (99%). An action plan was implemented in March to improve our compliance of turnaround time and improvements have been observed. The Adult CSA team received (1,453) calls in May, which is a decrease from 1,805 in April.

A daily team huddle was implemented for the Adult and Pediatric team in April. The daily team huddle is a best practice and occurs in less than 15 min and provides a focused review on status of authorizations, shifting resources to support compliance, being aware of staffing for the day and authorizations needing immediate follow-up. Staff and leaders attend the huddle and it is a combined huddle for Adult and Peds.

For adult Utilization Management, authorizations past the 5 day turnaround time have been due to the one time authorization (OTA) process. A weekly huddle continues between Medical Management and Provider Services to provide line of sight and get status updates. For Pediatric Utilization in May, the Turn-Around Time (TAT) rates for urgent pre-service authorizations is at 99%, standard pre-service is at 99% and retrospective post service at 100%. The Peds CSA team received 975 phone calls in May which is a 7% increase from 893 in April. The rate of response is 98% (calls answered).

The Notice of Action (NOA) Standard Operating Procedure (SOP) was updated to include updated NOA letter templates and training was provided. Additionally, a

written NOA workflow, easily understandable language tool and example letter were reviewed with staff as resources to completing the written NOA process.

### *Care Management*

The Pediatric Care Management (CM) team is finalizing phase two of the Individualized Care Plan (ICP) Enhancement Project. The enhancement of diagnosis-specific goals is being completed. The final step is focused on training the case managers on the newly developed ICP process with emphasis on when to use the enhanced care plan goals. The top referral source in Pediatric case management is California Children's Services (CCS) County offices from Santa Barbara (SB) and San Louis Obispo (SLO).

Referrals are mostly for CCS members being reviewed for their annual CCS medical eligibility redetermination. The Pediatric team made a total of 133 referrals to the County CCS offices in May which is one more case referral made compared to April. The Pediatric Social Work case managers are planning to resume their in-person support to the CCS Medical Therapy conferences. Social Work support during these multi-disciplinary conferences is crucial in effective care coordination between CenCal Health and CCS Medical Therapy Program. Support has been provided virtually since the pandemic. Member outreach is done when there is lack of recent medical visit notes on file and to determine if continued follow-up for the CCS condition is required.

Currently the top 3 referral sources to Adult CM are Internal Adult UM Department, Health Surveys and Internal referrals from Pediatric CM for members that have Aged-Out of CCS and require continued follow-up. Total referrals received to Adult CM during the month of April was 85 members. The Disease Management Program during the month of May consisted of 139 members enrolled in the Heart Program and 94 in the Diabetes Program. A decrease from previous months.

### *Enhanced Care Management (ECM) and Community Supports (CS)*

Medical Management has successfully filled six (6) out of the seven (7) Enhanced Care Management and Community Supports positions. Nicole Bennett, formerly the Senior Community Relations Specialist, has been promoted to Community Supports (CS) Program Manager effective May 9, 2022. Nicole will be responsible for the operations of the Community Supports Programs and will act as a liaison between CenCal Health and Community Support providers. The hiring of the ECM/CS staff is a crucial component of our readiness to go live with ECM and CS on July 1, 2022.



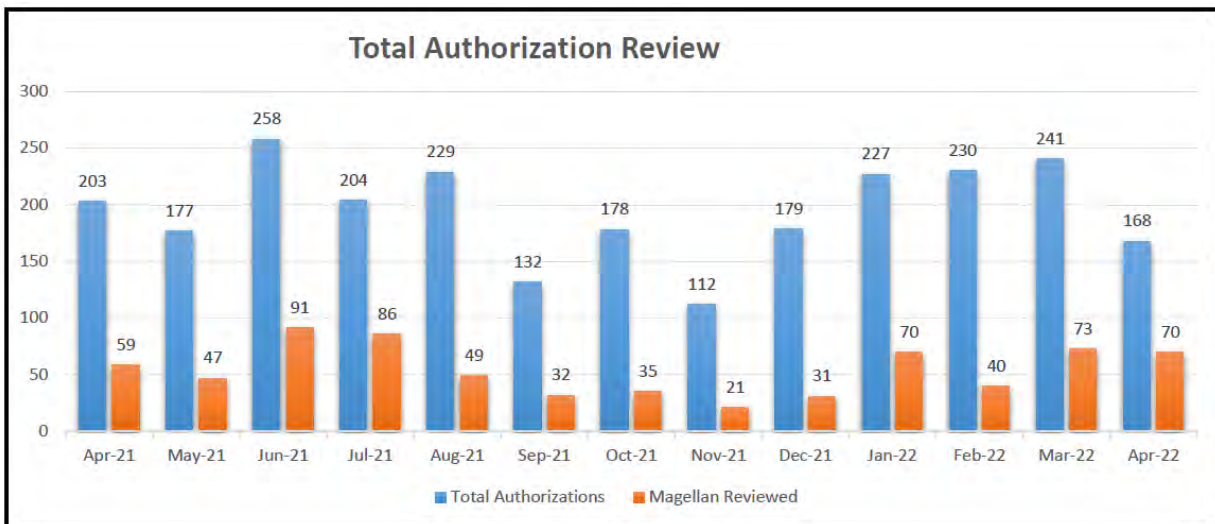
Health Services efforts are now focused on onboarding/training of the new ECM/CS staff, provider training and system testing. CenCal ECM/CS workgroup representatives continue to convene with ECM providers on a bi-weekly basis to provide the necessary support and guidance on ECM/CS.

Transition planning is underway to provide a comprehensive overview, orientation and warm hand-off to the new Medical Management Director, Chris Hill, who will be starting June 6, 2022. Isis Montalvo, MBA, MS, RN, CPHQ, will be onboarding the new Director during the month of June and is very pleased with the progress and continued improvements the team has worked on and made collectively over the last 9 months. It has been a pleasure and privilege to support the Medical Management team and CenCal Health during this time.

**Pharmacy Update**

*Medical-Pharmacy (Physician Administered Drugs – PADs)*

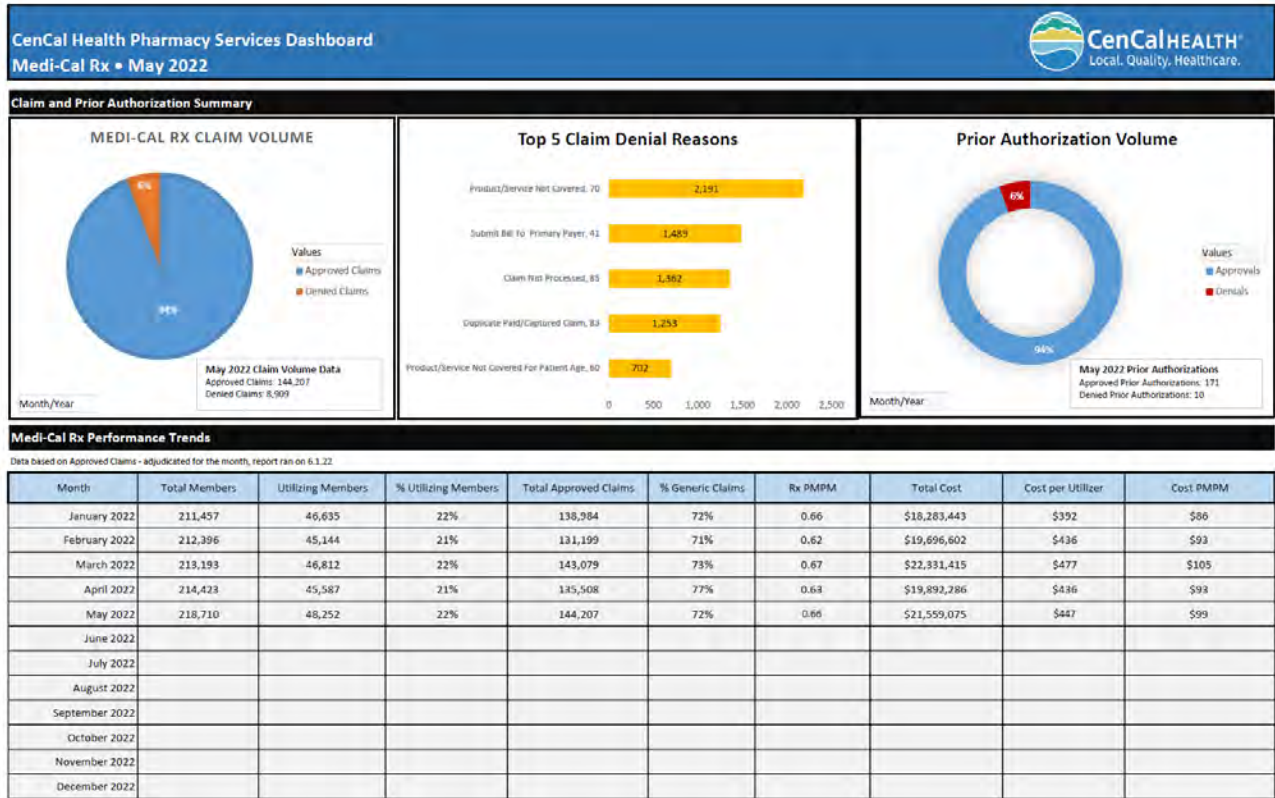
For the Month of April the CenCal Health Clinical Pharmacy team processed 168 PAD authorizations sending 70 out to our 3rd party review. Of these, 70% of the requests were for pre-service and a little over ½ within the oncology space either therapeutic or supportive. The authorization requests were completed within the regulatory time standards.



Medi-Cal Rx - retail pharmacy carve-out

After completion of the 5th month of the Medi-Cal Rx program, Pharmacy Department observations include:

- The number of monthly adjudicated prescriptions continues to track close to our historical experience.
- The amount paid for prescriptions continues to track above historical experience as we continue to see a shift from generic utilization over to brand utilization, which favors rebate opportunity under the DHCS design.
- Prior Authorization (PA) volumes from Medi-Cal Rx continue to track below natural history experience from CenCal, close to 17% of historical experience. This is compounded by DHCS removing the PA requirements for many classes of medications due to their significant backlog in processing.



On June 1, 2022 DHCS facilitated an All-Plan Call reporting on the planned 3-phased approach to reinstate the suspended claims edits and PA requirements which were turned off to support the challenges during the first months of the transition. Wave 1 of Phase I is targeted to be in place July 22, 2022.

## **Behavioral Health Update**

### *Behavioral Health Care Coordination*

The Behavioral Health Care Coordination Center continues to meet key performance indicators into quarter 2. The monthly call volume is at 1600 calls. This includes 333 provider calls and 1,777 member calls. The average call time is at 10:51 minutes, which is in line with the regulatory requirements for a health plan call center. Overall, the Behavioral Health Care Coordination Center calls from Members are regarding starting mental health services or finding a contracted provider. The Behavioral Health Department and Provider Services have identified that provider availability updates are needed regularly and continue to implement several strategies to obtain this information to support member timely access to care. The Behavioral Health Department will continue to assess network needs and work closely with provider services on targeted recruiting and ensuring member timely access to care.

### *Behavioral Health Authorization*

The Behavioral Health Department has received 233 authorization requests in the month of May. There was a 3% denial rate, this is a slight increase of 1% from the prior month of those 233 authorizations, and nearly 39% were referrals for psychotherapy, medication management, and psychological testing. 61% were treatment authorization requests. The April turnaround time is at 25.1 days. The goal is to meet DHCS standard of a 5 business day turnaround time. The Behavioral Health Department is working actively to address and stabilize the authorization processes. There are opportunities to streamline processes and focus on efficiency of the review process.

The Behavioral Health Department has participated in a rapid improvement process workgroup to initiate quick action remediation of the authorization process to support the team meeting a 5 day turn around deadline. In addition, Medical Management has supported Behavioral Health by providing an addition 2 RN's and 2 non clinical support full time to assist. CenCal Health is actively addressing the immediate needs and long term sustainability of the program including staffing resources and process improvements. Priorities include reduction of the Behavioral Health authorization inventory and staffing recruitment of open positions. This is being closely being monitored by the CHOO and Executive Leadership. Regular monthly and bi-monthly meetings continue to occur with all FQHC's and the County Departments of Behavioral Health.

## **Quality Department Update**

### *NCQA Quality Innovation Series*

On May 26<sup>th</sup> 2022, Population Health's Rachel Ponce and Gabriela Labraña, MPH presented the multi-award-winning human papillomavirus (HPV) vaccination education program, "Know More: HPV," as part of the National Committee for Quality Assurance (NCQA) *Quality Innovation Series*. It provided CenCal Health the opportunity to share quality improvement successes to a wide-reaching audience on a national stage. Included in the presentation was a review of best practices for leveraging community partnerships, guidance on developing sustainable and adaptable interventions to improve healthcare quality, as well as challenges experienced. The presentation was recorded and is available to access through NCQA's website at <https://education.ncqa.org/2022-quality-innovation-series/content/know-more-hpv>.

### *Health Equity Learning Collaborative*

On May 27<sup>th</sup>, 2022, CenCal Health was formally accepted into the Association of Community Affiliated Plans (ACAP) Health Equity Learning Collaborative, which starts in July 2022 and concludes in April 2024. The ACAP health equity collaborative consists of 15 plans competitively selected from among many applicants nationally. In partnership with the Center for Health Care Strategies (CHCS), the learning collaborative aims to help participating health plans design and implement strategic plans to address health equity. Throughout the course of the 22-month collaborative, plans will develop or strengthen a health equity focused strategic plan to enhance responsiveness to member and community needs, as well as state priorities. It will include monthly learning sessions, bi-monthly virtual meetings, and technical assistance led by health equity experts.

ACAP is a national Trade association representing 74 not-for-profit Safety Net Health Plans that collectively cover more than 20 million people through Medicaid, Medicare, Health Insurance Marketplaces, the Children's Health Insurance Program, and other publicly-supported government programs. The Centers for Healthcare Strategy (CHCS) is a policy design and implementation partner devoted to improving outcomes for people enrolled in Medicaid.

### *CalAIM Population Health Management (PHM) Program Development*

CenCal Health kicked off the CalAIM PHM Program development effort, with the formation of multidisciplinary workgroups that will assess the health plan's operational compliance with NCQA standards for the accreditation of managed care plans. This

assessment is the first of many to assess accreditation readiness, and it is prerequisite to implementation of operational refinements needed to achieve PHM accreditation readiness by January 2023. The strategic formation of workgroups was a significant step to assure the evaluation of operational compliance includes a balance of key subject matter experts that maintain and execute the operations scrutinized, in collaboration with other key team members not involved in the development of those operations. The PHM Program assessment began this month and will continue through 2022.

### *Preventive Health Guidelines*

The 2022 Preventive Health Guidelines were approved by the Quality Improvement Committee and will now be distributed to all health plan members via the Member Newsletter, new member packets, and the CenCal Health website.

The Preventive Health Guidelines member handouts summarize recommendations from the following organizations:

- U.S. Preventive Services Task Force A&B Recommendations for Normal Risk Adults
- American Academy of Pediatrics Bright Futures Periodicity Schedule
- Centers for Disease Control Recommended Immunization Schedule for Adults, Children, and Adolescents

The 2022 Preventive Health Guidelines are viewable on CenCal Health's website at [www.cencalhealth.org/providers/care-guidelines/preventive-health-guidelines](http://www.cencalhealth.org/providers/care-guidelines/preventive-health-guidelines)

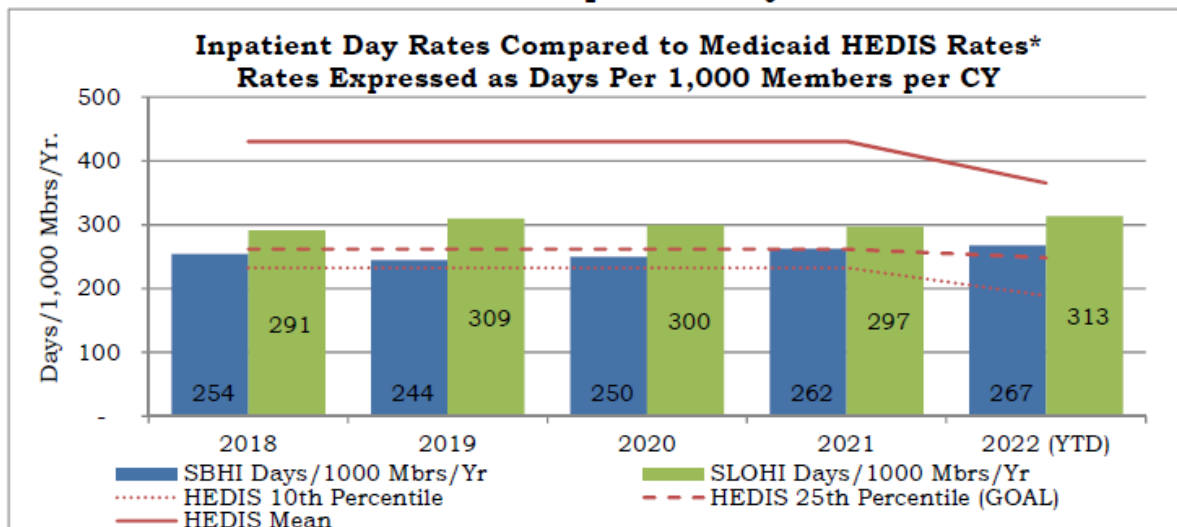
### *Member Newsletter*

The summer issue of the Member Newsletter will be mailed to all member households at the end of June. Regular distribution of the Member Newsletter is a key method for CenCal Health to promote better health, and maintain compliance with necessary member notifications. This issue includes the following topics:

- Back to School preparation
- Mental Health benefits
- Transportation benefit
- Organ Donation (required annual notification per DHCS)
- Fraud (required annual notification per DHCS)
- Pediatric Preventive Health Guidelines (required annual notification per DHCS)
- Adult Preventive Health Guidelines (required annual notification per DHCS)
- Evidence of Coverage Errata notice (required notification per DHCS)
- Redetermination announcement (required notification per DHCS)

**Key Performance Indicators**

**SBHI & SLOHI Inpatient Days Rates**



Last published HEDIS rates are for calendar year 2020 (measurement year 2019).

CY 2017 HEDIS Rates:

•10th Percentile: 231 •25th Percentile: 260 •50th Percentile: 317 •75th Percentile: 388 •Mean: 424

CY 2018 HEDIS Rates:

•10th Percentile: 233 •25th Percentile: 262 •50th Percentile: 328 •75th Percentile: 404 •Mean: 430

CY 2020 HEDIS Rates:

•10th Percentile: 189 •25th Percentile: 248 •50th Percentile: 303 •75th Percentile: 387 •Mean: 365

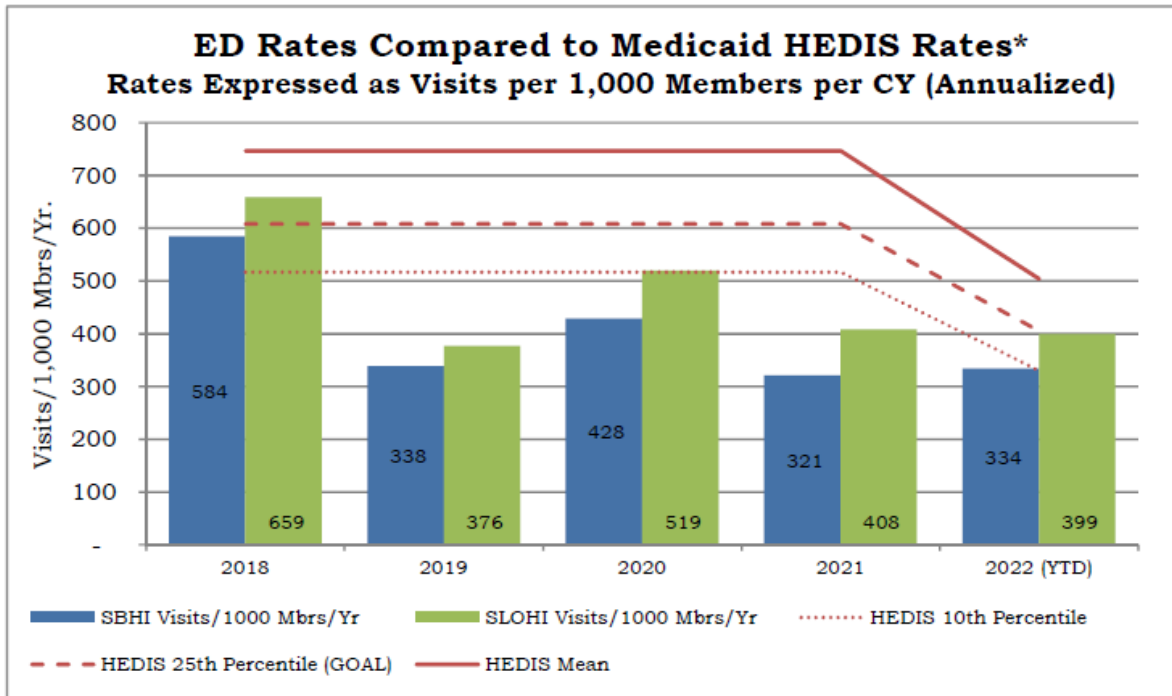
**Impressions:**

The graph above displays the year-to-year (YTY) annualized rate of inpatient days per 1,000 members. For 2022 YTD, rates for days/1000 is currently 267 for SBHI and 313 for SLOHI, which is lower than last months, but higher than 2021 year end. Comparatively, 2021 rates are trending about the same for year-end 2020. SLOHI and SBHI are above CenCal Health's goal of being in the 25<sup>th</sup> percentile of 262. Both remain below the Medicaid HEDIS 50<sup>th</sup> percentile of 328 and the HEDIS mean of 430. Of note, the 2022 year-to-date inpatient day rate is based on limited data for only a few months of calendar year 2022. As such, the increase in 2022 rate may be largely influenced by seasonality and/or normal variability often seen in YTD rates that represent only a few months of service.

**Actions:**

An inpatient stay workgroup is being convened in June to evaluate data and determine if the increase in day rates is secondary to scheduled admissions, changes in referral patterns, or other factors.

## HEDIS SBHI & SLOHI Emergency Department Visit Rates



Last published HEDIS rates are for calendar year 2020 (measurement year 2019).

CY 2017 HEDIS Rates:

•10th Percentile: 531 •25th Percentile: 627 •50th Percentile: 752 •75th Percentile: 872 •Mean: 783

CY 2018 HEDIS Rates:

•10th Percentile: 517 •25th Percentile: 608 •50th Percentile: 726 •75th Percentile: 841 •Mean: 746

CY 2020 HEDIS Rates:

•10th Percentile: 330 •25th Percentile: 405 •50th Percentile: 492 •75th Percentile: 574 •Mean: 504

\*Rates can fluctuate for up to 12 months due to late claims.

Effective July 1, 2018, SLOHI rates include CCS claims.

### Impressions:

The above graph displays a year-to-year (YTY) annualized rate of ED visits per 1,000 members. Benchmarks changed, however, ED visits per 1,000 members are still within goal for CenCal Health as both counties continue to meet the target goal of being within the HEDIS 25<sup>th</sup> percentile. Initial data for 2022 indicates similar trending to 2021.

### Actions:

CenCal Health's overall and "avoidable" ED utilization is below the standards set by both HEDIS and DHCS. A reassessment of ongoing actions is not necessary at this time.

### Operations Report

**Date:** June 15, 2022

**From:** Eric Buben, Director of Member Services

**Contributors:** Gary Ashburn, Director of Claims  
Nancy Vasquez, Provider Services Operations Manager  
Sheila Thompson, R.N., Provider Quality & Credentialing Manager

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### Member Services

#### *Membership Expansion and Public Health Emergency*

Aggregate membership continues to grow. As previously reported, the State expanded Medi-Cal eligibility to members ages 50-64 without satisfactory immigration status as of May 1, 2022, referred to as the Older Adult Expansion (OAE). CenCal Health began providing full-scope Medi-Cal eligibility to an additional 2,769 members.

The Public Health Emergency (PHE), already extended until July 15, 2022, is widely expected to be extended again until October 15, 2022. CenCal Health must be notified 60 days prior to the end of the emergency and this date has now passed. The implication is that member eligibility will not be re-determined and enrollment will not decrease during this time.

#### *Member Customer Service and Member Portal*

The number of calls per day on average into Member Services was 385. For these calls, the average speed to answer within 30 seconds was 87%, which is above the goal of 85%. Calls abandonment rate was 2%, which is below the goal of 3% or less (lower is better). Grievances and appeal receipts from members was within normal ranges. All other metrics in Member Services were at goal or better in May 2022.

CenCal Health is building a portal for Members to support common requests, such as selecting a primary care provider (PCP) or obtaining a member card. The projected date for this offering is December 2022. This will be the first member portal of its kind offered for CenCal Health membership with the opportunity to enhance and improve it over time, responsive to member needs and requests.

#### *Member Materials provided in Alternate Formats*

As mentioned on the May Operations Report, a new All Plan Letter (APL) was released for Alternative Format Selections (AFS). If a member selects braille, large print, audio or data CD formats as preference for member materials, CenCal Health is required to



send materials in their preferred format. Member Services received the first AFS file from the Department of Healthcare Services (DHCS) for our member selections reflecting 500+ member selections with an AFS (490+ were large print AFS selections, 4 with Braille). Operational readiness will be completed in June for a July 1<sup>st</sup> effective date.

## **Provider Services**

### *Provider Network Expansion*

Provider Services staff continue to engage potential Enhanced Care Management (ECM) and Community Supports (CS) providers in the ongoing effort to build provider networks for these two CalAIM initiatives. Provider agreements and exhibits specific to each program and service have been approved by DHCS and are being sent out to potential providers for execution. Business Associate Agreements and credentialing applications tailored for these provider types are being distributed as well.

CenCal Health continues to host bi-weekly ECM Provider Roundtable Collaborative meetings, as well as individual meetings to discuss each provider's progress and unique needs and questions. User Acceptance Testing has been completed on modifications to the provider screen to allow data entry, member assignment and provider reimbursement. The Provider Directory has been developed as well. Staff has begun working on member identification new Community Support elections (referred to as Phase 2) that CenCal Health will offer in January 2023 (e.g. Sobering Centers) and the corresponding Model of Care updates that will be required.

Provider Services is completing the credentialing of all mental health and behavioral health providers who were formerly contracted through CenCal Health's MBHO, The Holman Group, with less than a dozen providers still outstanding. Provider Services expects to complete this project prior to the end of the six-month grace period allowed by the delegation arrangement, ending 6/30/2022.

## **Claims**

### *Claims Operations*

CenCal Health claims processing operational performance in May was within target ranges. Medical claim receipts increased significantly to 280,333, which is 27% over the pre-pandemic baseline. The increased trend appears to be in excess of the recent receipts and expected given continued membership increases and the addition of behavioral health claims. Provider calls decreased, and are trending toward normal levels after the large increase in March in part due to the insourcing of behavioral health and mental health claims processing. For calls received by the Claims Department, the average speed to answer was 16 seconds with the average talk time approximately 8 minutes. All other claims-related metrics were well within goals for all critical measures monitored.

### **Information Technology and Project Management Office Report**

**Date:** June 15, 2022

**From:** Bill Cioffi, Chief Information Officer

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#### **Information Technology Update**

##### *Monthly Trends*

The following monthly trends are observed:

1. Total claims received during month of May 2022 is approximate at 280,000.
2. CenCal Health is no longer receiving claims from the following sources: Pharmacy (MedImpact) and Behavioral Health (BH) (Holman Group).
3. Paper claim volume is trending up which is contributed to insourcing of BH benefit and onboarding of provider network.

##### *Digital Health Assessment*

Information Technology is performing a Digital Health Assessment with the support of Nordic Consulting Partners to evaluate the current state of CenCal Health's data analytics and reporting capabilities to develop a strategy and roadmap for future state. During this assessment, an external consulting firm will cover a range of topics and business areas including but not limited to Quality Measurement, Population Health, Health Services (UM & CM), Finance and Provider Contracting. The final report will be available in August 2022.

#### **Project Management Update**

##### *Project Progress and Status*

In June, nine (9) projects were closed with eight (8) in process, five (5) upcoming and one (1) on hold. Of these, seven (7) projects are in an execution stage and two (2) are in initiation. Related to health status, seven (7) projects are on track (green) and two (2) projects in yellow status with the project teams identifying risk mitigation strategies.

### Quality Improvement Committee (QIC) Report

**Date:** June 15, 2022

**From:** Carlos Hernandez, Quality Officer

**Through:** Karen Hord, M.D., Acting Chief Medical Officer  
Marina Owen, Chief Executive Officer

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#### **Executive Summary**

This is CenCal Health's Quality Improvement Committee (QIC) report to your Board, including information about the committee's proceedings for its 2<sup>nd</sup> quarterly meeting of 2022, completed on May 26<sup>th</sup>.

This report summarizes key actions completed by the QIC as your Board's delegated entity to oversee the effectiveness of CenCal Health's Quality Program. Action is requested of your Board to accept this QIC progress report based on the attached content that was evaluated and approved by the QIC at the most recent meeting.

#### **Recent QIC Proceedings**

The QIC's approvals were solely based on motions made and seconded by the QIC's membership comprised of contracted network representatives, and not CenCal Health's leadership. The following content was approved by the QIC:

- Sources of professionally recognized preventive health guidelines, including the U.S. Preventive Services Task Force (USPSTF), Centers for Disease Control (CDC), and American Academy of Pediatrics (AAP). The guidelines maintained by these sources are used to promote preventive care and inform CenCal Health's design of population health and medical management programs.
- The Quality Dashboard, which provides an update on aspects of care with current performance above Department of Health Care Services (DHCS) High Performance Levels (HPLs) or below Minimum Performance Levels (MPLs). While CenCal Health is responsible for reporting 40 measurements to DHCS, performance thresholds are only applicable for 15 measurements.
  - In Santa Barbara County, 3 aspects of care exceed the DHCS HPLs. In San Luis Obispo County, 6 additional aspects of care exceed HPLs.
  - One of 15 required measurements, Well Child Visits (6+) in the First 15 months, did not meet the MPL in Santa Barbara. An Improvement Project will consequently be required, and interventions are underway to improve

utilization for this aspect of care. There are no indicators in San Luis Obispo County that failed to meet DHCS-required thresholds.

- The Behavioral Health Program Description, which defines the program structure, resources, and general processes that support CenCal Health's administration of the behavioral health benefit. The scope of the Behavioral Health Program includes outpatient mental health services to address mild to moderate impairment of functioning, and Behavioral Health Treatment.
- Routine reports from entities overseen by the QIC, including the Pharmacy & Therapeutics Committee, Pediatric Clinical Advisory Committee, Healthcare Operations Committee, Utilization Management Committee, and Credentials Committee.
- Minutes of the February 24, 2022, QIC meeting.

An informational report was also presented on CenCal Health's administration of a DHCS-required Value-Based Payment Program, for which \$4.8 million has been distributed by CenCal Health to 247 eligible providers. This program's funding from Proposition 56 tobacco tax revenue will unfortunately conclude for services after June 30, 2022.

### **Background**

CenCal Health's contract with DHCS requires your Board, as CenCal Health's governing body, to participate in CenCal Health's Quality Improvement System. Your Board's related responsibilities include:

**1. *Appointment of an entity within CenCal Health to oversee the effectiveness of the Quality Improvement System.***

This responsibility was completed with your Board's March 2022 approval of CenCal Health's 2022 Quality Program Description. Your approval reaffirmed your Board's delegation of oversight of quality improvement activities to CenCal Health's Chief Executive Officer and the QIC. The QIC is responsible for monitoring the effectiveness of organization-wide quality improvement. The QIC's membership includes CenCal Health's Chief Executive Officer, Chief Medical Officer, and Quality Officer. The QIC also includes a Doctor of Optometry, and clinician representatives of the Community Health Centers of the Central Coast, the Santa Barbara Public Health Department, and Lompoc Valley Medical Center. Dr. Rene Bravo serves as a committee member and CenCal Health's Board of Directors liaison to the QIC.

**2. *Annual approval of the overall Quality Improvement System and annual report.***

This responsibility was completed in March 2022 when your Board approved this year's Quality Program Description, CenCal Health's Quality Program Annual Assessment of performance for the prior year, and the current year's Quality Program Work Plan. These documents detail CenCal Health's achievements and goals for continued improvement during the coming year. They define the structure of CenCal Health's Quality Improvement System, and responsibilities of entities and individuals within CenCal Health that support improvement in quality of care, patient experience and safety. They also demonstrate CenCal Health's investment of resources to assure continuous improvement.

**3. Review of written progress reports from the QIC describing actions taken, progress in meeting quality improvement objectives, and improvements made.**

*This memorandum represents your Board's report on the QIC's proceedings for its 2<sup>nd</sup> quarterly meeting of 2022, which fulfills this responsibility.*

After each quarterly meeting of the QIC, staff presents your Board with approved minutes of the QIC's proceedings to assure the full scope of QIC activities is available for your Board's consideration. In total, this report includes the summary of recent QIC proceedings detailed above, and the following three references:

1. The QIC meeting agenda for its recent meeting.
2. The QIC meeting minutes approved at the recent meeting of the QIC.
3. The current QIC Dashboard of Quality Indicators, which includes the most recent quarter's evaluation of performance.

**Next Steps**

The QIC's quarterly proceedings will be reported to your Board after each meeting of the QIC, to fulfill the progress reporting responsibility described above.

**Recommendation**

Staff recommends your Board accept this progress report, and provide additional direction if warranted, based on the attached content that was evaluated and approved by the QIC on May 26, 2022.

References: 3

## Quality Improvement Committee (QIC) Meeting Agenda

**Date:** May 26, 2022

**Time:** 4:00 to 5:30 p.m.

**Chairperson:** Karen Hord, MD, Interim Chief Medical Officer

**QIC Members:**

Polly Baldwin, MD	Bethany Blacketer, MD	Seleste Bowers, DHA
René Bravo, MD	Carlos Hernandez	Karen Hord, MD
Douglas Major, OD	Marina Owen, CEO	Mazharullah Shaik
Clarissa Van Cura, RN		

**Staff:**

Amanda Flaum, CHOO	Lauren Geeb, MBA	Gabriela Labraña, MPH
Stephanie Lem, PharmD	Charlie Mohrle, RN	Rachel Ponce
José Sahagún	Sheila Thompson, RN	

**Secretary:** Mimi Hall, Executive Assistant

**Location:** Via GoToMeeting

Introductions and Announcements	Minutes	Vote Required
<p><b>Dr. Karen Hord, Interim Chief Medical Officer</b></p> <ul style="list-style-type: none"> <li>a. Introduction of Amanda Flaum, Chief Health Operations Officer</li> <li>b. Dr. Karen Hord, Deputy Chief Medical Officer and Interim Chief Medical Officer retiring from CenCal Health</li> </ul> <p><b>Marina Owen, Chief Executive Officer</b></p> <ul style="list-style-type: none"> <li>c. Organizational structure changes within CenCal Health</li> <li>d. New Chief Medical Officer</li> <li>e. New Director of Medical Management</li> </ul>	15	No
<p><b>1. Consent Agenda</b></p> <p>These items are considered routine and are normally approved by a single vote of the Committee without separate discussion in order to conserve time and permit focus on other matters on this agenda. Individual consent items may be removed and considered separately at the request of a Committee member.</p>	5	Yes
<ul style="list-style-type: none"> <li>a. Approval of Minutes of February 24, 2022 QIC Meeting</li> </ul>		
<ul style="list-style-type: none"> <li>b. Acceptance of Pharmacy &amp; Therapeutics Report for Q2 2022 Stephanie Lem, PharmD, Clinical Manager of Pharmacy</li> </ul>		
<ul style="list-style-type: none"> <li>c. Approval of Pediatric Clinical Advisory Committee Report Dr. Rea Goumas, Medical Director, Whole Child Model</li> </ul>		
<ul style="list-style-type: none"> <li>d. Approval of Healthcare Operations Committee Report Eric Buben, Director of Member Services</li> </ul>		

e. Approval of Utilization Management Committee Report Dr. Karen Hord, Interim Chief Medical Officer Amanda Flaum, Chief Health Operations Officer		
f. Approval of Credentialing Committee Report Sheila Thompson, RN, Provider Quality & Credentialing Manager		
<b>2. Old Business</b> Items for review or discussion from previous meetings		
None to review.		
<b>3. Quality Program Updates</b>		
a. <b>Annual Adoption of Preventive Health Guidelines</b> Gabriela Labraña, MPH, Supervisor, Health Promotion	10	Yes
b. <b>Approval of Behavioral Health Program Description</b> Seleste Bowers, DHA, LCSW, Director of Behavioral Health	15	Yes
c. <b>Approval of Quality Dashboard</b> Charlie Mohrle, RN, Quality Measurement Analyst	10	Yes
d. <b>DHCS Value-Based Payment (VBP) Program</b> Lauren Geeb, MBA, Director, Quality	10	No
<b>4. Open Forum</b>		
<b>6. Adjournment</b>		



## Quality Improvement Committee (QIC) Meeting Minutes

**Date:** February 24, 2022

**Time:** 4:00 to 5:30 p.m.

**Chairperson:** Dr. Karen Hord, Deputy Chief Medical Officer

**QIC Members:**

Polly Baldwin, MD	Bethany Blacketer, MD	Seleste Bowers, DHA
René Bravo, MD	Farid Hassanpour, DO, MBA	Carlos Hernandez
Karen Hord, MD	Paul Jaconette, COO	Douglas Major, OD
Debra Mockler-Young, RN	Marina Owen, CEO	Mazharullah Shaik, MD
Clarissa Van Cura, RN		

**Staff:**

Lauren Geeb, MBA	Stephanie Lem, PharmD	Rachel Ponce
José Sahagún	Sheila Thompson, RN	Rita Washington
Chelsee Elliott	Charlie Mohrle, RN	Karina Orozco

**Absent:** Paul Jaconette, COO

**Secretary:** Mimi M. Hall, Executive Assistant

**Location:** Via Go To Meeting

<i>Topic</i>	<i>Discussion</i>
<p><b>Introductions and Announcements</b>  <i>Dr. Karen Hord, Deputy and Interim Chief Medical Officer</i></p>	<p>Dr. Hord called the meeting to order at 4:04 p.m. A quorum had been met, and the Committee proceeded with business.</p> <p>Dr. Hord thanked the Committee for assembling for the meeting.</p> <p>Dr. Hord indicated that Ms. Flaum, Chief Health Officer was not able to attend the meeting, due to a previous commitment.</p> <p>Next, Ms. Owen spoke to the Committee about recent promotions and reporting changes within Health Services.</p> <p>Next, Dr. Hord spoke about Population Health having been awarded the <i>NCQA Innovation Award</i>. The award itself will be mailed to CenCal Health, and an awards ceremony will occur in the near future to publicly honor CenCal Health’s Population Health’s efforts in creating the bilingual <i>Know More: HPV- Improving Vaccination Uptake and Closing Health Disparities With a Digital Patient Intervention</i>. The in-office patient intervention supports the public health goal to increase vaccination rates to prevent infection from the human papillomavirus or HPV. The unique strategy consists of a digital program that interactively provides health information on HPV and the need to vaccinate adolescents. The program was successful in closing the gap in</p>



	<p>HPC vaccinations between north and south Santa Barbara County. This CenCal Health program has been consistently performing in the 90 – 95<sup>th</sup> percentile nationwide since implementation.</p> <p>Lastly, Dr. Hord reported that Ms. Mockler-Young will be retiring from her position at Dignity Health, and has tendered her resignation from CenCal Health’s QIC. This will be her final meeting with the Committee.</p>
<b>1. Consent Agenda</b>	Dr. Hord asked for a motion to approve the Consent Agenda, as presented. <b>Motion made</b> by Dr. Major; seconded by Dr. Shaik. Motion passed.
<b>2. Old Business</b>	There was no old business to discuss.
<b>3. Annual Quality Program Description Update</b>	

<p><b>a. Quality Program Description 2022</b>  <i>Rachel Ponce, Supervisor,  Population Health</i></p>	<p>Ms. Ponce spoke about the Quality Program Description to the Committee.</p> <p><b><u>Introduction</u></b>  Annually, CenCal Health’s Quality Program Description is reviewed and updated as required by the Department of Health Care Services (DHCS). Monitoring, managing, and improving quality of care and health equity is a priority and shared responsibility throughout CenCal Health. Thus, the process involves contributions from several departments within CenCal Health as well as external stakeholders. In order to accomplish this, updates to all program descriptions within the scope of the quality program were made, the prior year’s quality improvement goals were assessed, and a quality improvement work plan for 2022 was completed.</p> <p><b><u>Summary</u></b>  <b><i>Quality Program Description</i></b>  CenCal Health’s Quality Program Description delineates the quality improvement process in place to ensure members are receiving both equitable and high quality health care; network providers are able to effectively render care; and activities to continuously monitor and improve health care occur.</p> <p>Through the annual review process, all aspects of the quality program description are evaluated and updated as necessary. This includes evaluation and updates of:</p> <ul style="list-style-type: none"> <li>• The Board Advisory &amp; Quality Committee Charters</li> <li>• The Health Promotion Program</li> <li>• The Case Management Program</li> <li>• The Utilization Management Program</li> <li>• The Disease Management Program</li> </ul> <p>The 2022 Quality Program Description includes updates identifying an emphasis on health equity so that all CenCal Health members may receive both high quality and equitable physical and mental health care. CenCal Health’s focus on health equity is further highlighted in the 2022 Quality Improvement Work Plan. Additionally, the 2022 Utilization Management Program was significantly altered to incorporate organizational changes as well as the integration of the Behavioral Health benefit. Lastly, the Disease Management Program now encompasses Substance Use Disorder in order to meet the needs of CenCal Health’s most high-risk members.</p> <p>The Quality Program Description is annually reviewed and approved by the Quality Improvement Committee which is delegated responsibility for quality of care oversight within CenCal Health. Once approved by the Quality Improvement Committee, the Quality Program</p>
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**b. Annual Assessment of 2021 Quality Program Work Update**  
*Rachel Ponce, Supervisor, Population Health*

Description and accompanying documents are presented to CenCal Health’s Board of Directors as the governing body for approval.

The Committee ensued in discussion.

Next, Ms. Ponce spoke about the Annual Assessment of 2021 Quality Program Work Update to the Committee.

As part of the annual quality program update, the prior year’s quality improvement goals are assessed. The following outlines achieved goals and areas for improvement within the Assessment of the 2021 Quality Improvement Work Plan.

**Highlights include:**

Member Satisfaction

Overall, more than 98% of the 10,848 members who responded to the automated satisfaction survey were satisfied with CenCal Health’s customer service in 2021. The Member Services team received 661 member compliments following the survey through 108,500 calls. This is especially impressive given a 9% increase in membership, the ongoing COVID-19 crisis, and staffing resource constraints for most of 2021.

In addition to providing excellent customer service to members, voice-only interpreter services through CenCal Health’s language line, Certified Languages International (CLI), significantly increased per month in 2021 from 2020 with 90% of these being for Spanish-speaking members. Although low utilization of video remote interpreting (VRI) continued in 2021, Member Services looks to continue to promote VRI for use by our providers as a significantly more cost-effective, face-to-face interpreter option for our members, particularly for our ASL population.

There were no outstanding access-to-care issues with only a few appeals and grievances trends noted in 2021. Of 184 appeals, 55% were pharmacy-related with no significant trends; 34% were TAR appeals and 10% were RAF appeals, primarily for out of area providers with no particular provider identified. Quality of care grievance trends focused on vendors due to supply delays and transportation issues with clinical concerns. Lastly, of the 30 access-related grievances, 40% were regarding the transportation vendor for situations in which members believed there was a no-show by the driver. However, only a few had a finding of validity. No other trends were of note in 2021 for grievances or appeals.

Provider Satisfaction

Provider satisfaction continued to be positive in 2021. This is highlighted by an average provider satisfaction rate of 85%. While this is a drop from the 2019 average satisfaction rate of 91%, taking into consideration the extreme challenges presented by the ongoing public health crisis, it’s clear that the majority of providers in CenCal Health’s network continue to feel that the departments they interact with provide outstanding service. 89% of survey respondents agreed or strongly agreed that CenCal Health’s Provider Services team was available and helpful. 91% of providers also agreed or strongly agreed that Provider trainings were still accessible and adequate. Providers were very satisfied with both CenCal Health’s Member Services and Claims responsiveness to concerns. Providers reported a lack of knowledge regarding Population Health and Health Promotion programs, thus both teams will work to further promote their name change from Quality Improvement, as well as all 2022 initiatives.

Managed Care Accountability Set Reporting

DHCS-required Managed Care Accountability Set (MCAS) reporting was completed in 2021 reflecting quality of care rendered in 2020. Consistent with previous years, CenCal Health’s

provider network continued to deliver high-quality healthcare. CenCal Health achieved a 3rd place overall quality of care rating for San Luis Obispo County and a 9th place overall rating for Santa Barbara County, out of 56 Medi-Cal Managed Care contracted entities in California.

CenCal Health performed in the top 10% of Medicaid Plans nationwide for six aspects of care. In both Santa Barbara and San Luis Obispo Counties, providers met or exceeded the nationally established 95th percentile benchmark for timeliness of postpartum care. Additionally, Santa Barbara County surpassed the 95th percentile benchmark for adolescent immunizations. While San Luis Obispo County exceeded the 95th percentile benchmark for Physical Activity Counseling for Children/Adolescents and the 90<sup>th</sup> percentile benchmark for BMI Percentile Monitoring in Children/Adolescents Nutrition Counseling in Children/Adolescents. However, Santa Barbara County fell below the established 50th percentile benchmark for controlling high blood pressure and San Luis Obispo County fell below the established 50th percentile benchmark for chlamydia screening in women. Both aspects of care were addressed through improvement activities in 2021.

#### Population Health and Health Promotion

Population Health and Health Promotion completed a number of planned population management and quality improvement activities throughout 2021. These activities included expansion of previously developed programs, ongoing monitoring of programs and projects, as well as development and implementation of new programs.

#### COVID-19 Crisis Impacts

The COVID-19 crisis significantly impacted healthcare delivery throughout 2021. However, CenCal Health's quality improvement system again afforded the agility to adapt to barriers caused by the pandemic and provide intervention opportunities. As the public health crisis persisted, CenCal Health's primary COVID-19 focus was ongoing encouragement of adherence to recommended pandemic guidelines including social distancing, masking, and COVID-19 vaccination uptake as well as recommending that members continue to safely seek out preventive health services.

A targeted focus was placed on COVID-19 vaccination through CenCal Health's Vaccination Response Plan (VRP). The VRP comprehensively described how CenCal Health intended to improve COVID-19 vaccination rates for members. Many interventions were put into place through the VRP including partnerships with both County Public Health Departments, support of Primary Care Provider (PCP) vaccination clinics, member outreach, collaborations with community partners such as the Promotoras network, as well as PCP and member incentive programs.

As was required in 2020, DHCS mandated Plans complete a 2021 COVID-19 Quality Improvement Plan. This plan necessitated CenCal Health to address three aspects of care negatively impacted by COVID-19. Differing from the 2020 requirements, the 2021 COVID-19 Quality Improvement Plan required the development of innovative interventions to specifically target aspects of care within behavioral health, women's health, and child and adolescent health. CenCal Health's plan addressed adolescent depression screening, chlamydia screening in women, and pediatric developmental screening.

#### 2022 Quality Improvement Work Plan

The 2022 Quality Improvement Work Plan utilizes outcomes of the 2021 Quality Improvement Work Plan to establish priorities for 2022. It includes strategies to address all components of CenCal Health's quality program. The 2022 Quality Improvement Work Plan will serve as an outline for improvement in health equity and quality of care provided by CenCal Health and its

<p><b>d. Utilization Management Update</b>  <i>Isis Montalvo, MBA, MSN, RN, CPHQ, Interim Director of Medical Management</i></p>	<p>contracted provider network. Programs will be developed using the foundational architecture of population health and quality improvement theory, which drive system transformation and innovation.</p> <p><u>Health Equity</u>  In alignment with the DHCS Comprehensive Quality Strategy as well as the goals set forth by the CalAIM initiative, CenCal Health’s 2022 Quality Improvement Work Plan focuses on health equity by prioritizing whole-person care through partnerships with members, providers, community-based organizations, schools, public health agencies, counties, and other health care systems. Specifically, strategies focus on improving access to services and developing community support strategies for at-risk populations and those populations experiencing health disparities with an emphasis on children’s preventive care, maternal health outcomes, and behavioral health.</p> <p><u>Next Steps</u>  Subsequent to approval of CenCal Health’s Quality Program Description by the Quality Improvement Committee, the Quality Program Description, Assessment of the 2021 Quality Improvement Work Plan, and the 2022 Quality Improvement Work Plan will be presented to CenCal Health’s Board of Directors for approval. Upon the Board of Directors approval, planned actions for 2022 will commence if they have not already. Quarterly progress updates will be presented to the Quality Improvement Committee throughout 2022.</p> <p>Next, Dr. Hord introduced Ms. Montalvo to the Committee.</p> <p>Ms. Montalvo spoke about the Utilization Management Update.</p> <p>CenCal Health’s Utilization Management (UM) Program is designed to promote the delivery of high quality, medically necessary, and cost efficient health care for our members. The scope of utilization management activities covers all clinical aspects of preventive, diagnostic and treatment services in both the inpatient and outpatient settings, which includes behavioral health, physical health, pharmacy, case management, and appeals and grievances.</p> <p>At the February 14, 2022 Medical Management Committee (MMC) meeting, the MMC approved its name change to Utilization Management (UMC), and its updated charter. The name change and charter reflect a broader overview of organizational Utilization Management (UM) which encompasses behavioral health, physical health, pharmacy, and the populations served across the age spectrum. Previously the committee was named based on organizational structure. The re-naming and re-alignment is synergistic with regulatory requirements and demonstrates the administrative and clinical oversight of UM as a whole with a UM Committee (UMC) reporting up to the Quality Improvement Committee (QIC). Included in this report is the updated UMC charter.</p> <p>Discussion ensued with the Committee.</p> <p><b>Motion made</b> by Dr. Blacketer, to approve the Quality Program Description 2022, the Annual Assessment of 2021 Quality Program Work Plan, the 2022 Quality Program Work Plan, and the Utilization Management Update, as presented; seconded by Dr. Bravo. Motion passed.</p>
<p><b>4. Program Updates</b></p>	

<p><b>a. Food Rx Program Update</b>  <i>Karina Orozco, Population Health Specialist</i></p>	<p>Ms. Orozco gave an update to the Committee about the Food Rx Program.</p> <p><b><u>Introduction</u></b>  Population Health launched the Food Rx pilot program to address childhood obesity and food insecurity amongst children in Santa Maria in September 2020. The program aimed to increase access to fresh produce in order to reduce food insecurity, increase nutrition knowledge to establish healthy behaviors, and help decrease childhood obesity rates. The program was a collaboration with the Santa Barbara County Public Health Department and the Foodbank of Santa Barbara. Once enrolled, families of identified children received weekly home deliveries of a 20 lb. bag of seasonal produce from the Foodbank of Santa Barbara for six months. Throughout the course of the program, the child’s BMI was tracked as well as the family’s level of food insecurity and knowledge of healthy eating practices. 78 members and their families participated and completed the program.</p> <p><b><u>Background</u></b>  In early 2020, Population Health identified that approximately 40% of children in 5<sup>th</sup>-9<sup>th</sup> grade residing in Santa Barbara County were above the 95<sup>th</sup> percentile in BMI indicating that they were obese according to the CDC. For these children, an average of 15.7% were also experiencing food insecurity. Upon further analysis, Population Health identified Santa Maria as having the highest proportion of pediatric members with both a high obesity rate and food insecurity. In order to address this, the team identified Santa Maria Health Care Center as an ideal partner to reduce the prevalence of childhood obesity and food insecurity in Santa Barbara County. Santa Maria Health Care Center had recently launched a pediatric primary care team, which included a registered dietitian. Through partnering with the Santa Maria Health Care Center’s PCP, 78 children were identified as obese. Subsequently, their families were identified as food insecure by taking a food insecurity survey administered by the registered dietitian. All 78 families were then enrolled in the Food Rx program and were tracked for the following 6 months.</p> <p><b><u>Next Steps</u></b>  Population Health will conduct a follow-up survey with participants to measure maintenance of healthy eating behaviors in the coming months. In addition, the team will further explore how the Food Rx Program can be adapted to decrease BMI percentile by incorporating creative ideas for physical activity.</p>
<p><b>b. Vaccination Response Plan Update</b>  <i>Santiago Segovia, Population Health Specialist</i></p>	<p>Mr. Segovia gave an update to the Committee regarding the Vaccination Response Plan.</p> <p><b><u>Introduction &amp; Background</u></b>  Due to the marked difference in COVID-19 vaccination rates of Medi-Cal members compared to California’s overall vaccination rates, California’s Medi-Cal Managed Care Plans can now earn incentives for increasing outreach efforts to Medi-Cal recipients. In order to participate, CenCal Health developed a Vaccination Response Plan (VRP), which is a comprehensive description of all the ways CenCal Health is working to improve COVID-19 vaccination rates. The VRP continues to be an organization-wide endeavor led by Population Health and Health Promotion.</p> <p><b><u>COVID-19 Vaccination Response Plan</u></b>  As reported previously, CenCal Health submitted and received approval of the VRP by the Department of Healthcare Services in late August, 2021. The Plan’s VRP describes strategies to close the COVID-19 vaccination gap for CenCal Members. CenCal Health staff are currently implementing strategies identified in the VRP.</p>

	<p>Since last report, the following interventions have been completed:</p> <ul style="list-style-type: none"> <li>• Continued support of the Public Health Departments' vaccine clinics through 33 targeted member mailings that reached over 129,000 members</li> <li>• Coordination with the Public Health Departments to offer home vaccinations to identified homebound members</li> <li>• Provision of information about where to get vaccinated by Member Services staff</li> <li>• Member incentive information inclusion in all New Member packets</li> <li>• Distribution of \$50 member incentives to approximately 7400 members</li> <li>• Finalization of the provider incentive program with first payments sent to 57 qualifying PCPs</li> <li>• Collaboration with the Promotoras network to provide community outreach</li> <li>• Development and distribution of a school district toolkit to the largest school districts in both counties</li> <li>• Continued social media vaccine promotion</li> </ul> <p><b>Next Steps</b></p> <p>Quarterly reporting to DHCS regarding vaccination rates and the VRP is in progress. The VRP will conclude March 1<sup>st</sup>, 2022 and final reporting will be submitted to DHCS in April of 2022. While vaccination rates have not increased significantly overall, many goal metrics have been met, including vaccination improvement for 12 to 25 years old and Black/African American members. During VRP implementation, robust organization-wide interventions were implemented and many will likely continue. Ongoing, outreach and partnership efforts will focus on project sustainability.</p>
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<b>If needed, return to any Consent items designated for discussion</b>	There was none to discuss.
<b>7. Open Forum</b>	No topics were discussed.
<b>8. Adjournment</b>	There being no further business, Dr. Hord thanked the Committee for their time and participation, and adjourned the meeting at 5:07 p.m.

Respectfully submitted,  
*Mimi M. Hall*

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Mimi M. Hall, Executive Assistant

Approved,  
*Karen Hord, MD*

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Karen Hord, MD  
 Deputy Chief Medical Officer  
 Interim Chief Medical Officer  
 Interim Chair, Quality Improvement Committee

**Santa Barbara Quality Performance HEDIS Admin Data**

**Dark Green** = performance ≥ top 10% of Medicaid plans nationally

Arrows: rate improved (green), unchanged (yellow), declined (red) from previous GIC



**Red** = performance ≤ bottom 50% of Medicaid plans

Flags: rate improved (green), unchanged (yellow), declined (red) from previous GIC



Claims only based measures	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(ADD) Follow-Up Care for Children Prescribed ADHD Medication</b>								
ADD - Initiation Phase	Percentage of children 6-12 years of age and newly prescribed ADHD medication who had at least 3 follow-up care visits within a 10-month period, with 1 follow-up visit occurring within 30 days of being dispensed first ADHD medication.	44.51	54.82	54.49	51.87	53.88	↑	
ADD - Continuation and Maintenance Phase		55.96	50.91	70.27	72.73	74.47	↑	
<b>(AMB - ED) Ambulatory Care: ED Visits</b>								
AMB - ED	Utilization of ambulatory care in ED visits [All ages]	NA	28.19	27.02	29.16	32.08	▶	
<b>(AMM) Antidepressant Medication Management</b>								
AMM - Acute Treatment	Percentage of members 18+ years of age who were treated with antidepressants, had a diagnosis of major depression and remained on an antidepressant medication.	56.66	52.85	54.98	56.60	54.45	↑	
AMM - Continuation Treatment	Acute: members who remained on an antidepressant for at least 84-days. Continuation: members who remained on an antidepressant for at least 180-days.	40.28	37.37	41.02	42.25	39.84	↑	
<b>(AMR) Asthma Medication Ratio</b>								
AMR	Percentage of members 5-64 years of age who were identified as having persistent asthma and had a ratio of controller medications to total asthma medications of 0.50 or greater in the past year.	64.78	68.77	70.37	69.21	74.48	↑	
<b>(APM) Metabolic Monitoring for Children and Adolescents on Antipsychotics</b>								
APM - B	Percentage of children/adolescents 1-17 years of age who had 2 or more antipsychotic prescriptions and had metabolic testing. 3 reported rates: Blood Glucose Testing (B), Cholesterol Testing (C), Blood Glucose & Cholesterol Testing (BC)	48.49	54.17	56.00	60.00	54.13	↓	
APM - C		31.99	27.08	38.67	44.00	34.86	↓	
APM - BC		30.58	26.04	37.33	42.67	29.36	↓	
<b>(BCS) Breast Cancer Screening</b>								
BCS	Percentage of women 50-74 years of age who had at least one mammogram to screen for breast cancer during the past 2 years.	53.93	60.46	59.94	59.78	60.25	↑	
<b>(CHL) Chlamydia Screening In Women</b>								
CHL	Percentage of women 16-24 years of age who were identified as sexually active and had at least one test for chlamydia in past year	54.91	58.59	56.12	57.10	57.21	↑	

**Santa Barbara Quality Performance HEDIS Admin Data**

**Dark Green** = performance ≥ top 10% of Medicaid plans nationally

Arrows: rate improved (green), unchanged (yellow), declined (red) from previous GIC



**Red** = performance ≤ bottom 50% of Medicaid plans

Flags: rate improved (green), unchanged (yellow), declined (red) from previous GIC



Claims only based measures	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(PCR) Plan All-Cause Readmission</b>								
PCR - Observed Readmission* <b>Lower is better</b>	For members 18-64 years of age, the number of acute inpatient and observation stays during the measurement year that were followed by an unplanned acute readmission for any diagnosis within 30 days and the predicted probability of an acute readmission.	8.96	8.89	7.67	9.08	<b>9.04</b>	▶	
<b>(SSD) Diabetes Screening for People with Schizophrenia or Bipolar Disorder who are using Antipsychotic Medications</b>								
SSD	Percentage of members 18–64 years of age with schizophrenia, schizoaffective disorder or bipolar disorder, who were dispensed an antipsychotic medication and had a diabetes screening test during the measurement year.	76.64	83.23	77.58	79.09	<b>75.80</b>	⬇	
<b>(WCV) Child and Adolescent Well-Care Visits</b>								
WCV	Percentage of members 3–21 years of age who had at least one comprehensive well-care visit with a PCP or an OB/GYN practitioner during the measurement year.	45.31	58.07	55.01	56.67	55.67	⬇	
<b>(W30) Well Child Visits in the 1st 30 Months of Life</b>								
W30 - 6+ Visits	Well-Child Visits in the First 15 Months. Children who turned 15 months old during the measurement year: Six or more well-child visits.	54.92	48.22	<b>49.00</b>	<b>49.78</b>	<b>49.30</b>	⬇	
W30 - 2+ Visits	Well-Child Visits for Age 15–30 Months. Children who turned 30 months old during the measurement year: Two or more well-child visits	70.67	84.59	81.01	80.08	79.06	⬇	
<b>(LSC) Lead Screening for Children</b>								
LSC	Percentage of children 2 years of age who had one or more capillary or venous lead blood test for lead poisoning by their second birthday.	71.53	67.15	<b>61.06</b>	<b>60.52</b>	<b>61.35</b>	⬆	
<b>(FUA) Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence</b>								
FUA-7	Percentage of ED visits for members 13+ years of age with a principal diagnosis of alcohol or other drug abuse or dependence, who had a follow-up visit for alcohol or other drug abuse or dependence.	13.36				NA		
FUA-30		21.31				NA		
<b>(FUM) Follow-Up After Emergency Department Visit for Mental Illness</b>								
FUM-7	Percentage of ED visits for members 6+ years of age with principal diagnosis of mental illness or intentional self-harm, who had a follow-up visit for mental illness.	38.55				NA		
FUM-30		53.54				NA		

MPL is Expected Readmission Rate from Santa Barbara's April GIC; GIC rates are Observed Readmission Rates\*



Santa Barbara Quality Performance HEDIS Hybrid Data

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For the GIC time frames indicated below, the measurements include an estimated medical record rate lift. Calculations are projected rates and subject to change.

Hybrid Measures (claims + medical record review)	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(CCS) Cervical Cancer Screening</b>								
CCS	Percentage of women 21-64 years of age who had cervical cytology performed within last 3 years							
	Percentage of women 30-64 years of age who had: 1. cervical high-risk human papillomavirus (hrHPV) testing performed within last 5 years 2. cervical cytology/hrHPV cotesting performed within last 5 years	59.12	62.53	60.96	63.90	63.73	↓	
<b>(CDC) Comprehensive Diabetes Care</b>								
CDC: Poor A1c control (> 9.0%) <b>lower rate is better</b>	Percentage of members 18–75 years of age with diabetes (type 1 and type 2) whose most recent HbA1c in the past year was >9.0%, or is missing, or was not done.	43.19	33.44	37.10	39.11	<b>26.32</b>	▶	
<b>(CBP) Controlling High Blood Pressure</b>								
CBP	Percentage of members 18–85 years of age with a hypertension (HTN) diagnosis and whose BP was adequately controlled (<140/90 mm Hg) in the past year. If no BP is recorded within the past year, it is assumed they are "not controlled".	55.35	59.61	61.19	59.89	60.23	↑	
<b>(CIS) Childhood Immunization Status</b>								
CIS (Combo 10)	Percentage of children 2 years of age that had:	38.20	51.58	51.15	51.62	49.97	↓	
Dtap/DT (4 doses)	- 4 DtaP/DT,	74.45	85.16	<b>83.36</b>	<b>85.18</b>	<b>85.31</b>	↑	
IPV - Polio (3 doses)	- 3 IPV,	88.32	93.67	<b>94.36</b>	<b>93.69</b>	<b>93.81</b>	↑	
MMR (1 dose)	- 1 MMR,	88.08	92.70	<b>91.55</b>	<b>92.72</b>	<b>92.72</b>	→	
HIB (3 doses)	- 3 HIB,	87.06	90.51	90.19	90.52	90.91	↑	
Hep B (3 doses)	- 3 HepB,	88.56	93.19	92.64	93.16	91.35	↓	
VZV (1 dose)	- 1 VZV,	87.35	91.97	91.21	91.98	<b>92.23</b>	↑	
Pneumococcal (4 doses)	- 4 Pneumococcal (PCV),	76.16	80.29	78.12	80.33	80.77	↑	
Hep A (1 dose)	- 1 HepA,	84.67	88.08	87.91	88.11	88.18	↑	
Rotavirus (2 or 3 doses)	- 2 or 3 Rotavirus, and	72.08	76.89	79.58	76.94	76.43	↓	
Influenza (2 doses)	- 2 Influenza vaccines by their 2nd birthday. (Combo 10).	50.61	67.88	66.03	<b>67.87</b>	<b>67.43</b>	↓	
<b>(IMA) Immunizations for Adolescents</b>								
IMA: Combo 2	Percentage of adolescents 13 years of age who received:	36.74	60.93	<b>59.86</b>	<b>60.95</b>	<b>61.11</b>	↑	
Meningococcal (1 dose)	- 1 Tdap,	84.18	90.91	90.08	<b>90.93</b>	<b>91.54</b>	↑	
Tdap (1 dose)	- 1 MCV, and	87.46	93.61	<b>93.15</b>	<b>93.61</b>	<b>94.59</b>	↑	
HPV (2 or 3 doses)	- 2 or 3 HPV vaccines by their thirteenth birthday.	38.44	64.62	<b>62.64</b>	<b>64.64</b>	<b>64.39</b>	↓	

**Santa Barbara Quality Performance HEDIS Hybrid Data**

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**For the GIC time frames indicated below, the measurements include an estimated medical record rate lift. Calculations are projected rates and subject to change.**

Hybrid Measures (claims + medical record review)	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(PPC) Prenatal and Postpartum Care</b>								
PPC 1: Timeliness of Prenatal Care	Percentage of live birth deliveries with a prenatal care visit in first trimester on or before enrollment start date or within 42 days of enrollment.	85.89	94.40	<b>93.54</b>	<b>93.09</b>	92.00	↓	
PPC 2: Timeliness of Postpartum Care	Percentage of live birth deliveries with a postpartum visit on or between 7 and 84 days post delivery.	76.40	93.19	<b>91.95</b>	<b>90.01</b>	<b>90.72</b>	↑	
<b>(WCC) Weight Assessment and Counseling for Nutrition and Physical Activity for Children</b>								
WCC: BMI %	Percentage of children/adolescents 3 -17 years of age having an outpatient visit with PCP or OB/GYN and had evidence of BMI % documentation, and counseling for nutrition and physical activity.	76.64	80.54	82.47	80.99	80.87	↓	
WCC: Nutrition Counseling		70.11	79.81	<b>83.09</b>	78.95	78.71	↓	
WCC: Physical Activity Counseling		66.18	77.13	78.50	76.94	76.95	↑	

**Santa Barbara Quality Performance CMS Measures**

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Claims only based measures	Description	State Average Rate	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(CCW) Contraceptive Care - All Women</b>								
	Percentage of Women <b>15 - 20</b> at risk of unintended pregnancy that received:							
CCW - MMEC	Most or Moderately Effective Contraception	15.88	16.90	15.32	15.18	14.79	↓	
CCW - LARC	Long Acting Reversible Contraception	2.34	3.18	2.89	2.76	2.57	↓	
	Percentage of Women <b>21 - 44</b> at risk of unintended pregnancy that received:							
CCW - MMEC	Most or Moderately Effective Contraception	24.02	28.32	27.15	27.19	26.47	↓	
CCW - LARC	Long Acting Reversible Contraception	4.52	5.87	5.80	6.15	5.95	↓	
<b>(CCP) Contraceptive Care - Postpartum Women</b>								
	Percentage of Women <b>15 - 20</b> who had a live birth that received:							
CCP - MMEC3	Most or Moderately Effective Contraception (MMEC) provided within 3 days of delivery	4.90	0.00	0.00	0.00	0.43	↑	
CCP - MMEC60	Most or Moderately Effective Contraception (MMEC) provided within 60 days of delivery	38.12	38.43	30.08	29.39	32.05	↑	
CCP - LARC3	Long Acting Reversible Contraception (LARC) provided within 3 days of delivery	3.16	0.00	0.00	0.00	0.43	↑	
CCP - LARC60	Long Acting Reversible Contraception (LARC) provided within 60 days of delivery	15.71	15.29	10.57	9.80	10.68	↑	
	Percentage of Women <b>21 - 44</b> who had a live birth that received:							
CCP - MMEC3	Most or Moderately Effective Contraception (MMEC) provided within 3 days of delivery	10.55	6.55	6.58	6.70	6.26	↓	
CCP - MMEC60	Most or Moderately Effective Contraception (MMEC) provided within 60 days of delivery	36.24	36.40	31.67	33.45	32.78	↓	
CCP - LARC3	Long Acting Reversible Contraception (LARC) provided within 3 days of delivery	2.64	0.07	0.21	0.21	0.20	↓	
CCP - LARC60	Long Acting Reversible Contraception (LARC) provided within 60 days of delivery	12.07	11.44	9.15	10.12	9.33	↓	
<b>(CDF) Screening for Depression and Follow-Up Plan</b>								
CDF	Percentage of members 18+ years of age screened for depression with follow-up if necessary	8.44	31.75	20.35	19.62	18.29	↓	
<b>(DEV) Developmental Screening in the First Three Years of Life</b>								
DEV	Developmental Screening in the First Three Years of Life	27.95	33.36	46.55	45.64	44.25	↓	
<b>(COB) Concurrent Use of Opioids and Benzodiazepines</b>								
COB - Age 18 - 64 <b>Lower rate better</b>	Percentage of members 18 - 64 years of age with prescriptions of opioids and benzodiazepines	10.59	13.47	12.46	13.03	12.35	▶	
COB - Age 65+ <b>Lower rate better</b>	Percentage of members 65 years of age and older with prescriptions of opioids and benzodiazepines	7.08	3.23	12.50	11.43	8.82	▶	
<b>(OHD) Use of Opioids at High Dosage in Persons without Cancer</b>								
OHD - Age 18 - 64 <b>Lower rate is better</b>	Percentage of members 18 - 64 who received prescriptions for opioids ≥ 90mg over 90-days	4.90	2.98	2.89	3.09	2.27	▶	
OHD - Age 65+ <b>Lower rate is better</b>	Percentage of members 65 year of age and older who received prescriptions for opioids ≥ 90mg over 90-days	4.43	0.00	NA	NA	NA		

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Claims only based measures	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(ADD) Follow-Up Care for Children Prescribed ADHD Medication</b>								
ADD - Initiation Phase	Percentage of children 6-12 years of age and newly prescribed ADHD medication who had at least 3 follow-up care visits within a 10-month period, with 1 follow-up visit occurring within 30 days of being dispensed first ADHD medication.	44.51	44.81	46.83	46.61	<b>43.41</b>	↓	
ADD - Continuation and Maintenance Phase		55.96	56.82	62.50	60.61	61.29	↑	
<b>(AMB - ED) Ambulatory Care: ED Visits</b>								
AMB - ED	Utilization of ambulatory care in ED visits [All ages]	NA	34.18	33.22	35.27	38.04	🚩	
<b>(AMM) Antidepressant Medication Management</b>								
AMM - Acute Treatment	Percentage of members 18+ years of age who were treated with antidepressants, had a diagnosis of major depression and remained on an antidepressant medication.	56.66	58.01	57.37	58.78	61.50	↑	
AMM - Continuation Treatment	Acute: members who remained on an antidepressant for at least 84-days.	40.28	41.64	44.08	45.14	46.92	↑	
	Continuation: members who remained on an antidepressant for at least 180-days.							
<b>(AMR) Asthma Medication Ratio</b>								
AMR	Percentage of members 5-64 years of age who were identified as having persistent asthma and had a ratio of controller medications to total asthma medications of 0.50 or greater in the past year.	64.78	68.07	67.66	68.89	74.58	↑	
<b>(APM) Metabolic Monitoring for Children and Adolescents on Antipsychotics</b>								
APM - B	Percentage of children/adolescents 1-17 years of age who had 2 or more antipsychotic prescriptions and had metabolic testing. 3 reported rates: Blood Glucose Testing (B), Cholesterol Testing (C), Blood Glucose & Cholesterol Testing (BC)	48.49	62.65	<b>67.16</b>	<b>68.25</b>	<b>65.79</b>	↓	
APM - C		31.99	44.58	41.79	46.03	39.47	↓	
APM - BC		30.58	44.58	41.79	<b>46.03</b>	39.47	↓	
<b>(BCS) Breast Cancer Screening</b>								
BCS	Percentage of women 50-74 years of age who had at least one mammogram to screen for breast cancer during the past 2 years.	53.93	59.61	59.85	58.86	57.76	↓	
<b>(CHL) Chlamydia Screening In Women</b>								
CHL	Percentage of women 16-24 years of age who were identified as sexually active and had at least one test for chlamydia in past year	54.91	55.99	<b>50.13</b>	<b>51.73</b>	55.13	↑	

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Claims only based measures	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(PCR) Plan All-Cause Readmission</b>								
PCR - Observed Readmission* <b>Lower is better</b>	For members 18-64 years of age, the number of acute inpatient and observation stays during the measurement year that were followed by an unplanned acute readmission for any diagnosis within 30 days and the predicted probability of an acute readmission.	9.17	8.51	8.66	8.48	9.16	🚩	
<b>(SSD) Diabetes Screening for People with Schizophrenia or Bipolar Disorder who are using Antipsychotic Medications</b>								
SSD	Percentage of members 18–64 years of age with schizophrenia, schizoaffective disorder or bipolar disorder, who were dispensed an antipsychotic medication and had a diabetes screening test during the measurement year.	76.64	78.93	78.34	77.17	<b>74.70</b>	⬇️	
<b>(WCV) Child and Adolescent Well-Care Visits</b>								
WCV	Percentage of members 3–21 years of age who had at least one comprehensive well-care visit with a PCP or an OB/GYN practitioner during the measurement year.	45.31	60.95	57.15	57.43	55.41	⬇️	
<b>(W30) Well Child Visits in the 1st 30 Months of Life</b>								
W30 - 6+ Visits	Well-Child Visits in the First 15 Months. Children who turned 15 months old during the measurement year: Six or more well-child visits.	54.92	41.42	57.10	58.12	56.73	⬇️	
W30 - 2+ Visits	Well-Child Visits for Age 15–30 Months. Children who turned 30 months old during the measurement year: Two or more well-child visits	70.67	78.02	72.86	77.06	74.92	⬇️	
<b>(LSC) Lead Screening for Children</b>								
LSC	Percentage of children 2 years of age who had one or more capillary or venous lead blood test for lead poisoning by their second birthday.	71.53	55.21	<b>49.29</b>	<b>49.54</b>	<b>51.53</b>	⬆️	
<b>(FUA) Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence</b>								
FUA-7	Percentage of ED visits for members 13+ years of age with a principal diagnosis of alcohol or other drug abuse or dependence, who had a follow-up visit for alcohol or other drug abuse or dependence.	13.36				NA		
FUA-30		21.31				NA		
<b>(FUM) Follow-Up After Emergency Department Visit for Mental Illness</b>								
FUM-7	Percentage of ED visits for members 6+ years of age with principal diagnosis of mental illness or intentional self-harm, who had a follow-up visit for mental illness.	38.55				NA		
FUM-30		53.54				NA		

MPL is Expected Readmission Rate from SLO's April GIC; GIC rates are Observed Readmission Rates\*

**San Luis Obispo County Quality Performance HEDIS Hybrid Measures**

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Hybrid Measures (claims + medical record review)	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(CCS) Cervical Cancer Screening</b>								
CCS	Percentage of women 21-64 years of age who had cervical cytology performed within last 3 years  Percentage of women 30-64 years of age who had: 1. cervical high-risk human papillomavirus (hrHPV) testing performed within last 5 years 2. cervical cytology/hrHPV cotesting performed within last 5 years	59.12	66.39	63.56	67.42	66.86	↓	
<b>(CDC) Comprehensive Diabetes Care</b>								
CDC: Poor A1c control (> 9.0%) <b>lower rate is better</b>	Percentage of members 18-75 years of age with diabetes (type 1 and type 2) whose most recent HbA1c in the past year was >9.0%, or is missing, or was not done.	43.19	34.80	<b>31.28</b>	<b>32.46</b>	<b>31.01</b>	▶	
<b>(CBP) Controlling High Blood Pressure</b>								
CBP	Percentage of members 18-85 years of age with a hypertension (HTN) diagnosis and whose BP was adequately controlled (<140/90 mm Hg) in the past year. If no BP is recorded within the past year, it is assumed they are "not controlled".	55.35	62.53	62.45	62.53	62.57	↑	
<b>(CIS) Childhood Immunization Status</b>								
CIS (Combo 10)	Percentage of children 2 years of age that had: - 4 DtaP/DT, - 3 IPV, - 1 MMR, - 3 HIB, - 3 HepB, - 1 VZV, - 4 Pneumococcal (PCV), - 1 HepA, - 2 or 3 Rotavirus, and - 2 Influenza vaccines by their 2nd birthday. (Combo 10).	38.20	50.36	45.93	50.44	48.21	↓	
Dtap/DT (4 doses)		74.45	79.56	79.66	79.61	78.17	↓	
IPV - Polio (3 doses)		88.32	90.75	91.51	90.82	91.31	↑	
MMR (1 dose)		88.08	90.27	88.81	90.34	89.82	↓	
HIB (3 doses)		87.06	87.10	<b>86.93</b>	87.16	<b>86.50</b>	↓	
Hep B (3 doses)		88.56	89.78	91.30	89.74	89.39	↓	
VZV (1 dose)		87.35	88.81	<b>87.29</b>	88.88	88.56	↓	
Pneumococcal (4 doses)		76.16	76.64	77.44	76.69	<b>75.14</b>	↓	
Hep A (1 dose)		84.67	84.91	<b>83.53</b>	85.08	<b>84.53</b>	↓	
Rotavirus (2 or 3 doses)		72.08	74.70	74.72	74.74	74.89	↑	
Influenza (2 doses)	50.61	61.07	61.07	61.08	59.06	↓		
<b>(IMA) Immunizations for Adolescents</b>								
IMA: Combo 2	Percentage of adolescents 13 years of age who received: - 1 Dtap, - 1 MCV, and - 2 or 3 HPV vaccines by their thirteenth birthday.	36.74	45.26	45.91	45.26	45.04	↓	
Meningococcal (1 dose)		84.18	83.21	<b>81.93</b>	<b>83.21</b>	<b>83.94</b>	↑	
Tdap (1 dose)		87.46	87.35	<b>86.95</b>	<b>87.35</b>	88.02	↑	
HPV (2 or 3 doses)		38.44	52.31	50.44	52.31	52.33	↑	

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**For the GIC time frames indicated below, the measurements include an estimated medical record rate lift. Calculations are projected rates and subject to change.**

Hybrid Measures (claims + medical record review)	Description	Minimum Performance	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(PPC) Prenatal and Postpartum Care</b>								
PPC 1: Timeliness of Prenatal Care	Percentage of live birth deliveries with a prenatal care visit in first trimester on or before enrollment start date or within 42 days of enrollment.	85.89	92.21	91.61	93.33	93.22	↓	
PPC 2: Timeliness of Postpartum Care	Percentage of live birth deliveries with a postpartum visit on or between 7 and 84 days post delivery.	76.40	87.59	89.39	85.10	86.42	↑	
<b>(WCC) Weight Assessment and Counseling for Nutrition and Physical Activity for Children</b>								
WCC: BMI %	Percentage of children/adolescents 3 -17 years of age having an outpatient visit with PCP or OB/GYN and had evidence of BMI % documentation, and counseling for nutrition and physical activity.	76.64	91.97	99.72	91.54	91.93	↑	
WCC: Nutrition Counseling		70.11	86.62	87.13	86.54	86.42	↓	
WCC: Physical Activity Counseling		66.18	86.37	87.00	86.43	86.90	↑	

## San Luis Obispo County Quality Performance CMS Measures

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Claims only based measures	Description	State Average Rate	MY2020	GIC Oct. 2021	GIC Jan 2022	GIC Apr 2022	Variance to Prior Measurement	Quarterly Trendline
<b>(CCW) Contraceptive Care - All Women</b>								
	Percentage of Women <b>15 - 20</b> at risk of unintended pregnancy that received:							
CCW - MMEC	Most or Moderately Effective Contraception	15.88	25.08	23.18	22.97	22.74	↓	
CCW - LARC	Long Acting Reversible Contraception	2.34	3.78	2.56	2.85	2.97	↑	
	Percentage of Women <b>21 - 44</b> at risk of unintended pregnancy that received:							
CCW - MMEC	Most or Moderately Effective Contraception	24.02	28.01	26.21	26.19	26.20	↑	
CCW - LARC	Long Acting Reversible Contraception	4.52	5.61	5.03	4.96	4.69	↓	
<b>(CCP) Contraceptive Care - Postpartum Women</b>								
	Percentage of Women <b>15 - 20</b> who had a live birth that received:							
CCP - MMEC3	Most or Moderately Effective Contraception – 3 Days	4.90	0.00	0.00	0.00	0.00	→	
CCP - MMEC60	Most or Moderately Effective Contraception – 60 Days	38.12	39.13	33.33	32.65	35.42	↑	
CCP - LARC3	Long Acting Reversible Contraception – 3 Days	3.16	0.00	0.00	0.00	0.00	→	
CCP - LARC60	Long Acting Reversible Contraception – 60 Days	15.71	19.57	6.25	12.24	12.50	↑	
	Percentage of Women <b>21 - 44</b> who had a live birth that received:							
CCP - MMEC3	Most or Moderately Effective Contraception – 3 Days	10.55	7.01	5.24	5.44	5.60	↑	
CCP - MMEC60	Most or Moderately Effective Contraception – 60 Days	36.24	33.58	30.87	28.89	27.62	↓	
CCP - LARC3	Long Acting Reversible Contraception – 3 Days	2.64	0.18	0.19	0.19	0.18	↓	
CCP - LARC60	Long Acting Reversible Contraception – 60 Days	12.07	7.20	6.60	5.63	5.60	↓	
<b>(CDF) Screening for Depression and Follow-Up Plan</b>								
CDF	Percentage of members 18+ screened for depression with follow-up if necessary	8.44	36.80	37.74	36.80	34.23	↓	
<b>(DEV) Developmental Screening in the First Three Years of Life</b>								
DEV	Developmental Screening in the First Three Years of Life	27.95	14.60	24.48	26.41	27.13	↑	
<b>(COB) Concurrent Use of Opioids and Benzodiazepines</b>								
COB - Age 18 - 64 <b>Lower rate better</b>	Percentage of members 18 - 64 years of age with prescriptions of opioids and benzodiazepines	10.59	12.53	11.55	11.62	10.20	▶	
COB - Age 65+ <b>Lower rate better</b>	Percentage of members 65 years of age and older with prescriptions of opioids and benzodiazepines	7.08	12.50	NA	0.00	0.00	▶	
<b>(OHD) Use of Opioids at High Dosage in Persons without Cancer</b>								
OHD - Age 18 - 64 <b>Lower rate is better</b>	Percentage of members 18 - 64 who received prescriptions for opioids ≥ 90mg over 90-days	4.90	3.81	3.32	3.32	2.08	▶	
OHD - Age 65+ <b>Lower rate is better</b>	Percentage of members 65 year of age and older who received prescriptions for opioids ≥ 90mg over 90-days	4.43	0.00	NA	NA	NA		



### **Applied Behavior Analysis (ABA) Provider Network Development Report**

**Date:** June 15, 2022

**From:** Nancy Vasquez, MPA, Provider Services Operations Manager

**Through:** Amanda Flaum, Chief Health Operations Officer

**Contributors:** Dr. Selesté Bowers, DHA, LCSA, Director of Behavioral Health  
Gary Ashburn, Director of Claims Operations

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### **Executive Summary**

The purpose of this memo is to provide the CenCal Health Board of Directors an update on the development of the Applied Behavior Analysis (ABA) provider network and provider engagement as part of the Behavioral Health insourcing project.

### **Background**

In January 2022, CenCal Health insourced all mental and behavioral health services, including ABA services, from its delegated vendor, The Holman Group (THG). Roughly twenty (20) providers were contracted with CenCal Health to provide assessment, behavioral therapy and skills training for members and their family as part of the Medi-Cal benefit for ABA services.

Early in the transition from THG to CenCal Health, operational challenges were identified regarding the billing of specific codes and modifiers as well as the authorization process. In March 2022, CenCal Health convened all ABA providers to inform them of our intent to 1) develop a strong partnership, 2) allow for a six month transition period, and 3) address any operational barriers. Following this meeting, leaders from Provider Services, Behavioral Health and Claims met individually with each of the providers to listen to their specific concerns and challenges with the transition.

In addition to meeting with providers, CenCal Health enlisted the support of Health Management Associates (HMA) to research industry standards regarding billing codes, modifiers and authorization requirements. As a result of both processes, and after internal collaboration, solutions were identified and presented to all ABA providers on May 25<sup>th</sup>, 2022.

### **Operational Challenges: Market Research & Provider Feedback**

#### Billing Codes

CenCal Health developed a fee schedule for ABA providers that included specific billing codes based on Medi-Cal requirements for these services. Two of the six codes are in one hour increments. Providers were accustomed to fifteen (15) minute increments with these two codes while working under THG. Operationally and clinically, the majority of providers said incremental billing was important and best for member care. Market research also showed that incremental billing was a common allowance.

#### Modifiers

ABA providers expressed concern regarding modifiers in the fee schedule. Modifiers are used to denote what level of staffing delivered the service to the member. Medi-Cal requires the use of specific modifiers to denote an associate level behavioral analyst and paraprofessional. There was a wide variation between provider feedback and market research. Some providers desired to align with their commercial plans. Other providers used differing modifiers. Market research yielded the same inconsistencies.

#### Authorization Processes

ABA providers expressed concern regarding the authorization process. Specifically, providers wanted no authorization requirement for modifiers. Providers requested flexibility due to last minute staffing changes as a result of illness or vacancies. Providers also requested flexibility in the use of authorization templates. Many had their own templates for the Functional Behavioral Assessment (FBA), service logs and progress reports. Market research showed significant variation in both the use of modifiers and templates for authorization.

### **ABA Solutions**

#### Billing Codes

CenCal Health heard the concerns of providers and agreed to adjust the contract fee schedule to allow for 15 minute incremental billing. With the help of the IT Department, compliant reporting to the Department of Health Care Services (DHCS) will be accomplished.

#### Modifiers

Given the wide variation amongst providers and market research, along with the requirements of DHCS, CenCal Health decided to retain modifiers as described in CenCal Health's contract. For example, modifier HO will be used to denote an associate level behavioral analyst and HM will denote a paraprofessional.

#### Authorization Processes

CenCal Health heard the concerns of providers and agreed to remove the requirement of modifiers on authorizations. This will allow providers greater flexibility as they adjust to staffing changes to meet member needs. In addition, CenCal Health also agreed to allow the use of provider templates, service logs and progress reports as long as they contain the minimal requirements by DHCS and are approved by CenCal health prior to use.

### **Next Steps**

Provider Services will lead the internal coordination with staff and external communication with providers.

- Contracts will be amended to reflect appropriate reimbursement for 15 minute increments and include modifiers to indicate provider type.
- Internal systems will be revised to reflect the new rates and providers will need to adjust their billing systems as well.
- Provider trainings will be offered on the authorization process, including how to submit an authorization with the new parameters, including no requirements for modifiers and the use of CenCal Health approved templates.
- Claims orientation will also be conducted on the billing process on how to bill in increments and the appropriate use of modifiers.

All solutions and their associated tasks will be complete by August 1, 2022. Individualized training will be offered to address any barriers and provide support as needed.

### **Recommendation**

Staff recommends acceptance of this memo as is informational only; no action is requested at this time.

### Human Resources Recruitment Report

**Date:** June 15, 2022  
**From:** Dina Miranda, Manager, Human Resources  
**Through:** Marina Owen, Chief Executive Officer

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#### **Executive Summary**

CenCal Health continues to focus on adapting operations to meet customer needs, enhance organizational readiness and prepare for strategic advancement. The Human Resources Department recruitment efforts reflect these objectives, prioritizing recruitment for positions that support ongoing operations in Behavioral Health among other focus areas.

#### **Recruitment Overview**

##### *Active Workforce*

CenCal Health has 304 current Full-Time equivalent (FTE) employees and is actively recruiting 16 positions with 9 pending hires.

##### *Notable Hires*

Notable hires include the Chief Medical Officer, Chief Customer Experience Officer and the Director of Medical Management, who are beginning at CenCal Health between June and August 2022.

##### *Recruitment and Trends*

Human Resources recruitment includes the following positions, including the Director of Provider Services, the Manager of Financial Analytics and the Manager of Behavioral Health Care Coordination among other priority roles.

The biggest and most significant change is the observation in our industry that CenCal Health exists in a candidate-driven market. For the first time in a generation, there are more available jobs than there are candidates and with the increase in remote-only roles, candidates have their selection of employer more so than in prior years. The Human Resources Department is working harder than ever to stand out as an employer of choice to attract top talent.

#### **Recommendation**

This report is informational only and no action is required.



**California Children's Services (CCS) Family Advisory Committee (FAC) Report**

**Date:** June 15, 2022  
**To:** Board of Directors  
**From:** Ana Stenersen, BSN, RN  
Clinical Manager, Pediatric Program  
**Through:** Blanca Zuniga, Associate Director, Care Management - Medical Management

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The purpose of this memo is to summarize the highlights of the CCS FAC meetings on May 19, 2022.

**Meeting Highlights**

**Medi-Cal Rx Update** – Stephanie Lem, PharmD, Clinical Manager of CCH's Pharmacy Services provided the update to the committee. Dr. Lem shared that the exemption of the prior authorization (PA) requirement by Magellan (Pharmacy Benefits Manager) had been extended indefinitely. Problems related to medication authorizations and refills continue to decrease since the PA exemption. Wait times of phone calls to Magellan continue to improve. Magellan is expanding their clinical liaison team to include dedicated liaisons for CCS members. The committee shared that they have not heard any problems related to medication authorizations and refills from parents of CCS children.

**CCS Advisory Group (AG)** – Dena Davis, Parent and CenCal Health FAC Representative to the CCS AG provided some highlights of the April 2022 CCS AG meeting. One of the topics of concern was the discontinuation of the annual Medi-Cal eligibility review exemption that was put in place during the pandemic. As a result, more members will likely lose Medi-Cal coverage.

**CCS Medical Therapy Program (MTP) and Units** – CCS Medical Therapy Units (MTU) in both counties continue to be open providing mostly in-person and a few tele-therapies. All units are observing COVID 19 precautionary measures during in-person therapy. Santa Maria MTU continues to have staffing challenges and is looking into the possibility of outsourcing their therapy services.

**Member Portal Update** – Elia Rodriguez, Manager of the Call Center in CCH provided the Members Services update to the committee. The workgroup for the Member Portal development project is conducting regular meetings. Their meetings are focused on enhancing member access to their health benefits information. The project is scheduled to launch on Jan 2023. Ms. Rodriguez encouraged the committee members to send her their questions, ideas and suggestions for the Member Portal.



# Health Services Department

## Whole Child Model Program Family Advisory Committee Meeting Minutes

Date: Thursday, February 24, 2022  
 Time: 11:00 am-12:30 a.m.

Location: Virtual via Go To Meeting

Chairperson: Ana Stenersen, RN, BSN, PHN, Case Management Manager PEDS Program

Committee Members: Jennifer Griffin, Jennifer Monge, Felisa Strickland, Marcy Jochim, Dena Davis, Regina Samson, Mariana Murillo, Jane Harpster, Edith Diaz, Patty Moore, Tanesha Castaneda, Patty Moore, Daisy Ramirez

Staff Attendees: Elia Rodriguez, Diana Robles, Rea Goumas, MD; Rose Vazquez, LCSW; Jeff Januska, PharmD; Blanca Zuniga, MA, CCM, Michael Harris, Director Governmental Services

Recorder: Maria Pantoja, Senior Administrative Assistant

Excused: Sharleen Agrusa, Gina Stabile, Dorothy Blasing, Francesca Peterson, Mika Harris, Gaby Fukunaga, Keilah Smith, Natalie Angelo, Patty Moore, Marcy Jochim, Cristy Cantu, Jenni Basch

Agenda Item	Discussion
Welcome & Introductions  <i>Ana Stenersen, RN, BSN, PHN</i>	Ms. Stenersen began the meeting at 11:00 a.m. The committee introduced themselves.
Approve February 24, 2021 Meeting Minutes (see attached)  <i>Ana Stenersen, RN, BSN, PHN</i>	Minor corrections to the minutes were requested by the Committee. Final minutes were sent out and the committee voted via email for final approval. Ms. Moore voted to approve, seconded by Ms. Strickland. Motion passed.
Member Services Update  <i>Elia Rodriguez, Diana Robles</i>	Ms. Rodriguez provided an update for Member Services. The Portal Project was put on hold last year and informed the workgroup that the project restarted in January 2022. Ms. Rodriguez anticipates the project will be finalized by the end of the year and will go live the beginning of 2023.  Ms. Rodriguez encouraged the committee to send their questions and ideas for the workgroup for incorporation on the member portal: <ul style="list-style-type: none"> <li>○ Secure login</li> <li>○ Make changes to member information</li> <li>○ Report demographic changes</li> <li>○ Look on the status of referrals or authorizations</li> <li>○ Updates/Information on COVID-19, CenCal Health updates</li> </ul>

	<p>Recommendations can be sent to Ms. Stenersen and Ms. McClellan to forward to Member Services.</p> <p>Ms. Castaneda suggested that if there are any demographic information, members would need to update the Department of Social Services with that information as it can cause confusion.</p> <p>Ms. Rodriguez advised there will be a disclaimer that the information that we capture is in-house and they would need to make the changes to Social Services.</p> <p>Ms. Stenersen suggested a question portion, where members can see the authorizations, or eligibility and be able to send questions to case navigators.</p> <p>Ms. Rodriguez also shared that Member Services is looking into offering a "live chat" feature, however, CenCal Health is looking into software and secure options to offer these features.</p>
<p>Enhanced Care Management &amp; Community Supports Initiative</p> <p>Michael Harris, Director</p>	<p>Mr. Harris advised that we are focusing on where the gaps in-services are with ECM and CS. In January 1 2022, some health plans who did the Whole Person Pilot started providing Enhanced Care Management and Community Supports.</p> <p><b>Enhanced Care Management (ECM)</b></p> <p>CenCal Health has been in conversation with providers, and potential providers, (ECM side) making sure they understand our expectations, how our members get better care and access to health care systems. Populations of focus</p> <ul style="list-style-type: none"> <li>o High utilizers ((members who frequently use Emergency Departments)</li> <li>o Homeless and Substance abuse</li> </ul> <p>CenCal Health has drafted a contract for ECM that shows all the requirements.</p> <p>Challenges:</p> <ul style="list-style-type: none"> <li>o How does CenCal Health share data? How does CenCal Health get all data into one informational platform?</li> <li>o Providers may be from outside the CenCal Health network</li> <li>o Training providers</li> </ul> <p>Ms. Moore asked about the possibility of a with shared resources platform if member consent is obtained. She is working with "Help me Grow" and mentioned it would be great to be able to share those resources.</p> <p>Mr. Harris advised the Governor's proposed budget has set aside 100 Million dollars for state-wide health information exchange. It is going to take a while and conversations are happening with IT. CenCal Health's Finance Department is also working on rates.</p> <p><b>Community Supports (CS)</b></p> <p>The name changed from In-Lieu of Services (ILOS) to CS. Areas of focus include housing, food insecurities, and recuperative care. CenCal Health has been paying out of pocket for recuperative care services. CS will also connect the homeless population to Social Services.</p>

Mr. Harris added that CenCal Health has also been helping members with food insecurities and getting meals, predominantly for the elderly members.

CenCal Health is forming a workgroup involving Community Supports, The task force will come together to form a road-map to identify what is needed in the community and incorporating more Behavioral Health in service areas.

Mr. Harris did not have any updates on ""promotores." Promotores, have had successes in reaching out and working with the community. The State is trying to get federal waivers for community based groups/health workers.

Mr. Harris advised that there are many ways to work with providers and reimburse them timely. CAL-aim legislation is pushing on training and getting more assistance in the home.

Ms. Castaneda asked how much will membership around June/July, when the undocumented 50-year—old and over members, become eligible. Overall growth is estimated at a couple thousand which include members with emergency Medi-Cal moving into full-scope Managed Medi-Cal.

Mr. Harris added that CenCal Health currently has about 211,000 enrolled in CenCal Health, some of these members, will likely fall off membership. As the public health emergency starts to decrease, we may see an increase of 2k-3k members and see slight decrease starting in 2023.

MediCal Rx Update

*Stephanie Lem, Clinical Manager of Pharmacy Services*

Dr. Lem reported that, in of the beginning of January, during the Pharmacy Carve-Out, call volumes for Magellan (PBM) were high from providers, members and health plans.

DCHS and Magellan did not anticipate the high volume of calls. Continuity of Care was not factored in which caused an increase at the point of sale and care and therefore, created a ripple effect.

By February 2022, most of the disruption in prior authorization had been alleviated. On February 6, 2022, DHCS temporarily suspended the prior authorization requirement for medication fills and refills. Unsure at this point when the temporary suspension will be lifted.

Ms. Strickland advised that initially, the medications refills for her daughter were not being filled. However, she was given a complimentary fill for a month. Although the medical doctor was sending other medications, pharmacy was not filling it. Now, parent understands why the delay happened and knows that, for now, pre-authorization is no longer required.

Dr. Lem clarified DHCS has a fine line on "excluded products" that CenCal Health is covering and that MediCal Rx is clearly not covering. CenCal Health's Pharmacy Department was under the impression that Magellan will honor continuity of care was going to be honored but it doesn't seem to be the case.

Ms. Stenersen asked for clarification on the wait time for calls to Magellan. Per Dr. Lem, wait time has improved from one hour to 5



	<p>minutes, lately. Magellan advised that they are "working on it."</p> <p>Ms. Davis shared that there were issues due to her son's primary insurance and shared concerns of children not getting their medications in time and families are having to pay out of pocket, although, not all families are able to cover the expense.</p> <p>Ms. Davis suggests to write letters to Governor Newsom to share their stories and asked where families should share their experiences. Ms. Stenersen will follow-up on this inquiry.</p> <p>Ms. Castaneda advised that CCS Counties had been gathering feedback and issues on Medi-Cal Rx. The Counties will be meeting with DHCS, 1<sup>st</sup> or 2<sup>nd</sup> week of March. Ms. Castaneda informed the Committee that they can email issues to her to share during the meeting.</p> <p>Ms. Stenersen advised to send any questions or concerns to her which she will then share with CenCal Health's Pharmacy Department.</p> <p>Dr. Lem advised of the grievance process that is available in the Magellan website. She also mentioned that the office of the Governor is aware of the Medi-cal Rx challenges. These challenges was also featured in a recent LA Times article.</p>
<p>Roundtable Discussion</p> <p><i>All Attendees</i></p>	<p>Due to time the committee was unable to complete the other agenda items. These will be reviewed at the next meeting.</p> <p>Ms. Castaneda shared that therapy units are very short-staffed in Santa Barbara County. The cases in Santa Maria continue to grow as they are still in search of a MTU Therapy Supervisor. Ms. Castaneda advised the group to let her know of any coming from families Despite staffing challenges, there is no wait list for Santa Barbara MTP.</p> <p>Regina Samson shared that with CCS San Luis Obispo:</p> <ul style="list-style-type: none"> <li>o All MTUs have reopened for mostly in-person services</li> <li>o COVID precautions are being observed at the MTUs</li> </ul>
<p>Next Meeting: Thursday, August 18<sup>th</sup>, 2022, 11am-12:30pm</p>	

Respectfully submitted,

*Maria G. Pantoja*

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Maria G. Pantoja  
Administrative Assistant

Approved,

*Ana Stenersen, BSN, RN, PHN*

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Ana Stenersen, BSN, RN, PHN  
Case Management Manager PEDS Program

**Board Development Committee Report**

**Date:** June 15, 2022

**From:** Marina Owen, Chief Executive Officer  
Karen S. Kim, JD, MPH, Chief Legal and Compliance Officer

**Through:** Lynda Tanner, Chair, CenCal Health Board of Directors

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**Executive Summary**

The purpose of this memo is to provide the Board of Directors an overview of the Board Development Committee membership and upcoming schedule of activities. The memo also requests Board approval of the Board Development Committee slate for 2022, schedule of meetings and scope of deliverables.

**Background**

At the March 2022 Board of Director's meeting, the Board Development Committee (BDC) was established. The BDC is an ad hoc committee with no decision-making authority and advisory in nature. The BDC's purpose is to make recommendations to the CenCal Health's Board of Directors regarding CenCal Health bylaws and Board policies to support efficient and effective governance. The Board Development Committee is comprised of four (4) members of the CenCal Health Board of Directors, or less than a quorum of the full Board of Directors, representative of both Santa Barbara and San Luis Obispo County, elected annually, to advise the Board of Directors on matters within scope. The BDC meets at least once annually or on an as-needed basis.

The Board Development Committee responsibilities include:

- Reviewing and evaluating Board bylaws and policy to support efficient and effective governance in support of CenCal Health's mission, vision, and values;
- Evaluating the authorities and limitations of the Board of Directors and Chief Executive Officer, in accordance with the Board bylaws;
- Facilitating an annual Board of Directors self-evaluation; and
- Making recommendations on the development or improvement of such policy to the CenCal Health Board of Directors.

**Board Development Committee**

*Gap Analysis and Goals*

The BDC, with support from the Chief Executive Officer and Chief Legal and Compliance Officer, will engage a law firm with expertise in public law and Medi-Cal

managed care entities similarly structured as CenCal Health to conduct a review and gap analysis of CenCal Health's current Bylaws, Board Delegation Grid and Policies. In collaboration with inside and outside counsel, the BDC will prioritize focus areas and identify opportunities for improvement to present its recommendations to the Board of Directors. In addition, the BDC will make other recommendations including but not limited to Board trainings in the areas of public law and compliance (e.g. Brown Act, AB1234, and Fraud, Waste, and Abuse). Lastly, a gap analysis of Board policies will be conducted and recommendations will be discussed by the BDC and presented to the Board of Directors.

#### *Schedule and Timeline*

BDC Kick-Off meeting	September 2022 Pre-Board Meeting
BDC Initial Review of Gap Analysis	September 2022 Pre-Board Meeting
BDC Final Review of Gap Analysis	October 2022 Pre-Board Meeting
Presentation of Recommendations to BOD	January 2023 Board Meeting

#### *Board Development Committee Slate*

The Board Development Committee membership is comprised of four Board members. The Chair may be any of the BDC members and two of the members shall represent Santa Barbara County and two shall represent San Luis Obispo County. The BDC membership for 2022 shall include:

- Daniel Nielson (Chair), County and Santa Barbara County Representative
- Dr. René Bravo, Physician and San Luis Obispo County Representative
- Dan Herlinger, Community Member and Santa Barbara County Representative
- Sue Anderson, Hospital and San Luis Obispo County Representative

#### **Next Steps**

Next steps for the BDC is to meet on noted schedule and timeline beginning with a September Kick-Off Meeting. Following, the BDC will present recommendations to the Board of Directors based on a gap analysis of the current CenCal Health Bylaws and Board policies as described.

#### **Recommendation**

Staff recommends the CenCal Health Board of Directors approve the Board Development Committee slate for 2022, schedule of meetings and scope of deliverables.



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# Board Development Committee

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Marina Owen, CEO

Karen Kim, CLCO

June 15, 2022

# Board Development Committee *Background*

- Established at March 2022 Board of Directors Meeting
- Ad hoc committee with no decision-making authority

# Board Development Committee *Role and Responsibilities*

- Review and evaluate Board bylaws and policy to support efficient and effective governance in support of CenCal Health's mission, vision, and values;
- Evaluate the authorities and limitations of the Board of Directors and Chief Executive Officer, in accordance with the Board bylaws;
- Facilitate an annual Board of Directors self-evaluation; and
- Make recommendations on the development or improvement of such policy to the CenCal Health Board of Directors.

# Board Development Committee *Proposed* *Slate*

1. Daniel Nielson (Chair), County and Santa Barbara County Representative
2. Dr. René Bravo, Physician and San Luis Obispo County Representative
3. Dan Herlinger, Community Member and San Luis Obispo County Representative
4. Sue Anderson, Hospital and Santa Barbara County Representative

# Board Development Committee *Gap Analysis and Recommendations*

- Board Development Committee will engage a law firm specializing in public law and experience with other County Organized Health Systems (COHS)
- Conduct review and gap analysis of bylaws, policies, Board Delegation Grid, and board training
- Review and discuss findings
- Prioritize areas for improvement
- BDC shall present recommendations to the Board of Directors for review and approval



# Board Development Committee *Schedule and Timeline*

Activity	Date
BDC Kick-Off meeting	September 2022 Pre-Board Meeting
BDC Initial Review of Gap Analysis	September 2022 Pre-Board Meeting
BDC Final Review of Gap Analysis	October 2022 Pre-Board Meeting
Presentation of Recommendations to BOD	January 2023 Board Meeting



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# May 2022 Look Back

**To:**  
CenCal Health's Board of Directors

**From:**  
Nicolette Worley Marselian  
*Director, Communications &  
Community Relations*

**Date:**  
June 3, 2022

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- Community Meetings
- Activities Report
- Transition Announcement

## EARNED MEDIA



In early 2020, northern Santa Barbara County farmworkers and their families received essential goods and services at no-cost, during 31 CHC outreach events. (Photo credit: CHC)

### Winner! ACAP 2022 *Supporting the Safety Net Award*

In May, CenCal Health network provider Community Health Centers of the Central Coast (CHC) was announced as the recipient of the 17th Annual ACAP *Supporting the Safety Net* award. CHC's winning nomination was produced by the Communications and Community Relations department, with the support of our CEO Marina Owen.



### Community Health Centers

The Association for Community Affiliated Plans (ACAP) is a trade association that represents 74 not-for-profit safety net health plans nationwide, including CenCal Health. Collectively, these plans serve more than 20 million enrollees through Medicaid, Medicare, Marketplaces and other public health coverage programs.

ACAP's annual *Supporting the Safety Net* award provides members the opportunity to nominate community organizations and individuals whose work clearly exceeds the norm in best practices to support high-risk populations and the safety net environment. Every year, a selection committee of representatives from allied safety net organizations review the applications and select a winner.

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## EARNED MEDIA

### ACAP 2022 Supporting the Safety Net Award (cont.)

CenCal Health's 2022 nomination outlined CHC's critical role within the network, and described key partnerships established by the clinics during the pandemic climate. The Federally Qualified Health Center (FQHC) formed cross-agency collaborations that resulted in increased access to COVID-19 vaccinations, food and other essential medical services for local area farmworkers.

Over the last four years, CenCal Health has participated in the nomination process and produced two winning nominations: Santa Barbara Neighborhood Clinics in 2019, and this year, CHC.

As part of the recognition, a CHC representative will travel to Washington, DC, to accept the award during ACAP's CEO Summit on June 23. CHC will also receive a \$1,000 donation from the association.

In addition, CenCal Health will work with ACAP to issue a press release on the day of the summit.

#### CHC Award Nomination

May 9, 2022

**Re:** Association for Community Affiliated Health Plans' (ACAP) 17th Annual Supporting the *Safety Net* award

It is with great pleasure that on behalf of CenCal Health, a member of ACAP, I nominate the Community Health Centers of the Central Coast (CHC) for ACAP's 17th annual Supporting the Safety Net award. (Note: CenCal Health is the Medicaid Managed Care plan in California's San Luis Obispo and Santa Barbara counties. The Medicaid program in California is Medi-Cal.)

**Introduction:** Being on the front lines of the pandemic has provided CHC an in-depth view of COVID-19's alarming effects on the wellbeing of the most at-risk populations. While healthcare disparities are not new, beginning in March 2020, systematic inequalities related to accessing COVID-19 education, resources, food, and other vital services, were amplified for CHC patients and prospects on California's Central Coast. Under the gravest circumstances, the clinics had to implement effective COVID-19-specific operations, while at the same time, address other rising health risks associated with pandemic lockdowns, like decreased utilization of follow-up and preventative care. Through a series of coordinated initiatives, this Federally Qualified Health Center (FQHC) stepped up to the challenge, upholding the vital role it plays in serving our vulnerable and disenfranchised community members.

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## EARNED MEDIA

### ACAP 2022 Supporting the Safety Net Award (cont.)

**Mission alignment:** In 1978, CHC was founded with seven employees and one part-time volunteer doctor operating out of a converted bungalow in Nipomo, California. Now — over four decades later — the non-profit network of community health centers has strategically established sites in underserved neighborhoods expanding across San Luis Obispo and northern Santa Barbara counties. Within its 31 state-licensed clinics, nearly 500,000 annual visits take place. Those primarily served include homeless individuals, public housing residents, school-based children, and migrant and seasonal farm workers. For patients, the clinics are a “one-stop” resource that address barriers to successful treatment by providing full-scope services, including routine preventative care and beyond. Specialized medical personnel include OB/GYN physicians; behavioral health clinicians; pediatricians; internists; dentists; optometrists; chiropractors; registered dietitians; diabetes educators; and other ancillary staff. In its commitment to address accessibility barriers, CHC also runs the Community Health Outreach Program, which includes a fleet of state-of-the-art mobile medical and mobile dental units. The organization embodies CenCal Health’s mission by improving the health of our diverse communities, and advancing health equity both inside and outside the clinical setting. As one of the largest Medi-Cal providers in our service area, CHC is integral to the success of our local safety net.

**Cross-agency collaboration:** Many of the programs that CHC implemented in the pandemic climate were accomplished through partnerships with other community-based providers and entities representing different disciplines. The collaborations serve unique functions and create healthcare solutions for patients and entire communities.

**Example 1.** Exporting to over 30 countries, and rendering more than **\$1.8 billion** in production value, agriculture is one of the largest industries in Santa Barbara County. Though designated as critical members of the workforce, being a farm laborer often comes at a dangerous price. According to the **Centers for Disease Control and Prevention** (CDC), Hispanic and Latine/x workers employed in food production or agriculture have a substantially higher risk of COVID-19 infection, hospitalization, and death compared to non-Hispanic workers in those industries. Eager to provide local farmworkers resources that could potentially safeguard them and their families from infection, CHC’s Education and Outreach teams collaborated with numerous agricultural support organizations, including the **Santa Barbara Vintners Foundation, Grower-Shipper Association of Santa Barbara County, Lideres Campesinas**, farm labor contractors, and local growers. As a result of the cross-agency collaboration carried out in early 2020, farmworkers were afforded personalized support during 31 CHC visits to agriculture fields, and migrant and public housing sites throughout northern Santa Barbara County. The services included COVID-19 education in the farmworkers’ native languages; medical treatment; distribution of more than 5,350 free “COVID Care Kits”; and distribution of personal protective equipment (PPE), including over 20,000 face masks. Likely, the outreach performed also rendered a significant secondary effect – avoiding a serious disruption of the local food supply chain and potential food shortage crisis worldwide.

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## EARNED MEDIA

### ACAP 2022 Supporting the Safety Net Award (cont.)

**Example 2.** In the initial weeks of COVID-19 lockdowns, the organization fielded hundreds of calls, particularly from agriculture workers, who had pressing concerns about matters beyond appointment scheduling. Patients and community members were experiencing serious food insecurities. Understanding that telephonic efforts would not suffice supporting struggling families, CHC staff bravely took a “boots on the ground” approach during a time when many other organizations were suspending in-person community support services. In collaboration with the **Food Bank of Santa Barbara County** and the **SLO Foodbank** (serving San Luis Obispo County), CHC expanded their weekly food shares from two to four, bringing more than 500,000 pounds of food into the hands of residents in need. Prior to the distribution events carried out in 2020, the organization met with partners to ensure the food was culturally appropriate (i.e., making sure the goods provided is food that the community will use or cook) and delivered in neighborhoods where farmworkers live and felt safe to leave their homes. High-density farm worker housing and residential areas were targeted including Santa Maria, Guadalupe, New Cuyama, Lompoc, San Miguel, Paso Robles and beyond. In addition to accessing thousands of pounds of nutritious food, mobile vaccine clinics were co-located where the more than 30 food distribution events took place. This allowed community members to receive relevant COVID-19 education and services in English, Spanish and Mixteco (language spoken by indigenous migrants of Mexico).

**Example 3.** Once vaccines became available, CHC quickly joined forces with the **Santa Barbara County Public Health Department** to vaccinate Central Coast residents working in essential roles. Throughout 2020 and 2021, the vast majority of those served by CHC's vaccine clinics were frontline agricultural workers. Today, the clinics continue to strategically work hand-in-glove with the County to ensure there is adequate vaccine access and COVID-19 education for all local agricultural workers. As a result, CHC has become one of the principal providers of COVID-19 vaccination countywide, with vaccine clinics continuously carried out in collaboration with local growers and contractors, during convenient hours in order to support patients who cannot take time away from work. By early 2021, dozens of farming labor crews received their COVID-19 vaccinations by CHC staff, allowing these dedicated, tireless frontline workers to keep fresh food flowing from their fields to our tables.

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## EARNED MEDIA

### ACAP 2022 Supporting the Safety Net Award (cont.)

**Innovation:** Along with food insecurities, the COVID-19 pandemic heightened the need for timely, trusted health education. In 2020, CHC's behavioral health outreach team collaborated with Community Health Workers (CHWs) of the **Santa Barbara County Promotores Network**, to implement a health education program in the county. Using illustrative posters/graphics as a key educational tool, the *Tableros Educativos* initiative (education boards) consists of five to eight-minute discussions led by CHWs. With efforts concentrated on high transmission neighborhoods, the *Tableros Educativos* rely heavily on images and pictograms to depict COVID-19 mitigation strategies and other related health topics such as myths and facts about COVID-19 vaccines, mental wellness education, and nutritional education to prevent the onset of chronic illnesses. The discussions take place outdoors in small socially distant groups, as community members conveniently wait in line during weekly food distribution events. Printed handouts of the education boards are also available. This effective in-person strategy allows CHWs to remain socially distant, while community members feel at ease to ask questions and engage with trusted health messengers. Since the *Tableros Educativos* initiative launched in 2020, CHWs have connected with close to 44,500 individuals and nearly 10,000 families across Santa Barbara County, in English, Spanish and Mixteco.

**Exceeding the standards for Medi-Cal (Medicaid) patients:** In the early months of the pandemic lockdowns, CenCal Health's membership utilization trends revealed an alarming 50% decline in cervical cancer screenings in Santa Barbara County, and a 40% decline in San Luis Obispo County. Other preventative medicine evaluations, like annual physicals, were also considerably down. Serving a large portion of CenCal Health's membership, CHC worked arduously to ensure that their patients' initial avoidance of medical services would not result in another public health emergency.

In 2021, CHC's primary care and patient engagement strategies helped lead CenCal Health (San Luis Obispo County) to third place in overall quality of care, out of 56 contracted Medi-Cal Managed Care entities. Examples of CHC's high performance includes the delivery of vital weight management services to CenCal Health pediatric members, with 88% - 94% of child and adolescent patients receiving various evaluations related to weight management. Subsequently, CenCal Health San Luis Obispo County was rated in the top 5% of Medicaid plans nationwide for pediatric physical activity counseling, and in the top 10% for overall pediatric weight assessments, including nutrition counseling and body mass index (BMI) percentiles, according to the National Committee for Quality Assurance's 2021 **Healthcare Effectiveness Data and Information Set (HEDIS®)** results. Also, more than 70% of CHC's CenCal Health patients received timely cervical cancer screenings. Compared to the Medicaid benchmark nationwide, CHC neared the top 90th percentile in this aspect of care. The FQHC also achieved blood pressure control outcomes for CenCal Health members significantly more often than other primary care providers in Santa Barbara County (65.7% for CHC, versus 59.6% for Santa Barbara County).

# May 2022 Look Back

To: Board of Directors

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Date: June 3, 2022



## EARNED MEDIA

### ACAP 2022 Supporting the Safety Net Award (cont.)

**Created to serve vulnerable populations:** In 2021, CHC served more than 110,400 unduplicated patients, 35% of which were low-income. Of the total patients, nearly 32% were children, 8% were homeless adults and 13% were uninsured. CHC also serves an astonishing 39% of CenCal Health's membership.

**Demonstrating cultural and linguistic sensitivity:** To enhance its understanding of the daily challenges faced by its patient population, the clinics performed direct outreach to working families. In alignment with community-based participatory research models, a cohort of 105 families who receive integrated care through CHC, were recently interviewed. Their stories, which included suggestions on how to better support ethnically and linguistically diverse patients, were recorded. CHC's staff reflects their patient community. Today, a significant portion of CHC's patients identify as Hispanic/Latine, and 68% of clinic employees are of Hispanic/Latine ethnicity. In addition, the majority of CHC's medical assistants are bilingual, and some are also trilingual (English, Spanish, and Mixteco).

Thank you for your consideration.

A handwritten signature in black ink that reads "Marina A. Owen". The signature is fluid and cursive.

Marina Owen, CEO



# May 2022 Look Back

To: Board of Directors  
From: Nicolette Worley Marselian, Director, Communications & Community Relations  
Date: June 3, 2022



## EARNED MEDIA

### Public Relations/Publicity Efforts



The Communications and Community Relations department distributed one bilingual press release in May 2022:

- **CenCal Health to Provide \$200K in Funding for Adolescent Family Life Planning**  
Social service program for teen mothers receives support from local health plan

(Note: to read the press release, go to page 12.)

The news release generated Family mentions in *Santa Barbara News-Press*, *Noozhawk*, and *Amigos 805* (bilingual report), among other media. CenCal Health's \$200,000 contribution to CommUnify will allow its teen pregnancy support program, known as the Adolescent Family Life Planning (AFLP) program, to roughly double in size, increasing the number of unduplicated participants from 30+ to approximately 60 during the program year.

Additionally, positive media recognition continued from the April press release announcing CenCal Health's National Committee for Quality Assurance (NCQA) Innovation award. Publicity was provided by several news outlets including the Central Coast Medical Association's (CCMA) e-newsletter *The Pulse*, the Local Health Plans of California (LHPC) *Member Mentions* email bulletin and *Noozhawk*.

# May 2022 Look Back

To: Board of Directors

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## EARNED MEDIA

### Public Relations/Publicity Efforts (cont.)



The Spring issue of *Central Coast Physicians Magazine*, published in mid-May, included a two-page spread on CenCal Health's 2021 Community Report.

Also in May, the *Pacific Coast Business Times* journal recognized CenCal Health among the top 20 *Central Coast Best Places to Work* (large employer category). As a result of our ranking, CenCal Health received several mentions in the *Best Places to Work* special report, which was published on May 27.

The regional publication's annual report is based on a survey that employees complete to share what makes their organization great. Based on the survey feedback, the top employers in the tri-counties region make the list.

This is CenCal Health's fourth consecutive year participating in the contest and being selected among the top employers.

May also rendered organic publicity. CenCal Health received media mentions for its sponsorship of two fundraising events: Santa Barbara County FoodBank's "Empty Bowls," and CALM's "Ladies Get Loud."

# May 2022 Look Back

To: Board of Directors  
 From: Nicolette Worley Marselian, Director, Communications & Community Relations  
 Date: June 3, 2022



## EARNED MEDIA

### Media Coverage Report

CenCal Health received 14 media mentions, including press release coverage, for the month of May 2022.

CenCal Health Media Coverage Report - May 2022						
Date	Name	Type	Page	Section	Subject	Headline
5/31/2022	LHPC Email	Email		Member Mentions	CenCal Health Program Funding	<b>CenCal Health to Provide \$200,000 in Funding for Adolescent Family Life Planning</b>
*5/29/2022	Edhat	Digital		Feel Good News	CenCal Health Program Funding	<b>CenCal Health to Provide \$200,000 in Funding for Adolescent Family Life Planning</b>
*5/27/2022	Pacific Coast Business Times	Print & digital	Pgs. 11A, 33A & 16A (ad)		Central Coast Best Places to Work	<b>The List - Best Places to Work (Large: 30 employees or more)</b>
5/27/2022	Santa Barbara News-Press	Print & digital	B2	Life	CenCal Health Program Funding	<b>Program for teen mothers receives support from CenCal Health</b>
5/26/2022	Amigos 805	Digital		News	CenCal Health Program Funding	<b>Bilingual report — CenCal Health to Provide \$200K in Funding for Adolescent Family Life Planning</b>
5/25/2022	Noozhawk	Digital		Good for Santa Barbara	CenCal Health Program Funding	<b>CenCal Health to Provide \$200,000 in Funding for Adolescent Family Life Planning</b>
5/23/2022	NonProfit Resource Network	Digital		News	CenCal Health Program Funding	<b>CenCal Health to Provide \$200K in Funding for Adolescent Family Life Planning</b>
*5/20/2022	Central Coast Physicians Magazine (Spring issue)	Print & digital	Pgs. 32 & 33	CenCal Health News Hub	2021 Community Report	<b>CenCal Health Presents its 2021 Community Report</b>
5/12/2022	CCMA's e-newsletter The Pulse	Email		News	NCQA Innovation award to CenCal Health	<b>CenCal Health Earns National Recognition for HPV Vaccination Education</b>
5/7/2022	Noozhawk	Digital		Good for Santa Barbara	CenCal Health Sponsorship	<b>CALM's Ladies Get Loud Fundraiser Exceeds Goal to Help Children in Santa Maria</b>
5/5/2022	LHPC Email	Email		Member Mentions	NCQA Innovation award to CenCal Health	<b>CenCal Health Earns National Recognition for HPV Vaccination Education</b>
*5/4/2022	Atascadero News	Print & digital		News	CenCal Health Sponsorship	<b>Empty Bowls Raises Over \$83,000 for Unhoused in North County</b>
*5/2/2022	Noozhawk	Digital		Homes & Lifestyle	NCQA Innovation award to CenCal Health	<b>CenCal Health Earns National Recognition for HPV Vaccination Education</b>
5/2/2022	LHPC Email	Email		Member Mentions	CenCal Health Quality Care Incentive Program (QCIP)	<b>CA Medicaid Plan Seeks to Streamline Pay for Performance Model</b>

\*Clipping of online and/or print articles included on the next page.

# May 2022 Look Back

To: Board of Directors  
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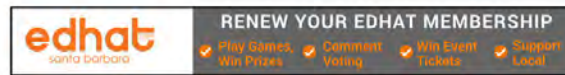


## Clippings Samples

Of the 14 press mentions, below are five notable samples.

1

**5/29/2022 – Edhat,**  
 CenCal Health to Provide  
 \$200,000 in Funding for  
 Adolescent Family Life Planning



### CENCAL HEALTH TO PROVIDE \$200K IN FUNDING FOR ADOLESCENT FAMILY LIFE PLANNING



Social service program for teen mothers receives support from local health plan

FEEL GOOD NEWS / MAY 29 2022 10:10 AM / BY / COMMENTS / READS 798

Source: CenCal Health

CenCal Health, the community-accountable health plan on the Central Coast, is funding the expansion of critical resources for expectant and parenting teens in Santa Barbara County. The \$200,000 contribution to CommUnity will allow its teen pregnancy support program to roughly double in size, increasing the number of unduplicated participants from 30+ to approximately 60 during the program year. This expansion will also help to open up the program's geographic range beyond Santa Maria to serve

SUBSCRIBE TO NEWSLETTER

UPGRADE YOUR SUBSCRIPTION



2

**5/27/2022 – Pacific Coast Business Times,**  
 The List - Best Places to Work (Large: 30 employees or more)

THE LIST		Best Places to Work (Large: 30 employees or more)					Regional executive
Rank (out)	Name Address City, ZIP	Phone Website	Score	Tri-county employees	Industry		
11	<b>Barkley Risk Management &amp; Insurance</b> 310 W Esplanade Dr Oxnard, 93036	(805) 483-1895 barkleyrisk.com	87.8	35	Insurance services	Griffin B...	
12	<b>MUFJ Union Bank</b> 400 California St., 15th Fl. San Francisco, 94104	(888) 400-7228 unionbank.com	86.7	220	Financial services	Vincent C...	
12	<b>Tolman and Wilker</b> 196 S. Fir St. Ventura, 93001	(805) 585-6100 tolmanandwilker.com	86.7	150	Insurance services	Denise S...	
14	<b>Morris &amp; Garritano Insurance</b> 1122 Laurel Lane San Luis Obispo, 93401	(805) 543-6887 morrisgarritano.com	86.6	105	Insurance services	Brendan...	
15	<b>CBIZ MHM</b> 300 Esplanade Drive, Ste. 250 Oxnard, 93036	(805) 988-3222 cbiz.com	86.3	37	CPA firm	Andrew Marizeta Boutain	
16	<b>Cannon</b> 1050 Southwood Drive San Luis Obispo, 93401	(805) 544-7407 cannoncorp.us	85.7	86	Engineering services	Mike C...	
17	<b>CenCal Health</b> 4050 Calle Real Santa Barbara, 93110	(805) 421-2560 cencahealth.org	85.6	298	Health care insurance provider	Marino...	
18	<b>SEASIDE FCU</b> 3855 Broad St. San Luis Obispo, 93401	(805) 543-1818 sealoc.org	85.6	177	Credit union	Gerl...	
19	<b>Community West Bank</b> 445 Pine Ave. Goleta, 93117	(805) 682-5821 communitywestbank.com	85.6	125	Financial services	Ma...	
20	<b>Glenn Bardette</b> 1150 Palm St. San Luis Obispo, 93401	(805) 544-1441 glennbardette.com	85.5	90	CPA firm	Dan...	
21	<b>Casa Pacifica Centers for Children &amp; Families</b> 1722 S. Lewis Road Camarillo, 93012	(805) 445-7800 casapacificca.org	85.1	350	Nonprofit	Shaw...	
22	<b>Community Bank of Santa Maria</b> 2739 Santa Maria Way Santa Maria, 93455	(805) 922-2900 yourcbm.com	84.5	60	Financial services	Janet...	

# May 2022 Look Back

To: Board of Directors  
 From: Nicolette Worley Marselian, Director, Communications & Community Relations  
 Date: June 3, 2022



## Clippings Samples (cont.)

3

### 5/20/2022 – Central Coast Physicians Magazine, CenCal Health Presents its 2021 Community Report



Managed care entities in California, the health plan ranked #1 in well-child visits for children 1 to 18 months of age in Santa Barbara County, and #1 in overall quality of care in San Luis Obispo County. Nationwide, CenCal Health ranked in the top 1% of Medicaid plans for timeliness of women's preparation care in both counties it serves.

The report opens with a welcome video from CEO Maria Chios, who was named to the position in November 2021 after the retirement of former CEO John Freeman, who served the organization in various positions for 28 years. There it features several interviews with CenCal Health, having worked for a decade as the agency's Associate Senior Vice President and Program Development Director. Most recently, Chios was Chief Operating Officer of Central California Alliance for Health, serving Monterey, Santa Cruz, and Merced counties.

Referencing its decades-long history in healthcare on the Central Coast, CenCal Health recently published its annual community report, "Building on a Legacy: Evidence-Driven Progress, Innovation." The report reveals a record of the health system's commitment to the community.



The 2021 Community Report is available to the public at [cenca12021.org](http://cenca12021.org)

Important work of the 120th local providers and community partners including Community Health Centers of the Central Coast, Santa Barbara Neighborhood Clinic, Santa Barbara County Public Health Department, cancer care program, Meals That Connect in San Luis Obispo County, and Camp Mariposa, providing pediatric therapies during the summer months in Santa Barbara and Maricopa.

Highlighted in the report are several of the innovative programs that CenCal Health launched during COVID-19, such as the multi-faceted Vaccines for People Plan. Because the local population participated in COVID-19 vaccination at a lower rate than the general population, the program was designed to increase the rate of immunization.

4

### 5/4/2022 – Atascadero News, Empty Bowls Raises Over \$83,000 for Unhoused in North County



(From left) Miranda Lomeli-O'Reilly, ECHO volunteer coordinator; Barbie Butz; and ECHO CEO Wendy Lewis pick out artisan bowls at the Empty Bowls fundraiser. Photo by Christianna Marks

"We have kind of a back of the house going on like a restaurant would. The restaurants locally donated different flavors of soup, and we have volunteers packing it up with desserts and bread," continued Lewis. "People have a choice when they come out. We have a system down and celebrity servers out here making that possible too."

Celebrity servers included important members of the community: Mayor Heather Moreno, Supervisor Bruce Gibson, Don Idler, Chad Nicholson, Robert Masterson, Debbie Arnold, Barbie Butz, Casey Bryson, and Clint Weirick.

"Because of our sponsors and people who purchased tickets, we are exceeding our [fundraiser] goal," Lewis said.

This year's founding sponsor was Howard Products, with Specialty Constructions Inc as the presenting sponsor. Other sponsors included State Farm-Courtney Morrow, American Riviera Bank, Gerber's Automotive, Idler's Home, Solarponics, Steve Schmidt Topsoil, Atascadero 76, The Sandwich Truck, Bank of America, Tenet Health, Whitmer-Don & Elaine, Andros Engineering Corp, CenCal Health, Dignity Health, and HealthCare Partners. The event was held at the Atascadero Community Center, 651 E. Olive St., Atascadero, CA 93422.

5

### 5/2/2022 – Noozhawk, CenCal Health Earns National Recognition for HPV Vaccination Education

#### CenCal Health Earns National Recognition for HPV Vaccination Education

SOURCE: \$830 MONEY FOR CENCAL HEALTH

The National Committee for Quality Assurance (NCQA) has presented a 2021 NCQA Innovation Award to CenCal Health for its bilingual Know More: HPV - Improving Vaccination Uptake and Closing Health Disparities With a Digital Patient Intervention.

The in-office patient intervention supports the public health goal to increase vaccination rates to prevent infection from the human papillomavirus or HPV. The unique strategy consists of a digital program that interactively provides health information on HPV and the need to vaccinate adolescents.

Citing CenCal Health's commitment to advancing health care quality and addressing population health needs, NCQA credited the Know More: HPV campaign with "improving vaccination uptake and closing health disparities." CenCal Health is one of only three awardees selected among more than 40 applicants nationwide.

CenCal Health had earlier identified a geographic health disparity in HPV vaccination rates among its membership; north Santa Barbara County had an



CenCal Health's Health Promotion Supervisor Gabriela Labraña and Population Health Supervisor Rachel Ponce with 2021 NCQA Innovation Award.



# May 2022 Look Back

To: Board of Directors

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## Press Release

### CenCal Health to Provide \$200K in Funding for Adolescent Family Life Planning

Social service program for teen mothers receives support from local health plan

**SANTA BARBARA, Calif.** – May 23, 2022 – **CenCal Health**, the community-accountable health plan on the Central Coast, is funding the expansion of critical resources for expectant and parenting teens in Santa Barbara County. The \$200,000 contribution to **CommUnify** will allow its teen pregnancy support program to roughly double in size, increasing the number of unduplicated participants from 30+ to approximately 60 during the program year. This expansion will also help to open up the program's geographic range beyond Santa Maria to serve residents across Santa Barbara County, including Lompoc and other communities in south county.

CommUnify's **Adolescent Family Life Planning (AFLP) program** provides case management support for expectant and young parents – primarily mothers – aged 12 to 21. The AFLP program seeks to increase social and emotional support and build resiliency, while helping young parents achieve a healthy pregnancy and learn positive parenting skills. In addition, the AFLP program supports young parents in setting goals, completing their high school education, setting career objectives and gaining access to needed community resources. AFLP is one of 17 social service programs that CommUnify provides in Santa Barbara County. Established in 1967, the nonprofit organization is currently marking its 55th year of service to the community.

"Partnering with CommUnify to support the AFLP program is a well-founded extension of our mission to improve the health and wellness of our diverse communities and advance health equity," said CenCal Health CEO **Marina Owen**. "Helping moms improve their life skills for successful parenting not only benefits children and families, but entire communities as well."

The additional funding from CenCal Health will also enhance the AFLP program's "wraparound" behavioral wellness support by providing traumainformed, evidence-based clinical therapeutic services for parents and children.

The most recent data reported by the California Department of Public Health revealed that Santa Barbara County has the 15th highest teen birth rate in the state, at 18 births per 1,000 females aged 15-19 (as compared to California at 13.9 teen births), with the birth rate among Hispanic teens in Santa Barbara County at 29.5. While teen birth rates are steadily dropping across the state and in Santa Barbara, young parents – particularly those in at-risk environments or victims of trauma – need support and assistance to create a healthy life for themselves and their children. Of the clients referred to the AFLP program, many have been the victims of sexual abuse, rape and sex trafficking. Nearly all of these young mothers are low- to extremely-low income, 98% are Medi-Cal eligible, and more than 90% are single mothers. Moreover, the impact of stressors associated with the COVID-19 pandemic, particularly on mental health, has contributed further to the incidence of depression symptoms in young mothers.

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## Press Release (cont.)

The funding from CenCal Health will specifically allow for

- case managers to assess each current and new AFLP client for mental health needs and refer approximately 30% of clients to behavioral wellness services;
- a total of 30 expectant and parenting mothers to participate in Positive Youth Development, parenting education, and case management;
- case managers to support and track a mother's recommended postpartum visit schedule and provide and track referrals for needs identified, including needs for mental health services.

Funding will be provided in two installments over an estimated 12-month time period. This month CommUnify was presented with an initial \$100,000 by CenCal Health CEO Marina Owen.

"CenCal Health has consistently responded to the needs of our agency's clients and our programs that serve the local high-need population," said CommUnify CEO **Pat Keelean**. "We are grateful for this vital funding that will substantially improve both the present and future of teen parents and their children in Santa Barbara County."

More information on CommUnify is available at [CommUnifySB.org](https://CommUnifySB.org). Information on CenCal Health can be found at [cencalhealth.org](https://cencalhealth.org)

# May 2022 Look Back

To: Board of Directors

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Date: June 3, 2022



## PAID MEDIA

### **Central Coast Best Places to Work Ad**

Due to CenCal Health's ranking in the *Central Coast Best Places to Work* special report, a full-page congratulatory ad appeared in the May 27 issue published by *Pacific Coast Business Times*.





# May 2022 Look Back

To: Board of Directors  
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Date: June 3, 2022



## SHARED MEDIA

### May Social Media Campaigns

CenCal Health uses social media platforms to communicate with our members, providers, staff, and communities at large.

**Top 50 Women  
in Business**



**Mental Health  
Awareness Month**



**Nurses Month  
2022**

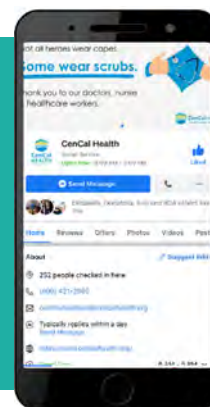


**COVID-19 Vaccine  
Information**

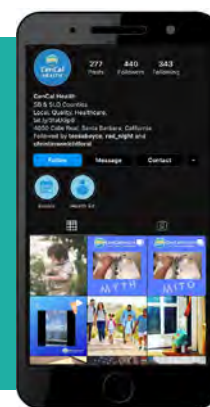


As a reminder, we encourage members of the Board to:

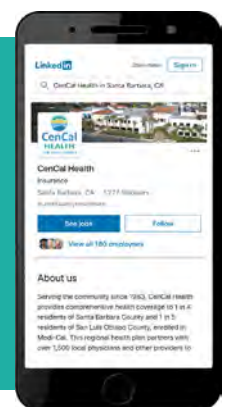
- **Follow** CenCal Health on Facebook, Instagram, and LinkedIn.
- **“Like”** posts.
- **Post comments** as appropriate.
- **Share posts** you think others could find interesting or informative.



Facebook



Instagram



LinkedIn

On our social media platforms, you will see what we're communicating to our viewers, as well as teleworking posts with CenCal Health staff. Together, we will reach a larger audience, become a resource for our local communities, and connect with local partners and stakeholders.

# May 2022 Look Back

To: Board of Directors  
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## COMMUNITY RELATIONS

### Community Meetings

CenCal Health staff is virtually active on community boards, councils, and committees representing issues on access to healthcare, children and senior issues, behavioral health, Latino outreach, individuals with developmental disabilities, and homelessness. The majority of meetings are still held remotely. Our focus is improving access to high-quality healthcare, reducing health inequities, providing education, and promoting a healthy lifestyle.

### Activities Report



In May, eight members of CenCal Health's staff, including CEO Marina Owen, attended the annual fundraiser hosted by Meals that Connect – the senior nutrition program for San Luis Obispo County. (Photo credit: Meals that Connect)

Recently, CenCal Health resumed staff's in-person participation at some sponsored events and fundraisers such as galas, luncheons and dinners. In May, four sponsored events were attended by line staff, members of leadership and executives.

CenCal Health participated in the following six community-focused meetings and events in May 2022:

Date	Activity/Event/Meeting	Audience Reached
May 24	Homeless Services Oversight Council: Finance & Data Committee Meeting	CBOs/ SLO County/Advocates for homeless individuals
May 18	Homeless Services Oversight Council: Full Meeting	CBOs/ SLO County/Advocates for homeless individuals
May 12	Family Service Agency's Annual Fundraiser – Supporting Youth Mental Health with Dr. Sarah Y Vinson	Public/CBOs/Business Community/ SB County/ Child & family support advocates
May 7	Meals the Connect's Annual Fundraiser – Night of a Million Meals	Public/CBOs/Business Community/ SLO County/ Advocates for elderly individuals
May 6	Angels Foster Care Al Fresco Luncheon	Public/CBOs/Business Community/ SB County/ Advocates for children in foster care
May 6	VNA Health's Mother's Day Luncheon	Public/CBOs/Business Community/ SB County

# May 2022 Look Back

To: Board of Directors

From: Nicolette Worley Marselian, Director, Communications & Community Relations

Date: June 3, 2022



## COMMUNITY RELATIONS

### Transition Announcement

Nicole Bennett, who previously served as the department's Senior Community Relations Specialist, was recently promoted to Community Supports Program Manager for the Health Services department. Effective May 9, Nicole is responsible for the operations of the Community Supports Program, required under CalAIM, and will continue focusing on community initiatives that can advance health equity.

The Communications and Community Relations department is very proud of Nicole's accomplishments and wishes her well in her new management position.

After a thorough recruitment process, Christine Nichols will join CenCal Health as the new Community Relations Specialist beginning June 6. Christine has over 20 years of experience in community relations and health education, including international work for *Doctors without Borders* in countries like South Sudan, Papua New Guinea, Uzbekistan and Tajikistan.



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# ACAP's 2022 Annual *Supporting the Safety Net Award*

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Nicolette Worley Marselian, MBA  
*Director, Communications & Community Relations*

# ACAP

The Association for Community Affiliated Plans (ACAP) is a national trade association that represents 74 not-for-profit Safety Net Health Plans.

Collectively, ACAP plans serve more than 20 million enrollees through Medicaid, Medicare, Marketplaces and other public health coverage programs.



# CHC's Nomination

CHC serves an astonishing **39%** of CenCal Health's membership.

**In 2021:**

- CHC carried out significant efforts to support local area farmworkers access COVID-19 education and vaccination, food, and vital preventive health services.
- CHC's primary care & patient engagement strategies helped lead CenCal Health (San Luis Obispo County) to **3<sup>rd</sup> place in overall quality of care, out of 56 contracted Medi-Cal Managed Care entities.**



# Supporting CenCal Health Members

**88% - 94%** of CenCal Health pediatric members received vital weight management services through CHC.

- Subsequently, CenCal Health (San Luis Obispo County) was rated in the **top 5%** of Medicaid plans nationwide for pediatric physical activity counseling, and in the **top 10%** for overall pediatric weight assessments, including nutrition counseling and body mass index (BMI) percentiles.

**More than 70%** of CHC's CenCal Health patients received timely cervical cancer screenings.

- Compared to the Medicaid benchmark nationwide, CHC neared the **top 90<sup>th</sup> percentile in this aspect of care.**

**Despite pandemic, quality scores did not decline in SLO.**



# Next Steps

- CHC executive will receive the award at ACAP's June 23 CEO Summit in Washington, DC.
- ACAP covers travel costs for CHC executive.
- Award will be introduced by Marina Owen.
- ACAP will provide CHC with a \$1,000 donation.
- CenCal Health will work with ACAP on publicity.





**July 2022 – January 2023 Operating Budget Summary**

**Date:** June 15, 2022

**From:** David Ambrose, Chief Financial Officer

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**Executive Summary**

The purpose of this memo is to provide the CenCal Health Board of Directors a high-level summary of CenCal Health's proposed 7-month operating budget covering the period July 1, 2022 through January 31, 2023.

**Background**

During the May 2022 Board of Directors Meeting, staff shared and the Board discussed the health plan transitioning to a calendar year budgeting cycle beginning for calendar year 2023 to support alignment with the Department of Healthcare Services (DHCS) rate-setting timeline. A seven (7) month interim operating budget for the period of July 2022 – January, 2023 was developed. Staff described that the annual calendar year budget would then be reviewed and adopted thereafter for 2023.

**July 2022 – January 2023 Operating Budget**

Following is a summary of the financial forecast for this seven-month period:

Total Revenue	\$627,446,000
Medical Expenses	\$546,634,000
Administrative Expenses	\$39,783,000
MCO Tax Expense	\$40,293,000
<b>Operating Gain</b>	<b>\$736,000</b>
Average Number of Members	222,549

**Budget Document**

Enclosed with this memo is the Budget Document which contains detailed information around the budget forecast within each major area for a six-month timeline and an additional one-month (January 2023) of financial estimates for: Enrollment, Revenue, Medical Expenses, and Administrative Expenses have been included for Board of Director adoption, absent a scheduled December 2022 Board of Director meeting.

**Recommendation**

Staff recommends approval of the interim seven (7) month operating budget covering the period July 1, 2022 through January 31, 2023.



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# July 2022 – January 2023 Operating Budget

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David Ambrose  
Chief Financial Officer  
June 15, 2022

A roadmap on the financial forecast for the period covering July 1, 2022 through January 31, 2023.

In transitioning to a calendar year budget cycle, we recommend presenting and adoption of the calendar year budget during the annual January Board of Directors Board Meeting.

A calendar year 2023 budget will kick-off the annual calendar year budget cycle.



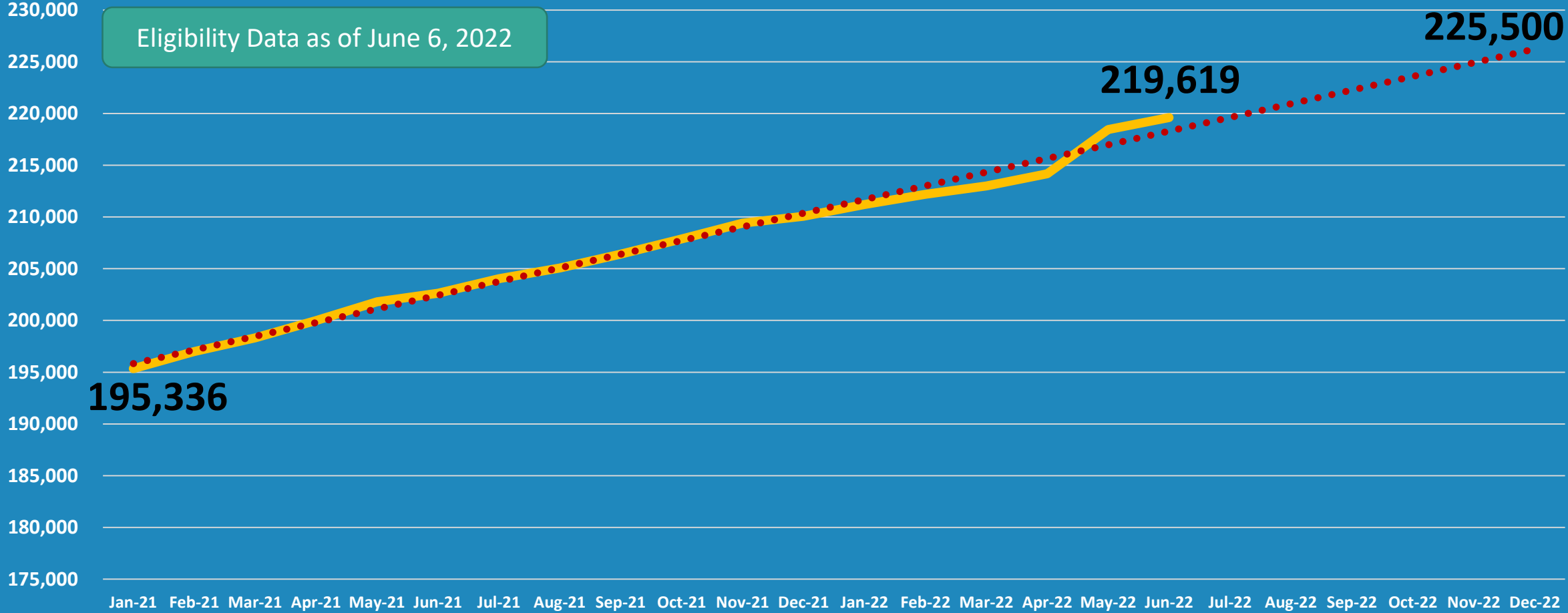
## Major Topics

- Enrollment
- Revenue
- Medical Expenses
- MCO Tax Expense
- Administrative Expenses
- Jul 2022 – Jan 2023 Forecast

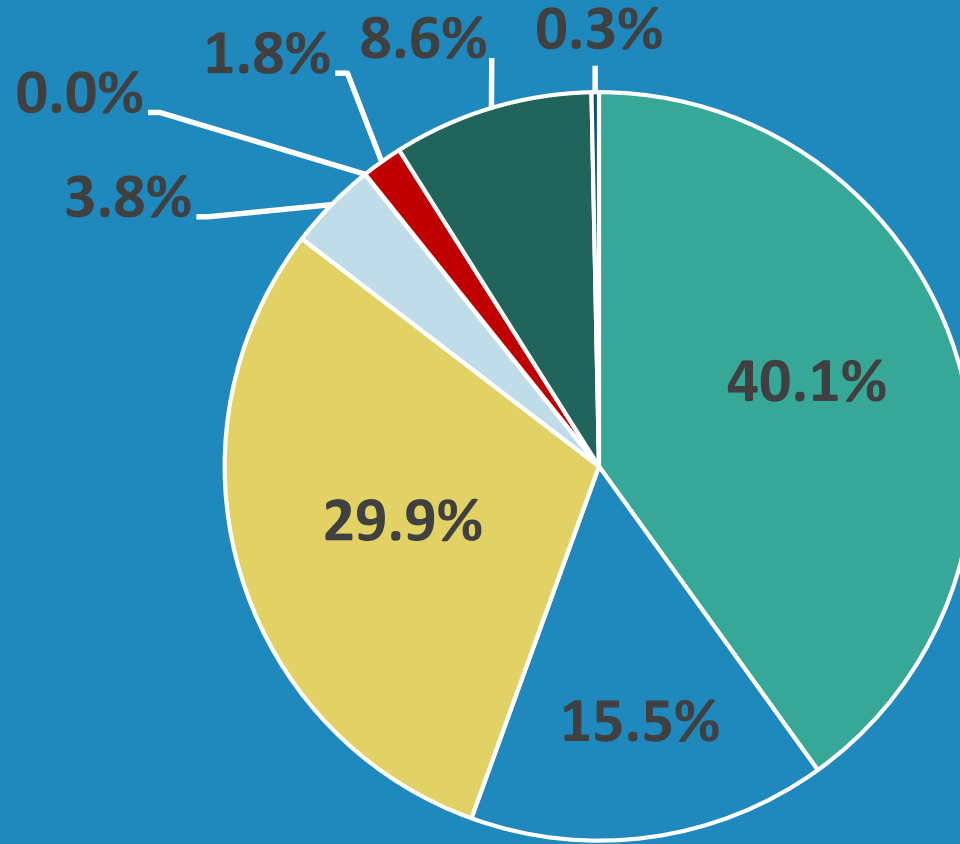
# Enrollment Forecast

- PHE extended thru Oct 15, 2022
- Eligibility re-determination impacts CY2023

# CenCal Health Enrollment --- Actual and Forecast



# Enrollment Distribution by Aid Category



CHILD = 88,935  
 ADULT = 34,353  
 ACA OE = 66,313  
 SPD = 8,533  
 LTC = 24  
 WCM = 3,932  
 SPD dual = 19,196  
 LTC dual = 711  
**222,057**

■ CHILD   
 ■ ADULT   
 ■ ACA OE   
 ■ SPD   
 ■ LTC   
 ■ WCM   
 ■ SPD - dual   
 ■ LTC - dual

# Revenue Forecast

- Capitation Revenue
- Interest Income and Other Misc

# Capitation Revenue

Base Capitation	\$404.7 million
Supplemental	16.7
Hosp Directed Pmts	38.5
HQAF Directed Pmts	19.2
IGT Pmts	22.8
MCO Tax component	40.3
	<hr/>
	\$542.2 million



# Capitation Revenue

Base Capitation	\$404.7	PMPM\$
Supplemental	16.7	Utilization
Hosp Directed Pmts	38.5	PMPM\$
HQAF Directed Pmts	19.2	PMPM\$
IGT Pmts	22.8	PMPM\$
MCO Tax component	<u>40.3</u>	PMPM\$
	\$542.2	

# Capitation Revenue

Base Capitation	\$404.7	
Supplemental	16.7	
Hosp Directed Pmts	38.5	pass through
HQAF Directed Pmts	19.2	pass through
IGT Pmts	22.8	pass through
MCO Tax component	<u>40.3</u>	
	\$542.2	

# Revenue Forecast

- Capitation Revenue \$542.2 million
- Interest Income and Other Misc \$320,000

\$542.5 million

# Medical Expense Forecast

- CY2021 Actual Experience Base Period
- Estimates for new services of ECM and CSS
- Convert into PMPM\$ x Enrollment = Dollars

# Medical Expense Assumptions

- Utilization equal to CY2021 average
- Physician Medicare Fee Schedule
- Hospital APR-DRG Base Rates
- Known and Estimated Contract Reimbursement
- Medi-Cal Fee Schedule ---- no change
- ECM ---- DHCS forecast
- CSS ---- internal staff projections

# Medical Expense Forecast

Base Medical Costs	\$386.9 million
Hospital Directed Pmts	38.5
HQAF Directed Pmts	19.2
IGT Pmts	22.8
	<hr/>
	\$467.4 million

# MCO Tax Expense

Fixed Dollar Amount of \$40,293,000

Covers the 6-month period July – December 2022

MCO = Managed Care Organization

# Administrative Expense Forecast

- Zero Based ---- built from the ground up
- Mission and Vision focused
- Investments in staff and infrastructure to support CalAIM and other strategic initiatives.
- Stays within the DHCS funding level for admin

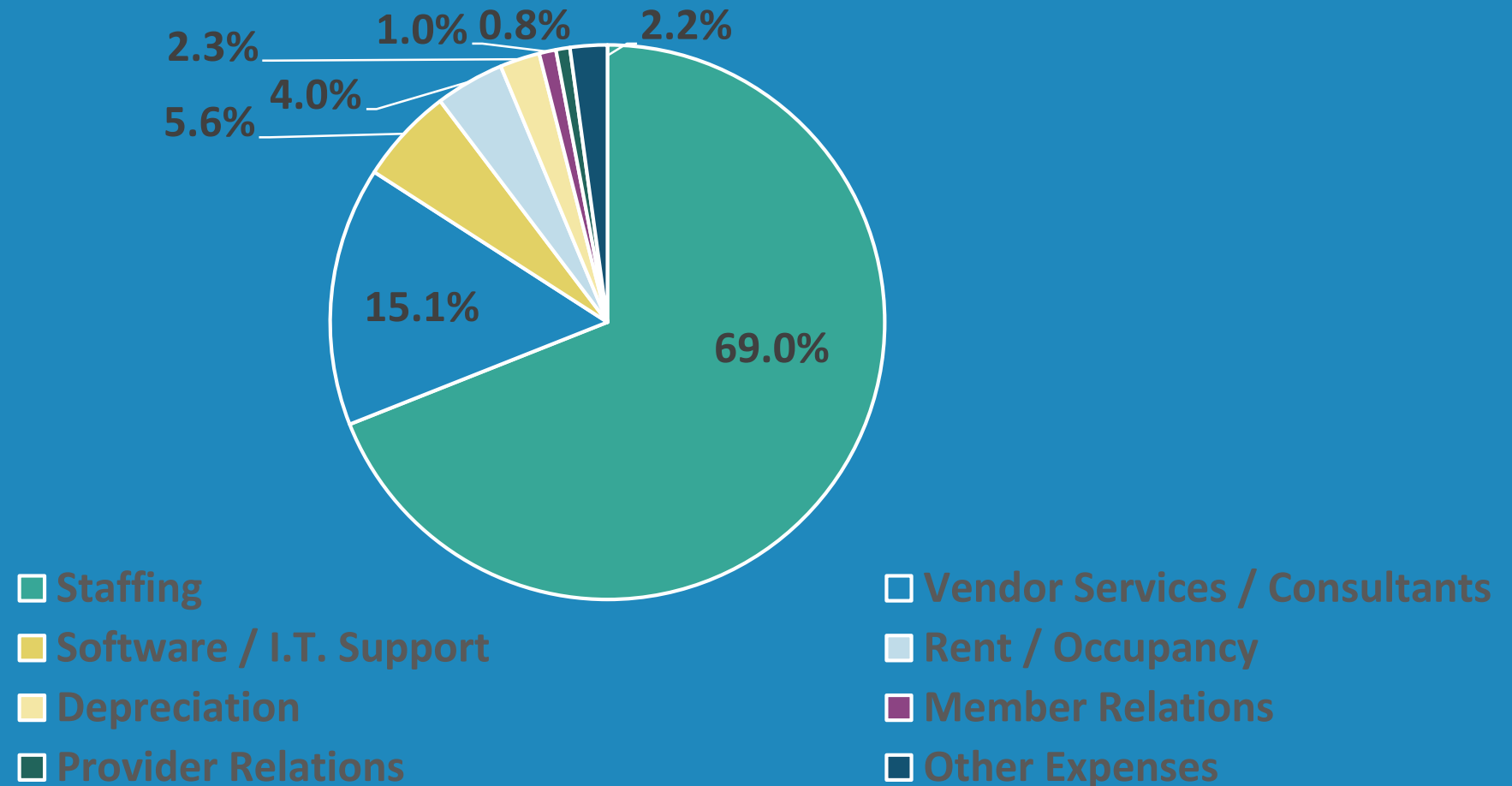


# Administrative Expense Forecast

## Capitation Rate PMPM\$:

- Medical Cost component --- to cover cost of medical care
- MCO Tax component --- to cover cost of MCO Tax expense
- Administrative Cost component --- to cover cost of operating the health plan

# Administrative Expense Forecast



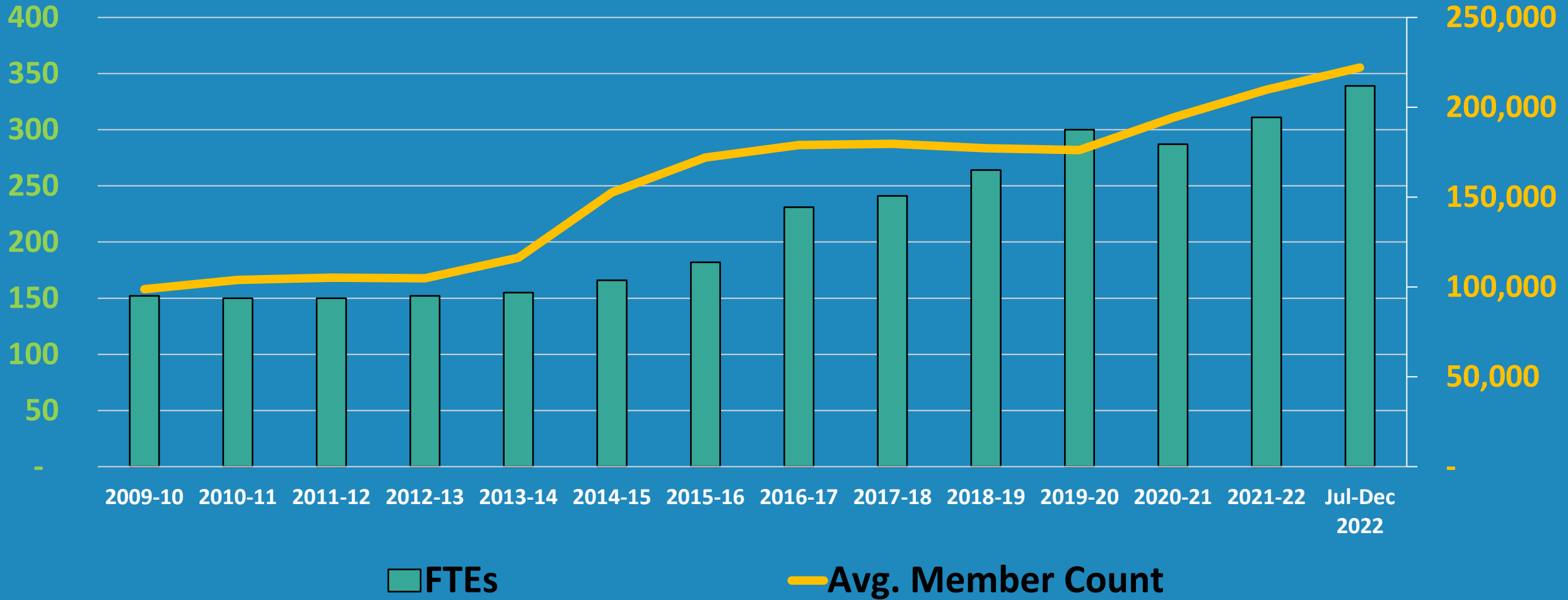
# Administrative Expense Forecast

- 28 new FTEs compared to FY 21/22
- Merit Pool for qualifying staff --- effective in July
- \$2.1M/Yr in new vendor/consultant costs
- \$1.1M/Yr increase in Cyber Security coverage

# Administrative Expense Forecast

Expense Category	Jul – Dec Budget Dollars
Staffing and Other Related	\$23,528,000
Vendor Services / Consultants	\$5,152,000
Software, IT Support	\$1,906,000
Rent, Occupancy, and Other Related	\$1,370,000
Depreciation	\$793,000
Member Relations	\$335,000
Provider Relations	\$277,000
Other	\$739,000
<b>TOTAL</b>	<b>\$34,100,000</b>

# Staffing FTEs vs. Average Member Count



# Administrative Expense Forecast

	FY 20/21	FY 21/22	Jul – Dec 2022
Admin Budget	\$55,788,000	\$59,572,000	\$34,100,000
Avg. Member Count	186,294	206,381	220,057
Pct. Admin to Revenue	6.6%	6.3%	6.3%
Admin Budget PMPM\$	\$24.96	\$24.05	\$25.59

**DHCS Admin Funding Level Jul – Dec**

**\$37,169,000**

# Operating Budget Forecast

	July 1 – December 31, 2022
Avg. Member Count	220,057
REVENUE	\$542,470,000
MEDICAL EXPENSES	\$467,423,000
MCO TAX EXPENSE	\$40,293,000
ADMINISTRATIVE EXPENSES	\$34,100,000
<b>OPERATING GAIN</b>	<b>\$654,000</b>

# Operating Budget Forecast

	Jul – Dec 2022	Jan 2023	Jul 2022 – Jan 2023
Avg. Member Count	220,057	225,500	222,549
REVENUE	\$542,470,000	\$84,976,000	\$627,446,000
MEDICAL EXPENSES	\$467,423,000	\$79,211,000	\$546,634,000
MCO TAX EXPENSE	\$40,293,000	----	\$40,293,000
ADMINISTRATIVE EXPENSES	\$34,100,000	\$5,683,000	\$39,783,000
<b>OPERATING GAIN</b>	<b>\$654,000</b>	<b>\$82,000</b>	<b>\$736,000</b>



# Questions / Comments

Staff recommends the approval and adoption of this 7-month transitional budget covering the period July 1, 2022 through January 31, 2023 as we transition into a future calendar year budget cycle.



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### **Alternative Health Services Plan (AB2724 and Budget Trailer Bill) Report**

**Date:** June 15, 2022

**From:** Marina Owen, Chief Executive Officer  
Michael Harris, Director of Government Affairs and Administrative Services

**Contributor:** Russell Noack, Public Policy Advocates

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#### **Executive Summary**

Since January 2022, staff have briefed your Board regarding the “Kaiser Bill” being proposed by Governor Newsom and associated proposal by the Department of Healthcare Services (DHCS). This proposal is now in two forms: Assembly Bill 2724 (Assemblymember Arambula) and a budget trailer bill being proposed by the Governor. Recently, AB 2724 narrowly passed through the State Assembly and is now before the State Senate.

#### **Background**

CenCal Health staff provided your Board, for its May 2022 Meeting, an update regarding the State's contracting with Kaiser Permanente. This memo provides additional information regarding the status of AB 2724, the addition of a Budget Trailer Bill and provides recommendations to your Board's consideration regarding CenCal Health approach towards these two legislative items.

#### *Private Agreement with Kaiser*

Governor Newsom met behind closed doors with representatives of Kaiser Permanente to reach an agreement on the role of Kaiser Permanente Health Plan in the State's Medi-Cal Program. This agreement did not benefit from public input and, in some areas, infringes on local County government, medical community interests and the local self-determination of safety-net health plans. Because the Governor's proposal awards Kaiser Medi-Cal members in some counties, which are exclusive operating areas for County Organized Health System (COHS), this proposal undermines the COHS model and provides broad authority to DHCS to contract with Alternative Health Services Plans (AHSPs) in any region of California.

Originally, the DHCS proposal was incorporated into Budget Trailer Bill language (TBL) which affords constituents and the general public less opportunity for comment and therefore the ability to modify or amend. Also, because it has less processing in various legislative committees, TBL often moves quickly through the legislative process.

## **Assembly Bill 2724**

### *Assemblymember Arambula (Fresno) Policy Bill*

On February 18, 2022, Assemblymember Arambula moved TBL into an Assembly Policy Bill. This affords for greater input and the ability to discuss and/or amend the language to accommodate concerns or conflicts. Policy Bill amendments are actually very common and a standard part of the legislative process to minimize unintended consequences and improve language needing greater clarification.

AB2724 started in the Assembly Health Committee and then an informational hearing occurred with the Joint Senate Committees on Budget and Health. Following that hearing, AB 2724 moved on to the Assembly Appropriations Committee. During each one of these stops, local health plans, counties and stakeholders provided input and recommendations which sought to alleviate many of the concerns held by local health plans. One of the significant concerns by local health plans is the intrusion of Kaiser into COHS counties, the unintended consequences on safety-net providers and lack of clarify or detail in the Assembly Policy Bill (which is 4 pages and requires the 11 page state proposal document to explain it).

CenCal Health has voiced concerns with AB 2724 because the legislation does not follow the standard practice of identifying the specific areas in which Kaiser would operate. Vagueness around the language also causes staff concern in that it may leave open ability for Kaiser or other Alternative Health Services Plans (at DHCS discretion) to expand into Santa Barbara and San Luis Obispo Counties.

### *Assembly Vote and Senate Process*

On May 26<sup>th</sup>, 2022, AB2724 was heard on the Assembly Floor and was narrowly approved (by one vote) with 41 Ayes, 18 Nos, 19 Abstentions (Assemblymember Bennett: no vote, absent; Assemblymember Cunningham: no vote, absent) The Policy Bill now moves to State Senate where Senator Limon and Laird have been receptive to CenCal Health and local County concerns.

In the Senate, AB 2724 will follow much of the same path; Senate Health and Senate Appropriations. During this process, Local Health Plans of California (LHPC), CenCal Health staff and its legislative advocate Public Policy Advocates, and County lobbyists will continue to champion language change that better defines the intent of AB 2724 and what specific areas where Kaiser will be allowed to operate. The DHCS proposal includes a list of counties included in the proposal and the Assembly Bill authors have to date been unwilling to exclude COHS counties or simply include the designated areas in AB2724. By clearly defining Kaiser's intended operating area, it is believed that Santa Barbara and San Luis Obispo Counties will, by default, not be included.

CenCal Health has held numerous meetings with local health plan CEOs, LHPC, elected officials, county officials, lobbyists and stakeholders. Health Plans also meet twice-weekly to address this matter to refine amendments and advocate for clarity.

### **Budget Trailer Bill**

#### *Governors May Revise*

When Governor Newsom released his revised budget proposal in May 2022, the Gov. reintroduced the Kaiser proposal through the revised budget process; the, "May Revise". In introducing another Budget Trailer Bill, the Governor introduced legislation that follows a different set of rules with less public comment and input.

Each year, several bills are introduced at the beginning of the legislative session. These bills are essentially placeholders with generic language for months while closed-door negotiations take place between the Legislatures, the Governor's staff, and select stakeholders. Working with the Governor, these Budget Trailer Bills are put into the legislative process at any time during the legislative session.

#### *Additional Concerns*

Unfortunately, some aspects of the recent Budget Trailer Bill, as put forth by the Governor, deepen CenCal Health staff concerns. CenCal Health has been for several years providing California Children's Services (CCS) in a program referred to by DHCS as the, "Whole Child Model" (WCM). Because Kaiser will be allowed to provide WCM services in the counties it provides Medi-Cal services, the State has included new WCM language allowing Kaiser as a commercial entity to serve children with the greatest medical needs. As a result, the reading of the proposed language in Welfare and Institutions Code, Section 14094.5. is proposed to read that Kaiser may provide WCM, "... in the following counties: Dell Norte, Humboldt... San Luis Obispo... Santa Barbara..." This language, when read in its own, clearly gives the authority for Kaiser to operate WCM in CenCal Health's service area.

There is a lack of definition in the Bill language itself about its designated areas, which is amongst CenCal Health's greatest concerns. As previously reported, DHCS continues to point to their proposal on their website (which is not law).

### **Legislative Position**

The first priority of CenCal Health staff has been to preserve the COHS model. Staff have strongly advocated that in the Governor's deal with Kaiser, COHS counties simply be excluded. This request by CenCal health and other local health plans has not been accepted as politically acceptable. There are a couple of COHS counties in which Kaiser has a large presence (e.g. Orange County, Ventura, San Mateo).

Without the political will to remove COHS counties, CenCal Health has been emphasizing the lack of clear definition on where Kaiser will be operating. Both AB 2724 and the trailer bill language do not include clear and defined areas in which Kaiser will be operating as part of this political arrangement. While DHCS has provided County information, down to the ZIP Code level, DHCS has refused to include the amendments from the Local Health Plans of California that include designated areas and other reasonable clarifications that have been verbally acceptable to the department. Specifically identifying geographic areas where legislation would impact or be provided is generally regarded as routine. The refusal to include specifics raises concerns about future State intentions.

### **Recommendation**

Staff recommends that CenCal Health's Board of Directors:

1. Oppose AB 2724 and proposed Trailer Bill Language (unless amended),
2. Direct staff and CenCal Health's lobbyist to advocate to the state and elected officials for amendments that (a) specify designated areas in alignment with the published DHCS proposal and (b) exclude CenCal Health's counties (Santa Barbara and San Luis Obispo) from AB2724 and remove associated Trailer Bill Whole Child Model (WCM-CCS) language.

Staff will continue joint advocacy with local State legislative representatives, counties and aligned stakeholders to support the best interests of CenCal Health's members, providers and community partners.



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# Legislative Report: Alternative Health Care Services Plan

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Marina Owen  
Michael Harris  
June 18, 2022

# Background

- **State Negotiations**

- Confidential/Closed Door
- Between Kaiser Permanente and Governor Newsom's Office
- No Public Hearings or Input

- **“Published” in Legislative “Budget Trailer Bill” (“TBL”)**

- Four Pages – Extraordinary Lack of Detail
- TBL Follows Different Legislative Process
- Streamlined Process with Less Debate/Input
- Can be Moved Forward on Different Schedule



# “Alternative Health Care Services Plan”

- **Defined in Welfare & Institutions Code §14199.51**

- “... a nonprofit health care service plan with at least four million enrollees statewide, that owns or operates pharmacies, and provides professional medical services to enrollees in specific geographic regions through an exclusive contract with a single medical group in each specific geographic region in which it is licensed.”
- Vertically Integrated Self-Contained Health System
- Kaiser Permanente

# Administration Proposal

## DHCS Directly Contract with AHCSP

- Cuts-Out Existing Health Plans
- “...in geographic regions designated by the department...”
- Medi-Cal members with AHCSP during 2023
- AHCSP member moving into Medi-Cal – ongoing
- Medi-Cal members with AHCSP “family linkage”
- Medi-Cal members already assigned stay with AHCSP
- Dual Medicare/Medi-Cal members
- Foster Children in “geographic region”
- Whole Child Model services (including in CenCal Health’s counties)

# Assembly Bill 2724 (Arambula)

- **Moved Administration's Proposal Into "Policy Bill"**
  - Same TBL proposals
  - Moves Legislation through Policy Committees for Greater Input
  - Cleared Assembly Appropriations & Health Committees
  - Combined Senate Health/Budget Committee Hearing
  - Assembly "Floor Vote" Moved Legislation to State Senate
    - Ayes: 41; Noes: 19; and, No Vote: 19 (Moves to Senate by One Vote)
    - Governor Made Calls to Assembly Members
    - Described as a "Priority" for Governor
  - Senate Moved to Senate Rules Committee for Committee Assignment
  - Next Stop: Senate Health Committee

# Concerns and “Negotiations”

- Vagueness – Lacking Significant Detail
- Disregards COHS Model and Inserts Kaiser Into COHS Counties
- Fails to Clearly Define Counties/“Regions” Included in Legislation
- Addition of Whole Child Model Language
- Department (Administration) Thus far Unwilling to Accept Any Amendments

# Whole Child Model Language

“No sooner than July 1, 2017, the department may establish a Whole Child Model program for Medi-Cal eligible CCS children and youth enrolled in a managed care plan served by a county organized health system or Regional Health ~~Authority~~ Authority , or , commencing no sooner than January 1, 2024, an alternate health care service plan contracted with the department pursuant to Section 14197.11 in the following counties: Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Merced, Modoc, Monterey, Napa, Orange, San Luis Obispo, San Mateo, Santa Barbara, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, Trinity, and Yolo.”

# Staff Recommendation

1. Continue opposition to AB 2724 and proposed Trailer Bill Language (unless amended),
2. Continue to direct staff and CenCal Health's lobbyist to advocate to the state and elected officials for amendments that (a) specify designated areas in alignment with the published DHCS proposal and (b) exclude CenCal Health's counties (Santa Barbara and San Luis Obispo) from AB2724 and remove associated Trailer Bill Whole Child Model (WCM-CCS) language.



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## **Strategic Planning Report**

**Date:** June 15, 2022

**From:** Marina Owen, Chief Executive Officer  
Chris Morris, Chief Performance Officer

**Contributors:** Rafael Gomez, Pacific Health Consulting Group

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### **Executive Summary**

The purpose of this memo is to share information on CenCal Health's strategic planning process and identify next steps relevant to the Board of Directors. This report also provides an update on organizational development responsive to CenCal Health's 2022 objectives and provides an overview of organizational design efforts underway.

### **Background**

In January 2022 the Board adopted CenCal Health's 2022 Roadmap inclusive of the Plan's 2022 Objectives:

- Adapt Operations to Meet Customer Needs
- Enhance Organizational Readiness
- Prepare for Strategic Advancement

In May 2022, the Board received the inaugural CenCal Health Operating Plan identifying all active and planned organizational efforts responsive to these Objectives, including an effort to develop a Multiyear CenCal Health Strategic Plan in preparation for strategic advancement. A related effort is aligning organizational structure with current and emerging business needs, which is an important effort related to our organizational readiness and strategic advancement.

### **Multi-Year Strategic Planning Process**

CenCal Health defined a four-step strategic planning process and engaged Pacific Health Consulting Group (PHCG) to provide expertise, facilitation and support in the execution of this process. As your Board is aware, PHCG engaged with CenCal Health in prior years to support strategic planning activities and facilitated various retreats.

The first step in our strategic planning process is to determine our organizational position, which consists of understanding our assets (e.g., resource and competencies), understanding our environment (e.g., market opportunities and threats), and identifying key strategic issues that must be resolved. In May 2022, staff compiled and synthesized information relevant to determining our organizational position, including: *membership*



*trends and projections, quality outcomes and improvement areas, financial statements and projections, provider network and access, and CalAIM activities and challenges.* On June 2, 2022, the CenCal Health Senior Leadership Team participated in an environmental scanning session led by Dr. Bradley Gilbert of PHCG and a strengths-weaknesses-opportunities-threats (SWOT) analysis led by Rafael Gomez of PHCG in preparation for the Board Retreat.

On July 1, 2022, CenCal Health's Board of Directors will participate the strategic planning process through the Board Strategic Retreat. This second step in our strategic planning process is to develop our multi-year strategic plan, driven and guided by the Board of Directors and Senior Leadership at CenCal Health, much of which is informed by our organizational position. The development of our strategic plan consists of *refining our organizational values, establishing a new long-term vision, identifying a set of multiyear strategic objectives, and developing strategies responsive to strategic objectives.* To make progress on a few of these deliverables, in April 2022, staff engaged in a collaborative process to refine or organizational values and in May 2022, the Board adoption our refined CenCal Health Values.

Strategic objectives and strategies will be co-developed next, informed by the July 1 Board Strategic Retreat and returning to the Board for adoption on September 21, 2022. The final two steps are those lead by staff and they include communicating the strategic plan and managing strategic plan performance. These steps will focus CenCal Health's staff focus through the development of annual objectives and success metrics, enable execution through integrated planning within the organization, and provide a cadence of accountability for periodic review and adaptation. As CenCal Health manages these two phases, the Board will be consulted and receive periodic updates.

### **Organizational Development**

Efforts to align organizational structure with business need has been aligned with organizational design principles, resulting in the addition of roles to support CenCal Health's 2022 Roadmap. Following are highlights:

- A new Performance Division was created to provide desired emphasis on organizational performance, including strategic development, operational excellence and organizational development
- The Health Services Division was split between the Chief Medical Officer and new Chief Health Operations Officer to improve equitable distribution of executive work and ensure programmatic and operational readiness
- Quality Measurement, Improvement, Population Health and Health Plan Accreditation functions combined into Quality Improvement Department to enhance integration and readiness for population health and health equity
- The Operations Division was reimagined as the Customer Experience Division to champion compassionate service and collaboration focused on our customers

CenCal Health shared the need to align organizational structure with current and emerging business needs to meet the 2022 Objective to enhance organizational readiness. A secondary benefit is improved strategic execution. For this reason, efforts to align organizational structure to existing and emerging business needs has been prioritized in 2022 pursuant to a few principles. These include the height of CenCal Health's structure should favor “flatter” given the size of CenCal Health's workforce and the benefit of inclusive decision-making practices, except where equitable and effective distribution of responsibility necessitates additional height. The second includes the consideration that work be equitably distributed and where responsibility should be redistributed to an existing or newly established resource to improve effectiveness, this has been prioritized.

The application of these principles in tandem with an assessment of emerging customer needs has resulted in the addition of 28.0 new roles going forward (in comparison to the June 2021 budget) with many of them being programmatically necessary to achieve CalAIM requirements. A total of 20.0 (71%) of new roles are individual contributor roles and 8.0 (29%) are leadership roles, distributed between Managers (2.0), Associate Directors (1.0), Directors (1.0), Officers (2.0) and Executives (2.0) depicted as follows:

New Roles by Type		
• Individual Contributors	20.0	71%
• Leadership	8.0	29%
○ Managers	2.0	7%
○ Directors and Associates	2.0	8%
○ Officers	2.0	7%
○ Executives	2.0	7%

**Next Steps**

Following are next steps on strategic plan development:

1. On July 1, 2022, the Board will participate in a Strategic Retreat to consider the external environment, discuss implications for CenCal Health, explore strategic choices/opportunities, and provide guidance on a 10-year vision for the organization.
2. On September 21, 2022, the Board will consider adoption of the proposed strategic plan framework.

**Recommendation**

Staff recommends acceptance of this informational memo and no action is requested.



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# Strategic Planning Process Update

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Marina Owen  
Chief Executive Officer  
June 15, 2022

# OBJECTIVES

1. Provide an overview of the strategic planning process and next steps
2. Provide an update on organizational design activities





**1 2022 OBJECTIVE**

**Adapt Operations To Meet Customer Needs**

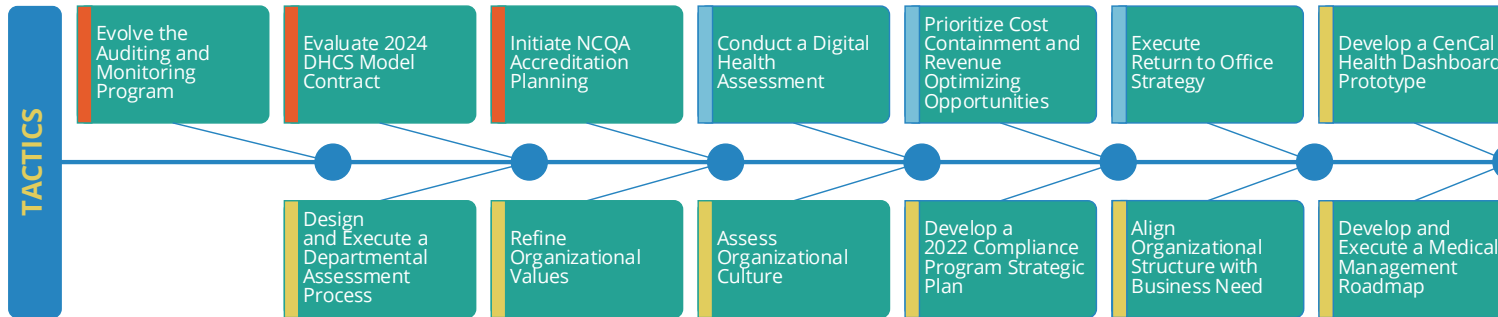
Anticipate and respond to the existing and emerging needs of our members, providers, community and regulatory partners

**MISSION**

To improve the health and well-being of the communities we serve by providing access to high quality health services, along with education and outreach, for our membership

**EMERGING VISION**

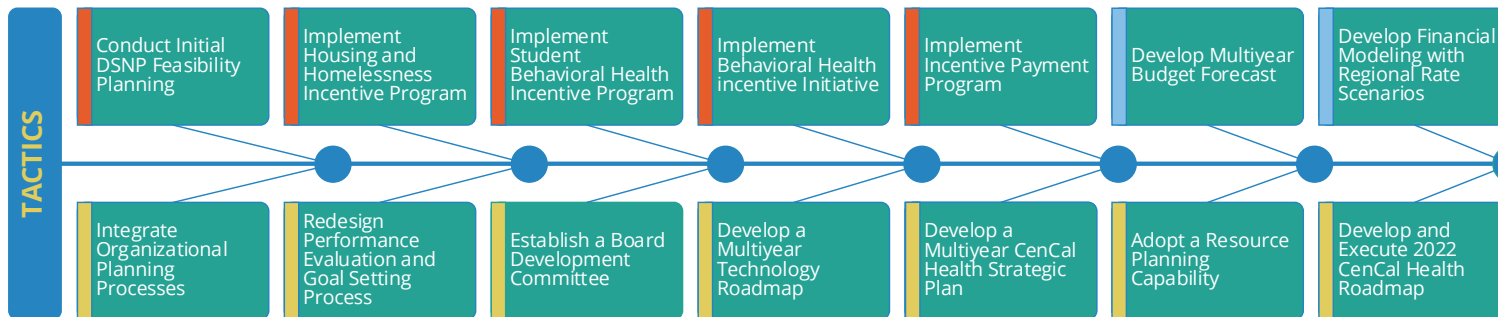
To be a trusted partner, advancing health equity in every neighborhood creating the healthiest communities in California.



**2 2022 OBJECTIVE**

**Enhance Organizational Readiness**

Enable organizational advancement by pursuing targeted improvements in operational excellence, compliance strength, technology readiness and financial position



**3 2022 OBJECTIVE**

**Prepare for Strategic Advancement**

Execute a collaborative planning process that positions CenCal Health to strategically focus in the coming years on efforts that advance our mission and emerging vision

**VALUES**

- Compassionate Service**  
Serving and advocating for all customers with excellence
- Collaboration**  
Coming together to achieve exceptional results
- Integrity**  
Doing the right thing, even and especially when it is hard
- Improvement**  
Continually improving to ensure our growth, success & sustainability

**Legend**

- Organizational requirement(s)
- Organizational tactic to execute or maintain an organizational capability
- Organizational tactic to improve or develop an organizational capability

# Multiyear Strategic Plan

## DETERMINE POSITION

## DEVELOP STRATEGIC PLAN

## LAUNCH STRATEGIC PLAN

## MANAGE PERFORMANCE

**Assets**

- Resources and Competencies**  
Understand what we have to work with internally
- Value Chain**  
Identify points of greatest cost and greatest value creation

**Environment**

- Environmental Assessment**  
Understand market opportunities and threats

**Synthesis**

- SWOT**  
Conduct SWOT analysis with above inputs
- Strategic Issues**  
Shortlist key issues that must be resolved

**Vision, Values**

- Vision Statement**  
Define the most desirable, ideal future state of the organization
- Values**  
Establish guidelines for organizational behavior

**Objectives**

- Strategic Objectives**  
Develop a multiyear balanced framework of <6 objectives

**Strategies**

- Strategies**  
Define *how* the organization will achieve its strategic objectives

**Focus**

- Annual Objectives**  
Set annual breakthrough organizational objectives
- Success Metrics**  
Select Key Performance Indicators to track progress

**Enable**

- Integrated Org Planning**  
Align people, budget, Operating Plan, technology, goals, and departments
- Dashboard**  
Use process management to support strategy execution
- Communicate**  
Share the plan with the organization and community

**Review**

- Set Calendar**  
Establish schedule for progress reviews

**Revise**

- Adapt Quarterly**  
Hold progress reviews and modify as needed
- Update Annually**  
Review end of year and plan next year

Refined values adopted

Assessed org. position

Environmental scan with Dr. Bradley Gilbert

SWOT Analysis with Rafael Gomez

Strategic Plan framework developed

Strategic Plan framework adopted

Launch Strategic Plan

Manage Strategic Plan performance

May 2022

May 2022

June 2022

June 2022

July 2022

September 2022

Oct 2022

2023

# Organizational Structure

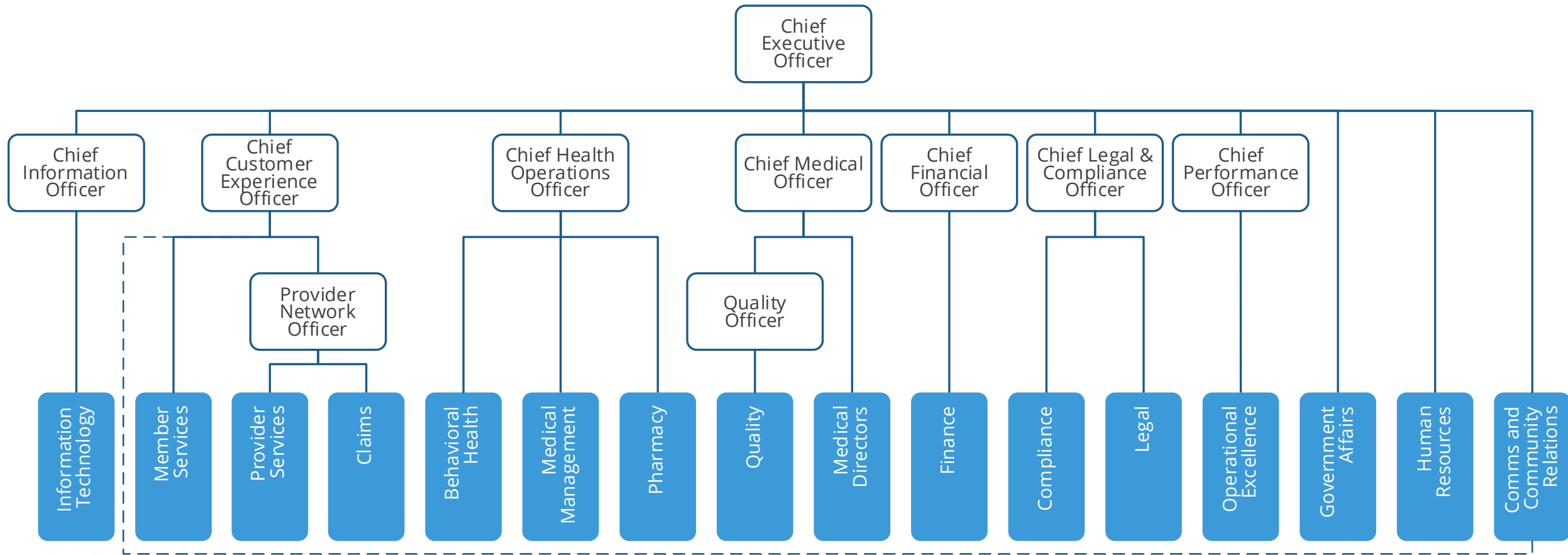
## Goals and Principles

- Align with business need
- Promote inclusive decision-making
- Distribute responsibility equitably
- Enhance readiness and effectiveness
- “Flatter” is better

## New Roles and Structure

- 28.0 new roles
  - 20.0 (71%) individual contributors
  - 8.0 (29%) leadership
- Structural Adjustments
  - New Performance Division
  - Reorganized Health Services Division into Health Services and Quality Divisions
  - Integrated Quality and Population Health functions
  - Repositioned Operations Division as the Customer Experience Division

# Organizational Structure





# Key Takeaways and Next Steps

1. Our strategic planning process is underway and the Board Strategic Retreat is on July 1, 2022
2. Staff will return to the Board in September with a Strategic Plan Framework for adoption
3. CenCal Health's organizational structure is evolving to align with business need and enhance effectiveness





**CenCal** HEALTH<sup>®</sup>  
Local. Quality. Healthcare.

**Financial Report Month End 5-31-2022**

**From:** Amy Sim, General Accounting Manager  
 Leanne Bauer, Director of Finance

**Through:** David Ambrose, CPA, Chief Financial Officer/Treasurer

**Financial Highlights (year-to-date)**

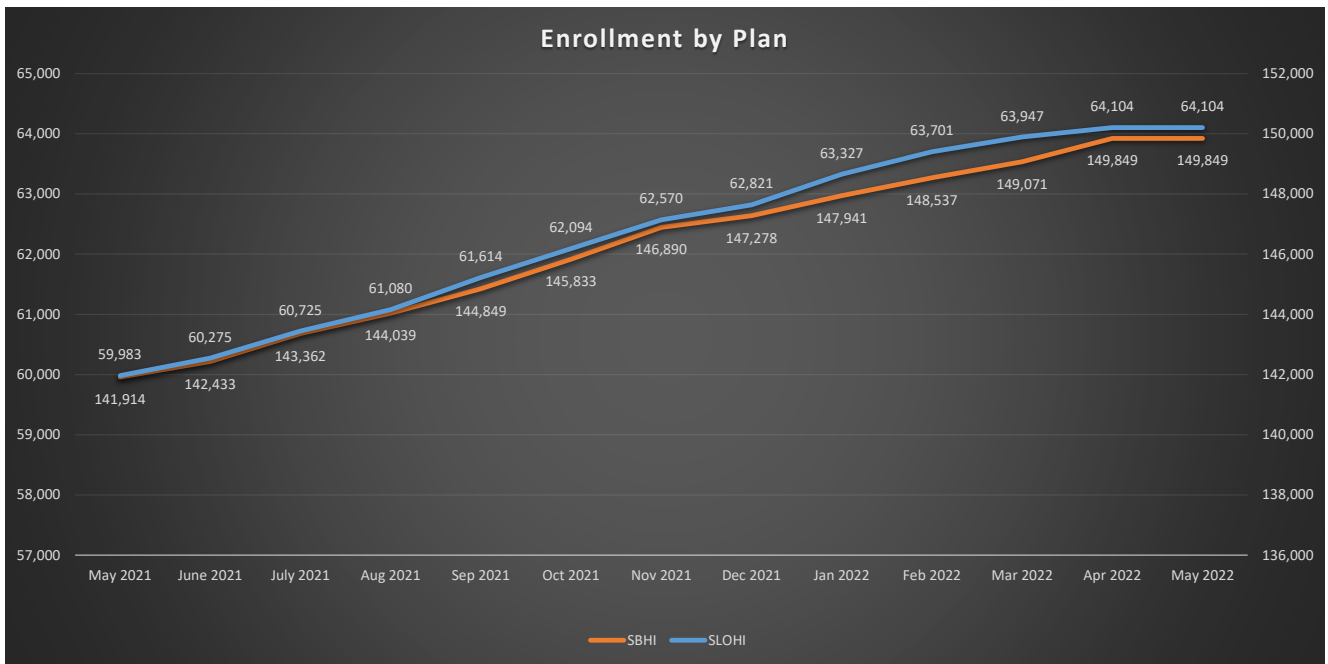
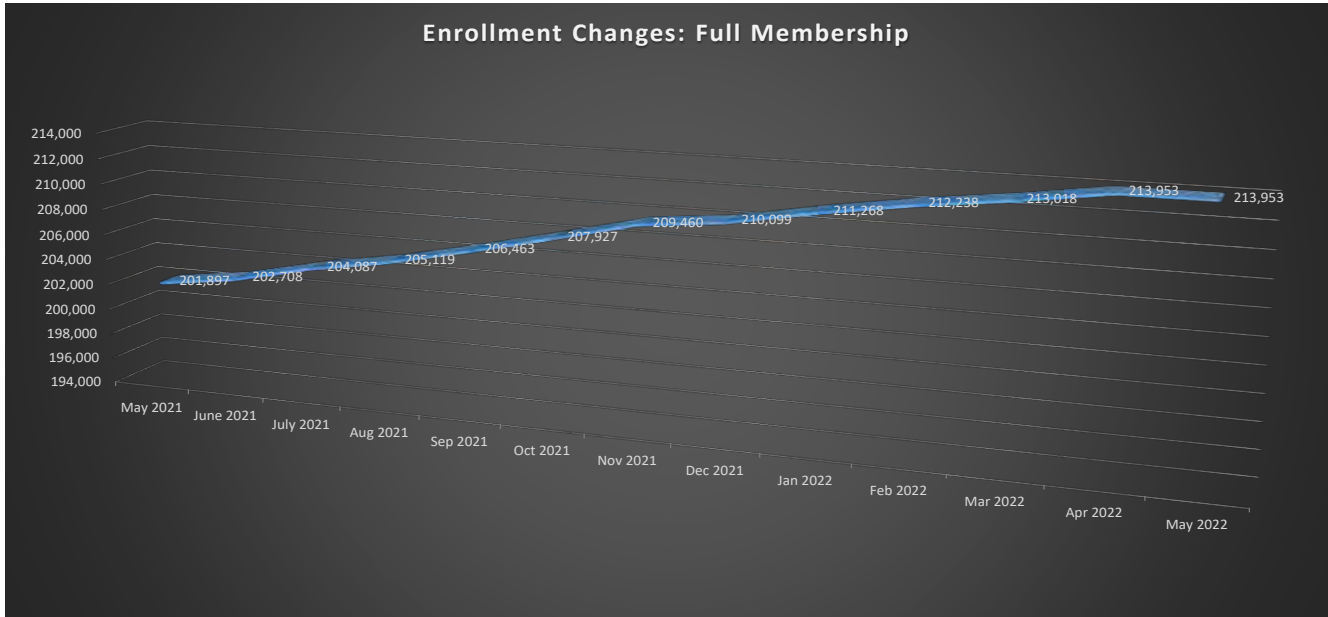
- **Consolidated gain or loss** from all programs and activities show a year-to-date operating loss of \$5.1 million compared to anticipated flexible budget operating loss of \$12.0 million.
- **Capitation revenue** is over budget by \$78.3 million and 8.1%.
- **Total medical costs** are over budget by \$76.9 million and 8.9%.
- **Medical loss ratio (MLR)** FYTD is running at 90%.
- **Administrative expenses** are under budget by \$5.5 million and 10.0%.
- **Admin Costs as a Percentage of Capitation Revenue** FYTD is running at 5.0%.
- **Other revenue and unrealized gain (loss)** is over budget by \$2.6 million and 205.4%.
- **Tangible net equity (TNE)** is at \$165.1 million, which is 66% of the Board approved Minimum TNE Target at \$250.0 million.
- **Member enrollment** is at 213,953 covered lives as of May 2022.

MONTHLY FINANCIAL RECONCILIATION-MAY 2022	
SB County Operating Gain/Loss	\$ (2,536,193.20)
SLO County Operating Gain/Loss	\$ 1,829,721.68
Realized Gain/Loss	\$ -
Unrealized Gain/Loss	\$ 119,766.07
Cash Management Income	\$ 122,434.86
Other Program Revenues	\$ 660,607.88
<b>Month GAIN</b>	<b>\$ 196,337.29</b>

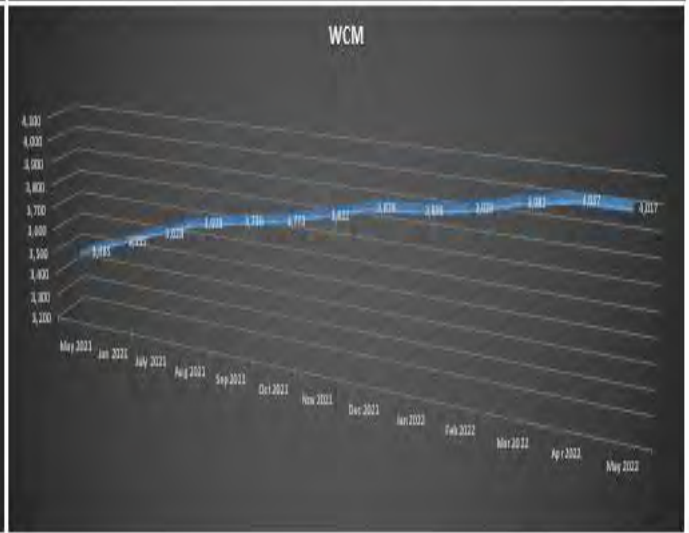
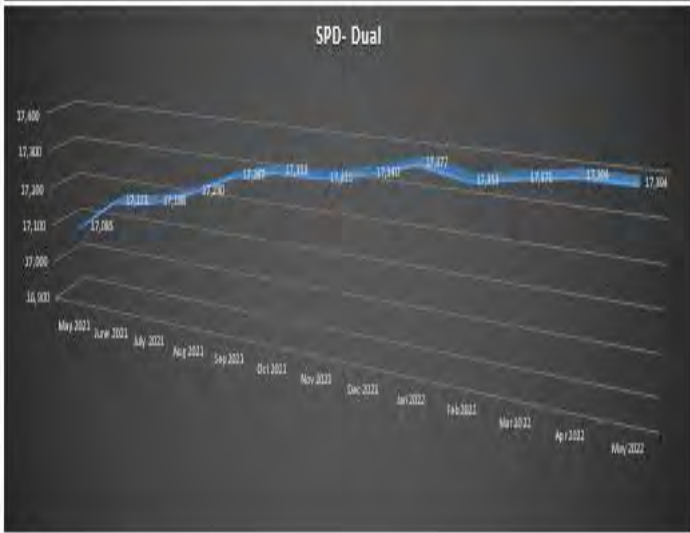
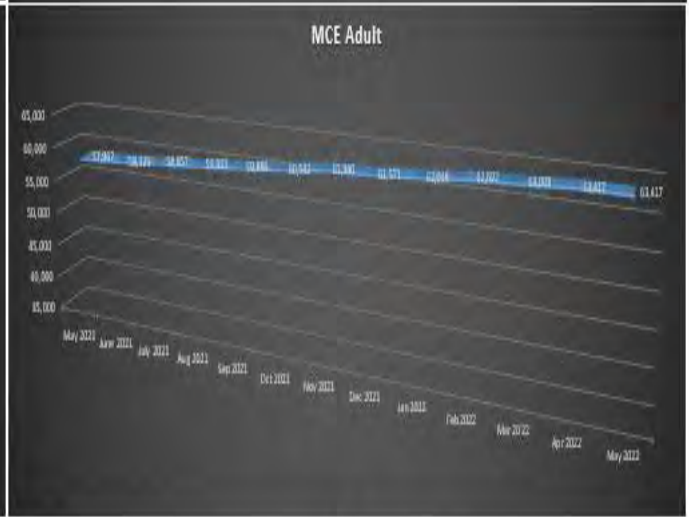
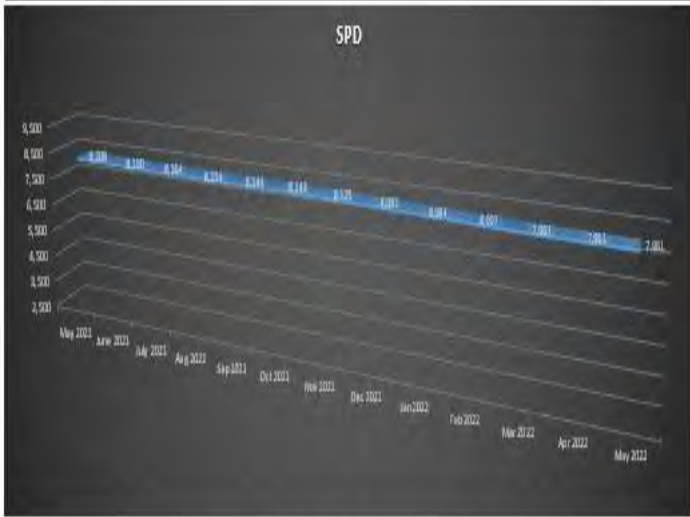
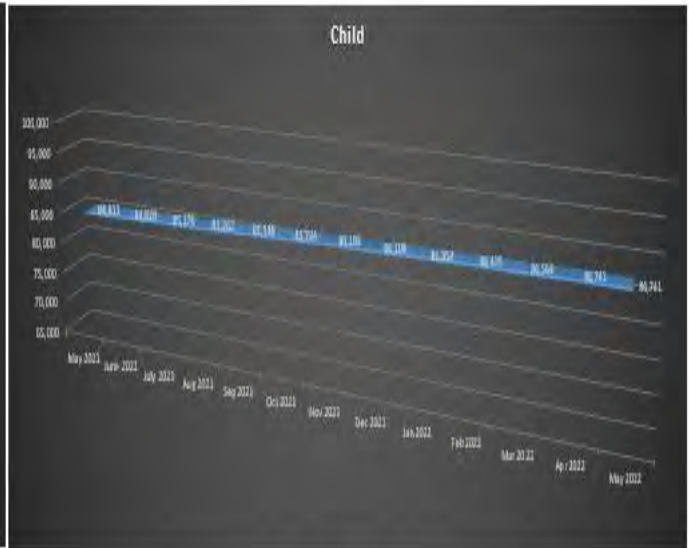
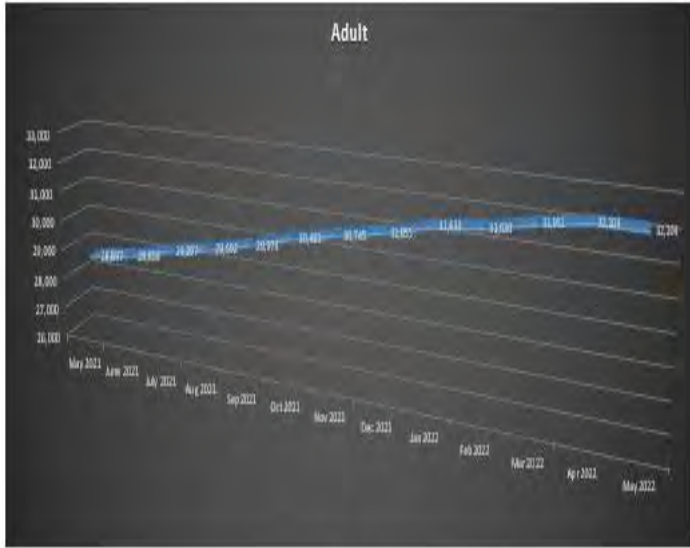
**Financial Report:**

The 2021-22 unaudited financial statements and supplemental information are enclosed.

**Member Enrollment:** The health plan's membership count for May 2022 is 213,953 enrollees versus our budget forecast for May at 213,467 enrollees.



The upward enrollment trend began around March 2020. The Health Plan anticipates the upward trend to continue in the months ahead through October 2022.



With the exception of the SPD aid category member population, all aid category member populations have been on an upward trend.

**Revenue:**

FYTD is \$78.3 million or 8.1% greater than budget due to the recording of prior year revenue within the current 21/22 fiscal year.

<b>Revenue Type</b>	<b>FYTD Actual Dollars</b>	<b>FYTD Budget</b>	<b>FYTD Variance</b>	<b>% Variance</b>
Base Capitation Revenue	\$987,956,735	\$950,436,000	\$37,520,735	3.9%
BHT, HepC, AIS Revenue, Maternity	\$34,862,128	\$21,784,000	\$13,078,128	60.0%
<b>Budgeted Revenue Items</b>	<b>\$1,022,818,863</b>	<b>\$972,220,000</b>	<b>\$50,598,863</b>	<b>5.2%</b>
Prior Year Revenue Adjustments: Prior Year Items Recorded in Current Year	\$27,747,025	----	\$27,747,025	
<b>TOTAL PROGRAM REVENUE</b>	<b>\$1,050,565,888</b>	<b>\$972,220,000</b>	<b>\$78,345,888</b>	<b>8.1%</b>

Base Capitation revenue FYTD is tracking close to budget with a variance of only 3.9%.

Plan received \$861,000 on January 5<sup>th</sup> for VRP program (Vaccination Respond Program) initiated by DHCS. Plan has made payments to providers who help vaccinate our members. Plan received \$787,777.11 on April 6<sup>th</sup> another payment from DHCS; plan made payments to applicable providers the last week of April.

Plan received \$710,000 for the BHIP (Behavioral Health Incentive Program) for Q1 measures. Plan paid the qualified providers in November their incentive dollars. Plan received \$851,318 Q2 measures payment in mid-January, payment made to all the applicable providers in February. Plan received \$751,596.25 on April 6<sup>th</sup> for Year1 Q3 measures and made payment to applicable providers the last week of April.

Plan received an awarded letter from DHCS for CalAIM Incentive Payment Program (CalAIM IPP) Program Year 1 for the total amount of \$12.8M. The 1<sup>st</sup> payment received in mid-May and 2<sup>nd</sup> payment is expected mid-December. Plan is expected to pay DHCS back if plan does not meet the expected metrics.

Plan received an awarded letter from DHCS for Student Behavior Health Incentive Program (SBHIP) Program Year 1 for the total amount of \$660K. The 1<sup>st</sup> payment is expected to be early June and 2<sup>nd</sup> payment is mid-2023. Plan is expected to pay DHCS back if plan does not meet the expected metrics.

Behavioral Health Therapy (BHT), Hepatitis C Prescriptions (HepC), Maternity Deliveries, and American Indian Services (AIS) revenue (these four items are also known as supplemental revenue), which each are volume-based, combined are over budget with a variance of 60.0% due to higher estimated utilization of services than anticipated compared to the budget assumption.

For the month, plan incurred several prior year revenue adjustments that are impacting the reported revenue figure on the financial statements:

- Due to capitation revenue rate changes and Prop 56 MLRs. These prior year rate changes were due to Hospital Directed Payment for FY19/20. Prop 56 MLR adjustments for prior year activity being offset by Physician Services, which is under budget by \$3.3 million for the month (budget variance is impacted by Prop 56 services being incurred at a lower level than the associated Prop 56 revenue).

**DHCS Risk Corridor [covering the 18-month period July 2019 to Dec 2020]:**

The health plan has recorded a receivable due from DHCS in the amount of \$2.7 million because the health plan's allowable medical expenses exceed the 102% threshold (104.1% SB and 104.0% SLO) of the risk corridor. The receivable is recorded within the A/R – Medi-Cal Capitation account on the balance sheet. As of the date of this financial report, the DHCS has not yet established a timeline for reporting and reconciling the 18-Month Risk Corridor.

**Medical Expenses:**

May actual FYTD medical expenses are near at budget, over budget by \$76.9M or 8.9%; and the month medical expenses are over budget by \$887K or 1.2%, primary due to Hospital Inpatient Out of Area.

MARCH 2022 YTD PERFORMANCE	YTD Variance to Budget Over/(Under)	Average Cost per Visit is great than		Average Cost per Visit is Less than		Utilization is great than Budget		Utilization is less than Budget		Comments
		SB	SLO	SB	SLO	SB	SLO	SB	SLO	
<b>MEDICAL EXPENSES</b>										
PCP capitation, incentives & case mgn	(1,038,567)									Due to the actual case mix of PCP assigned members not perfectly mirroring the case mix assumed in the budget
Physician services	(21,588,996)									Primarily due to lower specialty capitation dollars than the budget assumed. One specialty practice was termed from their capitation arrangement with the health plan.
Hospital inpatient - in area	(537,399)									Even though, both counties utilization is trending great than budget.
Hospital inpatient - out of area	25,427,932									Even though, both counties average cost per visit is trending less than budget.
Hospital outpatient - in area	1,394,788									
Hospital outpatient - out of area	1,526,572									Even though, both counties utilization is trending less than budget.
Pharmacy	(7,530,761)									Rebates and accrued PBM P4P saving share dollars are exceeding budget expectations.
Long term care / skilled nursing	12,746,673									
Mental health	(201,319)									MH and ABA is offset, since ABA budget is included with MH.
Behavioral health therapy (ABA)	4,765,885									MH and ABA is offset, since ABA budget is included with MH.
Physical therapy	374,076									Even though, both counties utilization is trending less than budget.
Transportation	(670,113)									Even though, both counties utilization is trending greater than budget.
Home health	(928,769)									
Hospice	(2,475,445)									
Dialysis	(949,809)									Even though, both counties average cost per visit is trending greater than budget.
Laboratory	3,175,026									Even though, SLO County average cost per visit and utilization is trending less than budget.
Durable medical equipment	774,569									Even though, SLO county utilization is trending less than budget.
All other medical services	18,281,047									Typically caused by some poor coding or other incorrect claim values. Over time, many of these claims get corrected and will subsequently be mapped into their proper expense category.
HQAF Directed Pmt	12,804									Quality Assurance Fee (HQAF) and Inter-Governmental Transfers (IGT) are pass-thru revenue components (Budget-Neutral).
Pooled Directed Pmt	29,650,737									
Rate Range IGT	1,891,338									
Reinsurance/recoveries - net	(3,935,863)									A few high \$ dollar cases from last year and this year met the deductible.
Prior year change in IBNR estimate	17,210,590									Projecting the total medical claim expense covering the 24-month period on and prior to June 30, 2021 at a total value.



**Medical Expense Summarization:**

<b>Medical Expense Type</b>	<b>FYTD Actual Dollars</b>	<b>FYTD Budget</b>	<b>FYTD Variance</b>	<b>% Variance</b>
Medical Costs + Incentives	\$925,945,094	\$862,357,000	\$63,588,094	7.4%
Reinsurance – net	(\$2,519,863)	\$1,416,000	(\$3,935,863)	
<b>Budgeted Medical Items</b>	<b>\$923,425,231</b>	<b>\$863,773,000</b>	<b>\$59,652,231</b>	<b>6.9%</b>
Prior Year Expense Adjustments: Prior Year Items Recorded in Current Year	\$17,210,590		\$17,210,590	
<b>TOTAL MEDICAL COSTS</b>	<b>\$940,635,821</b>	<b>\$863,773,000</b>	<b>\$76,862,821</b>	<b>8.9%</b>

The health plan projects reinsurance recoveries at 70% of the premium cost. The deductible threshold is \$1.25 million, plus the aggregation deductible of \$0.85 pmpm. FYTD Reinsurance-net is exceeding budget expectations due to 3<sup>rd</sup> Party recoveries (Medicare and Commercial payers) currently occurring at a greater value than the budget forecast.

The prior year expense adjustments of \$17.2 million is due to rate change for PHDP (Private Hospitals Direct Payment). The budget is based on a preliminary PMPM rate from the DHCS. Any dollars within these expense items also reside within the health plan's capitation revenue, resulting in a budget-neutral position.

**Medicaid Expansion Population MLR:** On the Balance Sheet, \$50.9 million is a reserved liability which represents Medi-Cal capitation revenue which will be recouped back to the DHCS under the terms of the MCE Adult aid category medical loss ratio (MLR) contract language. This amount covers the period July 2017 through May 2022.

The health plan has completed and submitted to DHCS the MLR submission specific to the period covering July 2017 – June 2018. The submission is pending final review by DHCS and staff expects \$23.6 million will be owed back to DHCS.

For the period covering July 2018 – May 2022, actual MLR submission to DHCS is likely many months away. DHCS has not established an MLR submission timeline yet. Staff has recorded an interim liability estimate at \$27.3 million for this time period.

**Prop 56 Programs [Enhanced Reimbursement for Qualifying Providers]:**

The health plan anticipates that DHCS will be recouping back Prop 56 Program revenue that has an MLR less than 98% under the terms of a Prop 56 medical loss ratio (MLR) contract provision. The current liability recorded on the balance sheet in total is \$17.1 million.

Plan received determination letter from DHCS indicated plan owed zero for FY18/19. Plan recorded liability for 18 months bridge period (Jul 2019 to Dec 2020) is \$9.4 million, CY2021 is \$7.4 million and CY2022 YTD is \$300K.

**Administrative Costs:**

For the month Administrative Costs are under budget by \$462,000 and FYTD under budget by \$5.5 million or 10.0% driven primarily by:

- Staffing vacancies; 38 budgeted positions are currently vacant (5 open for behavioral health).
- Contract Services are lower than expected, due to Legal and Outside Processing costs year to date being lower than budget.
- Rent and Occupancy is lower than budget mainly due to janitorial costs and other occupancy costs. Janitorial costs should increase as staff are reintroduced into the CenCal offices. Utilities vary from month to month.
- Other Expenses are higher than expected mainly due to the acknowledgement of GASB 87 (Lease). The lease expense for the Ekwil and SLO offices were amortized retro to FY 20/21 and July 2021 through February 2022 which impacted \$750K for 19 months catch up.
- Travel costs are under budget due to the timing of conferences/seminars and executive travel and the near shut down of all traveling since the Covid public health emergency.

**Insourcing MH/BHT for January 2022 Go-Live:**

The total administrative cost under budget variance is also influenced by the timing or ramp-up of expenditures associated to the start-up costs of the MH/BHT Project. FYTD the health plan has incurred \$1.3 million while the budget forecast was \$3.1 million of expenditures incurred through May 31th. The favorability for FYTD is \$1.8 million. As we move into the future months, this will be changing as more staff of MH/BHT being hired.

**MCO Tax:**

Plan is expecting to receive a determination letter from DHCS in summer to recoup \$2.6 million for the period of FY 2013/2014 to FY2015/2016. Plan has accrued the amount will be paying DHCS shortly after receiving the determination letter.

**Recruitment and Retention Program:**

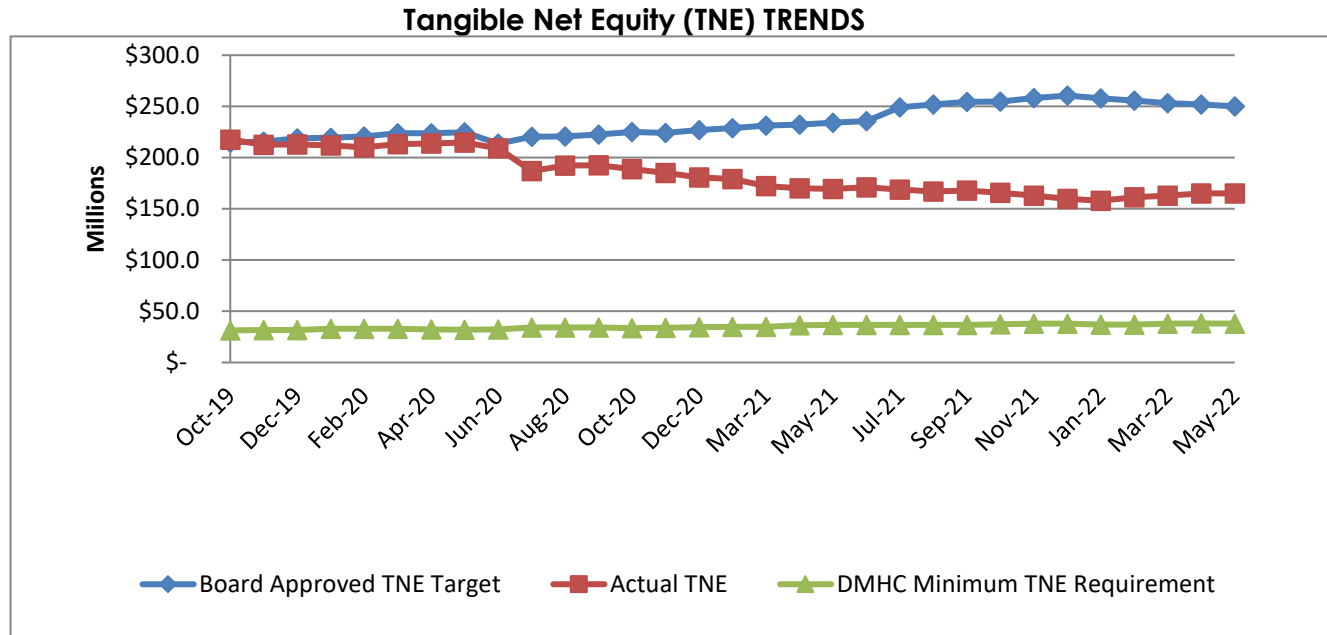
This program became effective July 2020. The health plan purchased \$10 million of Corporate Owned Life Insurance (COLI). As a reminder, this event is solely a balance sheet transaction ----- converting one asset (\$10 million of cash) to another asset (the COLI worth initially \$10 million). It is estimated that as of May 31<sup>th</sup>, 2022, we have earned interest income in the amount of \$ 493,121.25 on the COLI.

Executives Retiree Health Benefits, plan has obtained an actuarial services to provide the GASB 74/75 Report for a one-year lookback basis for the fiscal year ending June 30, 2022. Full Valuation estimated of \$161, 000 that plan needs to accrue as liability.

MAP (Mortgage Assistance Program and SAL (Shared Appreciation Loan) Loans: The health plan has executed one (1) loan in the amount of \$300,000. This loan is recorded on the balance sheet as a receivable of \$300,000.

**Tangible Net Equity (TNE):** As of May 2022, our actual TNE is \$165.1 million. The Board approved TNE target is \$250.0 million, which equates to three and a half times the value

of current fiscal year average monthly capitation revenue (base capitation, excluding pass-thru dollars & supplemental dollars) applicable for 2021-22. The minimum TNE requirement established by the Department of Managed Health Care (DMHC) for CenCal Health is currently \$37.8 million; this is a continuous moving target as it is primarily driven by our annualized medical expenditures. Currently the actual TNE is 436% of the minimum DMHC requirement, and 65% of the Board approved TNE target.



Note: The **Board Approved TNE Target** is established at three and a half times the average monthly program revenue of the health plan. The board-approved target excludes MCO Tax, Rate Range IGT, Pooled Directed payment and HQAF Directed payment. **Actual TNE** represents the value of health plan assets minus the value of health plan liabilities, as reported on the Balance Sheet. **DMHC Minimum TNE Requirement** is a calculation per *Title 10, CCR, Section 1300.76 TNE* which is primarily a function of and dependent on the magnitude of the health plan's annualized medical expenses. As health plan membership grows and/or medical utilization & unit costs increase, the DMHC Minimum will correspondingly increase.

**Treasury Activities:**

Capitation Payments Received:

Cash received during the month in the form of capitation from the State of California, Department of Health Care Services received is shown.

Capitation and Premium Payments Received

SBHI Capitation	\$ 50,230,536
SLOHI Capitation	24,308,030
	\$ 74,538,566

Investments, Cash Balances & Interest Income:

Interest earnings for the current fiscal year to date are \$741,000 and unrealized loss on investments is \$2.4 million. The schedule of Investments and cash balances in **Figure 2** provides details on all invested funds and accrued interest receivable at May 31, 2022, including earnings accruing on the investment in LAIF funds and CalTrust, and the unrealized loss in the Medium Term fund at CalTrust.

<b>Schedule of Investments and Cash Balances</b>		
LAIF	\$	26,528,835
CalTrust - Short Term Fund		73,380,509 *
CalTrust - Medium Term Fund		36,346,086 *
Wells Fargo - checking		131,618,166
Chase - HMS lockbox		166,528
CD's - assigned to DMHC		300,000
	<u>\$</u>	<u>268,340,123</u>
* Includes unrealized gain (loss) on investments:		
	<u>Current Month</u>	<u>YTD</u>
Beginning Balance	\$ 73,264,193	\$ 73,723,748
Accrual Income Div Reinvestment	\$ 43,124	\$ 168,636
Redemption	\$ -	\$ -
Unrealized Gain (Loss)	73,191	\$ (511,875)
Current Market Value	<u>\$ 73,380,509</u>	<u>\$ 73,380,509</u>
Beginning Balance	\$ 36,167,400	\$ 37,454,256
Accrual Income Div Reinvestment	\$ 32,111	\$ 172,003
Unrealized Gain (Loss)	146,575	(1,280,173)
Current Market Value	<u>\$ 36,346,086</u>	<u>\$ 36,346,086</u>
Interest income - receivable	\$	26,422
<b>Days Cash on Hand for Operations</b>		
Cash and Investments as of May 31	\$	268,040,123
Less future non-operating cash obligations		<u>\$ (105,499,088)</u>
Net Cash Available for Operations	\$	162,541,035
Days Cash on Hand for Operations		64

**Total Projected Non-Operating Payments: \$105.2M**

- MCO Tax = \$20.9M
- AE MLR FY17/18 = \$23.6M
- AE MLR FY18/19 = \$7.7M
- AE MLR July19-December 20 = \$7.3M
- AE MLR CY2021 & CY2022 YTD = \$12.2M
- Prop 56 FY19/20 to CY2021 & CY2022 YTD MLR = \$17.1M
- Legal Cases and attorney fee = \$2.5M
- CalAIM Incentives = \$13.8

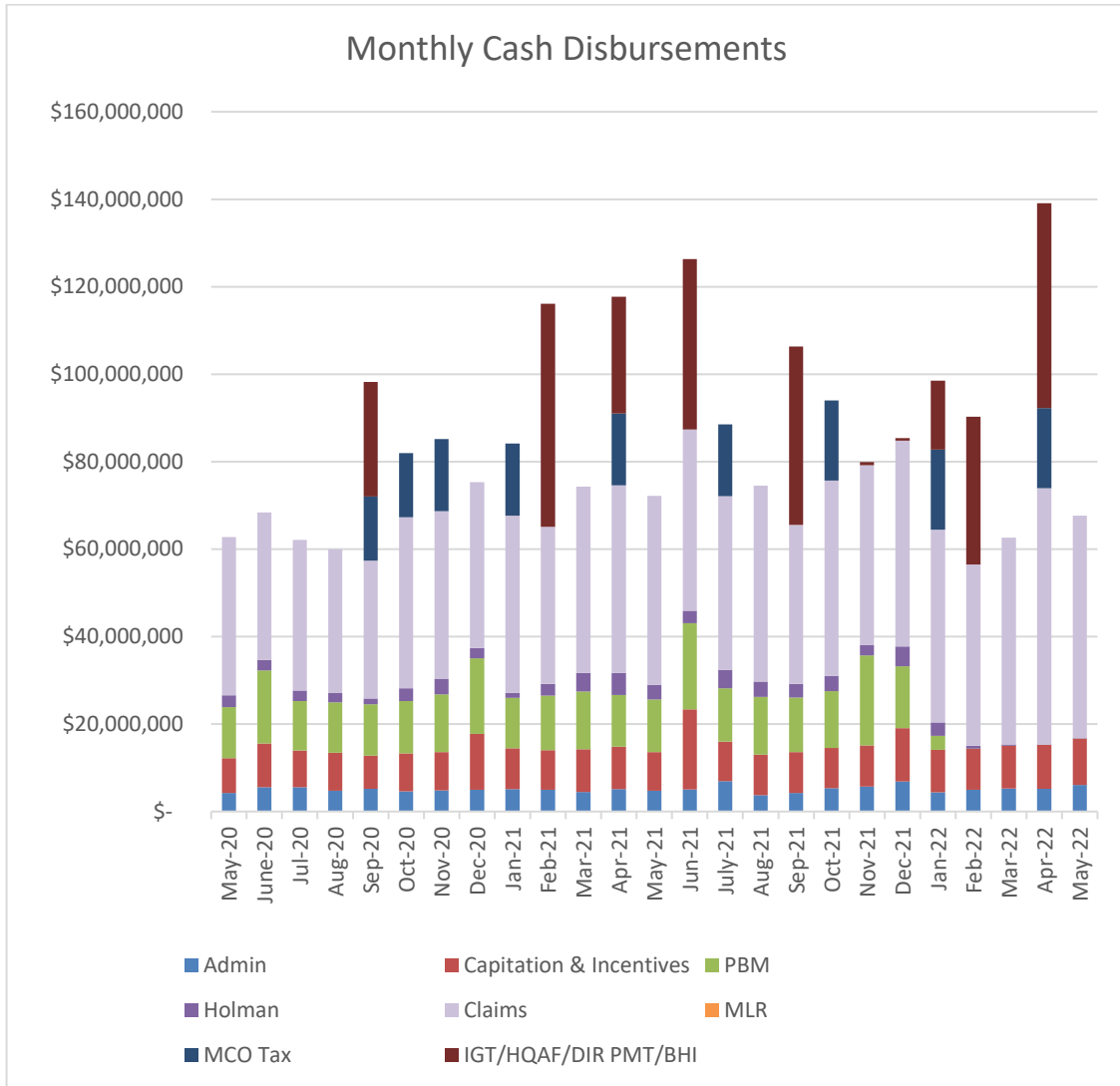
**MCO Tax**

Month	Total Membership	MCO Tax Revenue (Based on Membership)	MCO Tax Quarterly Invoice Amount	Difference (Under Funded)/Over Funded
Jan-20	172,997	\$ 4,805,856.66		
Feb-20	174,742	\$ 4,854,332.76		
Mar-20	175,102	\$ 4,864,333.56		
	522,841	\$ 14,524,522.98	\$ 14,652,070.00	\$ (127,547.02)
Apr-20	177,250	\$ 4,924,005.00		
May-20	180,307	\$ 5,008,926.46		
Jun-20	182,641	\$ 5,073,766.98		
	540,198	\$ 15,006,700.44	\$ 14,652,070.00	\$ 354,630.44
Jul-20	184,512	\$ 5,125,743.36		
Aug-20	186,629	\$ 5,184,553.62		
Sep-20	188,532	\$ 5,237,418.96		
	559,673	\$ 15,547,715.94	\$ 16,483,578.75	\$ (935,862.81)
Oct-20	190,241	\$ 5,284,894.98		
Nov-20	191,979	\$ 5,333,176.62		
Dec-20	193,599	\$ 5,378,180.22		
	575,819	\$ 15,996,251.82	\$ 16,483,578.75	\$ (487,326.93)
Jan-21	195,340	\$ 5,426,545.20		
Feb-21	196,999	\$ 5,472,632.22		
Mar-21	198,361	\$ 5,510,468.58		
	590,700	\$ 16,409,646.00	\$ 16,483,578.75	\$ (73,932.75)
Apr-21	200,074	\$ 5,558,055.72		
May-21	201,897	\$ 5,608,698.66		
Jun-21	202,708	\$ 5,631,228.24		
	604,679	\$ 16,797,982.62	\$ 16,483,578.75	\$ 314,403.87
Jul-21	204,087	\$ 6,189,958.71		
Aug-21	205,119	\$ 6,221,259.27		
Sep-21	206,463	\$ 6,262,022.79		
	615,669	\$ 18,673,240.77	\$ 18,315,087.50	\$ 358,153.27
Oct-21	207,927	\$ 6,306,425.91		
Nov-21	209,460	\$ 6,352,921.80		
Dec-21	210,099	\$ 6,372,302.67		
	627,486	\$ 19,031,650.38	\$ 18,315,087.50	\$ 716,562.88
Jan-22	210,458	\$ 6,383,191.14		
Feb-22	211,428	\$ 6,412,611.24		
Mar-22	212,208	\$ 6,436,268.64		
	634,094	\$ 19,232,071.02	\$ 18,315,087.50	\$ 916,983.52
Apr-22	213,143	\$ 6,464,627.19		
May-22	213,143	\$ 6,464,627.19		
Jun-22	213,143	\$ 6,464,627.19	<i>Estimate</i>	
	639,429	\$ 19,393,881.57	\$ 18,315,087.50	\$ 1,078,794.07

\$ 2,114,858.54

This table tracks the difference between the health plan earned MCO Tax revenue components of our capitation rates versus the magnitude of the MCO Tax due. Currently, MCO Tax revenue appears to be trending slightly higher than the actual MCO Tax Expense for Q4 2021.

**Historical Cash Disbursements:**





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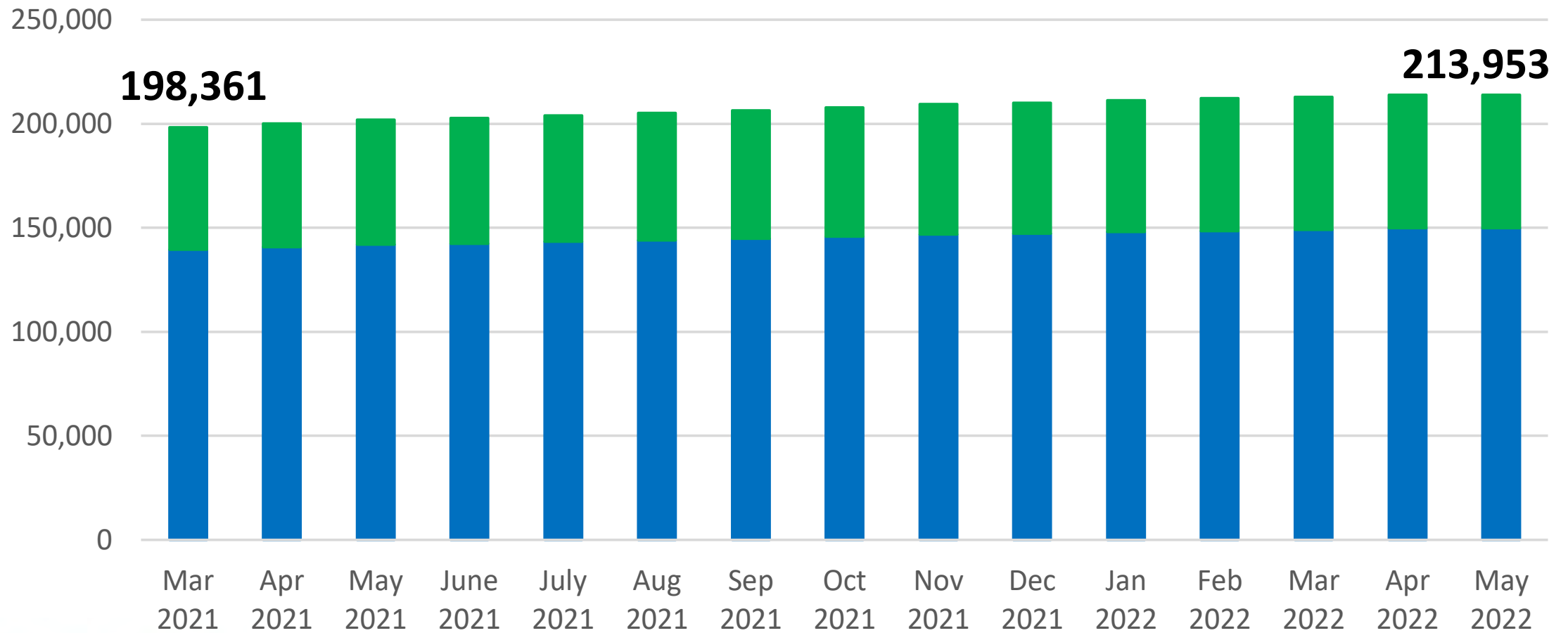
# Financial Report

## As of May 31st, 2022

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Leanne Bauer  
Director of Finance  
June 15th, 2022

# Membership Trend: Enrollment Numbers



■ Santa Barbara County

■ San Luis Obispo County

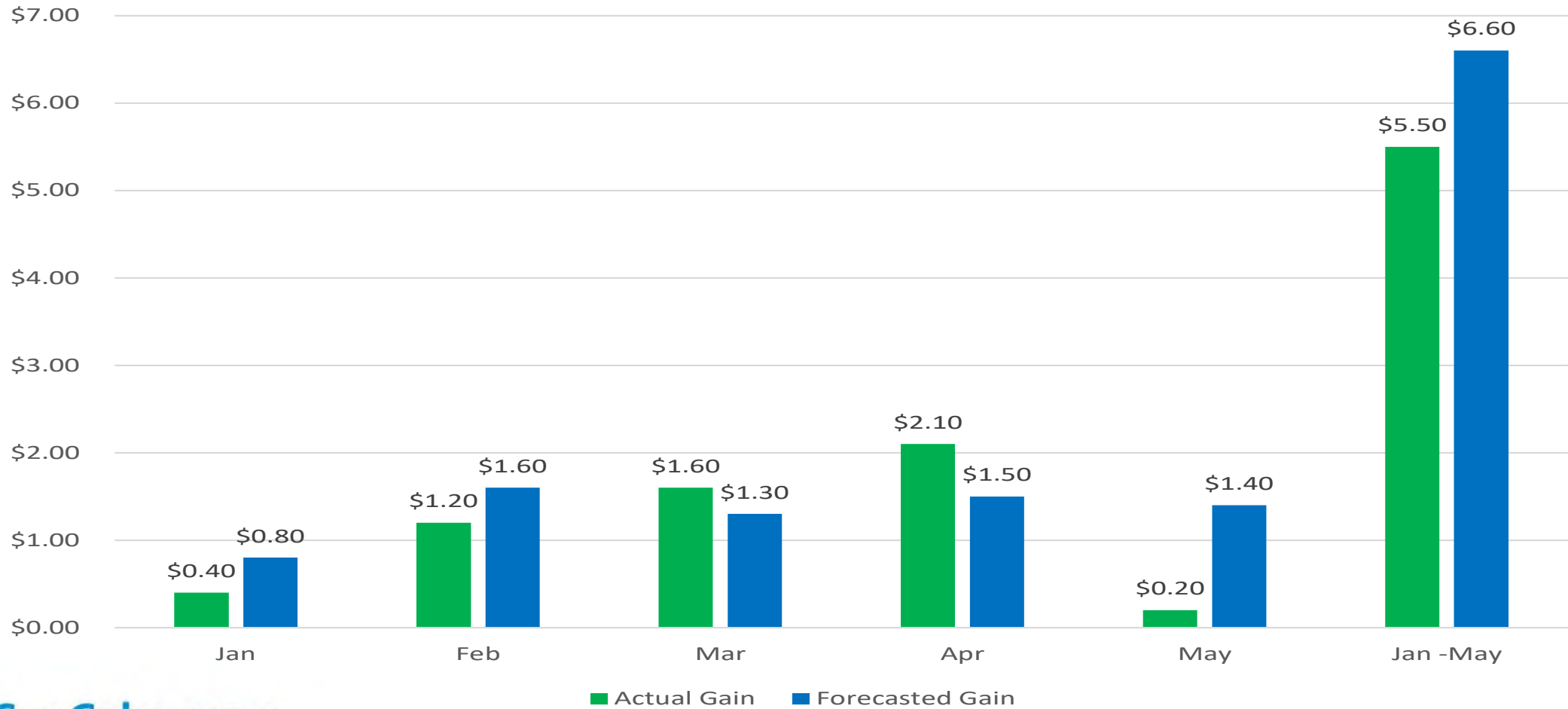


# May 2022 Financial Statements

	Month of May	FYTD thru May	FYTD Budget
Capitation Revenue	\$82.9 million	\$1,051 million \$455 pmpm	\$972.2 million \$421 pmpm
Medical Costs	\$73.0 million	\$940.6 million \$408 pmpm	\$863.8 million \$379 pmpm
Medical Loss Ratio (MLR)	88%	90%	89%
Administrative Costs	\$4.5 million	\$49.1 million \$21 pmpm	\$54.6 million \$24 pmpm
MCO Tax Expense	\$6.1 million	\$69.8 million	\$67.2 million
<b>Operating Gain (Loss)</b>	<b>\$196,337</b>	<b>(\$5,065,530)</b>	<b>(\$12,030,080)</b>
Cash + Investments		\$268.0 million	
Receivables		\$330.6 million	
Accrued IBNP Claims		\$89.6 million	
Tangible Net Equity		\$165.1 million	
Pct. of Board TNE Target		66%	

# January 2022 - May 2022 Financial Results

## Operating Gains, in Millions of Dollars



# Questions?

Staff recommends the Board of Directors approve the unaudited financial statements as of May 31st, 2022





**CenCal** HEALTH<sup>®</sup>  
Local. Quality. Healthcare.

## CenCal Health

### Financial Statements and Additional Information For The Period Ended May 31, 2022

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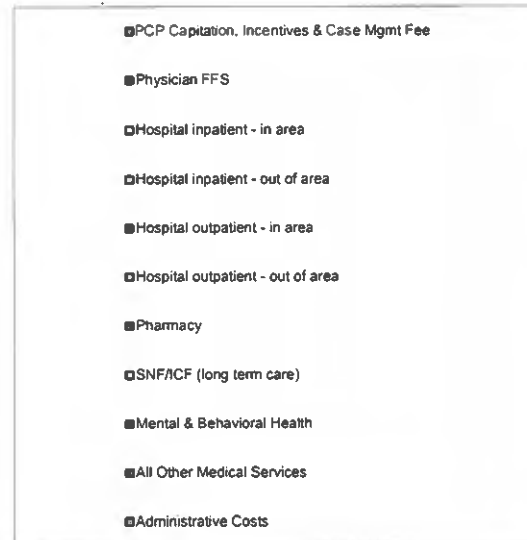
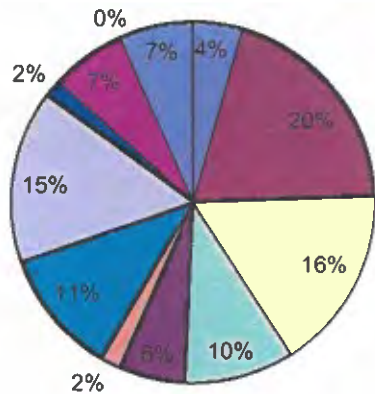
# Executive Dashboard

## Trends in Key Measures of Financial Performance (modified)

<b>CenCal Health</b>	2021-22 Budget	Actual FYTD 2021-22	Actual 2020-21	Actual 2019-20
Avg. # of Covered Lives	213,467	209,780	194,239	176,160
Capitation Revenue PMPM - net	\$ 421.31	\$ 455.27	\$ 292.84	\$ 311.46
<i>Per Member Per Month:</i>				
PCP Capitation, Incentives & Case Mgmt Fee	\$ 14.89	\$ 14.44	\$ 15.57	\$ 13.91
Physician FFS	\$ 74.37	\$ 65.02	\$ 79.52	\$ 67.40
Hospital inpatient - in area	\$ 54.67	\$ 53.45	\$ 57.48	\$ 46.25
Hospital inpatient - out of area	\$ 20.79	\$ 31.81	\$ 21.97	\$ 20.11
Hospital outpatient - in area	\$ 17.73	\$ 19.25	\$ 18.50	\$ 16.91
Hospital outpatient - out of area	\$ 4.96	\$ 5.62	\$ 5.48	\$ 3.77
Pharmacy	\$ 40.11	\$ 36.84	\$ 74.10	\$ 64.17
SNF/ICF (long term care)	\$ 44.54	\$ 50.06	\$ 51.55	\$ 44.82
Mental & Behavioral Health	\$ 9.58	\$ 5.16	\$ 17.32	\$ 9.82
All Other Medical Services	\$ 19.26	\$ 21.77	\$ 20.44	\$ 14.81
Administrative Costs	\$ 23.66	\$ 21.28	\$ 24.10	\$ 16.54

<b>CenCal Health</b>	Actual FYTD 2021-22
<i>Other Financial Indicators:</i>	
Actual TNE as of month-end (millions)	\$165.1
TNE \$ per Member	\$787
FYTD Medical Loss Ratio (MLR)	90%
Total Assets (millions)	\$656.5
Total Liabilities (millions)	\$491.4
Assets to Liabilities Ratio	134%
Cash & Short Term Investments (millions)	\$268.0
Admin Costs to Total Operating Costs	5%
FYTD Operating Gain (Loss) (millions)	-\$5.1

**How Each Dollar Is Spent  
FYTD 2021-22**



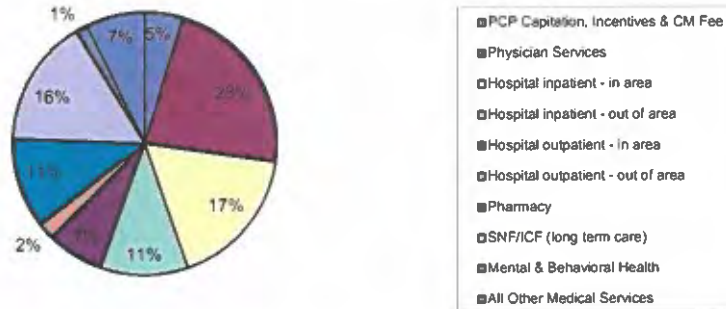
# Executive Dashboard

## Trends in Key Measures of Financial Performance (modified) for Medi-Cal Programs

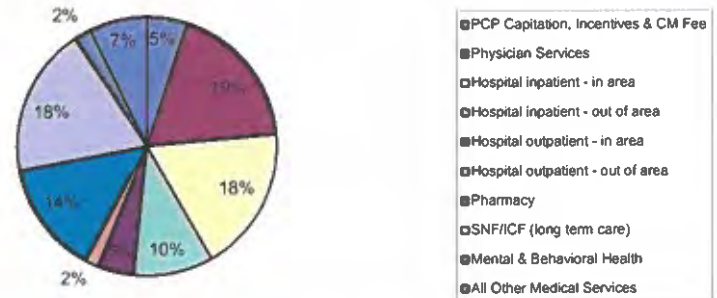
<b>Santa Barbara Co</b>	2021-22 Budget	Actual FYTD 2021-22	Actual 2020-21	Actual 2019-20
Avg. # of Covered Lives	150,333	147,045	136,843	124,631
Capitation revenue PMPM - net	\$ 417.11	\$ 445.47	\$ 293.42	\$ 312.13
<i>Per Member Per Month:</i>				
PCP Capitation, Incentives & CM Fee	\$ 14.69	\$ 14.18	\$ 15.35	\$ 14.54
Physician Services	\$ 78.10	\$ 68.61	\$ 82.15	\$ 78.04
Hospital inpatient - in area	\$ 56.89	\$ 52.92	\$ 59.55	\$ 57.20
Hospital inpatient - out of area	\$ 20.76	\$ 32.54	\$ 21.10	\$ 20.19
Hospital outpatient - in area	\$ 19.70	\$ 21.48	\$ 20.61	\$ 20.75
Hospital outpatient - out of area	\$ 5.16	\$ 5.97	\$ 5.43	\$ 5.21
Pharmacy	\$ 36.47	\$ 34.11	\$ 68.48	\$ 64.50
SNF/ICF (long term care)	\$ 42.02	\$ 47.44	\$ 48.57	\$ 50.50
Mental & Behavioral Health	\$ 9.03	\$ 4.56	\$ 16.05	\$ 12.57
All Other Medical Services	\$ 18.40	\$ 21.98	\$ 20.18	\$ 17.92

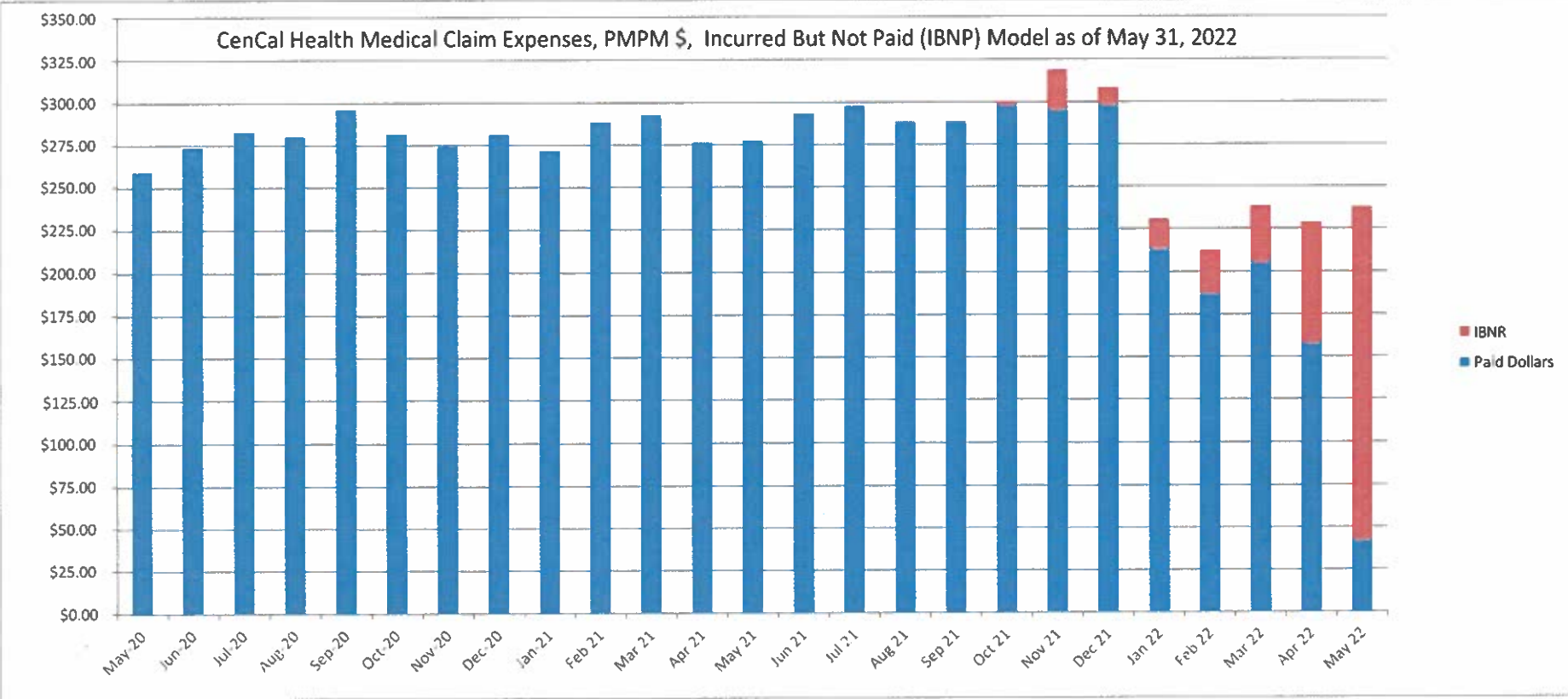
<b>SLOHI</b>	2021-22 Budget	Actual FYTD 2021-22	Actual 2020-21	Actual 2019-20
Avg. # of Covered Lives	63,134	62,735	57,396	51,530
Capitation revenue PMPM - net	\$ 431.18	\$ 478.24	\$ 290.78	\$ 312.68
<i>Per Member Per Month:</i>				
PCP Capitation, Incentives & CM Fee	\$ 15.34	\$ 15.04	\$ 16.11	\$ 15.09
Physician Services	\$ 65.64	\$ 56.60	\$ 73.24	\$ 72.58
Hospital inpatient - in area	\$ 49.46	\$ 54.69	\$ 52.54	\$ 50.97
Hospital inpatient - out of area	\$ 20.84	\$ 30.08	\$ 24.06	\$ 26.90
Hospital outpatient - in area	\$ 13.10	\$ 14.02	\$ 13.46	\$ 13.60
Hospital outpatient - out of area	\$ 4.49	\$ 4.79	\$ 5.60	\$ 8.75
Pharmacy	\$ 48.63	\$ 43.24	\$ 87.52	\$ 84.77
SNF/ICF (long term care)	\$ 50.43	\$ 56.20	\$ 58.64	\$ 63.14
Mental & Behavioral Health	\$ 10.85	\$ 6.54	\$ 20.35	\$ 16.12
All Other Medical Services	\$ 21.28	\$ 21.92	\$ 21.07	\$ 21.24

**SBHI Medical Expenditures  
FY 2021-22**



**SLOHI Medical Expenditures  
FY 2021-22**







**CenCal Health**  
**Statement of Financial Condition**  
**As of May 31, 2022**  
(Unaudited)

**ASSETS**

Cash and Short-Term Investments		\$ 268,040,123.34
Receivables		
A/R - Medi-Cal Capitation	328,376,177.51	
A/R Recoveries	93,661.28	
A/R - Reinsurance	2,161,000.00	
A/R-BHI	660,000.00	
A/R-CalAIM IPP	6,412,173.00	
Interest Receivable	26,422.21	
Other Receivables	<u>371,610.53</u>	
Total Receivables		338,101,044.53
Prepaid Expenses		
Prepaid Insurance	649,698.23	
Other Prepaids	<u>1,504,166.71</u>	
Total Prepaid Expense		2,153,864.94
Other Current Assets		
Security Deposits	<u>105,017.84</u>	
Total Other Current Assets		105,017.84
		Total Current Assets 608,400,050.65
Net Property, Plant, & Equipment		29,439,055.73
Other Assets		
Restricted CD - Knox-Keene		300,000.00
Restricted COLI		10,493,121.25
Lease Asset SLO-Ekwill		2,429,445.02
Acc. Amort. Lease SLO-Ekwill		<u>(794,481.62)</u>
Deferred Outflow of Resources		
Deferred pensions		6,274,156.00
	<b>TOTAL ASSETS</b>	<u><u>\$ 656,541,347.03</u></u>

**LIABILITIES**

Current Payables		
Medical Claims Incurred But Not Paid	\$ 89,616,000.00	
Other Current Payables	<u>754,104.55</u>	
Total Current Payables		90,370,104.55
Accrued Payables		
Accrued Salary, Wages, & Benefits	3,143,223.45	
Accrued IGT Distribution	55,289,012.00	
Accrued Pooled Directed Pmt	189,131,795.00	
Accrued HQAF Directed Pmts	15,683,606.00	
Accrued DHCS Revenue Recoup - 85% MLR	69,533,272.60	
Accrued CalAIM IPP	12,824,346.00	
Accrued VRP	356,827.11	
Accrued MCO Tax	15,810,058.36	
Other Accrued Expenses	<u>7,515,189.97</u>	
Total Accrued Payables		369,947,330.49
Other Current Liabilities		
Primary Care Provider Incentives	16,472,095.94	
Quality Initiative Incentives	<u>4,121,000.00</u>	
Total Other Current Liabilities		20,593,095.94
		Total Current Liabilities 480,910,530.98
Other Non-Current Liabilities		
Accrued Unfunded Pension Liability - GASB 68		8,125,246.93
Other Liabilities		
Acc. Amort. Lease		1,710,197.02
Deferred Inflow of Resources		
Deferred pensions		651,019.00
	<b>Total Liabilities</b>	491,396,993.93
FUND BALANCES		
Designated - Contingency Reserve	170,209,882.66	
Undesignated - Current Year	<u>(5,065,529.56)</u>	
Total Fund Balance		165,144,353.10
	<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 656,541,347.03</u></u>

**CenCal Health**

Consolidated Statement of Revenue and Expense

As of May 31, 2022

	Month Actual	FYTD Actual	FYTD Flexible Budget	Over (Under) Flexible Budget	Pct. Over(Under) Budget	YTD Actual PMPM
<b>PROGRAM REVENUE</b>						
Capitation Revenue	\$ 82,859,563	\$ 1,050,565,888	\$ 972,220,000	\$ 78,345,888	8.06%	\$455.27
<b>PROGRAM RELATED MEDICAL COSTS</b>						
PCP capitation, incentives & case mgmt fees	3,120,256	33,311,433	34,350,000	(1,038,567)	-3.02%	\$14.44
Physician services	14,802,166	150,036,004	171,625,000	(21,588,996)	-12.58%	\$65.02
Hospital inpatient - in area	11,158,033	123,343,548	126,158,000	(2,814,452)	-2.23%	\$53.45
Hospital inpatient - out of area	12,007,093	73,396,932	47,969,000	25,427,932	53.01%	\$31.81
Hospital outpatient - in area	4,729,398	44,417,548	40,903,000	3,514,548	8.59%	\$19.25
Hospital outpatient - out of area	1,627,903	12,969,572	11,443,000	1,526,572	13.34%	\$5.62
Pharmacy	1,025,849	85,020,239	92,551,000	(7,530,761)	-8.14%	\$36.84
Long term care / skilled nursing	9,172,056	115,522,673	102,776,000	12,746,673	12.40%	\$50.06
Dialysis	497,433	6,285,191	7,235,000	(949,809)	-13.13%	\$2.72
Home health & hospice	921,415	9,312,786	12,717,000	(3,404,214)	-26.77%	\$4.04
Mental health benefit	3,445,789	11,896,681	12,098,000	(201,319)	-1.66%	\$5.16
Behavioral health therapy (ABA)	1,214,741	25,828,885	21,063,000	4,765,885	22.63%	\$11.19
All other health care services	7,034,959	50,228,239	44,446,000	5,782,239	13.01%	\$21.77
Quality initiative incentives & support	386,050	4,031,850	4,032,000	(150)	0.00%	\$1.75
HQAF Directed Pmt	3,785,682	32,631,804	32,619,000	12,804	0.04%	\$14.14
Behavioral Health Integration Incentive Program	660,000	2,973,286	-	2,973,286		\$1.29
Pooled Directed Pmt	(15,031,930)	94,783,737	65,133,000	29,650,737	45.52%	\$41.07
Rate Range IGT	8,624,386	37,130,338	35,239,000	1,891,338	5.37%	\$16.09
CalAIM IPP	-	12,824,346	-	12,824,346		\$5.56
Reinsurance/recoveries - net	850,917	(2,519,863)	1,416,000	(3,935,863)	-277.96%	(\$1.09)
Prior year change in IBNR estimate	2,928,134	17,210,590	-	17,210,590		\$7.46
<b>Total Medical Costs</b>	<b>72,960,329</b>	<b>940,635,821</b>	<b>863,773,000</b>	<b>76,862,821</b>	<b>8.90%</b>	<b>\$407.63</b>
<b>ADMINISTRATIVE COSTS</b>						
Salary, wages, & benefits	3,144,805	33,508,126	35,572,780	(2,064,654)	-5.80%	\$14.52
Contract services	524,384	7,322,108	9,494,200	(2,172,092)	-22.88%	\$3.17
Travel expense	4,362	47,970	249,995	(202,025)	-80.81%	\$0.02
Rent & occupancy	92,712	1,048,418	1,153,950	(105,532)	-9.15%	\$0.45
Office supplies & equip	58,512	1,006,215	1,160,015	(153,800)	-13.26%	\$0.44
Insurance	86,430	855,471	615,000	240,471	39.10%	\$0.37
Depreciation & amortization	234,668	1,977,261	1,479,400	497,861	33.65%	\$0.86
Other expenses	354,804	3,337,693	4,861,740	(1,524,047)	-31.35%	\$1.45
<b>Total Administrative Costs</b>	<b>4,500,677</b>	<b>49,103,262</b>	<b>54,587,080</b>	<b>(5,483,818)</b>	<b>-10.05%</b>	<b>\$21.28</b>
MCO Tax Expense	6,105,029	69,755,321	67,155,000	2,600,321	3.87%	\$30.23
<b>TOTAL OPERATING EXPENSES</b>	<b>83,566,035</b>	<b>1,059,494,404</b>	<b>985,515,080</b>	<b>73,979,324</b>	<b>7.51%</b>	<b>459.14</b>
<b>OTHER REVENUE (EXPENSE)</b>						
Interest income	122,435	741,134	1,265,000	(523,866)	-41.41%	\$0.32
Realized gain (loss) on investments	-	-	-	-		\$0.00
Unrealized gain (loss) on investments	119,766	(2,392,049)	-	(2,392,049)		(\$1.04)
Other activities	660,608	5,513,901	-	5,513,901		\$2.39
<b>NET OPERATING GAIN (LOSS)</b>	<b>\$ 196,337</b>	<b>\$ (5,065,530)</b>	<b>\$ (12,030,080)</b>	<b>\$ 6,964,550</b>	<b>-57.89%</b>	<b>(\$2.20)</b>
Average Member Count	213,953	209,780				
FYTD Member Months	—	2,307,585				
Medical Loss Ratio (MLR)	88%	90%				
Admin Ratio [admin divided by cap revenue]	5%	5%				
Pct. Admin to Total Expenses	5%	5%				
Operating Margin Gain (Loss)	0%	0%				

# CenCal Health

## Medical Expenses by Category

As of May 31, 2022

All Programs Combined

Direct Medical Expenses Paid to Providers	FYTD Actual	FYTD Budget	Over (Under) Budget	Percentage Over (Under) Budget	FYTD Actual PMPM \$
PCP capitation, incentives & case mgmt fees	\$ 33,311,433	\$ 34,350,000	\$ (1,038,567)	-3.0%	\$14.44
Physician services	150,036,004	171,625,000	(21,588,996)	-12.6%	\$65.02
Hospital inpatient - in area	74,213,601	74,751,000	(537,399)	-0.7%	\$32.16
Hospital inpatient - out of area	73,396,932	47,969,000	25,427,932	53.0%	\$31.81
Hospital capitation - inpatient services	49,129,947	51,407,000	(2,277,053)	-4.4%	\$21.29
Hospital outpatient: in-area	17,871,788	16,477,000	1,394,788	8.5%	\$7.74
Hospital outpatient: out-of-area	12,969,572	11,443,000	1,526,572	13.3%	\$5.62
Hospital capitation - outpatient services	26,545,761	24,426,000	2,119,761	8.7%	\$11.50
Pharmacy	85,020,239	92,551,000	(7,530,761)	-8.1%	\$36.84
Long term care / skilled nursing	115,522,673	102,776,000	12,746,673	12.4%	\$50.06
Chiropractic	27,664	43,000	(15,336)	-35.7%	\$0.01
Acupuncture	82,324	99,000	(16,676)	-16.8%	\$0.04
Optometry	1,605,827	1,648,000	(42,173)	-2.6%	\$0.70
Optician	62,886	46,000	16,886	36.7%	\$0.03
Audiology	918,858	1,063,000	(144,142)	-13.6%	\$0.40
Mental health benefit	11,896,681	12,098,000	(201,319)	-1.7%	\$5.16
Behavioral health therapy (ABA)	25,828,885	21,063,000	4,765,885	22.6%	\$11.19
Podiatry	1,273,596	1,195,000	78,596	6.6%	\$0.55
Physical therapy	2,868,076	2,494,000	374,076	15.0%	\$1.24
Speech therapy	23,235	6,000	17,235	287.2%	\$0.01
Transportation	9,811,887	10,482,000	(670,113)	-6.4%	\$4.25
Prosthetics	1,635,876	1,885,000	(249,124)	-13.2%	\$0.71
Home health	2,819,231	3,748,000	(928,769)	-24.8%	\$1.22
Hospice	6,493,555	8,969,000	(2,475,445)	-27.6%	\$2.81
Dialysis	6,285,191	7,235,000	(949,809)	-13.1%	\$2.72
Laboratory	16,916,026	13,741,000	3,175,026	23.1%	\$7.33
Durable medical equipment	8,459,569	7,685,000	774,569	10.1%	\$3.67
All other medical services	22,340,047	4,059,000	18,281,047	450.4%	\$9.68
Quality initiative incentives	4,031,850	4,032,000	(150)	0.0%	\$1.75
	<b>\$ 761,399,215</b>	<b>\$ 729,366,000</b>	<b>\$ 32,033,215</b>	<b>4.4%</b>	<b>\$ 329.96</b>

# Santa Barbara County Medi-Cal

## Program Operating Statement

As of May 31, 2022

	<u>FYTD Actual</u>	<u>FYTD Flexible Budget</u>	<u>Over (Under) Flexible Budget</u>	<u>Pct. Over(Under) Budget</u>	<u>YTD Actual PMPM</u>
<b>PROGRAM REVENUE</b>					
<b>Capitation Revenue</b>	<b>\$ 720,541,223</b>	<b>\$ 674,671,000</b>	<b>\$ 45,870,223</b>	<b>6.80%</b>	<b>\$ 445.47</b>
<b>PROGRAM RELATED MEDICAL COSTS</b>					
PCP capitation, incentives & case mgmt fees	22,935,654	23,761,000	(825,346)	-3.47%	14.18
Physician services	110,977,208	126,330,000	(15,352,792)	-12.15%	68.61
Hospital inpatient - in area	85,605,048	92,026,000	(6,420,952)	-6.98%	52.92
Hospital inpatient - out of area	52,639,380	33,587,000	19,052,380	56.73%	32.54
Hospital outpatient - in area	34,739,952	31,865,000	2,874,952	9.02%	21.48
Hospital outpatient - out of area	9,660,774	8,342,000	1,318,774	15.81%	5.97
Pharmacy	55,178,691	58,990,000	(3,811,309)	-6.46%	34.11
Long term care / skilled nursing	76,741,770	67,974,000	8,767,770	12.90%	47.44
Dialysis	5,043,745	5,817,000	(773,255)	-13.29%	3.12
Home health & hospice	6,319,213	8,809,000	(2,489,787)	-28.26%	3.91
Mental health benefit	7,381,216	7,608,000	(226,784)	-2.98%	4.56
Behavioral health therapy (ABA)	16,353,340	14,286,000	2,067,340	14.47%	10.11
All other health care services	35,549,956	29,759,000	5,790,956	19.46%	21.98
Quality initiative incentives & support	2,831,994	2,829,000	2,994	0.11%	1.75
Reinsurance/recoveries - net	(2,328,355)	1,041,000	(3,369,355)	-323.67%	(1.44)
HQAF Directed Pmt	22,800,751	23,313,000	(512,249)	-2.20%	14.10
Behavioral Health Integration Incentive Program	2,522,807	-	2,522,807		1.56
Pooled Directed Pmt	65,926,336	44,922,000	21,004,336	46.76%	40.76
Rate Range IGT	25,681,783	24,792,000	889,783	3.59%	15.88
CalAIM IPP	8,981,830	-	8,981,830		5.55
Prior year change in IBNR estimate	10,542,795	-	10,542,795		6.52
<b>Total Medical Costs</b>	<b>656,085,888</b>	<b>606,051,000</b>	<b>50,034,888</b>	<b>8.26%</b>	<b>405.62</b>
<b>ADMINISTRATIVE COSTS - allocation</b>	<b>34,418,852</b>	<b>38,263,000</b>	<b>(3,844,148)</b>	<b>-10.05%</b>	<b>21.28</b>
MCO Tax Expense	48,994,204	47,146,000	1,848,204	3.92%	30.29
<b>TOTAL OPERATING EXPENSES</b>	<b>739,498,944</b>	<b>691,460,000</b>	<b>48,038,944</b>	<b>6.95%</b>	<b>457.19</b>
<b>NET OPERATING GAIN (LOSS)</b>	<b>\$ (18,957,721)</b>	<b>\$ (16,789,000)</b>	<b>\$ (2,168,721)</b>	<b>12.92%</b>	<b>\$ (11.72)</b>

Average FYTD Member Count	147,045	Admin Ratio [admin divided by cap revenue]	4.8%
Current Month Member Count	149,849	Pct. Admin to Total Expenses	4.7%
FYTD Member Months	1,617,498		
Medical Loss Ratio (MLR)	91%		
Operating Margin Gain (Loss) %	-2.6%		

**San Luis Obispo County Medi-Cal**  
**Program Operating Statement**  
As of May 31, 2022

	<u>FYTD Actual</u>	<u>FYTD Flexible Budget</u>	<u>Over (Under) Flexible Budget</u>	<u>Pct. Over(Under) Budget</u>	<u>YTD Actual PMPM</u>
<b>PROGRAM REVENUE</b>					
<b>Capitation Revenue</b>	<b>\$ 330,024,665</b>	<b>\$ 297,549,000</b>	<b>\$ 32,475,665</b>	<b>10.91%</b>	<b>\$ 478.24</b>
<b>MEDICAL COSTS</b>					
PCP capitation, incentives & case mgmt fees	10,375,779	10,589,000	(213,221)	-2.01%	15.04
Physician services	39,058,797	45,295,000	(6,236,203)	-13.77%	56.60
Hospital inpatient - in area	37,738,500	34,132,000	3,606,500	10.57%	54.69
Hospital inpatient - out of area	20,757,552	14,382,000	6,375,552	44.33%	30.08
Hospital outpatient - in area	9,677,596	9,038,000	639,596	7.08%	14.02
Hospital outpatient - out of area	3,308,799	3,101,000	207,799	6.70%	4.79
Pharmacy	29,841,548	33,561,000	(3,719,452)	-11.08%	43.24
Long term care / skilled nursing	38,780,904	34,802,000	3,978,904	11.43%	56.20
Dialysis	1,241,446	1,418,000	(176,554)	-12.45%	1.80
Home health & hospice	2,993,573	3,908,000	(914,427)	-23.40%	4.34
Mental health benefit	4,515,465	4,490,000	25,465	0.57%	6.54
Behavioral health therapy (ABA)	9,475,545	6,777,000	2,698,545	39.82%	13.73
All other health care services	15,128,762	14,687,000	441,762	3.01%	21.92
Quality initiative incentives & support	1,199,856	1,203,000	(3,144)	-0.26%	1.74
Reinsurance/recoveries - net	(191,508)	375,000	(566,508)	-151.07%	(0.28)
HQAF Directed Pmt	9,831,053	9,306,000	525,053	5.64%	14.25
Pooled Directed Pmt	28,857,401	20,211,000	8,646,401	42.78%	41.82
CalAIM IPP	3,842,516	-	3,842,516		5.57
Rate Range IGT	11,448,555	10,447,000	1,001,555	9.59%	16.59
Prior year change in IBNR estimate	6,667,795	-	6,667,795		9.66
<b>Total Medical Costs</b>	<b>284,549,933</b>	<b>257,722,000</b>	<b>26,827,933</b>	<b>10.41%</b>	<b>412.34</b>
<b>ADMINISTRATIVE COSTS - allocation</b>	<b>14,684,409</b>	<b>16,324,000</b>	<b>(1,639,591)</b>	<b>-10.04%</b>	<b>21.28</b>
MCO Tax Expense	20,761,117	20,009,000	752,117	3.76%	30.08
<b>TOTAL OPERATING EXPENSES</b>	<b>319,995,460</b>	<b>294,055,000</b>	<b>25,940,460</b>	<b>8.82%</b>	<b>463.70</b>
<b>NET OPERATING GAIN (LOSS)</b>	<b>\$ 10,029,205</b>	<b>\$ 3,494,000</b>	<b>\$ 6,535,205</b>	<b>-187.04%</b>	<b>\$ 14.53</b>

Average FYTD Member Count	62,735	Admin Ratio [admin divided by cap revenue]	4.4%
Current Month Member Count	64,104	Pct. Admin to Total Expenses	4.6%
FYTD Member Months	690,087		
Medical Loss Ratio (MLR)	86%		
Operating Margin Gain (Loss)	3%		

**CenCal Health**  
**Total Administrative Expenses**  
**Fiscal Year-to-Date as of May 31, 2022**

	Current YTD Actual	Current YTD Budget	Over (Under) Variance	
Salaries & Wages	\$ 22,663,240	\$ 24,471,060	\$ (1,807,820)	
Fringe Benefits	10,844,886	11,101,720	(256,834)	
Contract Services	7,322,108	9,494,200	(2,172,092)	
Travel Expenses	47,970	249,995	(202,025)	
Rent & Occupancy	1,048,418	1,153,950	(105,532)	
Office Supplies & Equip.	1,006,215	1,160,015	(153,800)	
Insurance	855,471	615,000	240,471	
Depreciation	1,182,779	1,479,400	(296,621)	
Equipment/Software Maintenance	82,175	91,650	(9,475)	
Communications	482,991	588,400	(105,409)	
Publications	20,503	72,190	(51,687)	
Software Licensing Fees	2,003,140	1,848,810	154,330	
Professional Associate Dues	210,788	241,770	(30,982)	
Community Relations and Marketing	473,457	575,500	(102,043)	
Community Health Promotion	73,172	247,300	(174,128)	
Member and Provider Materials	28,402	74,500	(46,098)	
Provider Relations & Recruitment	-	58,600	(58,600)	
Credentialing Fees	26,842	24,750	2,092	
Director and Advisory Board Fees	19,247	32,025	(12,778)	
Business Meeting Costs	35,985	184,350	(148,365)	
All Other Misc Expenses	156,348	821,895	(665,547)	
<b>Total</b>	<b>\$ 48,584,138</b>	<b>\$ 54,587,080</b>	<b>\$ (6,002,942)</b>	-11.0%
PMPM \$	\$21.05	\$23.66		

**NOTES TO THE FINANCIAL STATEMENTS FOR 11 MONTHS ENDING 5/31/2022**

**USE OF ESTIMATES** The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. CenCal Health’s principal areas of estimates include reinsurance, third-party recoveries, retroactive capitation receivables, and claims incurred but not yet reported. Actual results could differ from those estimates.

**REVENUE RECOGNITION** Under contracts with the State of California, Medi-Cal is based on the estimated number of eligible enrollees per month, times the contracted monthly capitation rate. Revenue is recorded in the month in which eligible enrollees are entitled to health care services. Revenue projections for Medi-Cal are based on draft capitation rates issued by the DHCS effective as of January 1, 2022, as well as prior year any retroactive rate adjustments issued by the DHCS.

**SIGNIFICANT ITEMS REPORTED IN THE CURRENT MONTH’S FINANCIAL STATEMENTS**

- Reserve for 85% Medical Loss Ratio (MLR) contractual provision on the Affordable Care Act (ACA) Medi-Cal Expansion (MCE) population: At May 31, 2022 \$50.9M is reserved on the balance sheet as potential Medi-Cal capitation revenue that will be recouped back to the DHCS under the terms of the MLR contract language. A recoupment of this amount will result in an MLR of 85% for the MCE Adult population. This reserve covers the period July 1, 2017 – May 31st, 2022.
- Reserve for Prop 56 healthcare items including Physician Services, Development Screening Services, Adverse Childhood Event (Trauma) Screening Services, Family Planning Services and Value Based Payment Program. This reserve is effective FY19/20 through Dec 2020, CY2021 and CY2022 YTD for the amount of \$17.1M for the 3 fiscal/calendar years.
- GASB 68 requires the health plan to record the magnitude of the unfunded pension liability. Accrued CalPERS Pension Liability is reserved on the balance sheet as of May 31, 2022 in the amount of \$8,008,982 based on current estimates. The GASB 68 liability amount is derived by smoothing and amortizing the health plan’s actual unfunded liability over several years and as a result will normally be calculated at a lower amount than the unfunded liability derived by CalPERS.

The CalPERS Annual Valuation Report dated July 2021 reports the health plan’s actual unfunded pension liability at \$10,198,049 as of June 30, 2020.

CalPERS Misc Plan for employees hired prior to Jan 1, 2013	\$9,446,850
CalPERS PEPRA Misc Plan for employees hired on or after Jan 1, 2013	751,199
	<hr/>
	\$10,198,049

**CenCal Health**  
**TANGIBLE NET EQUITY CALCULATION**  
**At May 31, 2022**

(1)	Total Assets		\$ 656,541,347
(2)	Less: Intangible assets		<u>                    </u>
(3)	Less: Obligations of officers, directors or owners, which are not fully secured		<u>                    </u>
(4)	Less: Obligations of affiliates which are not current, or not fully secured		<u>                    </u>
(5)	Less: Long-term prepayments of deferred charges or nonreturnable deposits		<u>                    </u>
(6)	Less: Total Liabilities		<u>(491,396,994)</u>
(7)	Add: Subordinated debt	<u>0</u>	
	Less: Other	<u>0</u>	
	Total Line 7 (net)		<u>0</u>
(8)	ACTUAL TANGIBLE NET EQUITY (Line 1 through 7)		<u>\$ 165,144,353</u>
<b><u>Title 10, CCR, Section 1300.76 TNE Requirement:</u></b>			
(9)	Minimum TNE Requirement (\$1 million)		<u>\$ 1,000,000</u>
(10)	2% of first \$150M of annualized premium revenue	<u>\$ 3,000,000</u>	
	PLUS: 1% of annualized premium revenue > \$150M	<u>9,309,709</u>	
	Total (Line 10)		<u>\$ 12,309,709</u>
(11)	8% of first \$150M of annualized health care expenditures, except those paid on a capitated or managed hospital payment basis	<u>\$ 12,000,000</u>	
	PLUS: 4% of first \$150M of annualized health care expenditures > \$150M, EXCEPT those paid on a capitated or managed hospital payment basis	<u>15,518,315</u>	
	PLUS: 4% of the annualized hospital expenditures paid on a managed hospital payment basis (i.e., per diem payments made to the hospitals)	<u>10,320,936</u>	
	Total (Line 11)		<u>\$ 37,839,251</u>
(12)	The greater of lines 9, 10, or 11		<u>\$ 37,839,251</u>
(13)	% of the amount required by Title 10, CCR, Section 1300.76 ©		<u>100%</u>
(14)	Tangible Net Equity - Minimum required (Line 12 x Line 13)		<u>\$ 37,839,250.71</u>
(15)	Actual Tangible Net Equity (Line 8)	436%	<u>\$ 165,144,353</u>
(16)	Tangible Net Equity - Excess (Deficiency) (Line 15 - Line 14)		<u>\$ 127,305,102</u>

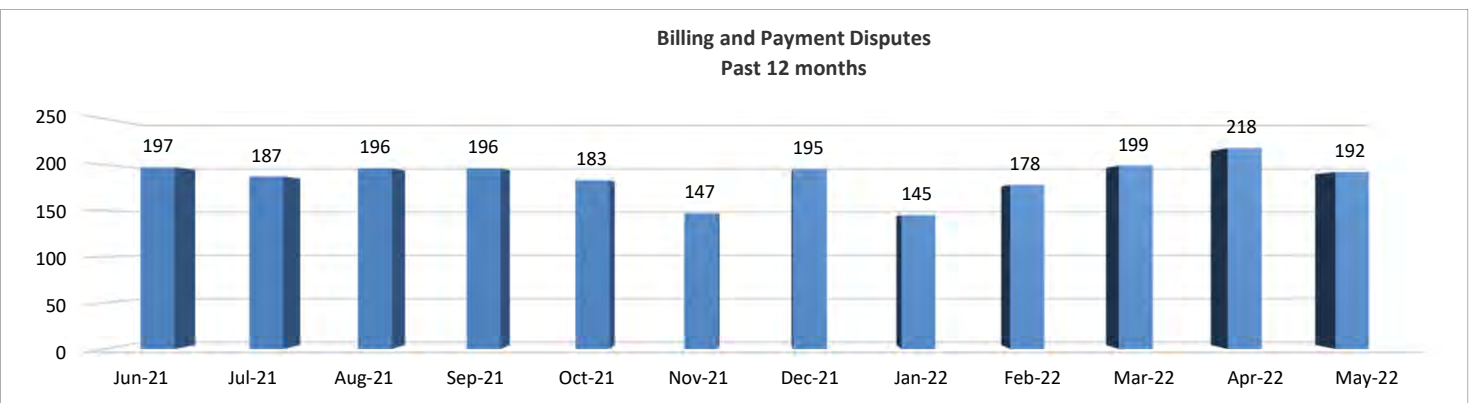
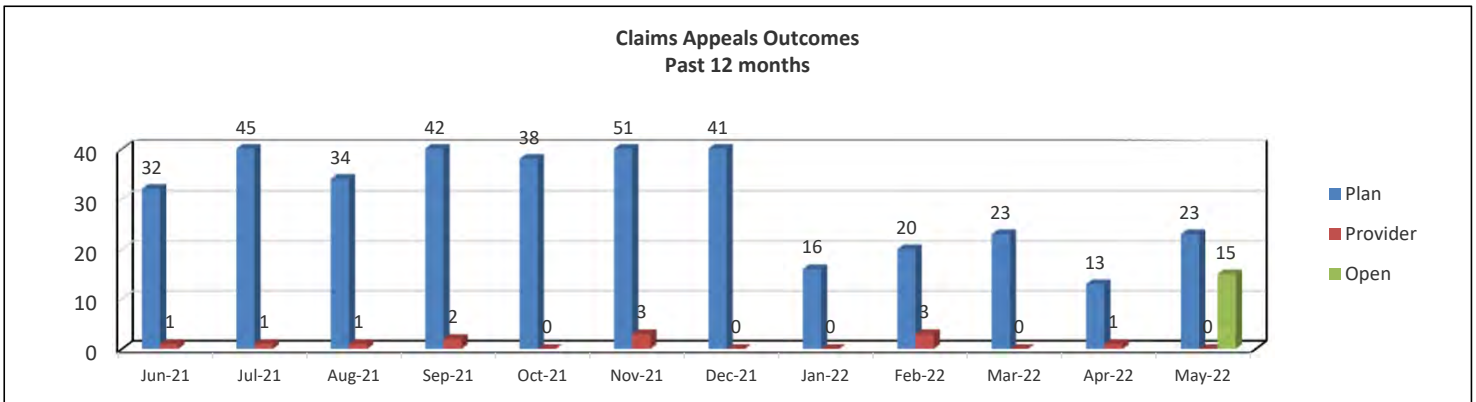
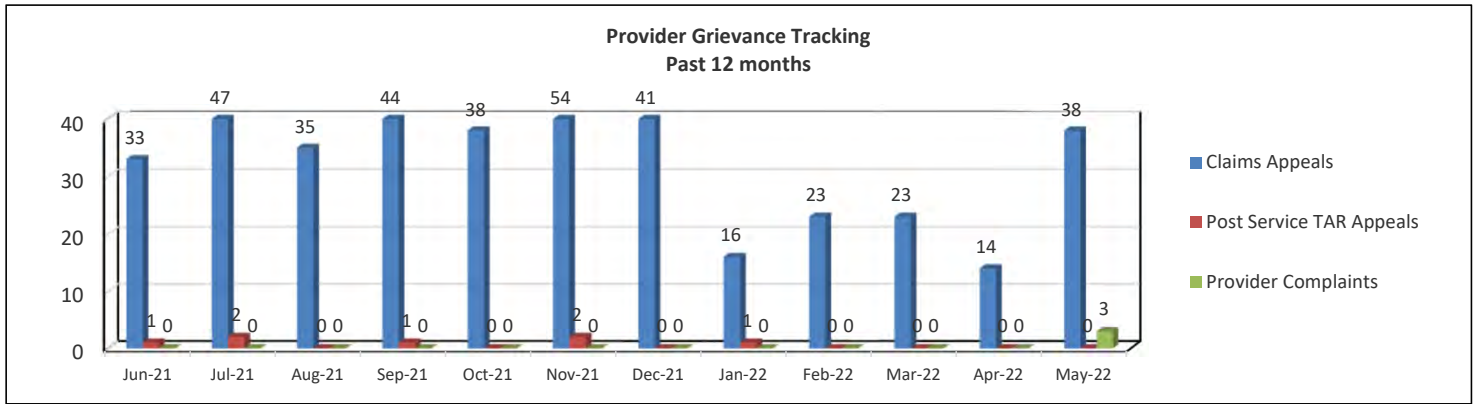




## **Appendices**

- Appendix A: Provider Grievance Tracking Report
- Appendix B: Provider Services Departmental Metrics
- Appendix C: Claims Report
- Appendix D: Member Services Telephone Statistics
- Appendix E: Member Grievance, System Grievance & Appeal Receipts
- Appendix F: CenCal Health Monthly Enrollment by Program

**CenCal Health**  
**Type of Indicator: Service**  
**Indicator: Provider Grievance Tracking**  
**Rolling 12 months**



**CenCal Health**  
**Type of Indicator: Service**  
**Indicator: Provider Grievance Tracking**  
**Rolling 12 months**

**Executive Summary:**

**Measure Description:** This report tracks all provider disputes, appeals and grievances; including provider complaints/grievances, provider claims disputes and appeals, and provider TAR appeals. This report does not track outcomes (except for claims disputes and appeals, see below), only the number and type of disputes, appeals and grievances. August 2017 bundles were removed from data collection and a third graph with total disputes was added.

**Strategic Importance:** Provider satisfaction and plan responsiveness to provider issues are important to maintaining the provider network. Tracking of grievances allows trending of number and type of grievances, and also ensures plan compliance with regulatory and contractual requirements (i.e. timeliness of resolution).

**Benchmark or Goal:** There are no established benchmarks or goals for number or type of disputes, appeals or grievances; however changes in trends may be indicative of system or process changes or problems. Plan expectations are that all disputes and appeals will be resolved within the timelines established by applicable regulations, and grievances will be resolved within 45 business days.

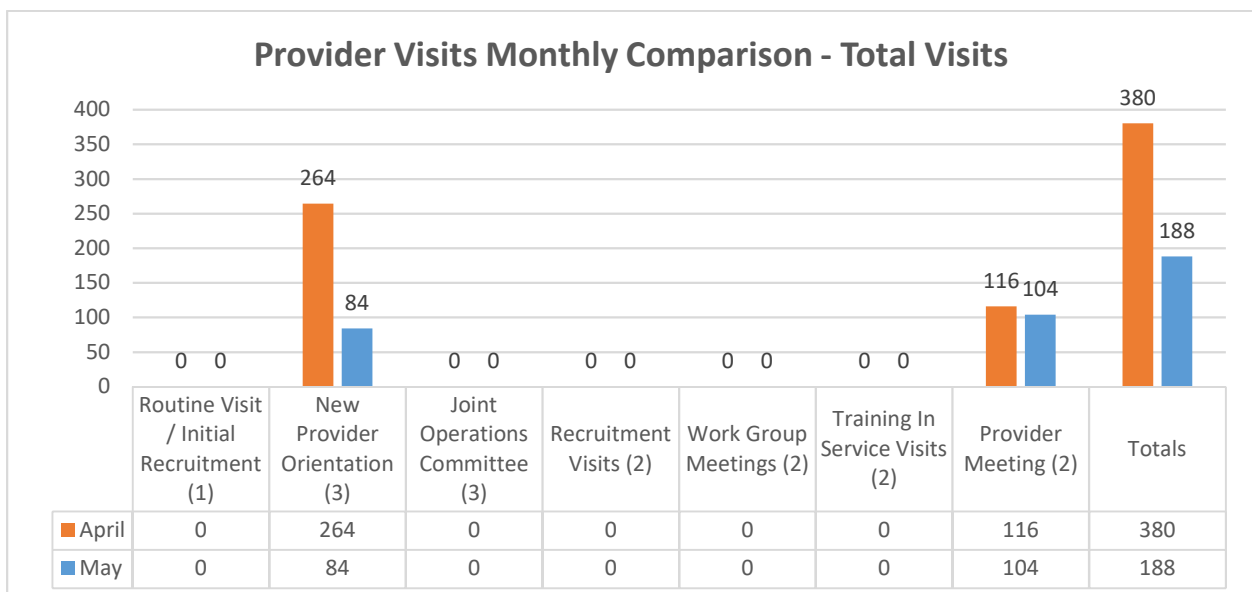
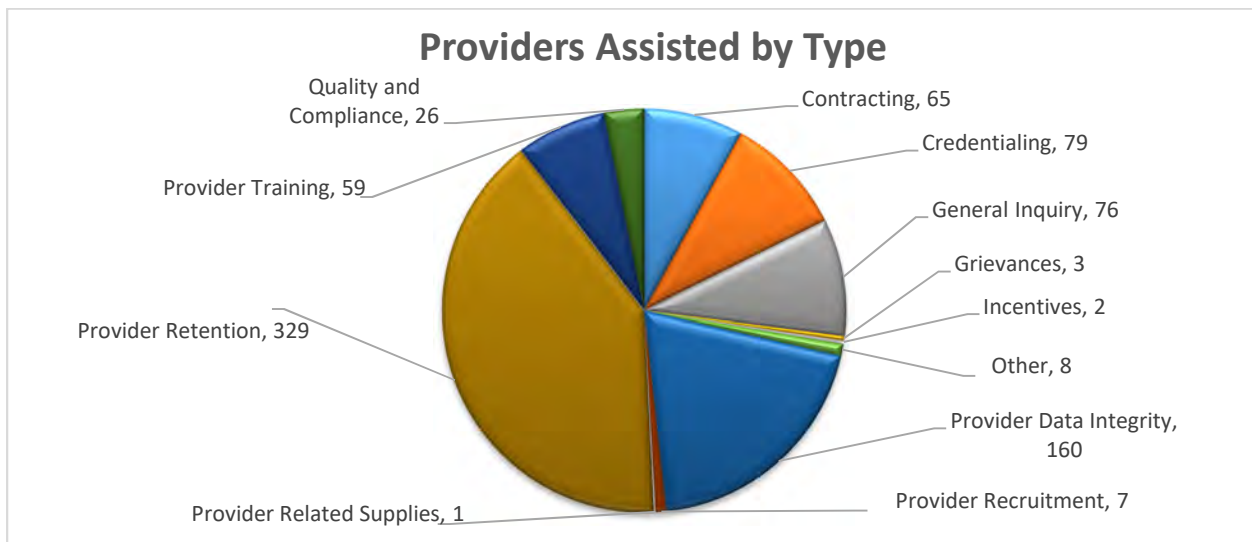
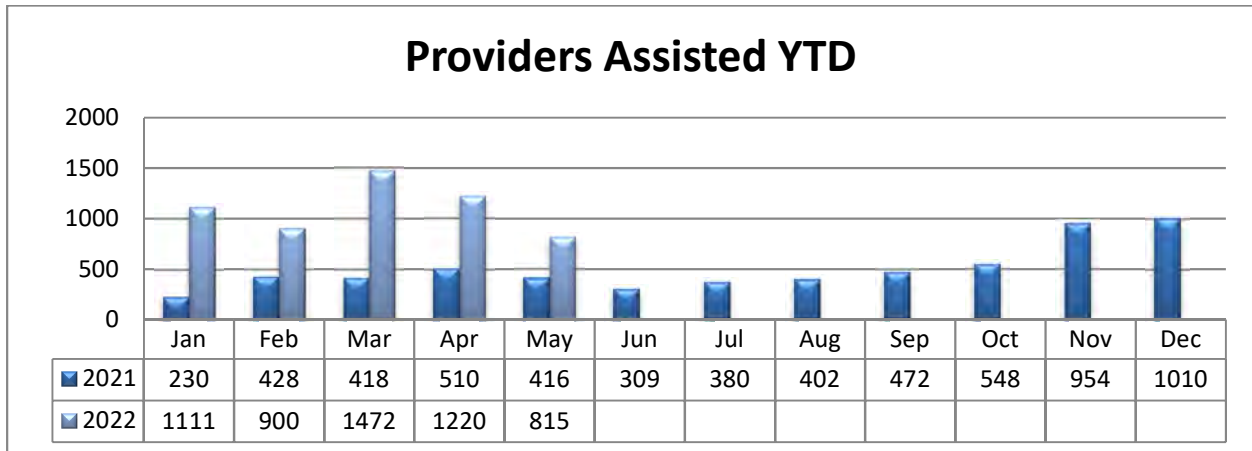
**Conclusions & Actions:** Disputes for May came in at 192. Claims Appeals came in at 38 for the month. There were 23 claims appeals in favor of the plan and 0 in favor of the provider with 15 having no resolution. There was 3 Post Service TAR Appeals and no Provider Complaints for May.

**General Trend & Comparison to Benchmark or Goal:** Claims disputes and appeals outcome categories have been revised in this report beginning with the December 2016 data to reflect whether the resolution was in favor of the Plan ("Plan") or the Provider ("Provider"). This is in alignment with how the Claims department reports data to Plan regulators. Resolutions in favor of the Plan include those formerly categorized as "Upheld", while those in favor of the Provider include those formerly categorized as either "Adjusted" or "Overturned". Roughly 30-50% of claims appeals received each month are adjusted based on additional information received (beyond the required non-claim mail process). Tar appeals are averaging 0 to 2 per month. Provider Services uses Case Tracking to capture provider complaints in a standardized fashion, with outcome & severity criteria. This report shows a rolling 12 months of data, rather than calendar year.

**Caveats and Limitations:** Claims disputes and appeals reports are run by Resolution Date, so data may be incomplete at the time it is first reported as some disputes and appeals may not yet be resolved, categorized as "Open". The graph will be updated the following month with the appropriate outcome codes. Claims and Provider Services staff are collaborating to ensure timely and accurate reporting. Post-service TAR appeals are processed and tracked by the Health Services Department.

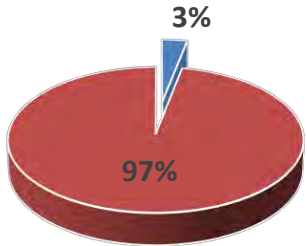
# Provider Services Departmental Metrics

Providers Assisted – May 2022

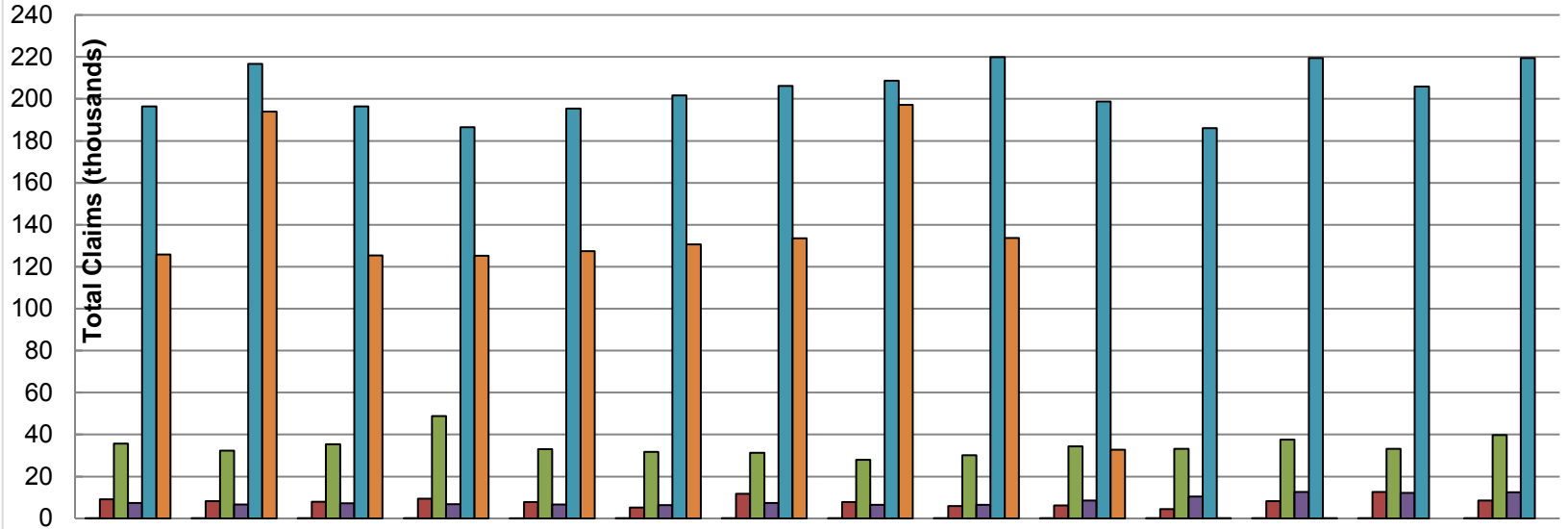


Claims Received by Submission Type per Month: April 2021 - May 2022

Total Claims Submitted for May 2022



- Paper
- Electronic



	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
■ Paper - CenCal Health	5	44	54	30	149	29	61	22	27	123	9	1	7	18
■ Paper - Outsourced	9,161	8,209	7,918	9,438	7,874	5,246	11,798	7,879	5,948	6,200	4,480	8,203	12,695	8,603
■ AdminisTEP	35,653	32,298	35,461	48,743	33,003	31,736	31,317	27,990	30,067	34,382	33,201	37,531	33,133	39,758
■ Web-Processed	7,422	6,714	7,251	6,788	6,699	6,409	7,390	6,521	6,559	8,499	10,490	12,571	12,169	12,542
■ HIPAA Files	196,350	216,751	196,473	186,513	195,453	201,716	206,191	208,644	219,855	198,763	186,001	219,500	205,829	219,412
■ Med-Impact/PBM	125,848	193,881	125,344	125,169	127,392	130,566	133,539	197,089	133,659	32,698	57	8	0	0

## CENCAL HEALTH CALENDAR 2021 - 2022 MEMBER SERVICE TELEPHONE STATISTICS

### AGGREGATE CALL VOLUME FOR HEALTH PLAN (CHART #1) AGGREGATE AVERAGE SPEED TO ANSWER (CHART#2)

**Reporting period:**

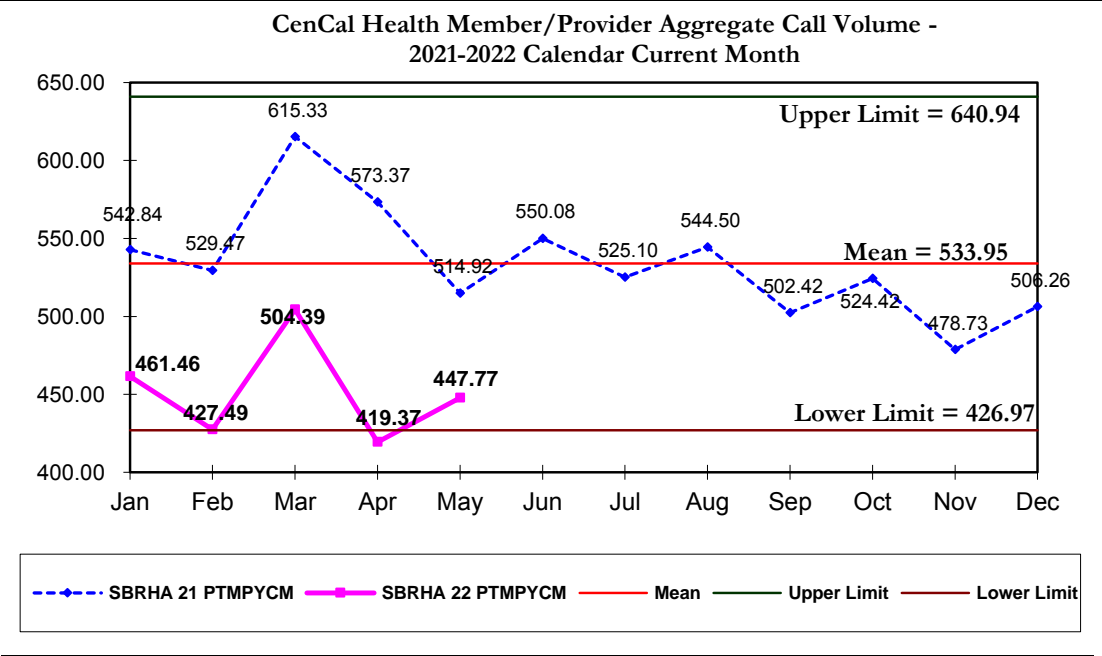
**May 2022 - Calendar 2022 Chart #1**

**Monthly Call Volume**  
 In Control  
 Not In Control

**May 2022:**  
 Member Queue = **6,493**  
 Provider Queue = **858**  
 Non ACD = **810**  
 Aggregate Call Volume = **8,161**

Calls per 1,000/month (PTMPM) = **37.31**  
 Calls per 1,000/year (PTMPY) = **447.77**

Analysis:  
 May's call volume PTMPY is below 2021's mean and in control. The drop in PTMPY is the result of the continued membership increases due to suspended DHCS disenrollment during the PHE for Covid-19. Additionally in the month of May, the Older Adult Expansion (OAE) membership were added to managed care. This was approx. 2,800 OAE members for CenCal Health. This factors into the drop in PTMPY with more member months in the denominator.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>21 Members</b>	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
<b>Call Volume</b>	8,842	8,698	10,179	9,567	8,673	9,302	8,941	9,319	8,652	9,093	8,364	8,870
<b>PTMPYCM</b>	542.84	529.47	615.33	573.37	514.92	550.08	525.10	544.50	502.42	524.42	478.73	506.26
<b>22 Members</b>	211,466	212,410	213,193	214,434	218,712							
<b>Call Volume</b>	8,132	7,567	8,961	7,494	8,161							
<b>PTMPYCM</b>	461.46	427.49	504.39	419.37	447.77							

**May 2022- Chart #2**

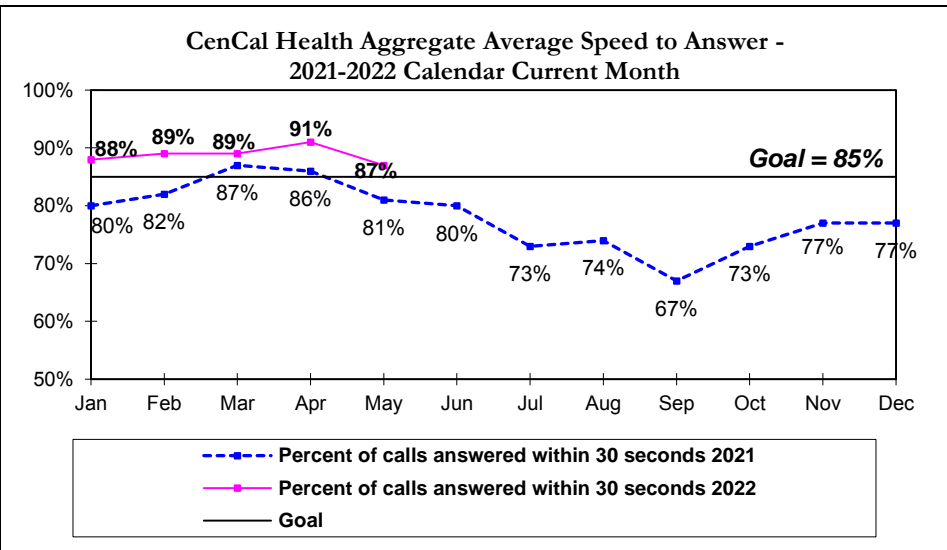
**Monthly Average Speed to Answer**  
 Exceeding Goal  
 Meets Goal  
 Not Meeting Goal

**Average Speed to Answer Goal = 85% of Calls Answered Within 30 Seconds**

May's score = **87%**

Aggregate calls answered: **7,865**  
 Aggregate calls answered within 30 seconds: **6,852**

Analysis:  
 May 2022 averaged 385 calls a day. There were 5 calls in the queue over 10 minutes before answer during the new member welcome call outreach time of month.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Answered in 30 seconds or less 2021</b>	80%	82%	87%	86%	81%	80%	73%	74%	67%	73%	77%	77%
<b>Answered in 30 seconds or less 2022</b>	88%	89%	89%	91%	87%							

## CENCAL HEALTH CALENDAR 2021 - 2022 MEMBER SERVICE TELEPHONE STATISTICS

### AGGREGATE MONTHLY ABANDON RATE (CHART #3) AGGREGATE MONTHLY CALL CODING PERCENTAGE (CHART#4)

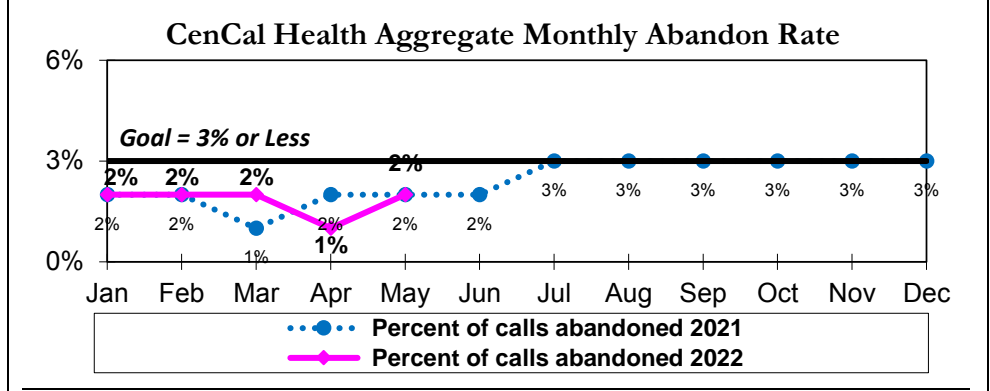
#### May 2022- Chart #3

**Monthly Aggregate Abandon Rate**  
 Exceeding Goal  
 Meets Goal  
 Not Meeting Goal

*CenCal Health Goal = 3% or less*

Aggregate Call Volume: **8,161**  
 Abandoned Calls: **191**

Percent of calls abandoned in May 2022 = 2%



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2021	2%	2%	1%	2%	2%	2%	3%	3%	3%	3%	3%	3%
% of Abandoned Calls 2022	2%	2%	2%	1%	2%							

#### May 2022- Chart #4

**Monthly Aggregate Calls Coded**  
 Exceeding Goal  
 Meets Goal  
 Not Meeting Goal

*Goal for Percentage of Coded Calls = 95%*

Queue Calls Handled: **7,055**  
 Queue Calls Coded: **6,825**  
 Percentage of calls coded in May 2022 = 95%  
 Total Issues Coded: **7,975**  
 \*Calls may have more than one category.

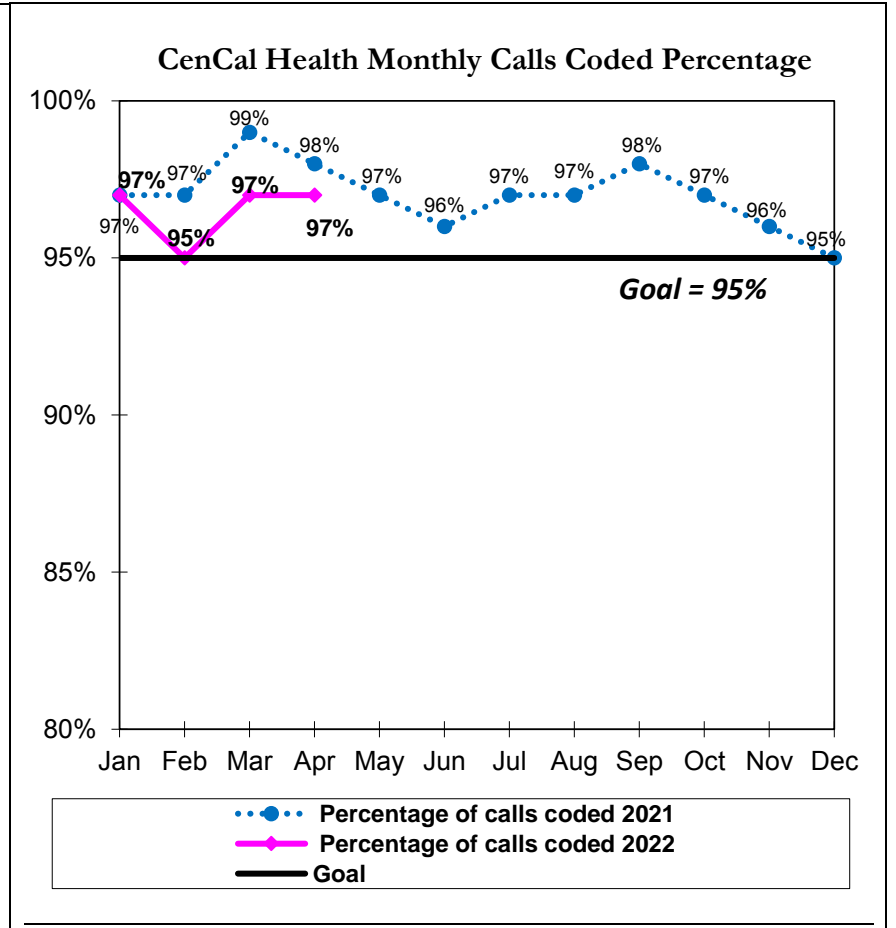
**Top 5 Call Codes:**

Category	Calls	% of Total
Eligibility	2,015	25%
PCP Selection	1,672	21%
Transfer	1,080	11%
Benefits	818	10%
Miscellaneous	612	8%

\*Miscellaneous = calls dropped/disconnect or N/A to a preset category.

**May Analysis:**  
 \*Eligibility Calls – 52% Eligibility verification, 32% Referred to DSS/SSA, 11% Coordination of Benefits (OHC) Verification.  
 \*Transferred Calls – 22% to Behavioral Health, 19% to Ventura Transit, 17% to Med. Management, 15% to DSS.  
 \*Benefits – 36% Dental, 13% Vision, 11% Specialists.  
 \*Pharmacy – 52 Total pharmacy related calls, 17 resulted in a transfer to Magellan RX.  
 \*COVID specific calls – 21 total calls regarding testing sites, vaccinations, new at-home testing coverage and general questions.

\*Provider Call Volume (1,128) = 13% of all calls coded.  
 64% were for Eligibility, 19% were transferred out of Member Services (47% to Medical Management), & 8% for PCP selections.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Calls Coded 2021	97%	97%	99%	98%	97%	96%	97%	97%	98%	97%	96%	95%
% of Calls Coded 2022	97%	95%	97%	97%	97%							

# CENCAL HEALTH CALENDAR 2022 MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

## MEMBER GRIEVANCES & APPEALS

**Reporting period:**

May 2022 - Calendar 2022

In Control

Not in Control

May's PTMPY for grievance and appeals was **3.07**, slightly above 2021's Mean of 1.93 and in control.

**May Grievance/Appeals = 56**

Administrative = **18**

Appeals = **16** (0 Expedited Appeals)

Quality of Care = **11**

Access = **5**

Interpersonal = **5**

Benefit = **1**

**Analysis and Trends**

\* **Administrative:** Most are centered on member's dissatisfaction with the referral process to see a specialist, expected time for the office to complete paperwork or dissatisfaction with timely communication.

\* **Appeals:** 13 TAR appeals including 3 DME, 2 RBM, 2 Skilled Nursing appeals. 2 RAF appeals with no trends.

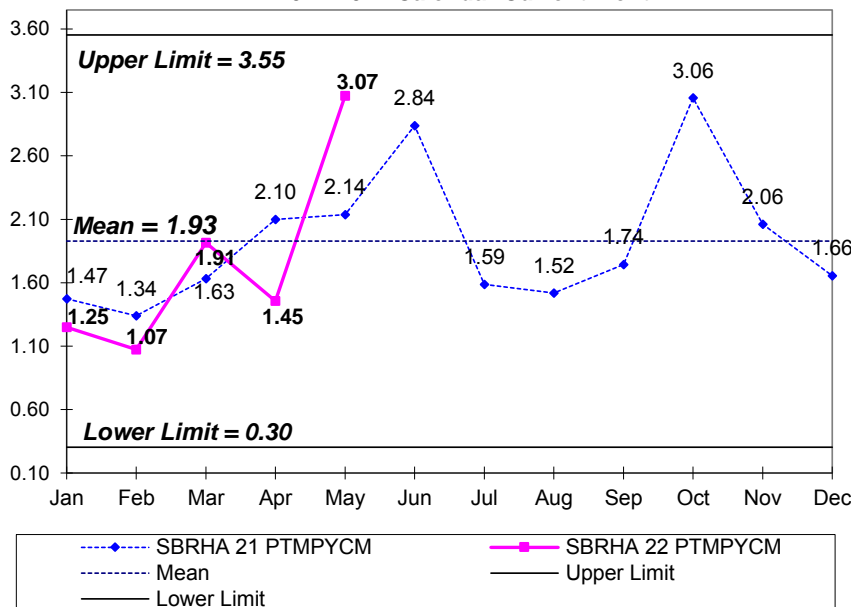
\* **QOC Grievances** (4 PCPs, 3 Specialists, 2 Hospitals & 2 Mental Health): These were against different providers/clinics for various perceived quality of care concerns/reasons with no trends.

\* **Ventura Transit System** had 5 total grievances filed against them (including 3 Interpersonal grievances). Most stem from the members dissatisfaction with customer service when scheduling a ride or driver interaction.

\* **Access** grievances against various providers (2 PCP, 1 BH, 1 Specialist, 1 VTS) for lack of available appointments at the members preferred time. No trends.

\* **7 Total Mental/Behavioral Health** grievances. Common complaints about appointment availability. Only one provider had 2 grievances filed.

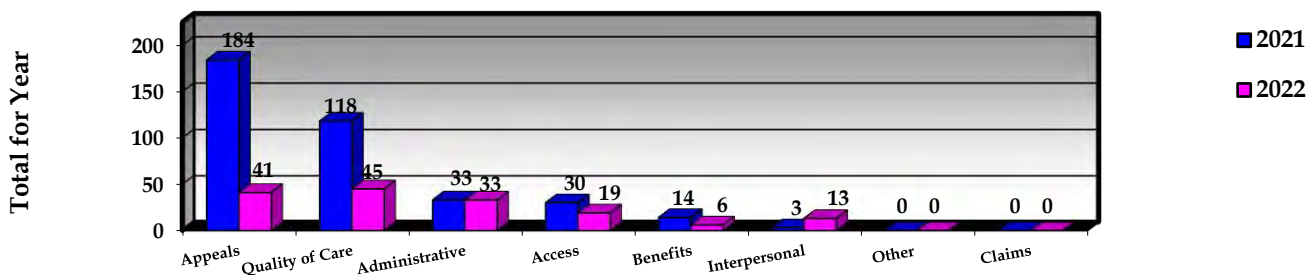
**Grievance & Appeal System - Total Receipts  
2021-2022 Calendar Current Month**



Of the **56** grievances/appeals filed:  
 31 = SB County (9 Administrative = 29% of SB Vol.)  
 25 = SLO County (9 Administrative = 36% of SLO Vol.)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 21 Mbrshp	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
CenCal G&A Issues	24	22	26	35	35	47	27	26	29	47	36	28
CenCal PTMPYCM	1.47	1.34	1.63	2.10	2.14	2.84	1.59	1.52	1.74	3.06	2.06	1.66
CenCal 22 Mbrshp	211,466	212,410	213,193	214,434	218,712							
CenCal G&A Issues	22	19	34	26	56							
CenCal PTMPYCM	1.25	1.07	1.91	1.45	3.07							

**Member Grievance & Appeal System Receipts by Reasons**



Type	Calendar 2021	Calendar 2022 (Through May)
Appeals	185	41
Quality of Care	118	45
Administrative	33	33
Access	30	19
Benefits	14	6
Interpersonal	3	13

**Analysis:** The transition of pharmacy benefits to Medi-Cal Rx has significantly lowered overall appeals averaging 8 Appeals/month in 2022 compared to 15/month in 2021. MRF appeals accounted for 55% of all appeals in 2021. Additionally, with the addition of Behavioral/Mental Health grievance management transitioned to CCH, we expect an increase in all grievance types related to behavioral and mental health providers, being included within those types vs. as "Holman grievances aggregated" previously.



**CENCAL HEALTH - Calendar 2022**  
**CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM**

**MEMBER ENROLLMENT BY MONTH: MAY 2022 – SBHI & SLOHI**

**Reporting period:**

May 2022 – Calendar 2022

**SBHI Monthly Enrollment 2022**

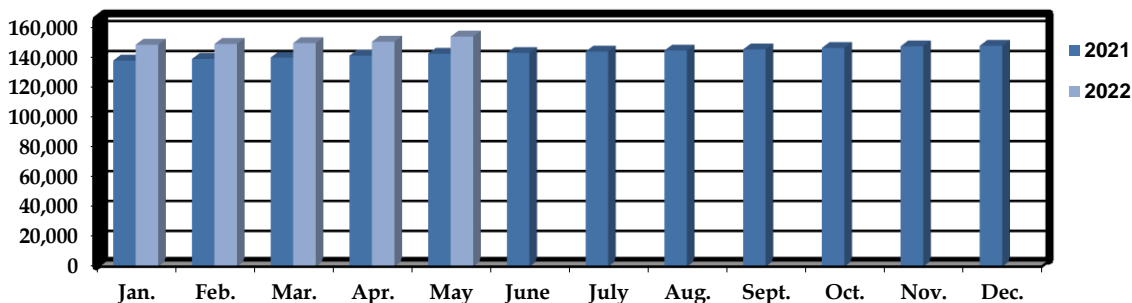
May 2022 = 153,555

Membership increased by a net **1,412** members when compared to last month.

New members for May = **3,825**

DHCS has suspended negative re-determinations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued membership increases due to lack of negative redeterminations and associated disenrollment. Additional 2,300+ Older Adult Expansion (OAE) membership added to SBHI in May.

**SBHI Member Enrollment by Month**



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021 Members</b>	137,567	138,654	139,589	140,795	142,111	142,618	143,540	144,225	144,983	145,940	147,038	147,397
<b>2022 Members</b>	148,119	148,657	149,203	150,143	153,555							

**SLOHI Monthly Enrollment 2022**

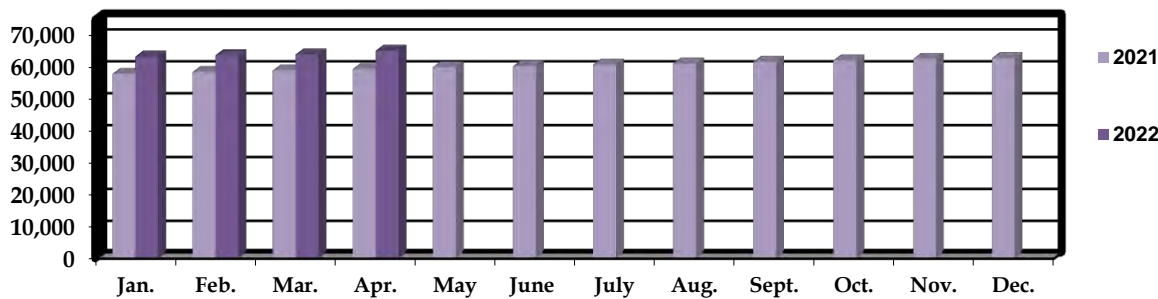
May 2022 = 65,157

Membership increased by a net **866** members when compared to last month.

New members for May = **1,172**

DHCS has suspended negative re-determinations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued membership increases due to lack of negative redeterminations and associated disenrollment. Additional 400+ Older Adult Expansion (OAE) membership added to SLOHI in May.

**SLOHI Member Enrollment by Month**



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021 Members</b>	57,894	58,479	58,919	59,431	60,011	60,304	60,788	61,153	61,664	62,129	62,617	62,851
<b>2022 Members</b>	63,347	63,753	63,990	64,291	65,157							

## CENCAL HEALTH - Calendar 2022 CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

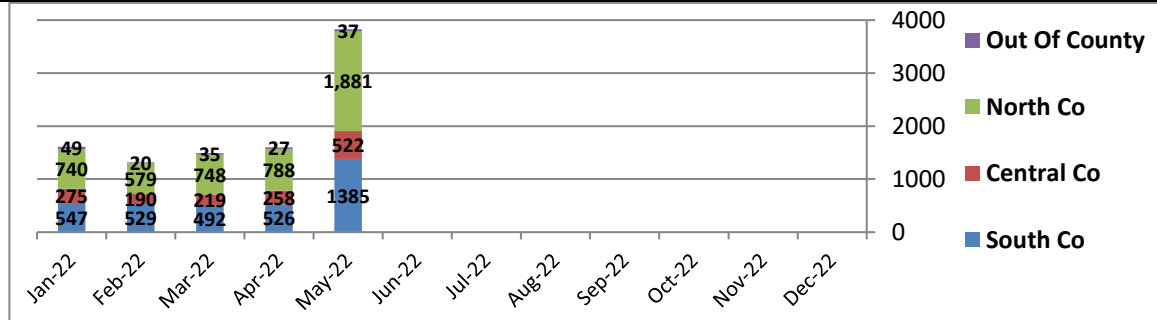
### SANTA BARBARA NEW MEMBER ENROLLMENT BY MONTH: MAY 2022

**Reporting period:**

May 2022 – Calendar 2022

**Santa Barbara County New Member Enrollment by Area**

May 2022 = 3,825



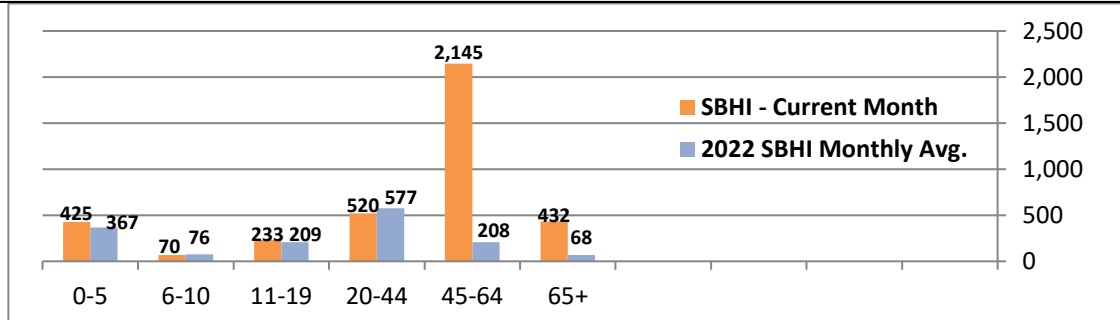
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021 Members	1,602	1,598	1,698	1,825	1,702	1,345	1,506	1,488	1,567	1,712	1,789	1,365
2022 Members	1,611	1,318	1,494	1,599	3,825							

### SANTA BARBARA NEW MEMBER ENROLLMENT BY AGE: MAY 2022

**Santa Barbara County New Members by Age**

May 2022 = 3,825

The significant increase in new membership ages 50+ is a result of the expanded Medi-Cal coverage for undocumented older adults, known as the Older Adult Expansion (OAE) population effective May 1st 2022.



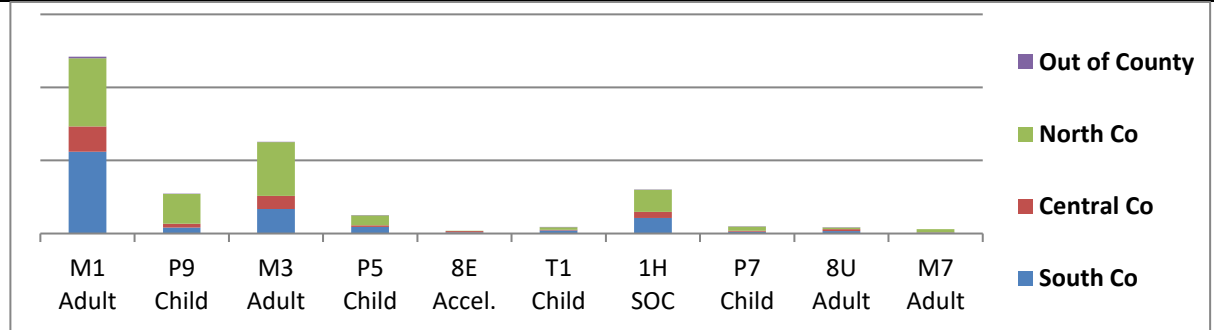
New Members by Age	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0-5	388	290	373	418	425							
6-10	95	57	71	82	70							
11-19	213	202	197	224	233							
20-44	595	520	596	596	520							
45-64	241	195	188	209	2,145							
65+	79	54	69	70	432							

### SANTA BARBARA NEW MEMBER ENROLLMENT BY TOP 10 AID CODES: MAY 2022

**Santa Barbara County New Members by Top 10 Aid Codes**

May 2022

Aid Code 38 (CalWorks, Edward vs. Kizer continuing Medi-Cal) = 855 new Members



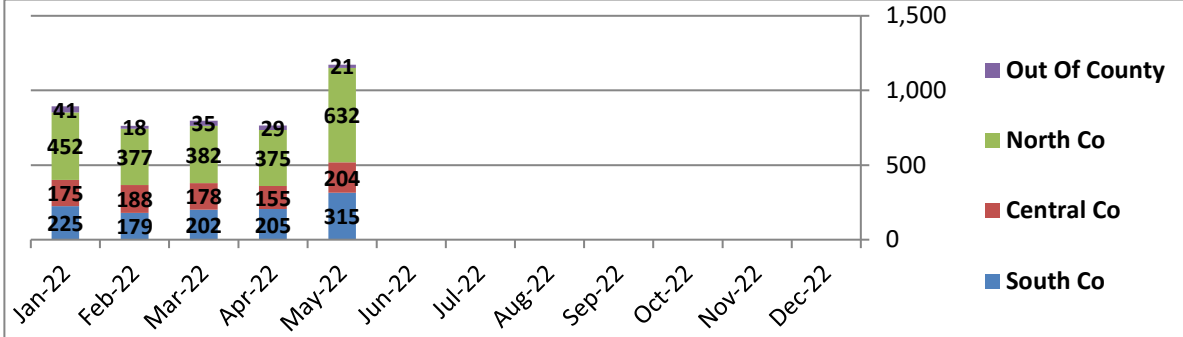
Aid Code	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
M1	579	503	545	535	1,210							
P9	209	198	241	268	273							
M3	136	119	179	183	627							
P5	118	121	126	153	127							
8E	123	57	33	29	19							
T1	56	40	44	51	46							
1H	53	40	57	52	300							
P7	44	22	42	59	49							
8U	35	30	32	32	42							
M7	30	24	24	28	29							

## CENCAL HEALTH - Calendar 2022 CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

### SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY MONTH: MAY 2022

**San Luis Obispo County  
New Member Enrollment by  
Area**

May 2022 = 1,172



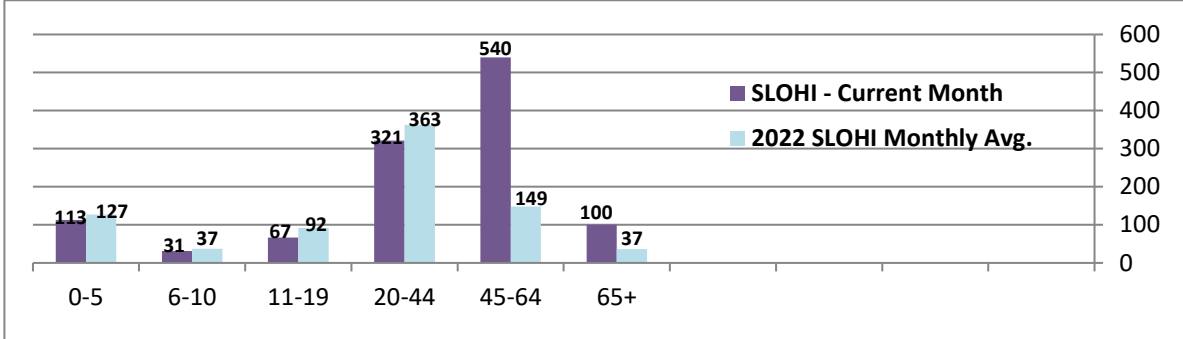
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021 Members</b>	1,004	861	765	867	823	741	800	795	815	821	875	736
<b>2021 Members</b>	893	762	797	764	1,172							

### SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY MONTH: MAY 2022

**San Luis Obispo County  
New Members by Age**

May 2022 = 1,172

The significant increase in new membership ages 50+ is a result of the expanded Medi-Cal coverage for undocumented older adults, known as the Older Adult Expansion (OAE) population effective May 1st 2022.



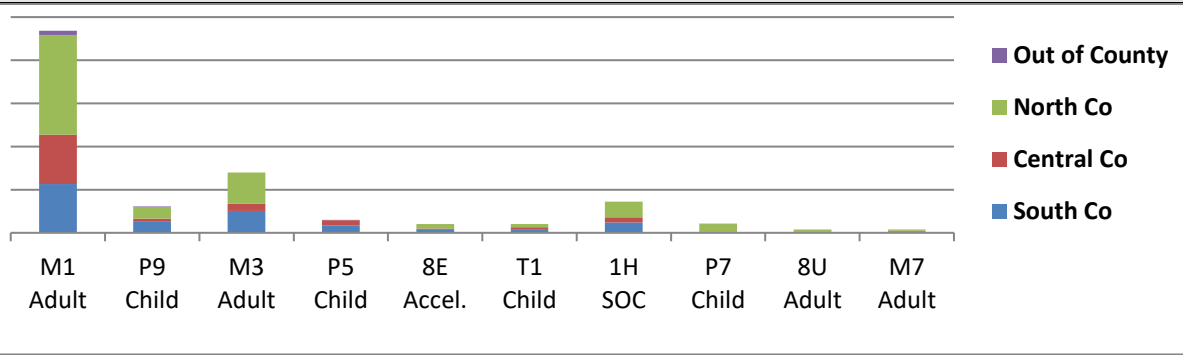
New Members by Age	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>0-5</b>	121	123	125	139	113							
<b>6-10</b>	35	36	38	40	31							
<b>11-19</b>	87	89	110	82	67							
<b>20-44</b>	415	351	356	328	321							
<b>45-64</b>	188	140	138	128	540							
<b>65+</b>	47	23	30	47	100							

### SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY TOP 10 AID CODES: MAY 2022

**San Luis Obispo County  
New Members by Top 10  
Aid Codes**

May 2022

Aid Code 38 (CalWorks, Edward vs. Kizer continuing Medi-Cal) = 219 new Members



Aid Code	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>M1</b>	435	371	377	331	468							
<b>M3</b>	83	61	59	69	61							
<b>P9</b>	60	66	59	69	140							
<b>P5</b>	50	25	31	30	30							
<b>1H</b>	38	28	26	11	20							
<b>T1</b>	22	29	29	18	20							
<b>P7</b>	34	15	22	38	72							
<b>60</b>	13	18	10	26	21							
<b>T2</b>	12	15	18	16	8							
<b>8U</b>	6	6	10	12	8							

# PROVIDER BULLETIN

A PUBLICATION FOR  
OUR PROVIDERS FROM  
CENCAL HEALTH

VOL. 32 NO. 5 • MAY 2022

## What's Inside

### PROVIDER NEWS

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(EFT) Today!

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### CLINICAL CORNER

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Congregate Living Health Facility (CLHF)  
Requests

### CLAIMS CORNER

Provider Portal Enhancements

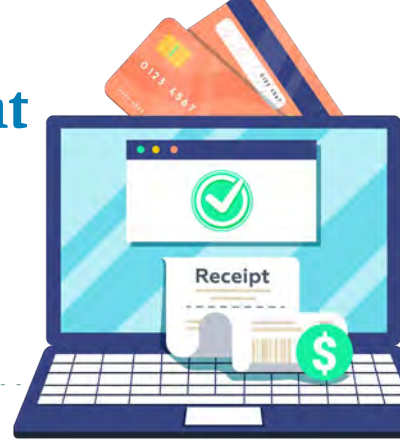
### PHARMACY UPDATE

Medical Pharmacy Benefit Physician  
Administered Drug Update

#### PROVIDER NEWS

## Enroll to Receive Payment by Electronic Funds Transfer (EFT) Today!

Electronic Fund Transfers (EFT) is a method  
of payment offered by CenCal Health to our  
contracted providers. This free service provides  
convenience and savings.



#### Benefits:

- EFT safely deposits weekly payments due for services provided directly to your savings or checking account.
- Using EFT reduces paper processing, eliminates the need to issue a paper check, and avoids the errors associated with such processing.
- All payments will have an Explanation of Payment (EOP) available on the Provider Portal.

#### How do I enroll?

In order to receive payments by EFT, please email [eft@cencalhealth.org](mailto:eft@cencalhealth.org) for further details.

#### PHARMACY UPDATE

## Medical Pharmacy Benefit

CenCal Health is committed to providing our members with access to high-quality health care. To ensure our members receive quality care, we will implement updates to the review and approval processes of certain Physician-Administered-Drugs (PADs).

Physician  
Administered  
Drug Update

**Effective July 1, 2022**, CenCal Health now prefers select infliximab biosimilar products over the reference product for adult members. This determination is consistent with the enabling statute of the Medi-Cal program found in title 22 around the provision of the lowest cost medically necessary service as well as the unanimous adoption by the network physician and pharmacists at the February 2022 CenCal Health Pharmacy & Therapeutics Committee meeting.

CenCal Health's preferred biosimilars are for the following physician administered drug:

Procedure Code	Drug Description
<b>Preferred Biosimilar</b>	
Q5103	INJECTION, INFlixIMAB-DYYB, BIOSIMILAR (INFECTRA) 10MG
Q5105	INJECTION, INFlixIMAB-ABDA, BIOSIMILAR (RENfLEXIS) 10MG
Q5121	INJECTION, INFlixIMAB-AXXQ, BIOSIMILAR (AVSOLA) 10MG
<b>Non Preferred Reference Product</b>	
J1745	INJECTION, INFlixIMAB, NON-BIOSIMILAR (REMICADE) 10MG

All affected codes remain as TAR required, but at least **one** of the preferred biosimilar products must be tried and failed before consideration of coverage of the reference product. The biosimilar products are not interchangeable with the reference product, and will require new orders. Biosimilar products are highly similar, and have no clinical meaningful differences from an existing FDA-approved reference product.

If you have questions or need additional information, please contact CenCal Health Pharmacy Department at (805) 562-1080.

PROVIDER NEWS

## Provider Trainings On The Horizon



### Mental Health Provider Clinical Symposium

This monthly refresher will address frequently asked questions covering claims submissions, clinical standards, care coordination to County Department of Behavioral Health, forms, and billing for psychotherapy, medication management, and psychological testing.

Our Provider Relations Team will also present information on CenCal Health's cultural & linguistic language assistance program through our interpreter services available to our members.

**Join our CenCal Health Behavioral Health Team from 12 p.m. – 1 p.m. on the following days to learn more!**

#### Are you accepting new members?

If so, please contact the Behavioral Health Department at [bhproviderupdates@cencalhealth.org](mailto:bhproviderupdates@cencalhealth.org) so we can use this information to refer members, assign providers to referrals and update the Provider Directory.

### Primary Care Provider (PCP) Behavioral Health & Mental Health Insourcing Symposium

This monthly refresher will address frequently asked questions, covering topics such as the authorization process, referrals and forms. **This meeting will be very helpful for referral coordinators, and office staff.**

**Join our CenCal Health Behavioral Health Team from 12 p.m. – 1 p.m. on the following days to learn more!**

### ACEs and Resilience Trainings

CenCal Health is pleased to collaborate with the Pediatric Resiliency Collaborative

(PeRC) which provides Adverse Childhood Experiences (ACEs) and resilience trainings for pediatric providers and clinic staff. The PeRC Training Portal offers free virtual trainings for Continuing Medical Education (CME) credit.



RSVP!

### Register for these trainings today!

We invite our providers and their staff to attend these trainings by registering at [www.cencalhealth.org/providers/provider-training-resources/](http://www.cencalhealth.org/providers/provider-training-resources/)

Packet Page Number



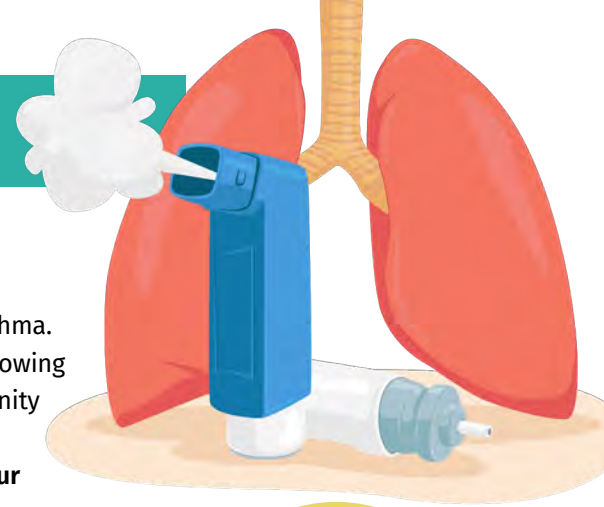
# Asthma Management

According to the CDC, people with moderate-to-severe or uncontrolled asthma are more likely to be hospitalized from COVID-19.

Now, more than ever, it's important to talk to your patients about managing their asthma. Make sure your patients have at least a 30-day supply of their medicines and are following their asthma action plan (AAP). Creating an AAP with your patients is a great opportunity to discuss asthma management to prevent asthma attacks and ER visits. Annually, **you can receive a \$75 fee-for-service payment for completing an AAP with each of your asthmatic patients.**

To easily identify your patients with asthma, you can go to CenCal Health's Quality Care Incentive Program Performance Dashboard on the provider portal.

For more information about the CDC's asthma recommendations during COVID-19, you can go to: [cdc.gov/coronavirus/2019-ncov/need-extra-precautions/asthma.html](https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/asthma.html)



**Plus,**  
you can earn 1  
CME credit for your  
attendance.

## Don't miss our Annual Asthma Management Webinar featuring Dr. Myron Liebhaber & CenCal Health's own Adam Horn, PharmD!

You will learn:

- Best practices for utilizing the most recent clinical guidelines in your practice
- Educating your patients about inhaler usage
- CenCal tools available to you to help manage your patients with asthma

**When:**  
**May 19th, 2022**  
**from 12-1pm**



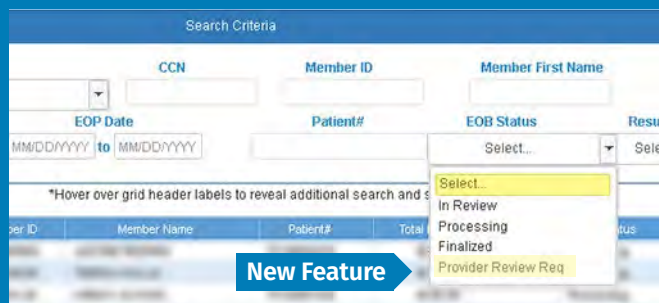
We invite our providers and their staff to attend this event by registering at [www.cencalhealth.org/providers/provider-training-resources/](http://www.cencalhealth.org/providers/provider-training-resources/) or reference past events on the topic and resources at [www.cencalhealth.org/providers/provider-training-resources/provider-training-library/](http://www.cencalhealth.org/providers/provider-training-resources/provider-training-library/)

For questions, or more resources please contact the Population Health Team at [populationhealth@cencalhealth.org](mailto:populationhealth@cencalhealth.org)

### PROVIDER PORTAL ENHANCEMENTS

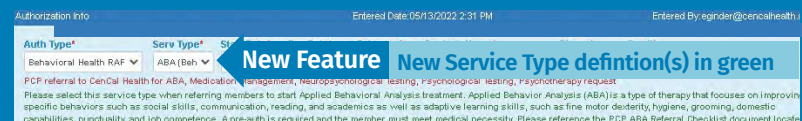
## Claims Module

In response to requests from our network providers, CenCal Health has added a new EOB Status sort filter called "Provider Review Req," which allows providers to determine what claims have a denied (DN) line item within each individual claim, so they can either work on that claim, or see when a specific line item within their claim was not paid after it was included on an EOB. Please call the Claims Department at (805) 562-1083 if you need additional training, or have questions regarding this portal enhancement.



## PCP Behavioral Health Referral (RAFB) Authorization Requests

When submitting a 'Behavioral Health RAF Referral (RAFB)' authorization request, the form now populates a service type definition and recommended documents for ABA, Medication Management, Neuropsychological Testing, Psychological Testing, and Psychotherapy request.



For additional assistance, please view our Quick Reference Guides which will be housed within each module so our providers have printable resources for your staff.

**As a reminder:**  
Please ensure to direct all members to their PCP to start the referral process for ABA treatment. Members must have an approved referral/pre-authorization prior to providers starting services.



# May 2022 Provider Bulletin

CLINICAL CORNER

## Skilled Nursing Facility (SNF) or a Congregate Living Health Facility (CLHF) Requests

When submitting an authorization request (20-1) for a Skilled Nursing Facility (SNF) or a Congregate Living Health Facility (CLHF), **please include the accepting facility and clinical documentation, which supports the need for placement.**

This will expedite the authorization request and will ensure CenCal Health Utilization Management staff have everything required to complete the medical necessity review process in a timely manner.

Thank you for providing the information needed to help our members get the appropriate level of care.

Provider Services (805) 562-1676  
Claims Services (805) 562-1083  
Pharmacy Services (805) 562-1080  
Health Services (805) 562-1082  
Member Services (877) 814-1861  
Behavioral Health (805) 562-1600



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HEALTH PROMOTION

## May is Skin Cancer Awareness Month

May is Skin Cancer Awareness Month, so it's time to remind your patients about skin cancer prevention. Sun exposure can damage the skin in as little as 15 minutes, and the most preventable cause of skin cancer is overexposure to ultraviolet (UV) light. **According to the CDC, skin cancer is the most common cancer in the U.S.**

**Everyone is at risk for getting skin cancer, which is why it's important to start the conversation with your patients! The CDC recommends these easy options for protection from UV radiation:**

- Stay in the shade, especially during midday hours (9:00 am – 4:00 pm)
- Wear clothing that covers your arms and legs
- Wear a hat with a wide brim to shade your face, head, ears, and neck
- Wear sunglasses that wrap around and block both UVA and UVB rays
- Use sunscreen with a sun protection factor (SPF) of 15 or higher, and both UVA and UVB (broad spectrum) protection
- Avoid indoor tanning



For additional resources and information on skin cancer, please visit the CDC website:  
[https://www.cdc.gov/cancer/skin/basic\\_info/](https://www.cdc.gov/cancer/skin/basic_info/)