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1983 - 2023

**CenCal Health
Board of Directors
Meeting Packet**

**March 15, 2023
6:00 pm**

Courtyard by Marriott
1605 Calle Joaquin
San Luis Obispo, CA
Morro Bay/Estero Bay Room

Notice of Regular Meeting
CenCal Health Board of Directors

March 15, 2023 at 6:00 p.m.
Courtyard By Marriott
1605 Calle Joaquin
San Luis Obispo, CA
Morro Bay/Estero Bay Room

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, March 15, 2023 to the Clerk of the Board at 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 at least twenty-four (24) hours prior to the scheduled board meeting to request disability related accommodations.

Agenda

Action/Information

1. Public Comment *(Mr. Lisa)*
2. **Consent Agenda** (*Action to accept reports*) (*Mr. Lisa*)   Action
    2.1 Approve Minutes of January 18, 2023 Board of Directors Meeting
    2.2 Approve Minutes of February 15, 2023 Board Nominating Committee
    2.3 Approve Report of March 6, 2023 Board Development Committee
    2.4 Accept 2023 Board Officers and Committee Participation
    2.5 Accept 2023 Board of Directors Survey Results
    2.6 Accept Administrative Reports
        2.6.1 Executive Summary
        2.6.2 Quality Report
        2.6.3 Health Services Report
        2.6.4 Customer Experience Report
        2.6.5 Compliance Report
        2.6.6 Information Technology Report
    2.7 Accept Program Reports
        2.7.1 Housing and Homelessness Incentive Program Report
        2.7.2 CalAIM Steering Committee Report
        2.7.3 Medicare Duals Special Needs Program (DSNP) Report
    2.8 Approve Financial Reports
        2.8.1 Finance Report and Financial Statements for two (2) Months ending
              February 28, 2023
    2.9 Accept Advisory Committee Reports
        2.9.1 Community Advisory Board (CAB) Meeting Minutes or October 13, 2022
        2.9.2 Family Advisory Committee (FAC) Meeting Minutes of November 17, 2022

3. **Regular Agenda**

1. Report from Chief Executive Officer (*Ms. Owen, CEO*)   Information

2. Appoint Kashina Bishop, CPA, as CenCal Health Treasurer   Action
   and grant authorities through Board Resolution No. 2023-02
   (*Ms. Owen, CEO*)

3. Present Human Resources Update on CY 23 Compensation
   (*Mr. Morris, MSOD, Chief Performance Officer*)   Information

4. Present Government Affairs and Advocacy Priorities
   (*Mr. Harris, Government Affairs and Administrative Officer*)   Information

5. Present Consumer Assessment of Healthcare Providers & Systems   Information
   (CAHPS) Member Survey Results (*Mr. Buben, Director, Member Services*)

6. Accept Progress Report of the Quality Improvement Committee (QIC)   Action
   And Consider Approval of 2022 Quality Work Plan Evaluation, 2023 QIHETP
   Program Description, and 2023 QIHETP Work Plan (*Dr. Fonda, Chief Medical
   Officer, Mr. Hernandez, Quality Officer, and Ms. Geeb, Director of Quality*)

7. Present Student Behavioral Health Incentive Program (SBHIP)   Information
   (*Dr. Do-Reynoso, Chief Customer Experience and Health Equity Officer
   and Mr. Tran, RN, BSN, Director of Program Development*)

8. Accept Communications Report and Preview 2022/2023 e-Community   Action
   Report (*Ms. Worley-Marselian, MBA, Director of Communications and
   Community Relations*)

9. Items for Immediate Action   Action

   *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*

DRAFT

MINUTES
CenCal Health
BOARD OF DIRECTORS REGULAR MEETING
January 18, 2023

The regular meeting of the Board of Directors of CenCal Health was called to order by René Bravo, Chair, on January 18, 2023, at 6:00 PM at the Santa Maria Inn, Santa Maria, CA.

MEMBERS PRESENT: Daniel Herlinger, Daniel Nielson, Supervisor Debbie Arnold, Edward "Ned" Bentley, MD, Supervisor Joan Hartmann, Kieran Shah, Mark Lisa, Nicolas Drews, René Bravo, MD, Sara Macdonald, and Sue Andersen

MEMBERS ABSENT: None

STAFF PRESENT: Bill Cioffi, Carlos Hernandez, Chris Morris, David Ambrose, Ed Tran, Emily Fonda, MD, Jai Raisinghani, Jordan Turetsky, Karen Kim, Kendall Klein, Lauren Geeb, Leanne Bauer, Marina Owen, Michael Harris, Naomi Magaña, Nicole Wilson, Robert Janeway, Tommy Curran, Van Do-Reynoso, and Paula M. Bottiani (Clerk)

GUESTS PRESENT: Antonette (Toni) Navarro, Prospective Board Member

1. Public Comment: There was no public comment.

    Dr. Bravo welcomed everyone and there were introductions around the board table. He acknowledged and commended staff for all their hard work.

2. **Consent Agenda** (*Action to accept reports*)
    2.1 Approve Minutes of October 19, 2022 Board Meeting
    2.2 Approve Minutes of November 7, 2022 Nominating Committee Meeting
        2.3 2022 In-Person Meeting Covid-19 Protocols
    2.4 Administrative Reports
        2.4.1 Executive Summary
            2.4.2 Quality Report
            2.4.3 Performance Report and 2023 Operating Plan
        2.4.4 Health Services Report
        2.4.5 Customer Experience Report
        2.4.6 Government Affairs and Administrative Report
        2.4.7 Communications Report
        2.4.8 Information Technology Report
    2.5 Program Reports
        2.5.1 Compliance Assessment, 2023 Work Plan and Committee Charter
        2.5.2 Population Health Management Report

2.5.3 CalAIM Steering Committee Report
2.6 Committee Reports
2.6.1 Community Advisory Board (CAB) Meeting Minutes of July 14, 2022
2.6.2 Family Advisory Committee (FAC) Memo and Minutes of August 18, 2022
2.6.3 Provider Advisory Board (PAB) Meeting Minutes of October 10, 2022

<u>*ACTION:*</u> *On motion of Mr. Lisa the Board Accepted the Consent Agenda Reports with no objection.*

Discussion:
Mr. Lisa commended staff for being #1 for plans in Quality and asked if we are getting the word out on this. This speaks to the value professionalism of the organization.
Ms. Owen stated that CenCal Health will be sharing this news, and we will be hearing more from Mr. Hernandez about the quality program in partnership with our local providers in his report this evening.

3. **Regular Agenda**
    1. Consider Approving Nominating Committee Recommendations for 2023 Board Officers and participation on Committees or Advisory Boards

<u>*ACTION:*</u> *On motion of Mr. Nielson and seconded by Ms. Andersen, the Board Approved the Slate of Officers with no objection.*

    2. Consider Approving 2023 Board Meeting Schedule

Ms. Owen explained that the new meeting schedule contains a schedule of regular and board committee meetings. Also included are a special board retreat in July and an ad hoc special meeting in November should the need arise to approve state contracts before year's end.

<u>*ACTION:*</u> *On motion of Ms. Macdonald and seconded by Supervisor Hartmann, the Board Approved the 2023 Meeting Schedule with no objection.*

    3. Report from Chief Executive Officer

Ms. Owen welcomed everyone to the first meeting of the year.

- CenCal Health is celebrating its 40th anniversary this year in Santa Barbara and 15th year in San Luis Obispo. Staff will celebrate and reflect upon our accomplishments throughout the year.
- This past year the board adopted a new vision for the plan. She then gave a detailed PowerPoint presentation representative of this vision and strategic objectives moving forward.

    4. Consider Accepting the Quality Improvement Committee (QIC) Report

Mr. Hernandez gave a detailed PowerPoint presentation sharing quality program accomplishments and opportunities for improvement.

- **Statewide Plan Ratings (Measurement year 2021)**
  - CenCal Health achieved a 4th place overall quality of care rating for San Luis Obispo and 6th place rating for Santa Barbara out of 56 Medi-Cal Managed Care contracted entities.
- **San Luis Obispo Statewide Achievements**
  - Well Care Visits for Children & Adolescents (age 3-21): 57.44%
  - Weight Assessment (BMI%) for Children and Adolescents (age 3-17): 93.24%
  - Screening for Depression & Follow-up Plan (age 18 – 64): 36.21%
  - Screening for Depression & Follow-up Plan (age 65 years & older): 37.34%
- **Santa Barbara Statewide Achievements**
  - Timely Postpartum Care: 93.33%
  - Well Care Visits for Children (age 15mos – 30 mos.): 80.05%
  - Well Care Visits for Children & Adolescents (ages 3-21): 57.85%
  - Follow-up Care for Children Prescribed ADHD Medication-Continuation & Maintenance Phase: 71.74%
  - Breast Cancer Screening: 59.85%
- **Current Quarterly Snapshot (through Oct 2022):**
  - Santa Barbara 3 out of 15 measurements
    - Childhood Immunization Status (all10 antigen series)
    - Diabetes: Low rate of Poor Hemoglobin A1c Control (A1c >9%)
    - Timeliness of Post-partum Care
  - San Luis Obispo 7 out of 15 measurements
    - Weight Assessment & Counseling for Nutrition & Physical Activity for Children (BMI %, Nutrition & Physical Activity Counseling)
    - Diabetes: Low rate of Poor Hemoglobin A1c Control (A1c >9%)
    - Timeliness of Prenatal & Post-partum Care
    - Controlling High Blood Pressure
  - Santa Barbara
    - Well Child Visits in 1st 30 months of Life (6+ visits)- Below national 50th percentile of Medicaid Plans
      - *Significant new interventions have been implemented, including financial incentives & supportive collaboration with high-volume PCPs*

<u>***ACTION:***</u> ***On motion of Supervisor Hartmann and seconded by Ms. Macdonald, the Board Accepted the Quality Improvement Report with no objections.***

5. Consider Approving Dual Special Needs Program (D-SNP) Consulting Vendor Agreement

Mr. Ambrose and Ms. Turetsky gave a detailed PowerPoint presentation.

- **CenCal Health selection of a Medicare D-SNP vendor partner.**
  - A three-year engagement towards launching a dual special needs plan on January 1, 2026.
  - CalAIM includes a Medicare D-SNP requirement.
  - Initiating a RFP process for a vendor partner adopted by the Board during the October meeting.
  - Informing the results of this RFP process and a staff selected vendor partner recommendation to the Board of Directors is the purpose of this presentation.
- RFP Process:

- o Six vendors directedly contacted + website.
- o Five vendor RFP submissions.
- o Four invited for BAFO presentations.
- o RFP Team representation from: Medical Management, Claims, Provider Services, Member Services, Quality, Pharmacy, Finance, Information Technology, and Operational Excellence.
- Five Key Functional Areas:
  - o Enrollment
  - o Risk Adjustment
  - o Medical Management
  - o Provider Contracting
  - o Medicare STARs
    - § Financial Feasibility Study will establish targets/goals for each of these five.
- Vendor of Choice: Health Management Associates (HMA)
  - o Three (3) Year Engagement through March 2026
  - o $4.2 million [10,000 billable hours] ----- $6.3 million [15,000 billable hours]
  - o Approximately $1.4 million - $2.1 million per year
- Staff recommendation:
  - o Approve the selection of Health Management Associates (HMA) to perform planning and implementation activities associated with the development of a Medicare D-SNP and grant the Chief Executive Officer (CEO) authority to enter into a contractual agreement with HMA contingent upon review and acceptance by legal counsel, in an amount not to exceed $6.3 million for a three-year engagement period through March 31, 2026.

Discussion:

Ms. Andersen asked if the board would consider giving the CEO authority to contract with HMA at $4.5 million and then bring it back to the board to approve additional funding.

Ms. Owen stated that staff are open to this alternative recommendation.

Mr. Ambrose stated that staff are engaging HMA for their Medicare experience, and we need the expertise that HMA can bring to this project to be successful. CenCal Health will be recruiting additional staff over the 3-year period to enhance staff capacity.

Mr. Shah added that when you are taking on risk with the Medicare program, CenCal Health will want to be very cautious. Staff will want to do it the right way. He supports staff's recommendation and looks to the executive team as to how much risk they are willing to take on and who we are working with is properly prepared for that risk.

Mr. Herlinger stated that we have gone through this process before and elected not to proceed with implementation and asked staff to share this historical assessment.

Ms. Owen explained that when the health plan engaged in a discovery process in 2015-2016 and at that time the state did not have any supplemental programs to assist. The financial impact would be too great and the board elected not to take on this risk and proceed. Ms. Owen added that DSNP was not a requirement by the state at that time and this is now a CalAIM requirement.

Mr. Nielson stated that this has been very well researched by staff and he recommends that staff spend time and energy in administering the program rather than preparing an additional presentation to bring the issue back to the board. He is in favor of full funding of the project.

ACTION: On motion of Supervisor Arnold and seconded by Mr. Lisa, the Board Approved the selection of Health Management Associates for the planning and implementation of the Medicare D-SNP program as recommended by staff with no objection.

6. Report from the Chief Financial Officer

Mr. Ambrose gave a detailed PowerPoint Presentation.

Financial Highlights (fiscal year-to-date: July – December)

- **Operation Gain (Loss):** Through six (6) months of the fiscal year we are reporting an operating gain of $17.5 million.
- **Capitation Revenue** is at $559.0 million; over budget by $8.3 million and 1.5%.
- **Medical Expenses** are at $474.2 million; under budget by $1.4 million and 0.3%.
- **Administrative Expenses** are at $29.5 million; under budget by $4.6 million and 13.4%.
- **MCO Tax Expense** is at $41.1 million; over budget by 2.0% .
- **Tangible Net Equity (TNE)** is at $212.8 million; representing 599% of the minimum regulatory requirement and 84% of the minimum Board of Directors desired TNE target.
- **Total Cash and Short-Term Investments** are at $311.1 million. Cash and Short-Term Investments available for operating the health plan is at $210.1 million, representing 82 Days Cash on Hand.
- **Member Enrollment** is at 227,427 for the month of December 2022.

Discussion:
Mr. Drews commented that he would appreciate the member enrollment broken out by county in the future.

6.1 Consider Accepting Financial Statements ending Dec. 31, 2022

ACTION: On motion of Mr. Herlinger and seconded by Dr. Bentley, the Board Approved the Financial Statements for the period ended December 31,2022 with no objection.

6.2 Consider Approving 2023 CenCal Health Budget

Mr. Ambrose gave a more extensive and detailed PowerPoint Presentation to the Finance Committee prior to his modified presentation to the full board.
Ms. Andersen reported from the Finance Committee. She stated that the PowerPoint presentation was a deeper assessment at the committee meeting. There was a lively discussion by committee members and an investment in FTE resources that the committee supports. The Finance Committee recommends approval of the 2023 CenCal Health Budget.
Mr. Ambrose announced that this will be his last budget presentation and he assured the board that our new in-coming CFO, Kashina Bishop, will do an excellent job supporting CenCal Health.
Dr. Bravo commended Mr. Ambrose for his long-standing association with the CenCal Health board as CFO and Treasurer. He looks forward to his work in his new position in Business Development for CenCal Health.

ACTION: On motion of Mr. Nielson and seconded by Mr. Drews, the Board Approved the 2023 CenCal Health Budget with no objection.

7. Items for Immediate Action

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)

Ms. Owen brought State Contract Amendment A-51 before the board for consideration. This amendment needs to be executed by January 26, 2023. It is being brought before the board because of the timeliness required by DHCS. Ms. Owen explained that since this item was not on the agenda, the board would first have to vote to place it on the agenda and then act.
Dr. Bravo asked for a motion to place this item on the agenda for consideration.

ACTION: ***On motion of Mr. Shah and seconded by Mr. Drews, the Board Approved placing Approval of State Contract Amendment A-51 on the Board Agenda with no objection.***

Mr. Harris explained that this contract amendments deals with IT technology requirements, formatting of member materials and other ministerial items required of the health plan. Staff recommends that your board approve the execution of Contract Amendment A-51 by the CEO and its return to DHCS by January 26, 2023. There is no budget impact to CenCal Health. This codifies items that were required beginning in 2022.
Mr. Lisa asked about any other impacts to this amendment.
Ms. Owen added that there will be implementation impacts; however, CenCal Health has planned for these.

ACTION: ***On motion of Mr. Nielson and seconded by Mr. Lisa, the Board Approved the execution of Contract Amendment A-51 by the CEO and its return to DHCS by January 26, 2023, with no objection.***

Dr. Bravo acknowledged the work of Daniel Nielson as a CenCal Health board member and thanked him for his service.
Ms. Owen introduced our newest Program Development Director, Ed Tran, who reports to Van Do-Reynoso, and thanked the Board of Directors for their support this evening.

   8. **Closed Session**

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

Dr. Bravo closed the Open session at 7:05 pm and opened the Closed session at 7:10 pm.
Dr. Bravo closed the Closed session at 8:25 pm and opened the Open session at 8:27 pm.

Report from the Closed Session: Board approved settlement and legal recommendation.

As there was no further business to come before the Board, Dr. Bravo adjourned the meeting at 8:30 pm.

Respectfully submitted,

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Paula Marie Bottiani, Clerk of the Board

MINUTES

AD HOC MEETING OF THE
NOMINATING COMMITTEE OF
THE BOARD OF DIRECTORS OF

**CenCal Health
February 15, 2023**

5:30 pm

MEMBERS PRESENT: Daniel Nielson, René Bravo, MD, Supervisor Debbie Arnold, and Supervisor Joan Hartmann

MEMBERS ABSENT: None

STAFF PRESENT: Marina Owen (CEO) and Paula Michal (Clerk)

GUESTS PRESENT: None

Mr. Bravo called the meeting to order at 5:37 p.m.

1. Discussion and Recommendations for Appointments by the SB County Board of Supervisors of two Prospective Board Members:
   - Antonette (Toni) Navarro (SB County Behavioral Health Director)
   - Mouhanad Hammami (SB County Public Health Director)

Discussion:
Upon discussion of the candidates, the members of the Nominating Committee of the Board Directors took the following action:

ACTION: On motion of Mr. Nielson seconded by Supervisor Hartmann and carried unanimously, the Nominating Committee recommends that Antonette (Toni) Navarro be appointed to the CenCal Health Board of Directors.

Roll Call:
Daniel Nielson: Aye
René Bravo: Aye
Supervisor Arnold: Aye
Supervisor Hartmann: Aye

ACTION: On motion of Supervisor Hartmann seconded by Mr. Nielson and carried unanimously, the Nominating Committee recommends that Mouhanad Hammami be appointed to the CenCal Health Board of Directors.

Roll Call:
Daniel Nielson: Aye
René Bravo: Aye
Supervisor Arnold: Aye
Supervisor Hartmann: Aye

2. Items for which the need to take action arose subsequent to the posting of the agenda (requires determination of this fact by vote of three Directors or, if less than three Directors are present, unanimous vote).

Discussion that a new County Supervisors was appointed to the CenCal Health Board of Directors by the San Luis Obispo County Board of Supervisors:

- Dawn Ortiz-Legg (SLO County Supervisor)

As there was no further business, Dr. Bravo adjourned the meeting at 5:54 p.m.

Respectfully submitted,

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Paula Marie Bottiani, Clerk of the Board

Board Development Committee Report

Date: March 15, 2023

From: Dan Herlinger, Chair, Board Development Committee
                    Rene Bravo, MD, Board Development Committee Member
                    Nicholas Drews, Board Development Committee Member

Contributors: Marina Owen, Chief Executive Officer
                    Karen Kim, JD, Chief Legal and Compliance Officer
                    Paula Bottiani, Sr. Executive Assistant and Clerk of the Board

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Executive Summary

This memo provides information on the Board Development Committee purpose, the process that CenCal Health is engaged in to improve and update policies, shares key recommendations from the legal review conducted last year and outlines next steps that staff, the Chair and Members are taking through this Ad Hoc Board Development Committee.

Background

In March 2022, CenCal Health's Board of Directors developed an ad-hoc subcommittee to review and evaluate CenCal Health Bylaws and policy to make recommendations on efficient and effective governance aligned with CenCal Health's mission, vision and values. The Board Development Committee was formed through selection of members in June 2022 to convene and make recommendations to the Board of Directors.

Accomplishments

Following, CenCal Health engaged a law firm specializing in public law and governance with experience with other County Organized Health Systems (COHS plans) to conduct a review and gap analysis of bylaws, policies, delegation grids and board materials. The organization and inventory of all materials was accomplished by the Clerk of the Board and our Legal Department and an analysis was completed by an experienced law firm in public policy, Procopio. The results were discussed and adopted by the Board Development Committee at its meeting on March 6, 2023.

Assessment Results

A Legal Board Policy Review Memo was reviewed by the Board Development Committee, which was the result of this assessment and recommendations regarding Board Policy review. Key recommendations are as follows:

1. Assess committees to ensure adherence to the Brown Act and then review and revise CenCal Health's Bylaws
2. Any revisions to the Bylaws must be in accordance with current statutory requirements and Board membership and composition shall not be modified.
3. Review of policies should follow, including any annual revision of the Conflict-of-Interest Code, Quality Program Description and Guidelines for Board Actions and Board Delegation.
4. CenCal Health's Compliance Committee may serve as the approver for some administrative policies, while the majority should be approved by the Board of Directors.

Next Steps

At the Board's inaugural Board Development Committee, recommendations were adopted, and a sequence of work-planning has begun through three phases of review and policy update. The Board Development Committee recommendations and all appropriate documents will be provided to the CenCal Health Board of Directors, likely through the Consent Agenda, for consideration and adoption.

Recommendation

The recommendation is for the Board of Directors to accept this report, progress update and recommendations of the Board Development Committee from March 6, 2023.

CENCAL HEALTH BOARD OF DIRECTOR APPOINTMENTS FOR 2023

Date: March 15, 2023

From: Marina Owen, Chief Executive Officer

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CenCal Health's Board of Directors adopted the Nominating Committee's recommendations for 2023 appointments in January 2023. This memo serves as an administrative update to address member and staff changes in roles, including welcoming Supervisor Ortiz-Legg, SLO Supervisor, and Kashina Bishop, CenCal Health's new Chief Financial Officer. This memo is not intended to be substantive past accommodating for these administrative changes and providing an updated 2023 CenCal Health Board Officer and Committee Participation slate.

Appointment of Board Officers:

The Nominating Committee recommends the following appointments of Board Officers for CY 2023:

Chair:	René Bravo, MD -SLO (One year only)
Vice Chair:	Mark Lisa -SLO
Treasurer:	Kashina Bishop, CPA
Clerk:	Paula Bottiani
Assistant Clerk:	Nicole Wilson

Appointment of Members to the Finance Committee:

The Nominating Committee recommends the following appointments to the Finance Committee for CY 2023:

> Sue Andersen -SB (Chair)
> Mark Lisa -SLO
> Dan Herlinger -SB
> Kieran Shah -SB

Appointment of Members to the Nominating Committee:

The Nominating Committee and/or Staff recommends the following appointments to the Nominating Committee for CY 2023:

> Supervisor Joan Hartmann -SB
> Kieran Shah -SB
> René Bravo, MD -SLO (Chair)
> Supervisor Ortiz-Legg -SLO

Appointment of members to the CEO Evaluation and Compensation Committee

The Nominating Committee recommends the following appointments to the CEO Evaluation and Compensation Committee for CY 2023:

René Bravo, MD-SLO (Chair)
Dan Herlinger-SB
Mark Lisa-SLO
Sue Andersen-SB

Appointment of members to the Board Development Committee

The Nominating Committee and/or Staff recommends the following appointments to the Board Development Committee for CY 2023:

Dan Herlinger -SB (Chair)
Sue Andersen -SB
René Bravo, MD -SLO
Nicholas Drews -SLO

Board Liaison appointments to Advisory Boards and Delegated Committees

The Nominating Committee recommends the following Board Liaison appointments to Advisory Boards and Delegated Committees for CY 2023:

Compliance Committee:	Dan Herlinger-SB
Community Advisory Board:	Sarah Macdonald -SB
Provider Advisory Board:	Kieran Shah -SB
Quality Improvement Committee:	Ed Bentley, MD -SB
Family Advisory Committee	René Bravo, MD -SLO

CenCal Health 2023 Board Survey Results

Date: March 15, 2023

To: CenCal Health Board of Directors

From: Marina Owen, Chief Executive Officer

Contributors: Chris Morris, Chief Performance Officer
Paula Bottiani, Sr. Executive Assistant of Administration / Board Clerk

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Background

Further to discussion at the January Board Meeting, a CenCal Health 2023 Board Survey was distributed to Board members on February 17, 2023. The survey contained ten (10) questions surrounding board materials, board presentations, board meeting time, and provided an opportunity to provide input on meetings.

Summary of Results

Seventy percent (70%) of Board members responded to the survey as follows:

1. 100% of respondents agree (and 86% strongly agree) that the Board packet helps them fulfill their governance role on CenCal Health's Board, with 100% assessing the Board packet as providing insight into CenCal Health's mission achievement. This represents an increase from results in early 2022.

2. The majority of respondents prioritized *finance and operational updates* <u>and</u> *health plan performance* as the most valuable elective topics, followed equally by three additional topics: community programs, health plan accreditation and population health, and provider/member satisfaction.

3. 66% of respondents identified that the Board Packet includes a little more than is needed while 33% indicated that the packet size is ideal. Last year, 100% of respondents identified a CenCal Health dashboard as a valuable future improvement to further streamline content, in addition to our consent agenda (100%) and Board memos (86%).

4. 100% of respondents agreed that beginning Board of Director meetings earlier (at 5pm as opposed to 6pm) would be convenient, while 50% responded that the current date and time is ideal. The majority suggested continuing to convene at the current venue and location.

Recommendations to incorporate this feedback and additional comments follow.

Recommendations

After review of survey results, following are recommendations for staff:

1. Continue to improve Board packet and:
   a. Implement a CenCal Health executive dashboard, including a concise-one page summary of key organizational-level performance indicators.
   b. Utilize the Consent Agenda and provide increasingly high level and concise information, focusing on health plan performance, operational updates and financial performance. Elective topics on community, population health, provider and member satisfaction topics are valued as time permits.

2. Enhance Board meetings and:
   a. Retain the existing day and considering holding the meeting earlier (at 5pm as opposed to 6pm) after receiving feedback from all existing and new Board members following our in-person Board meeting in May 2023. Retain current location and venue.

Survey Responses

Following are comments made by respondents to open-ended questions.

- *"I believe the Board Meetings are much more open and interactive than in the past. I think they are headed in the right direction."*
- *"I suggest minimizing the more technical presentations of things involving IT, IS, etc. The Executive Summaries are great and keep us out of the weeds."*
- *"The recent improvements in the Board packet and management reports have made a big difference. I think continuing to try and reduce the size by summarizing information will be helpful."*
- *"In the time I have been on the Board, I feel more positive about the team and the Board meetings than I have in the past."*
- *"More Executive Summaries are useful. Details are helpful, in the back, as needed. Keep using Consent Agenda."*
- *"A good group of folks I like seeing."*

CEO Executive Summary

Date: March 15, 2023

To: CenCal Health Board of Directors

From: Marina Owen, Chief Executive Officer

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New Chief Financial Officer at CenCal Health

Kashina Bishop, CPA, joined CenCal Health on February 21st as our next Chief Financial Officer (CFO) and succeeds David Ambrose. Ms. Bishop served as Gold Coast Health Plan's CFO for the past five years, prior to serving as CenCal Health's Controller and Director of Finance for the prior ten. Before that time, Ms. Bishop served as a financial auditor for Bartlett, Pringle and Wolf, LLC, CenCal Health's independent auditing firm. She is a values-driven leader who brings expertise to the role, and I wish to extend appreciation to Board Liaisons Dan Herlinger and Sue Anderson for supporting the interview process. Mr. Ambrose has been integral to CenCal Health's successful transition and assumed a Sr. Business Development Analyst role to support the financial feasibility of CenCal Health's Medicare Dual Special Needs Program (DSNP) over the next two years. Ms. Bishop is now actively engaged to support the Finance Department and I am pleased to welcome her back to CenCal Health.

Your Board will appoint Ms. Bishop as Treasurer on March 15, 2023. For additional details, please reference the _CFO Transition Memo and Board Resolution_, prepared by Hon Chan, Sr. Associate Counsel.

2023-2025 Strategic Plan and Advocacy Priorities

The 2023 - 2025 Strategic Plan was adopted by your Board in September 2022, which articulates CenCal Health's Mission Statement, Vision Statement, Strategic Priorities and Objectives to: "_cultivate community partnerships_", "_advance quality and health equity for all_", "_expand our service role and reach_" and "_organize for impact and effectiveness_". Since this time, an annual Operating Plan was developed to guide efforts in 2023 and was accepted by your Board in January 2023. Each department within CenCal Health has begun work in an aligned and coordinated manner to further these Strategic Priorities.

As one of these objectives, the Strategic Engagement Department, previously known as "Government Affairs", seeks to engage local, state and federal partners to play a leading policy role as liaison, educator and advocate for local Medi-Cal and safety-net health care priorities locally and statewide. With an unprecedented level of change in the state legislature, staff have begun increasing engagement with and education of new members.

CenCal Health contracts with Russ Noack, Public Policy Advocates, a lobbying firm in Sacramento, and Paul Beddoe Government Affairs, in Washington D.C. Through membership with Local Health Plans of California (LHPC), whose 16 member plans provide services for over 70% of Medi-Cal beneficiaries in California, CenCal Health also engages with Kathy Mossburg to assist with legislative advocacy in Sacramento. An update on the state and federal landscape and a focus on advocacy priorities will be provided to your Board at the March meeting. This serves as the first update since setting this advocacy objective last year and will include the opportunity to introduce CenCal Health's advocacy partners.

For additional details, please reference the _Government Affairs and Administrative Report_, provided by Mr. Harris, Government Relations and Administrative Officer.

Quality Program Evolution

As part of the Department of Health Care Services (DHCS) CalAIM initiative to advance, innovate and transform Medi-Cal, CenCal Health is developing a Quality Improvement & _Health Equity Transformation_ Program (QIHETP). The new DHCS requirements favorably impact the Quality Improvement Committee (QIC), your Board's appointed entity to oversee CenCal Health's quality program. Changes include expanded membership to incorporate member experience and provider insight, an overarching commitment to health equity, and an evolution to become a DHCS-required Quality Improvement & Health Equity _Committee_ (QIHEC). Subject to your Board's approval at your upcoming meeting, a comprehensive QIHETP Program Description sets in motion the QIC's evolution as accountable to oversee the development and implementation of CenCal Health's QIHETP and quality improvement functions. The request for your Board's consideration, direction, and approval is separately included in this month's QIC Quarterly Report to your Board.

Additional details can be found in the _Quality Reports_ provided by Dr. Emily Fonda, MD, MMM, CHCQM Chief Medical Officer, and Carlos Hernandez, Quality Officer.

2022/2023 Community Report

This year is CenCal Health's 40th anniversary in Santa Barbara and 15th anniversary in San Luis Obispo County. The Communications and Community Relations Department is kicking-off a variety of internal and external activities highlighting the collective impact of the local Medi-Cal Program in service to our members and communities, accomplishments achieved together with providers, and highlighting the people and organizations, including our Board of Directors, community providers and employees, that supported CenCal Health in reaching this important milestone.

The 2022-2023 e-Community Report will be shared at your March Board of Directors Meeting. Additional details can be found in the _Communications Report_ provided by Nicolette Worley Marselian, MBA, Director, Communications and Community Relations.

Quality Report

Date: March 15, 2023

From: Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer

Through: Marina Owen, Chief Executive Officer

Contributors: Carlos Hernandez, Quality Officer

Executive Summary

This report provides an overview of recent developments in managed care quality program operations, implications of significance for CenCal Health, and next steps to assure CenCal Health's operational readiness.

As part of the Department of Health Care Services (DHCS) CalAIM initiative to advance and innovate Medi-Cal, a *Quality Improvement & Health Equity Transformation Program (QIHETP)* establishes fundamental requirements that transform Medi-Cal managed care quality operations.

Well in advance of the required 2024 QIHETP deadline, CenCal Health is now implementing structural and procedural changes. The QIHETP requirements favorably impact the Quality Improvement Committee (QIC), your Board's appointed entity to oversee CenCal Health's quality program. The changes expand membership, the QIC's oversight role, and establish an overarching commitment to health equity.

Program Evolution

The following details provide context regarding the scope and significance of the DHCS QIHETP, its implications for CenCal Health, and recent accomplishments to transform and advance CenCal Health's quality program capabilities.

- The CalAIM initiative advances managed care innovation at an exceptional pace, including but not limited to the evolution of Medi-Cal managed care systems to ensure quality of care and health equity. To achieve these fundamental outcomes, beginning in January 2024, managed care plans must implement operational changes to strengthen their approach to oversee, monitor, and take action to ensure exceptional quality of care and member experience. Elimination of health inequities is a primary objective of the DHCS vision for CalAIM and the QIHETP.

- To accomplish the CalAIM quality improvement and health equity transformation, changes to the structure and systems to oversee quality are required. To get ahead of the requirements, CenCal Health is implementing structural and process changes now, well in advance of the 2024 QIHETP implementation deadline.

- The foremost change required by the QIHETP requirements expands the composition of CenCal Health's QIC to include CenCal Health's Chief Customer Experience & Health Equity Officer, and broader provider network representation to include a hospital representative and behavioral health practitioner. Member representation is also required to ensure oversight systems, policies, and program design, are informed by the lived experience and valuable perspective of members as CenCal Health's primary customer.

Next Steps

This month's QIC Quarterly Report to your Board, provided separately in your Board materials, details a significant step on CenCal Health's path to implement the CalAIM QIHETP mandate. The QIC's March 2nd approval of the CenCal Health QIHETP Program Description sets in motion the QIC's evolution to become the QIHEC, which will include the expansion of committee members; a broader, more defined and systematic oversight role; and an overarching commitment to health equity. Approval of the QIHETP Program Description and associated documents, fulfills a significant Board responsibility.

Details are provided in the QIC quarterly report. Updates on the topics above will be provided to highlight progress toward CenCal Health's Quality Program goals and to celebrate related achievements.

Recommendation

This Quality Division Report is presented for your Board's acceptance.

Health Services Report

Date: March 15, 2023

From: Christopher Hill, MBA, RN, Health Services Officer

Contributors: Chris Hill, MBA, RN, Health Services Officer
Jeff Januska, PharmD, Director of Pharmacy Services
Seleste Bowers, LCSW, DBH, Director of Behavioral Health
Blanca Zuniga, Associate Director, Care Management

Medical Management

The Utilization and Case Management departments completed submissions for all Wave 2 deliverables for the 2024 contract requirements with effort towards the third and last wave in process. CenCal Health has initiated identification of a new technology solution to meet future expectations and improve effectiveness in Utilization Management and Case Management. Next steps include system demonstrations and formal recommendation of the vendor most capable to provide system capabilities and reporting to meet new regulatory and subsequent D-SNP product requirements. Sue Fischer MA, RN has been hired as the new Medical Management Director her first day will be March 13th, 2023. She brings expertise in system transformation, health services operations and Medicare programs to CenCal Health.

Enhanced Care Management and Community Supports

The Community Supports (CS) and Enhanced Care Management (ECM) Units are observing a 50% increase in utilization of ECM and Community Supports services in the month of February, which demonstrates the successful engagement our ECM/CS providers and their efforts in identifying eligible members to provide new supports that address Social Determinates of Health (SDoH) barriers to care. CenCal Health also received an increase in referrals for all six CS programs, with most of the requests for Housing Transition Navigation Services and Sobering Center Services.

Working to increase our ECM and CS provider network, Health Services continues to partner with Provider Services to onboard newly interested providers for these services. Currently, our focus is on onboarding Housing Transition Navigation Service providers in Santa Barbara and San Luis Obispo County as well as Sobering Center providers in San Luis Obispo County and Children and Youth ECM providers in Santa Barbara and SLO County.

Behavioral Health

The Behavioral Health Call Center received an increase in calls during February; a total of 1095. The call center has met Average speed to answer goal for February (Goal 85%, Performance: 88%). The department continues to actively support ABA providers through regular meetings, technical assistance webinars, technical assistance 1:1 meetings, and developing tools. In February 2023, the Behavioral Health Department hosted a second technical training online seminar to provide support and education to providers on DHCS's minimum standards for treatment plans and will be following up on 1:1 meetings to support individual providers.

The department is working closely with both counties to evaluate current referral procedures and to identify opportunities for improvement. The turnaround time on referrals in both counties is within compliance of regulatory standards. This past month collaborative meetings occurred to support the joint implementation of DHCS required Screening Tools and Transition of Care Tools, which will be implemented in March for CenCal Health's Behavioral Health Department. San Luis Obispo finalized their data sharing agreement in February 2023. CenCal Health is working closely with Santa Barbara Behavioral Health (BWELL) to develop a data sharing agreement.

Pharmacy

The physician administered drugs (PADs) authorization volume as we enter the first quarter of 2023 continues the upward trend experienced throughout 2022. This follows a national trend of migrating infused therapies to outpatient infusion clinic and physician office sites and away from the inpatient setting. Over half the activity volume continues to come from the oncology space as a combination of chemo-therapeutic and chemo-supportive followed by immunology with close to 15% of the volume. All cases were processed within regulatory time standards. The Pharmacy & Therapeutics Committee met on February 22nd to review the Committee's accomplishments from 2022, administratively reviewed a P&P update, presented the results of the Q4 2022 DUR along with a therapeutic review.

Medi-Cal Rx Benefit Reinstatement

On February 24th Wave 2 of Phase II of the benefit implementation began for 46 drug classes.

Customer Experience Report

Date: March 15, 2023,

From: Van Do-Reynoso, MPH, PhD,
                   Chief Customer Experience Officer & Chief Health Equity Officer

Contributors: Eric Buben, Member Services Director
                   Jordan Turetsky, Provider Network Officer
                   Ed Tran, Program Development Director

The March 2023 report from the Customer Experience Division provides operational trends and updates in Member Services, Claims, and Provider Services Departments. In addition, this report provides an update to the health equity efforts at CenCal Health. Detailed updates related to the Student Behavioral Health Incentive Program and the Housing and Homelessness Incentive Program are provided in separate reports.

Enrollment

CenCal Health's aggregate membership continues a steady growth with the DHCS suspension of negative re-determinations for Medi-Cal Eligibility with the Public Health Emergency (PHE) in effect. As of March 3, 2023, our membership stands at 232,125.

Redeterminations were uncoupled from the PHE recently at the Federal level, and the full redetermination process for Medi-Cal enrollment is set to begin again on April 1, 2023. For consistency in messaging, DHCS published the official unwinding Toolkit that provides scripting for call centers, texting, social media and website use, FAQs, flyers, posters, and other outreach materials. Member Services staff have been provided the toolkit scripts and new call tracking coding was developed to capture the redetermination call volume. Communications and Member Services plans to use Toolkit scripts in member discussions, social media posts, and website posting. The PHE is scheduled to officially end on May 11, 2023.

Provider Services

In February, the Provider Services Department continued outreach to providers and community-based organizations in support of the Community Health Worker (CHW) and Doula benefits for the purpose of providing information and exploring contracting. Planning is underway to build dedicated trainings for these new providers to ensure they have the support needed to successfully operationalize their participation as providers, once contracted.

Additionally, a dedicated provider engagement session was held to connect CenCal Health's Skilled Nursing facility providers with new Enhanced Care Management (ECM) providers serving members transitioning from facilities to the community in support of the expanded ECM populations of focus. These connections provide invaluable opportunities to enhance cross-organizational relationship building in support of effective ECM implementation.

Incentive Payment Program

The Incentive Payment Program (IPP) is a funding opportunity made available by the Department of Health Care Services (DHCS) to support the development and expansion of Enhanced Care Management (ECM) and Community Supports (CS) capacity. IPP funding may be used by current and future ECM and CS organizations and can be used in a complementary fashion with health plan reimbursement and DHCS-sponsored funding opportunities, such as PATH CITED (Capacity and Infrastructure Transition, Expansion, and Development). To date, CenCal Health has been awarded $6.4M in IPP funds from DHCS and in October, staff launched an application process for organizations interested in IPP funding.

As of the end of February, CenCal Health received ten IPP applications, eight which have been reviewed and two of which are pending review in March. Of the eight for which review has been completed by the CenCal Health IPP Application Review Committee, seven have been awarded funding totaling $4.9M. The awarded IPP funds are directly supporting the building and expansion of ECM and CS services, including costs such as recruitment and hiring, technology and data infrastructure, and staff training and onboarding. Six of the funded organizations serve the Santa Barbara area, while four of the funded organizations serve San Luis Obispo.

The breakdown of awards issued are as follows:

Organization	Incentive Funding Awarded
Doctors Without Walls	$51,675
The Wisdom Center	$209,909
Sanctuary Centers	$1,396,428
Good Samaritan Shelter	$1,253,176
Dignity Health, Marian Regional Medical Center	$1,537,818
Community Action Partnership of San Luis Obispo	$385,953
People's Self-Help Housing	$70,200

Once current funding has been fully awarded, CenCal Health will pause the IPP application process pending receipt of additional funds from DHCS. Should CenCal Health receive additional IPP funds, the next award is expected to be issued in June 2023 from DHCS, at which point the application process will reopen.

Health Equity Efforts

The Customer Experience Division is coordinating health equity efforts to support CenCal Health's vision to be a trusted leader in advancing health equity so that our communities thrive and achieve optimal health together. We are collaborating with the Health Services Division to achieve the NCQA Health Equity Accreditation by drafting the 2023 CenCal Health Equity Plan. In addition, we are developing a roadmap of internal and external goals and milestones to advance health equity in alignment with our 2024 contract requirements.

Member Services

February's call volume averaged 451 daily calls, which was a 20% increase from 2022's daily average of 376/month.

Average Speed to Answer (ASA) was below the goal of 85% at 82% of calls answered within 30 seconds. ASA performance was significantly impacted by call center staff on leaves and PTOs during the month. Even with the staffing shortage, staff were able to meet our abandon rate goal at 3% and exceeded our goal that 95% of all calls are answered. Member Services received the typical volume for grievance & appeals in February and all turnaround times were met.

From a project perspective, a newly designed Member Portal Project is awaiting approval from DHCS. CenCal Health remains ready for go-live within 24 hours of the official DHCS approval.

Claims

The Claims Department monitors core service metrics across all operational and customer service functions. For the month of February 2023, the service levels related to claims operations and provider support are in line with those of the prior month and are well above service standards and regulatory requirements.

Enclosures

1. Member Services Report: *Aggregate Monthly Enrollment*
2. Member Services Report: *Aggregate Call Volume*
3. Member Services Report: *Grievances and Appeals*

CENCAL HEALTH - CALENDAR 2023
CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

MEMBER ENROLLMENT BY MONTH: FEBRUARY 2023 – SBHI & SLOHI

Reporting period:
February 2023 – Calendar 2023

SBHI Monthly Enrollment 2023

February 2023 = 162,167

Membership increased by a net **1,035** members when compared to last month.

New members for February = **1,546**

DHCS had suspended negative re-determinations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued growth in enrollment each month for this reason, due to the lack of disenrollment occurring. Redeterminations were uncoupled from the PHE recently at the Federal level, and the full redetermination process is set to begin again in April 2023. The PHE is scheduled to officially end on May 11, 2023.

SBHI Member Enrollment by Month
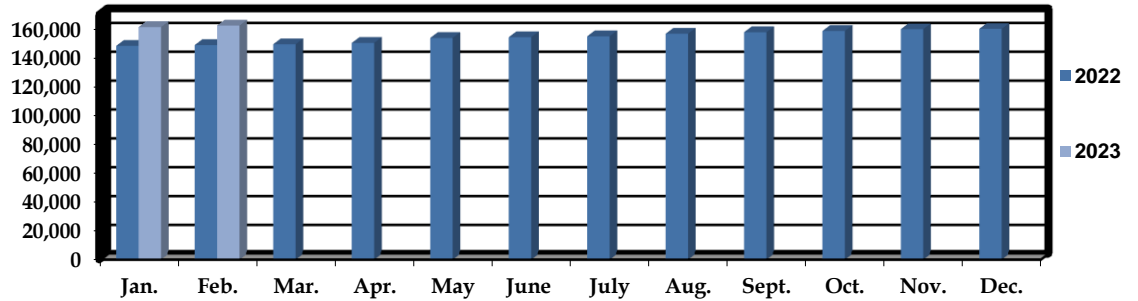
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022 Members	148,119	148,657	149,203	150,143	153,555	154,077	154,717	156,487	157,558	158,413	159,679	159,913
2023 Members	161,132	162,167										

SLOHI Monthly Enrollment 2023

February 2023 = 68,987

Membership increased by a net **440** members when compared to last month.

New members for February = **807**

DHCS had suspended negative re-determinations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued growth in enrollment each month for this reason, due to the lack of disenrollment occurring. Redeterminations were uncoupled from the PHE recently at the Federal level, and the full redetermination process is set to begin again in April 2023. The PHE is scheduled to officially end on May 11, 2023.

SLOHI Member Enrollment by Month
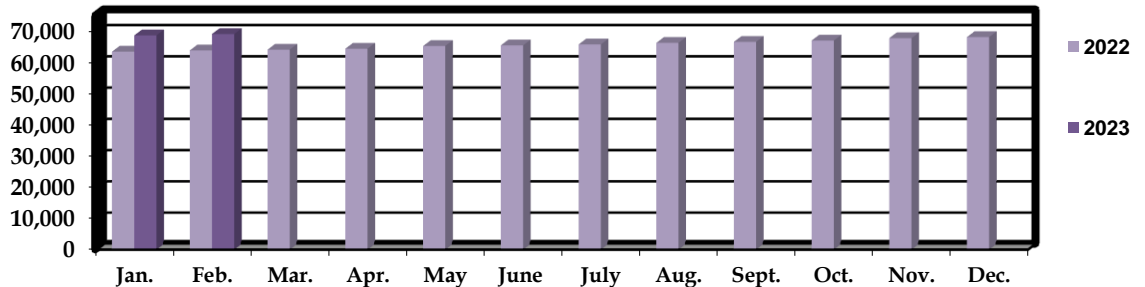
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022 Members	63,347	63,753	63,990	64,291	65,157	65,348	65,653	66,150	66,480	66,897	67,663	68,002
2023 Members	68,547	68,987										

CENCAL HEALTH
CALENDAR 2022 - 2023
MEMBER SERVICE TELEPHONE STATISTICS

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

Reporting period:

February 2023 - Calendar 2023 **Chart #1**

Monthly Call Volume

☒ In Control

☐ Not In Control

February 2023:

Member Queue = **6,776**

Provider Queue = **1,027**

Non ACD = **369**

Aggregate Call Volume = **8,172**

Calls per 1,000/month (PTMPM) = **35.35**

Calls per 1,000/year (PTMPY) = **424.24**

Analysis:

February's call volume PTMPY is slightly below 2022's mean and in control. The call center averaged 451 daily calls in February 2022.

CenCal Health Member/Provider Aggregate Call Volume - 2022-2023 Calendar Current Month
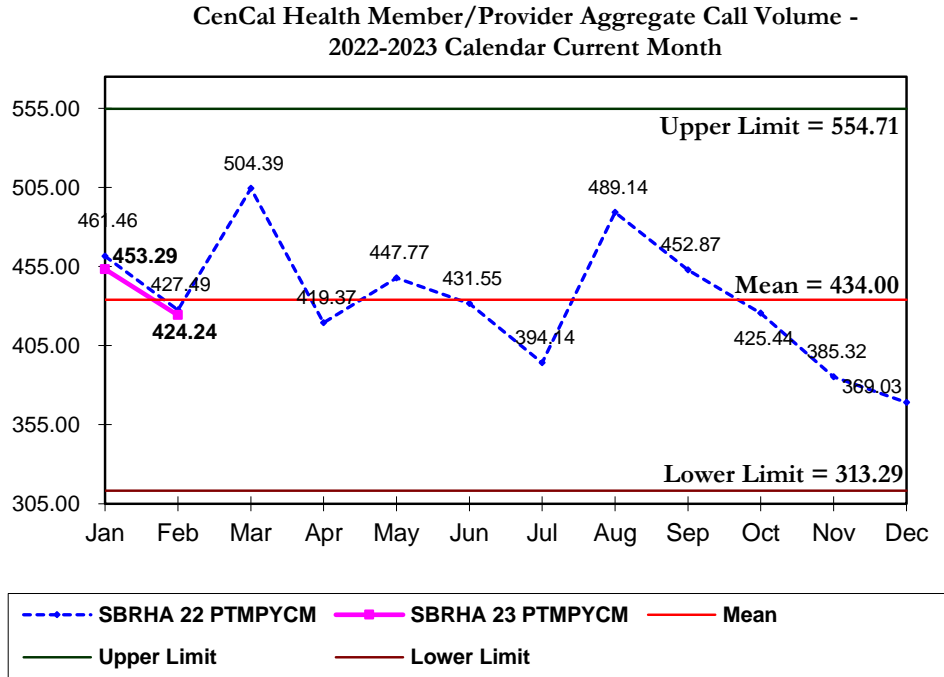
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
22 Members	211,466	212,410	213,193	214,434	218,712	219,425	220,370	222,637	224,038	225,310	227,342	227,9915
Call Volume	8,132	7,567	8,961	7,494	8,161	7,891	7,238	9,075	8,455	7,988	7,300	7,009
PTMPYCM	461.46	427.49	504.39	419.37	447.77	431.55	394.14	489.14	452.87	425.44	385.32	6,722
23 Members	229,679	231,154										
Call Volume	8,676	8,172										
PTMPYCM	453.29	424.24										

February 2023 - 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

February's score = **82%**

Aggregate calls answered: **8,192**

Aggregate calls answered within 30 seconds: **6,380**

Analysis:

Due to scheduled & unscheduled PTO, and one staff on LOA, the call center did not meet the ASA goal in February, but improved 9% from January. There were 27 calls in the queue over 10 minutes before being answered in February due to short staffing.

CenCal Health Aggregate Average Speed to Answer - 2022-2023 Calendar Current Month
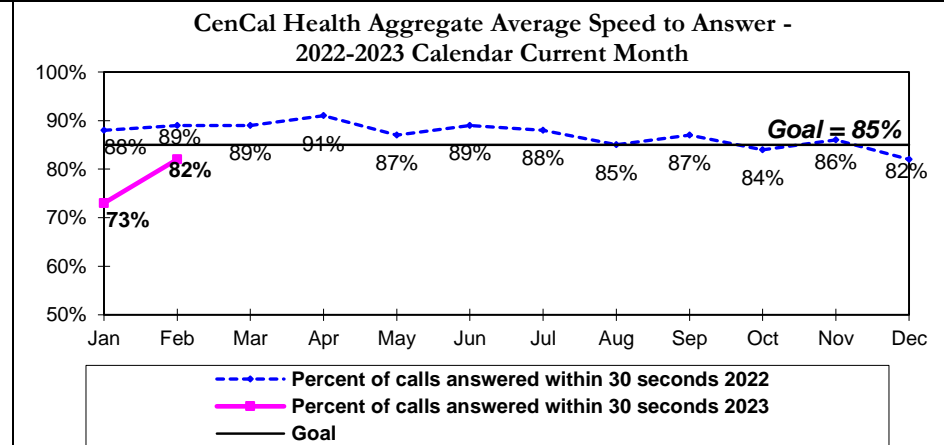
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Answered in 30 seconds or less 2022	88%	89%	89%	91%	87%	89%	88%	85%	87%	84%	86%	82%
Answered in 30 seconds or less 2023	73%	82%										

CENCAL HEALTH

CALENDAR 2022 - 2023
MEMBER SERVICE TELEPHONE STATISTICS

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

February 2023 - Chart #3

Monthly Aggregate Abandon Rate

- ☐ Exceeding Goal
- ☒ Meets Goal
- ☐ Not Meeting Goal

CenCal Health Goal = 3% or less

Aggregate Call Volume: **8,172**
Abandoned Calls: **229**

Percent of calls abandoned in February 2023 = **3%**

Staff were able to meet the abandon rate goal even with the short-staffing issues faced in February.

CenCal Health Aggregate Monthly Abandon Rate - 2022-2023
Calendar Current Month

Goal = 3% or Less

······· **Percent of calls abandoned 2022**
━━━ **Percent of calls abandoned 2022**
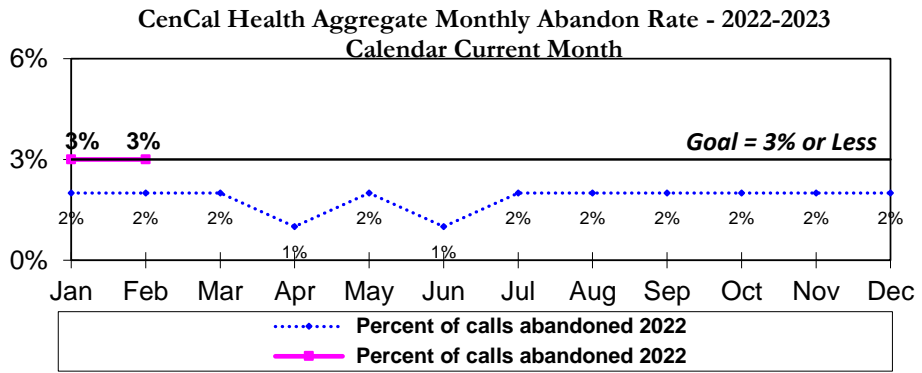
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2022	2%	2%	2%	1%	2%	1%	2%	2%	2%	2%	2%	2%
% of Abandoned Calls 2023	3%	3%										

February 2023 - Chart #4

Monthly Aggregate Calls Coded

- ☒ Exceeding Goal
- ☐ Meets Goal
- ☐ Not Meeting Goal

Goal for Percentage of Coded Calls = 95%

Queue Calls Handled: **7,434**
Queue Calls Coded: **7,171**

Percentage of calls coded in February 2023 = 96%
Total Issues Coded: **8,500**
*Calls may have more than one category.

Top 5 Call Categories:

Category	Calls	% of Total
Eligibility	2,258	27%
PCP Selection	1,681	20%
Benefits	869	10%
Transfer	859	10%
Miscellaneous	594	7%

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

CenCal Health Monthly Calls Coded Percentage - 2022-2023
Calendar Current Month

Goal = 95%

······· **Percentage of calls coded 2022**
━━━ **Percentage of calls coded 2023**
─── **Goal**
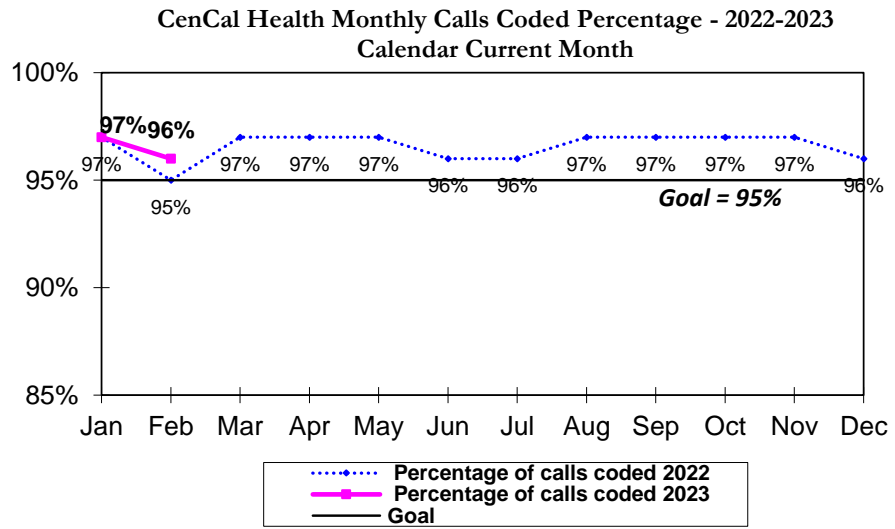
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Percentage of Calls Coded 2022	97%	95%	97%	97%	97%	96%	96%	97%	97%	97%	97%	96%
Percentage of Calls Coded 2023	97%	96%										

February Analysis:

*Eligibility Calls – 53% Eligibility verification, 31% Referred to DSS/SSA, 11% Coordination of Benefits (OHC) Verification.

*Benefits – 37% Dental, 13% Vision, 11% Specialists-mostly asking for list of/contact information for various provider types.

*Transferred Calls – 18% Ventura Transit (Transportation), 16% to the Medical Management Department, 14% to the Behavioral Health Department.

*Miscellaneous – 47% Disconnect/Dropped call, 38% Unable to validate HIPAA, 13% Other.

*Provider Call Volume (1,277) = 15% of all calls coded. 59% were for Eligibility, 18% were transferred out of Member Services (23% to Ventura Transit, 16% to the Behavioral Health Department) and 10% for PCP selections.

CENCAL HEALTH
MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

CALENDAR YEAR 2023 MEMBER GRIEVANCES & APPEALS

Reporting period:

February 2023 - Calendar 2023

☒ **In Control**
☐ **Not in Control**

February's PTMPY for grievance and appeals was **2.80**, slightly above 2022's Mean of 2.23 and in control.

February Grievance/Appeals = 54

Quality of Care = 19   Access = 12

Appeals = 9   Administrative = 8

Benefits = 4   Interpersonal = 2

Analysis and Trends
* **QOC Grievances:** Various perceived quality of care concerns/reasons. No provider had more than one grievance.
* **Access:** 4 VTS, 3 Delayed/Denied Auths, 2 Behavioral Health, 2 PCP for lack of appointment availability. With no trends.
* **Appeals:** 6 TAR appeals: 3 Behavioral Health testing, 2 DME and 1 outpatient service with no trends.
* **Administrative:** Mostly centered around the member's dissatisfaction with scheduling or with timely communication. There were 2 Admin grievances for the new Enhanced Care Management (ECM).
* **Benefits:** 3 Against Ventura Transit for scheduling issues or no show for pickups, no appointments were missed.
* **Interpersonal:** 2 total. No trends.
* **Total Mental Health/BHT Services: 13** (5 QOC, 3 Access, 3 Appeals, 1 Admin, 1 Benefit). Commonly dissatisfied with appointment availability, being dismissed by provider, delays in call back/poor communication or not being prescribed medications of choice/preference.

Of the **57** grievances/appeals filed:
37 = SB County (12 Quality of Care = 32% of SB Vol.)
17 = SLO County (7 Quality of Care = 41% of SLO Vol.)

Grievance & Appeal System - Total Receipts
2022-2023 Calendar Current Month

Upper Limit = 4.39

Mean = 2.23

Lower Limit = 0.07

Data points: Jan 1.25, Feb 1.07, Mar 1.86, Apr 1.45, May 3.02, Jun 2.41, Jul 1.96, Aug 3.02, Sep 2.68, Oct 3.04, Nov 2.11, Dec 2.90

2023: Jan 2.77, Feb 2.80

Legend:
SBRHA 22 PTMPYCM   SBRHA 23 PTMPYCM
Mean   Upper Limit
Lower Limit
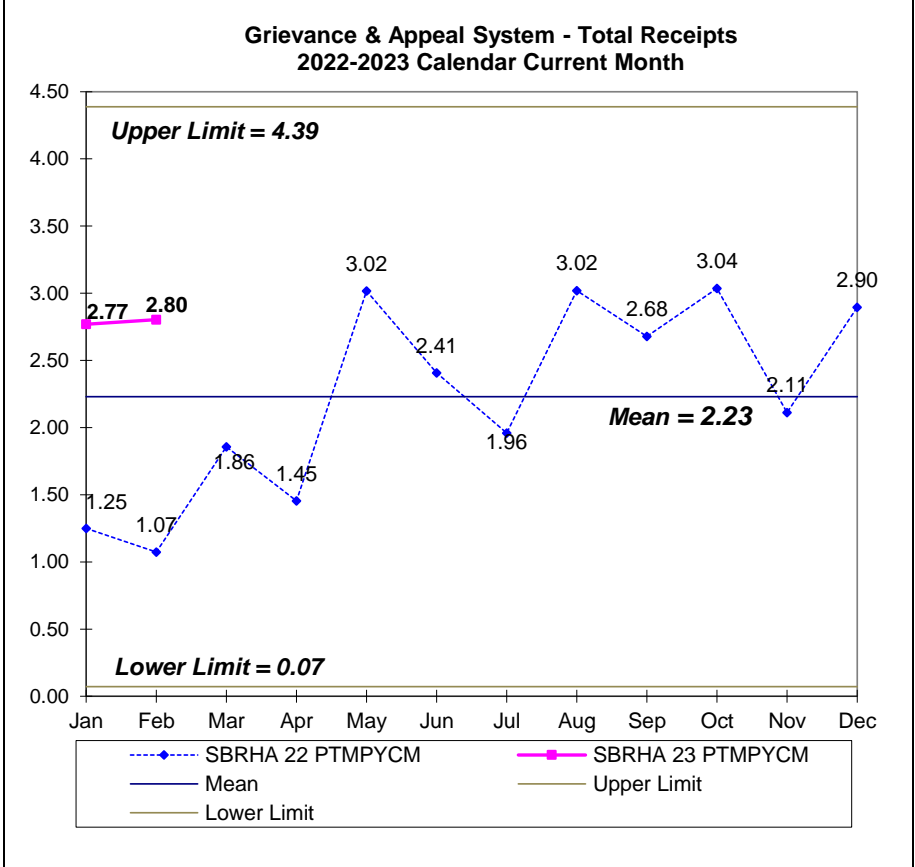
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 22 Mbrshp	211,466	212,410	213,193	214,434	218,712	219,425	220,370	222,637	224,038	225,310	227,342	227,915
CenCal G&A Issues	22	19	33	26	55	44	36	56	50	57	40	55
CenCal PTMPYCM	1.25	1.07	1.86	1.45	3.02	2.41	1.96	3.02	2.68	3.04	2.11	2.90
CenCal 23 Mbrshp	229,679	231,154										
CenCal G&A Issues	53	54										
CenCal PTMPYCM	2.77	2.80										

Member Grievance & Appeal System Receipts by Reasons

Total for Year

	2022	2023
APPEALS	126	23
QUALITY OF CARE	117	42
ADMINISTRATIVE	105	9
ACCESS	72	22
INTERPERSONAL	44	4
BENEFITS	28	7
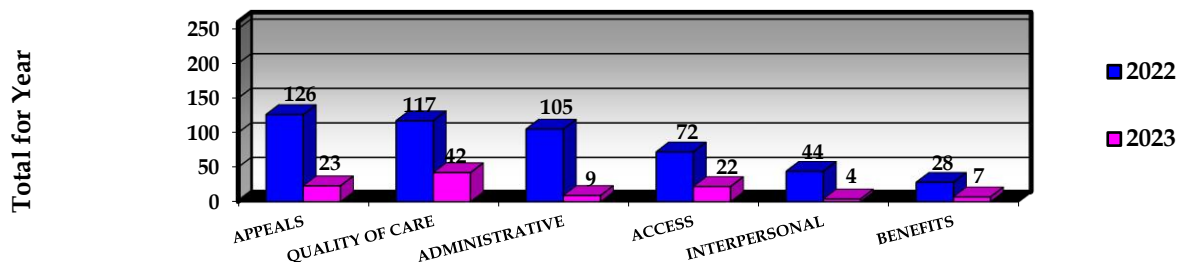
Type	Calendar 2022	Calendar 2023
Appeals	**126**	**23**
Quality of Care	**117**	**42**
Administrative	**105**	**10**
Access	**72**	**21**
Interpersonal	**44**	**4**
Benefit	**28**	**7**

Analysis: The grievance and appeal total for February 2023 (54) is above the 2022 monthly average of 41/month. Quality of Care grievances (21/month) are more than double the double the 2022 average of 10/month.

Compliance Report

Date: March 3, 2023

From: Karen S. Kim, JD, MPH, Chief Legal and Compliance Officer

Contributors: Krisza Vitocruz, Compliance Director and Privacy Officer
Kimberly Wallem, Senior Delegation Oversight Specialist
Allison Bartee, Senior Compliance Specialist

<u>**Executive Summary**</u>

The purpose of this memo is to provide the CenCal Health Board of Directors with an overview of current compliance activities for the organization.

<u>**2024 Contract Operational Readiness**</u>

As part of the California Department of Health Care Services (DHCS) efforts to redefine how Medi-Cal managed care is delivered to the 12 million Californians receiving health care benefits, DHCS has restructured the managed care contract to hold plan partners and subcontractors more accountable for high-quality, accessible, and comprehensive care, to reduce health disparities, and to improve health outcomes. The new contract (2024 Contract or Contract) is effective January 1, 2024.

As previously shared with your Board, DHCS has structured the 2024 Contract Operational Readiness process into two (2) distinct periods: (1) Implementation Period; and (2) Operations Period. The Implementation Period is from August 1, 2022, through December 31, 2023. The Operations Period Commences on January 1, 2024. The Implementation Period includes a total of approximately 227 deliverables due to DHCS with deliverables spread across 3 waves with 10 due dates.

CenCal Health completed all submissions for Wave 1 and is approximately 90% complete with Wave 2. This effort included over 60 deliverables, all of which have been approved. Wave 2 is nearing completion, which include 63 deliverables submitted to DHCS. To date, 56 (or 89%) of deliverables have been approved and three (3) were submitted on March 1, 2023. CenCal Health is currently preparing timely and high-quality submissions for the remaining 100 deliverables with due dates in April, May, June, July, and August 2023. CenCal Health's AIR rate for Wave 1 was 13%. The current AIR rate for Wave 2 is 6%. The AIR rate for all submitted deliverables is 10% with an initial approval rate of 90%. The goal for an overall AIR rate for all current and future deliverables is 5%.

Department of Health Care Services (DHCS) Medical Audits

2022 DHCS Medical Audit

The 2022 DHCS Medical Audit was conducted virtually, from October 17, 2022, through October 24, 2022. The 2022 audit was a limited scope audit and evaluated the Plan's compliance with contract requirements and regulations in the areas of Utilization Management, Case Management and Care Coordination, Access and Availability, Member Rights, Quality Improvement, Administrative and Organizational Capacity and State Supported Services Contract. The scope of the audit period ran from October 1, 2021, through September 30, 2022.

CenCal Health participated in a preliminary exit conference with DHCS in mid-November 2022, where the Department provided initial feedback of Plan performance during the 2022 Routine Medical Audit. CenCal Health was given an opportunity to provide supporting documents and evidence, for DHCS to review and consider as they prepare a draft report of findings. CenCal Health is **still awaiting the draft report** from DHCS. Following receipt of the draft report, your Board will be updated and CenCal Health will be afforded another opportunity to provide additional evidence, a written response, and to formally agree, partially agree, or disagree with audit findings as part of the public record.

2023 DHCS Medical Audit Readiness

CenCal Health **began readiness activities** for 2023 DHCS Medical Audit by utilizing feedback received at the preliminary exit conference with DHCS. In addition, DHCS has shared with Medi-Cal managed care plans its intent to conduct focused audits in the areas of Behavioral Health and Transportation. The Plan has begun actively reviewing its 2022 Medical Audit preliminary findings to determine current gaps and to prepare corrective action plans to maximize compliance and minimize audit findings for the 2023 Medical Audit.

Audit and Monitoring

Delegation Oversight

Compliance is currently overseeing credentialing and re-credentialing audits of the following delegates: ChildNet, CHLA Medical Group and UCLA Medical Group. The 2022 Annual Audit of Care to Care was closed in early February 2023. Care to Care is the Plan's delegate for Radiological services.

Department of Health Care Services: All Plan Letters

DHCS did not release additional guidance in February 2023.

Information Technology Report

Date: March 15, 2023

From: Bill Cioffi, Chief Information Officer

Contributors: Jai Raisinghani, Deputy Chief Information Officer

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Executive Summary

The following information is provided as an update to the board on ongoing operational and project-oriented technology priorities within the organization.

Operational Statistics

During the month of February, CenCal Health received approximately 239,000 claims in total. HIPAA Compliant 837I/837P was the source of 93% of total claims and CenCal Health's Provider Portal was used for 5% of claim submissions. In total 98% of total claims were received via electronic method (HIPAA 837I/ 837P/ Proprietary files). Auto-adjudications rates for the month was at 96%. CenCal Health received 10,009 authorization requests in total. 84% of total authorizations were entered using CenCal Health's Provider Portal and 6% of total requests were part of data transmission from that Plan's Radiology Benefit Manager (RBM).

IT Team received approximately 710 requests during month of February via IT Service Desk system related to various systems and services supported by the IT department. During the month, 671 total requests were closed and at the time of reporting, there are total 260 open requests in department queue. For month of January 2023, IT Network uptime and connectivity recorded average availability of 99% or higher.

Recommendation

The Information Technology Report is informational and no action is requested.

Housing and Homelessness Incentive Program Update

Date: March 15, 2023

From: Ed Tran, RN, PHN, MSN
                 Program Development Director

Through: Van Do-Reynoso, MPH, PhD
                 Chief Customer Experience Officer & Chief Health Equity Officer

Contributor: Christy Nichols, Community Relations Specialist

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Executive Summary

The Housing and Homelessness Incentive Program is a CalAIM incentive program to build local capacity to address homelessness and housing insecurity. This incentive program provides access to safe, secure, and affordable housing while also offering comprehensive support services that can help individuals and families to maintain housing stability. Through this program, the Department of Health Care Services provides incentive payments to Medi-Cal Managed Care Plans to invest in permanent housing or supportive housing for homeless individuals and families.

CenCal Health received initial fundings a result of successful submissions of the Local Homelessness Plans and Investment Plans. Collaboration with Santa Barbara County and San Luis Obispo Continuum of Care have facilitated collaboration with additional community-based partners. Allocation of these incentive funds are currently in process and anticipated to be finalized by the end of March.

Background

The Housing & Homeless Incentive Program (HHIP)) is a CalAIM incentive program that allocates funds to build community capacity to address issues of housing and homelessness. CenCal Health is expected to collaborate with county Continuums of Care (CoC) to identify organizations that can use the funds to address homelessness and keep people housed. The HHIP program runs from January 2022 to March 2024. In November and December 2022, CenCal Health earned its first two payment allocations, totaling $4.06M. Of this amount, Santa Barbara County received $2.5M and San Luis Obispo County received $1.5M. DHCS requires that a set of metrics must be met to earn additional funding. Based on successful achievement of stated metrics, CenCal Health can potentially earn up to $8.8M for San Luis Obispo County, and $14.2M for Santa Barbara County, for a total of $23M.

Current Efforts

The HHIP team is finalizing funding agreements to increase housing capacity, address disparities and equity related to homelessness identified by each county, increase homeless case management and outreach efforts, and support enhancements to data collection. Partners include:

Santa Barbara County:
- Santa Barbara County Continuum of Care
- MICOP
- Doctors Without Walls
- Santa Barbara Public Health (Healthcare for the Homeless)
- New Beginnings
- United Way
- St. Vincent's
- People Self-Help Housing

San Luis Obispo County:
- San Luis Obispo County Homeless Services Oversight Council (HSOC)
- Lumina Alliance
- UndocuSupport
- San Luis Obispo Health Department (Street Medicine)
- People Self-Help Housing
- 5-Cities Homeless Coalition

On March 10, 2023, CenCal Health submitted the metric report for the next earned allocation. DHCS will disburse the next payment amount based on their review. CenCal Health continues to finalize the funding agreements with community partners for the funding already received.

Recommendation

This report is informational only and no action is requested by the Board of Directors.

CalAIM Implementation Update

Date: March 15, 2023

From: Jennifer Fraser, PMP, EPMO Program Manager
                   Lead, CalAIM Program

Through: Marina Owen, Chief Executive Officer
                   Chair, Executive CalAIM Steering Committee

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Executive Summary

This report provides information regarding CenCal Health's efforts to achieve the goals of California Advancing and Innovating Medi-Cal (CalAIM) as defined by the Department of Healthcare Services (DHCS). To achieve these goals over the next several years, CalAIM initiatives are managed collectively with oversight through an internal Steering Committee comprised of Executive and Senior Leaders to support aligning CalAIM goals with CenCal Health's strategic objectives. The purpose of this memo is to provide information and highlights on CalAIM implementation activities to include DHCS policy updates and plan decisions.

CalAIM Program Update

The internal CalAIM Steering Committee meets regularly to set the strategy for and guide the work required to implement CalAIM to include oversight and monitoring to support the work in progress. This includes regular inputs on current and evolving regulatory guidance as well as updates on local and community advocacy through the efforts of the external Steering Committee. Recent discussions have focused on the emerging information related to the Justice Involved initiative going live in 2024 as well as understanding the compliance with network development requirements for the new Community Health Worker (CHW) benefit.

CalAIM Initiatives Update

The following CalAIM initiative is complete for CenCal Health:

- **Mandatory Managed Care Enrollment (MMCE)** - To standardize enrollment processes, DHCS eliminated variances in benefits according to aid code, population, and geographic location for non-dual populations effective 1/1/22 and dual populations effective 1/1/23. CenCal Health was minimally impacted by the first transition with no impact from the second transition. Remaining DHCS activities are related to post transitional monitoring.

Below is a list of updates for in flight CalAIM initiatives:

- **Enhanced Care Management (ECM)** – Staff continue to support the Populations of Focus (POFs) that are currently live. Ten (10) providers are contracted to provide ECM with approximately 1,400 members assigned to these providers for outreach, and 275 members enrolled and receiving ECM services from these providers. To date, our conversion rate of members identified as potentially eligible to being assigned for outreach is 32% whereas our conversion rate of members assigned for outreach to being enrolled for ECM services is 16%. Staff anticipate these rates to increase as we continue to expand our provider network and their capacity to service our membership. With the upcoming addition of children and youth populations on July 1, 2023, staff is actively engaged in network development and internal system enhancement activities. The first Phase 3 Model of Care (MOC) submission was submitted to DHCS on February 15th to document the plan's approach for implementing the various Children & Youth POFs as well as current efforts for engaging individuals who are Pregnant/Post-Partum.
- **Community Supports** – Staff continue to support the Community Supports services that are currently live with a focus on increasing their utilization by educating the provider network and the community on the availability and eligibility requirements for these supportive services. Efforts are underway by Program Development staff to assess needs both internally and externally to determine future service offerings for January 1, 2024. Though no new services are being offered for July 1, 2023, an updated Model of Care (MOC) was submitted to DHCS on February 15th to provide updates on current progress and status.
- **Social Determinants of Health (SDOH)** - CenCal Health staff continues to execute a communication plan to increase awareness to providers of the importance of reporting SDOH diagnosis codes in the form of provider communications via the website, print materials and in person interactions. A refresh of the utilization data indicates a 25% increase in reporting of these codes from our contracted network over the last five (5) months.
- **NCQA Accreditation & Population Health Management (PHM)** - Workgroups for six (6) Plan Standards and one (1) Health Equity Standard are assessing and analyzing the work needed to meet the requirement that all managed care plans need to be NCQA accredited by 2026. The PHM Program Readiness deliverable submitted to DHCS in October to document and attest to CenCal Health's readiness to meet specific PHM Program requirements has been approved. Staff is actively working to support requirements specific to standardizing Health Risk Assessments (HRAs) and to establish a risk stratification and segmentation (RSS) algorithm to categorize members according to their care and risk needs.
- **Incentives** – DHCS has established a variety of funding streams to support plans and providers in achieving the goals of CalAIM, i.e., Incentive Payment Program (IPP), Providing Access and Transforming Health (PATH) Incentives, Student Behavioral Health Incentive Program (SBHIP), and Homeless Housing Incentive Program (HHIP). CenCal Health staff via the external Steering Committee is currently participating in

and/or implementing these different incentive programs to include timely submissions to DHCS as applicable.

- **Transition to Statewide Managed LTSS & D-SNP** – DHCS is requiring beneficiaries to enroll in a Medi-Cal managed care plan and D-SNP operated by the same organization to allow for greater integration and coordination of their care. Milliman is generating a revised base scenario forecast based on discussion with, and feedback from, internal staff to include key performance measure assumptions. The engagement with Health Management Associates (HMA), once contracting is complete, will focus on building the health plan's operational readiness towards our ability to achieve, or exceed, these key performance measures necessary for long term program sustainability.
- **Benefits Standardization** – DHCS is standardizing benefits so that Medi-Cal beneficiaries will have access to a consistent set of services no matter where they live. The next benefit standardization is the carve in of Intermediate Care Facility/Developmentally Disabled (ICF/DD) facilities on January 1, 2024.

Recommendation

Staff recommends acceptance of this informational report describing current CalAIM implementation activities, and no action is requested at this time.

Enclosure(s)

CalAIM References

       Table 1: CalAIM Goals
       Table 2: ECM Populations of Focus (POFs)
       Table 3: Incentive Programs

CalAIM Reference

Table 1 – CalAIM Goals

CalAIM has three (3) primary goals as defined by DHCS in the table below:

DHCS CalAIM Goals	
1	Identify and manage comprehensive needs through whole person care approaches and social drivers of health
2	Improve quality outcomes, reduce health disparities, and transform the delivery system through value-based initiatives, modernization, and payment reform
3	Make Medi-Cal a more consistent and seamless system for enrollees to navigate by reducing complexity and increasing flexibility

Table 2 – ECM Populations of Focus (POFs)

DHCS is implementing the ECM benefit over four (4) phases with each phase targeted for specific Populations of Focus as noted in the table below.

Phase	Populations of Focus (POFs)	Effective Dates
1	- Individuals & Families Experiencing Homelessness (POF 1) - Adults At Risk for Avoidable Hospital and Emergency Department (ED) Utilization (POF 2) - Adults with SMI/SUD Needs (POF 3) - Adults with Intellectual/Developmental Disability (I/DD) (POF 9) - Pregnant or Postpartum Adults (POF 10)	7/1/2022 *Live*
2	- Adults Living in the Community At Risk for Institutionalization (POF 5) - Adults who are Nursing Facility Residents Transitioning to the Community (POF 6)	1/1/2023 *Live*

3	• Adults without Dependent Children/Youth Living with Them Experiencing Homelessness (POF 1) • <u>Children & Youth Populations of Focus</u>: 　• Homeless Families or Unaccompanied Children/Youth Experiencing Homelessness (POF 1) 　• Children and Youth At Risk for Avoidable Hospital or ED Utilization (POF 2) 　• Children and Youth with Serious Mental Health and/or SUD Needs (POF 3) 　• Children and Youth Enrolled in California Children's Services (CCS) or CCS Whole Child Model (WCM) with Additional Needs Beyond the CCS Condition (POF 7) 　• Children and Youth Involved in Child Welfare (POF 8) 　• Children and Youth with Intellectual/Developmental Disability (I/DD) (POF 9) 　• Pregnant or Postpartum Youth (POF 10)	7/1/2023	
4	• Individuals Transitioning from Incarceration (POF 4) • Birth Equity - Adults and Youth (POF 10)	1/1/2024	

Table 3 – Incentive Programs

Timeframes and status to DHCS for each Incentive Program are noted in the table below.

Incentive Program	Submission	Deadline	Status
Incentive Payment Program (IPP) *Program Years 1, 2 & 3*	Submission 1	3/1/22	**Approved**
	Submission 2A	9/1/22	***Submitted***
	Submission 2B	3/15/22	*In Progress*
	Submission 3	9/2023	*Planning*
	Submission 4	3/2024	Not Started
	Submission 5	9/2024	Not Started
Homelessness & Housing Incentive Program (HHIP) *Program Years 1 & 2*	LHP* Submission	6/2022	**Approved**
	Investment Plan Submission	9/2022	**Approved**
	PY 2 1st Submission	3/10/23	*In Progress*
	PY 2 2nd Submission	2/2024	Not Started
School Based Behavioral Health Incentive Program *Program Years 1, 2 & 3*	Assessment Submission	12/2022	**Approved**
	Submission 1	6/2023	*Planning*
	Submission 2	12/2023	Not Started
	Submission 3	6/2024	Not Started
	Submission 4	12/2024	Not Started

*Local Homelessness Plan (LHP)

Medicare Dual Special Needs Program (DSNP) Report

Date: March 15, 2023

From: David Ambrose, outgoing Chief Financial Officer / Treasurer
               Sr. Business Advisor Product Line Development

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Executive Summary

The following report provides updates surrounding activities associated with preparing CenCal Health to develop and launch a Medicare Dual Special Needs Program (D-SNP) on January 1, 2026.

Background

CalAIM requires Medi-Cal managed care health plans to launch and operate a Medicare D-SNP on or before January 1, 2026. The January 2023 Board of Directors Meeting included adoption of staff recommendation to partner with a planning and implementation vendor ---- Health Management Associates (HMA).

Consulting Engagement

Health Management Associates

Currently CenCal Health's legal team is performing a review of the HMA contract and the associated Statement of Work (SOW) and nearing completion. This review process includes soliciting comments and feedback from staff and departmental leaders.

As of the date drafting this report, it is anticipated engagement with HMA commencing their services will begin near mid-March 2023. During the initial few months of the HMA engagement, primary activities will involve developing the D-SNP Project Plan, establishing a Medicare D-SNP Steering Committee, and begin creating internal business owner workstreams which align with the overall D-SNP Project Plan timeline.

Financial Feasibility Assessment

Milliman Actuaries

The actuary firm Milliman is nearing completion of a Medicare D-SNP financial feasibility study for our health plan. The feasibility study will provide CenCal Health with guidance to follow which leads to long term financial sustainability within a Medicare D-SNP line of business. This study will establish key performance indicators for the health plan to

achieve or exceed, including but not limited, enrollment targets. The feasibility study will forecast out five to six years post the go-live date of January 1, 2026.

Similar to the DHCS published report in June 2022 titled "*Medi-Cal D-SNP Feasibility Study*", it is anticipated the Milliman feasibility will forecast operating losses during the first three years with the fourth year of operations turning the corner financially towards long term sustainability thereafter, under the assumptions of achieving or exceeding the key performance indicators around enrollment, medical management savings, provider contracting, risk adjustment, and Medicare STARs.

CenCal Health's new Chief Financial Officer (CFO), Kashina Bishop, CPA, and David Ambrose, our outgoing CFO and our Sr. Business Advisor of Product Line Development, will be presenting to the Board of Directors in May 2023 to provide an update on D-SNP feasibility planning and the Milliman guidance as to a financial feasibility pathway. This pathway, and the goals and targets within, will be destination points for which the health plan's operational readiness and build activities will strive for in collaboration with and guidance from HMA, CenCal Health's implementation partner.

Financial Report for the two (2) Month Period Ending February 28, 2023

Date: March 15, 2023

From: Leanne Bauer, Director of Finance

Through: Kashina Bishop, CPA, *Incoming* Chief Financial Officer / Treasurer

Contributor: David Ambrose, *Outgoing* Chief Financial Officer / Treasurer

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Executive Summary

This memo summarizes the health plan's financial performance calendar year-to-date through February 28, 2023 and provides insight on how the health plan is operating against budget forecast expectations.

Financial Highlights (calendar year-to-date: January – February)

- **Operation Gain (Loss):** Through two (2) months of the calendar year we are reporting an operating gain of 6.6 million.
- **Capitation Revenue** is at $197.3 million; over budget by $6.3 million and 3.3%.
- **Medical Expenses** are at $181.7 million; over budget by $11.9 million and 7.0%.
- **Administrative Expenses** are at $10.5 million; under budget by $1.7 million and 13.8%.
- **Tangible Net Equity (TNE)** is at $219.4 million; representing 595% of the minimum regulatory requirement and 85% of the minimum Board of Directors desired TNE target.
- **Total Cash and Short-Term Investments** are at $305.5 million. Cash and Short-Term Investments available for operating the health plan is at $226.5 million, representing 89 Days Cash on Hand.
- **Member Enrollment** is at 229,061 for the month of February 2023.

Enrollment Trend YTD

Actual Enrollment vs. Budget Expectation
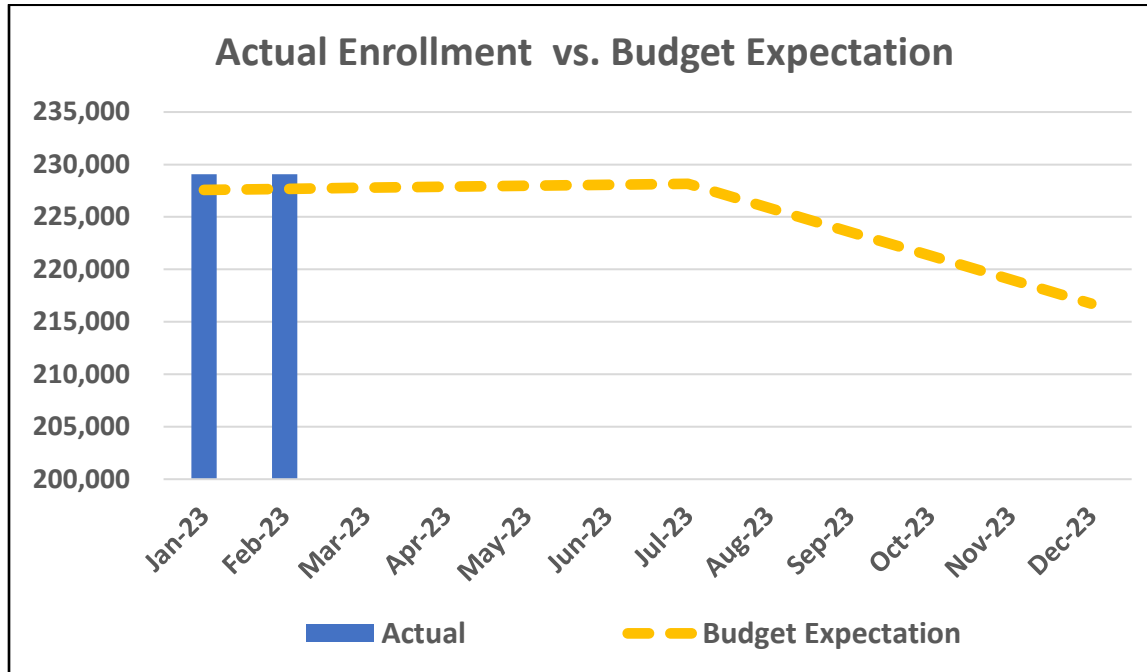
The health plan's enrollment count as of February 2023 is at 229,061 compared to a budget forecast of 227,683. January 1st – February 28th total member months are at 458,122 compared to budget expectations of 455,271; over budget 0.6%.

Capitation Revenue

Revenue Type	YTD Actual Dollars	FYTD Budget	YTD Variance	% Variance
Base Capitation Revenue	$193,092,980	$188,245,000	$4,847,980	2.6%
Supplemental Revenue	$5,072,684	$2,693,000	$2,379,684	88.4%
Budgeted Revenue Items	**$198,165,664**	**$190,938,000**	**$7,227,664**	**3.8%**
Prior Year Revenue Adjustments: Prior Year Retroactive Items Recorded in Current Fiscal Year	($893,445)	-	($893,445)	
TOTAL CAPITATION REVENUE	**$197,272,219**	**$190,938,000**	**$6,334,219**	**3.3%**

Base Capitation Revenue is over budget with a variance of 2.6% due to revised capitation rates from DHCS for Hospital Directed Payments (HDP) and Proposition 56, subsequent to the budget development.

Actual YTD revenue is also reduced by $0.9 million as a result of accruing for medical loss ratio (MLR) DHCS contractual requirements.

Supplemental Revenue [Behavioral Health Therapy Services, Maternity Deliveries, and visits to American Indian Health Clinics] is over budget by 88.4% due to recent utilization data trending higher than budget expectations. Supplemental revenue is directly impacted by the volume of services incurred.

Overall, actual budgeted revenue is close to budget expectations by 3.3%.

Interest Income

Calendar YTD Interest Income is exceeding budget expectations primarily due to current market interest rates being earned are greater than budget assumption.

Medical Expenses

Medical Expense Type	YTD Actual Dollars	FYTD Budget	YTD Variance	% Variance
Medical Costs + Incentives	$182,271,027	$169,821,000	$12,450,027	7.3%
Reinsurance – net	$870,496	$18,000	$852,496	
Budgeted Medical Items	**$183,141,523**	**$169,839,000**	**$13,302,523**	**7.8%**
Prior Year Expense Adjustments: Prior Year Retroactive Items Recorded in Current Year	($1,395,350)	-	($1,395,350)	
TOTAL MEDICAL COSTS	**$181,746,173**	**$169,839,000**	**$11,907,173**	**7.0%**

Medical Costs & Incentives are trending over budget with a variance of 7.3%. The primary contributing factors to this budget variance are as follows:

1. Hospital Inpatient – out of area (due to a few high dollar cases)
2. LTC & SNF expenses
3. HDP expense which is budget neutral as it is correlated to the HDP revenue.
4. $1.4 million of reduced cost is recorded primarily as a result of a change in estimate within a recent (month of February) Incurred But Not Paid (IBNP) Model forecasting a change in the total projected medical costs for dates of service occurring on or before June 30, 2022 and the reduction in hospital directed payments associated to CY2021.

YTD total medical expense variance is $11.9M, approximately 40% or $4,834,959 is due to CalAIM initiatives programs (such as IPP, HHIP and SBHI). CalAIM initiatives programs were not included in the budget, since essentially it will be budget-neutral overall once revenue earned is mirrored dollars paid out (expenses) to applicable providers/community supports.

Overall, actual budgeted medical costs are over budget by 7.0%.

The following table summarizes major medical costs by expense category against budget forecast expectations associated with fee-for-service medical claims. Cells colored Orange indicate where actual trend is exceeding the budget forecast.

Expense	YTD Actual Average Claim Cost	FYTD Projected Util per 1,000	Budget Forecasted Average Claim Cost	Budget Forecasted Util per 1,000
Physician Services	150.23	5,278	$148.14	5,373
FQHC Services	36.34	2,426.5	$33.94	2,241
Hospital IP In-Area	9,644	42	$8,789	72.1
Hospital IP Out-of-Area	31,206	13.9	$28,420	9.7
Hospital OP In-Area	410.71	265	$229.98	1,130
Hospital OP Out-of-Area	685.74	116	$659.49	121
LTC Facilities	311.06	2,218.1	$327.38	1,974
Home Health	227.92	83.5	$217.43	73
Hospice	4,204.19	8.9	$2,902.44	12.4
Laboratory	49.49	1,426	$50.00	1,635
Transportation	295.60	103	$128.98	310
Physical Therapy	67.69	225	$57.06	242
Durable Medical Equip.	149.23	308	$148.63	304
Dialysis	1,080.84	35	$878.44	40
Behavioral Health Therapy	421.30	196	$366.64	230
Mental Health	134.89	1,115	$140.41	1,002

Note: YTD Actual Average Claim Cost is based on paid medical claims as of Feb 28 with dates of service from January 1, 2023 through February 28, 2023. FYTD Projected Util/1,000 is backed into using the IBNP Model's estimate of total expense, the actual average unit cost to date, and actual member enrollment.

Administrative Expenses

Administrative Expenses are at $10.5 million and under budget by $1.7 million and 13.8% primarily driven by:

- Staffing Vacancies: 75 budgeted positions are currently vacant representing a 19.4% vacancy rate. The Administrative budget incorporated a 9% assumed vacancy rate.

- Salaries and Fringes are under budget primarily due to open positions.
- Contract Services are lower than expected, primarily due to Legal and Outside Processing costs being lower than budget expectations.
- Rent and Occupancy is lower than budget expectations mainly due to janitorial costs and other occupancy costs. Janitorial costs should increase as staff are reintroduced into the CenCal offices over the duration of the calendar year. Utilities also vary from month to month.
- Travel Costs are under budget due to the timing of actual conferences and seminars.
- Office Supplies & Equipment are under budget primarily due to postage costs occurring as needed.
- Other Expenses are under budget due to items being under budget or postponed.

Strategic Investments

Calendar year-to-date Strategic Investments, which include expenditures associated with start-up costs for launching a Medicare Dual Special Needs Program (D-SNP) and investments in technology infrastructure solutions, as of February 28, 2023 YTD actual is at $20,659 compared to the budget forecast of $1,518,400.

The budget variance is primary due to the commencement date of the actual engagement with our Medicare D-SNP vendor partner is anticipated not to occur until the second half of March compared to a budget expectation of an earlier start date.

Tangible Net Equity (TNE)

As of February 2023, actual TNE is at $219.4 million. This level represents 595% of the Regulatory Minimum TNE level ($36.9 million) and 85% of the Board of Director's minimum TNE target currently at $257.4 million.

The following chart provides a visual representation of the health plan's TNE trend over the past two (2) years.

Tangible Net Equity
In Millions of Dollars

Legend: Actual TNE — Board Target TNE — Minimum Regulatory TNE
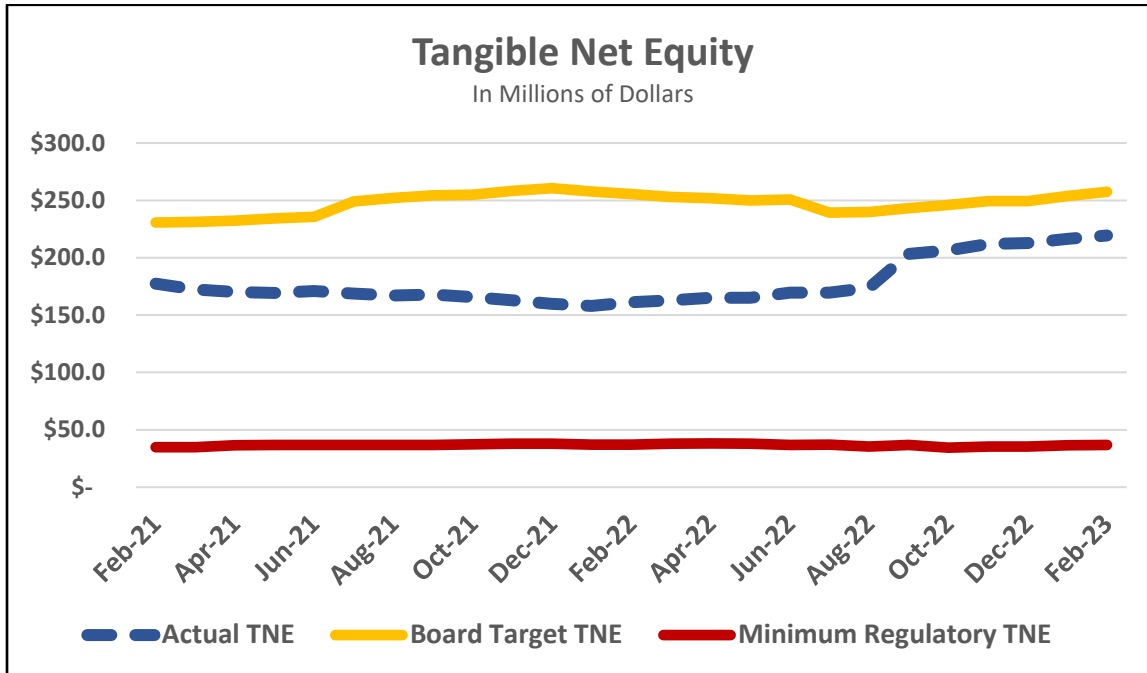
Treasury Activities for the Month of February 2023

Total Cash Received is at $72.8 million.
Total Cash Disbursements is at $65.1 million.
Accrued and Earned Interest Income is at $393,322.

CenCal Health

Financial Statements and Other Information
For the two (2) month period ending Feb 28, 2023

CenCal Health
Balance Sheet
As of February 28, 2023

Assets

Cash and cash equivalents	$	305,477,211
Accounts receivable:		
DHCS capitation and other		$443,037,640
Reinsurance and other recoveries		$3,183,755
Interest and other		$164,806
Total accounts receivable		$446,386,201
Prepaid expenses		$2,877,361
Capital assets - net		$28,701,954
Certificate of deposit – DMHC assigned		$300,000
Corporate owned life insurance (COLI)		$10,682,785
Deposits and other assets		$8,147,025
Total Assets	$	802,572,537

Liabilities and Net Assets

Medical claims payable and incentives	$	123,704,150
Accounts payable, accrued salaries and expenses		$17,916,066
Accrued DHCS revenue recoups – MLRs		$59,501,054
Accrued DHCS directed payments		$365,540,208
Accrued MCO Tax		$5,800,000
Unfunded pension liability – CalPERS		($1,346,155)
Other accrued liabilities		$12,095,693
Net Assets – Tangible Net Equity		$219,361,521
Total Liabilities and Net Assets	$	802,572,537

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CenCal Health

Income Statement

For the two (2) month period ending February 28, 2023

	Actual $	Budget $	Variance $	%
Operating Revenues:				
Capitation	$ 197,272,219	$190,938,000	$6,334,219	3.3%
Other	-	-	-	0.0%
Medical Expenses:				
PCP capitation	6,795,235	6,743,000	52,235	0.8%
Physician services	33,235,539	34,160,000	-924,461	-2.7%
Hospital inpatient	47,022,611	35,164,000	11,858,611	33.7%
Hospital outpatient	11,850,109	11,450,000	400,109	3.5%
LTC facilities	25,461,754	23,730,000	1,731,754	7.3%
All other services	58,776,276	58,592,000	184,276	0.3%
PY estimate change	-1,395,350	0	-1,395,350	0.0%
	181,746,173	169,839,000	11,907,173	7.0%
Operating Expenses:				
Administrative expenses	10,544,065	12,232,065	-1,688,000	-13.8%
Strategic investments	20,659	1,518,400	-1,497,741	-98.6%
	10,564,724	13,750,465	-3,185,741	-23.2%
Interest income	1,671,480	100,000	1,571,480	1571.5%
Realized gain (loss)	-	-	0	0.0%
Unrealized gain (loss)	-77,997	0	-77,997	0.0%
Operating Gain (Loss)	$ 6,554,806	$7,448,535	-$893,729	-12.0%

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CenCal Health

Income Statement

For the month of February 2023

	Actual $
Operating Revenues:	
Capitation	$ 100,516,791
Other	-
Medical Expenses:	
PCP capitation	2,833,209
Physician services	19,265,278
Hospital inpatient	22,016,369
Hospital outpatient	6,011,516
LTC facilities	13,575,512
All other services	28,893,237
PY estimate change	-102,129
	92,492,991
Operating Expenses:	
Administrative expenses	5,001,652
Strategic investments	20,659
	5,022,310
Interest income	467,103
Realized gain (loss)	-
Unrealized gain (loss)	-448,675
Operating Gain (Loss)	$ 3,019,918

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CenCal Health
Medical Expenses by Category
For the two (2) month period ending February 28, 2023

	Actual $	Budget $	Variance $	%
PCP capitation	$ 6,795,235	$ 6,743,000	$ 52,235	0.8%
Physician services	33,235,539	34,160,000	(924,461)	-2.7%
Hospital inpatient in-area	12,295,334	16,603,000	(4,307,666)	-25.9%
Hospital inpatient out-of-area	25,340,120	10,781,000	14,559,120	135.0%
Hospital capitation inpatient	9,387,156	7,780,000	1,607,156	20.7%
Hospital outpatient in-area	3,244,006	2,466,000	778,006	31.5%
Hospital outpatient out-of-area	1,757,156	1,537,000	220,156	14.3%
Hospital capitation outpatient	6,848,946	5,904,000	944,946	16.0%
Long term care facilities	25,461,754	23,730,000	1,731,754	7.3%
Mental health services	4,366,889	5,377,000	(1,010,111)	-18.8%
Behavioral health therapy	2,463,461	3,205,000	(741,539)	-23.1%
Transportation	2,167,700	2,345,000	(177,300)	-7.6%
Durable medical equip.	1,170,397	1,732,000	(561,603)	-32.4%
Laboratory	2,338,042	2,913,000	(574,958)	-19.7%
Dialysis	1,130,738	1,329,000	(198,262)	-14.9%
Hospice	1,213,191	1,344,000	(130,809)	-9.7%
Home health	613,314	619,000	(5,686)	-0.9%
Enhanced care mgmt.	80,751	1,954,000	(1,873,249)	-95.9%
Community supports	125,955	219,000	(93,045)	-42.5%
DHCS directed payments	39,869,050	32,865,000	7,004,050	21.3%
All other medical services	2,366,291	6,215,000	(3,848,709)	-61.9%
Reinsurance & recoveries	870,496	18,000	852,496	4736.1%
Prior year change in estimate	(1,395,350)	-	(1,395,350)	0.0%
Total Medical Expenses	181,746,173	169,839,000	11,907,173	7.0%

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CenCal Health
Administrative Expenses by Category
For the two (2) month period ending February 28, 2023

	Actual $	Budget $	Variance $	%
Salaries & wages	$ 4,788,984	$ 5,676,480	$ (887,496)	-15.6%
Fringe benefits	2,609,094	2,625,753	(16,659)	-0.6%
Contract services	1,185,597	1,890,750	(705,153)	-37.3%
Travel expenses	19,669	88,814	(69,145)	-77.9%
Rent & occupancy	126,067	153,550	(27,483)	-17.9%
Supplies & equipment	414,137	301,746	112,391	37.2%
Insurance	326,793	341,600	(14,807)	-4.3%
Depreciation expense	286,770	286,000	770	0.3%
Software maintenance	4,316	16,490	(12,174)	-73.8%
Software licensing	507,529	523,650	(16,121)	-3.1%
Communications	76,437	91,800	(15,363)	-16.7%
Professional dues	104,991	52,310	52,681	100.7%
Marketing	8,710	27,200	(18,490)	-68.0%
Member/Provider materials	-	2,500	(2,500)	-100.0%
Credentialing fees	13,513	4,500	9,013	200.3%
Provider relations	3,449	10,600	(7,151)	-67.5%
Board committee fees	4,075	5,940	(1,865)	-31.4%
Meeting room expenses	14,608	35,360	(20,752)	-58.7%
All other expenses	49,325	97,022	(47,697)	-49.2%
Total Admin Expenses	10,544,065	12,232,065	(1,688,000)	-13.8%

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CenCal Health

Santa Barbara County Operating Statement
For the two (2) month period ending February 28, 2023

YTD:	Actual $	Budget $	Variance $	%
Capitation Revenue	$ 135,343,530	$ 130,433,000	$ 4,910,530	3.8%
Medical Expenses	124,144,590	120,991,000	3,153,590	2.6%
Administrative Expenses	7,394,232	8,579,341	(1,185,109)	-13.8%
Operating Gain (Loss)	3,804,708	862,659	2,942,049	341.0%

Medical Loss Ratio (MLR)	92%
Admin Loss Ratio (ALR)	5.5%
YTD Member Months	321,228
Avg. Member Count	160,614

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CenCal Health

San Luis Obispo County Operating Statement
For the two (2) month period ending February 28, 2023

YTD:	Actual $	Budget $	Variance $	%
Capitation Revenue	$ 61,928,688	$ 60,505,000	$ 1,423,688	2.4%
Medical Expenses	57,627,952	48,848,000	8,779,952	18.0%
Administrative Expenses	3,149,833	3,654,000	(504,167)	-13.8%
Operating Gain (Loss)	1,150,904	8,003,000	(6,852,096)	-85.6%

Medical Loss Ratio (MLR)	93%
Admin Loss Ratio (ALR)	5.1%
YTD Member Months	136,894
Avg. Member Count	68,447

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CenCal Health

Tangible Net Equity (TNE)

As of February, 2023

Actual TNE (from the Balance Sheet)	$ 219,361,521
Tangible Net Equity – DMHC minimum regulatory	36,854,173
TNE – excess (deficiency)	**182,507,348**
Pct. Actual TNE of the Regulatory Minimum	**595%**

Tangible Net Equity calculation is based upon:
Title 10, CCR, Section 1300.76

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CenCal Health
Notes to the Financial Statements
As of February 28, 2023

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 these 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, 2023, as well as prior year any retroactive rate adjustments issued by the DHCS.

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 in the amount of ($1,346,155) based on current estimates.

The CalPERS Annual Valuation Report dated June 2022 reports the health plan's actual unfunded pension liability at $1,412,359 as of June 30, 2021:

CalPERS Misc Plan for employees hired prior to Jan 1, 2013	$1,818,411
CalPERS PEPRA Misc Plan for employees hired on or after Jan 1, 2013	(406,052)
	$1,412,359

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CenCal Health
FYTD Operating Statement
For the eight (8) month period ending February 28, 2023

Capitation Revenue	$	756,322,016
Medical Expenses		655,990,073
Administrative Expenses		40,089,980
Strategic Investments		20,659
MCO Tax		41,093,192
Interest income		2,819,623
Realized gain (loss)		-
Unrealized gain (loss)		(865,114)
Operating Gain (Loss)	$	**24,096,395**

Medical Loss Ratio (MLR)	87%
Admin Loss Ratio (ALR)	5.0%
YTD Member Months	1,804,947
Avg. Member Count	225,618

Note: This Operating Statement corresponds to the health plan's accounting cycle which is on a fiscal year cycle (July 1 – June 30).   The health plan's budget cycle is on a calendar year cycle and is reflected in the prior operating statements within this financial statement packet.

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Community Advisory Board
Meeting Minutes
October 13, 2022

ATTENDEES: Christine Nichols, Dan Herlinger, Diana Robles, Gaby Labrana, Jonathan Nibbio, Jose Clemente, Karen Kim, Nicolette Worley Marselian, Petra Lowen, Santiago Sangovia, Susan Liles, Teri Amador, Van De-Reynoso, Zena Chafi-Aldwaik

EXCUSED: Barbara Clayton, Shon Clayton, Dana Gamble, Elia Rodriguez, Jennifer Nitzel, Julie Posada, Maria Garcia, Mary Ellen Rehse

GUESTS: Larry Hobbisiefken, Member; Michelle Shoresman, SLO Public Health Department - Applicant

FACILITATOR/CHAIR: Eric Buben

RECORDER: Teri Amador

Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
1. Introductions and comment on any non-agenda item of interest to the public that is within the subject matter jurisdiction of the Community Advisory Board (CAB).	Mr. Buben asked the committed to each introduced themselves as we were still meeting virtually, for a quick roll call for the Minutes. One non-agenda item raised: Mr. Buben expressed his gratitude for the CAB members input for CenCal Health's Member Portal site map/design. A survey was sent out to 10,000 members for their feedback as to what they would like to see on the Portal. We have received great feedback from CAB and members as part of the survey. We hope to have a complete build by the end of the year and have a demo for you before it goes live. The portal will need DHCS approval before going live. There will be a big campaign when it does go-live and we will need CAB's help with getting the word out to members to create accounts. Hope to have a demo presentation to share at the January 2023 CAB meeting.	*Information Only*		*E. Buben*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
2. AB 361 Findings in Support of Virtual Meetings	CenCal Health's Chief Legal & Compliance Officer, Ms. Karen Kim, was introduced and provided background on AB 361 and the Brown Act requirements to hold a public Board meeting virtually under a declared Public Health Emergency (PHE). Current county data regarding COVID-19 were provided in the CAB Materials for all CAB members prior to the meeting for review. After review of the data, in order to hold the meeting virtually, the CAB voting members were required to vote in agreement or disagreement to a virtual meeting. <u>The CAB voted unanimously to continue today's meeting virtually under the PHE still in effect.</u> Further Background for the Minutes: On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 (AB 361) into law which allows public agencies to continue to conduct meetings remotely during the COVID-19 pandemic and other proclaimed emergencies. AB 361 extends the suspension of certain requirements regarding the use of teleconferencing for meetings held under the Ralph M. Brown Act (Brown Act) and the Bagley-Keene Open Meeting Act. Although AB 361 was to take effect immediately as an urgency statute, the Governor issued Executive Order N-15-21 suspending the application of AB 361 until October 1, 2021. As a result, through September 30, 2021, public agencies may conduct remote meetings relying on the Governor's previous Executive Orders (N-25-20, N-29-20, and N-35-20) issued in response to the COVID-10 pandemic. Under AB 361, a public agency may hold a remote meeting if a proclaimed state of emergency is in effect: (1) state or local officials have imposed or recommended measures to promote social distancing; (2) the public agency holds a meeting for the purpose of determining by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health of safety of attendees; or (3) the public agency holds a	*Action*		*K.Kim*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
	meeting and has previously determined by majority vote that as a result of the emergency, meeting in person would imminent risks to the health or safety of attendees.			
3. Acceptance of Minutes for July 14, 2022 CAB Meeting	Motion to approve Minutes from July 14, 2022 meeting was made by Petra Lowen, and unanimously approved by the CAB.	*Action*		*CAB Voting Members*
4. Introduction of New Applicants to CAB • Michelle Shoresman, Public Health Department – San Luis Obispo • Member Potential Applicant	Mr. Buben introduced the new applicant(s) to the CAB Committee. Michelle Shoresman was introduced to the committee. Her application had been forwarded to the committee prior to the meeting for voting purposes. She will be replacing Michelle Balter representing San Luis Obispo Public Health Department. Ms. Shoresman gave a brief bio about herself to the committee and was voted in as a member. Motion to vote Ms. Shoresman in as a Community Advisory Board (CAB) member was made by Susan Liles and seconded by Petra Lowen, and unanimously approved by the CAB. Mr. Buben expressed to the CAB that we are looking for additional members to join the CAB. He had been in touch with a couple of interested members, one that was in attendance with us today, Mr. Hobbisiefken, who may want to become a member. Mr. Buben asked the CAB if they knew of any new recruitments to please send them to him to discuss further.	*Action*		*E. Buben*
5. CenCal Health's New Strategic Plan	Ms. Worley-Marselian and Ms. Nichols gave a detailed presentation of the 2023 – 2025 CenCal Health Strategic Plan which can also be referenced for more detail at https://www.cencalhealth.org/explore-cencal-health/strategic-plan/	*Information*		*N. Worley-Marselian* *C. Nichols*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member

	The presentation highlighted the following:
	• Our Mission
	• Our Values
	• Our Vision
	• OurPriorities
	   ➢ Cultivate Community Partnerships
	   ➢ Advance Quality and Health Equity for All
	   ➢ Expand Our Service Role and Reach
	   ➢ Organize for Impact and Effectiveness
	
	For a full review of the new CenCal Health Strategic Plan, CAB members were provided the link above to where the Plan is located at www.cencalhealth.org.			

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
6. Consumer Assessment of Healthcare Providers & Systems (CAHPS)	Mr. Buben gave a detailed presentation for the 2021 Consumer Assessment of Healthcare Providers & Systems (CAHPS) Survey Results. The Full CAHPS Presentation was provided in the CAB Packet materials prior to the meeting for CAB's review. Key Highlights shared for the All-plan Comparison Categories: **Adult Survey Key Findings**: • CenCal Health's performance in <u>Overall Ratings</u> declined in all 4 ratings from our 2019 scores, but scored above state averages in Health Plan & All Health Care. • Personal Doctor & Specialist Seen Most Often fell below the state averages, declining by 5.5% compared to 2019 results. • CenCal Health scored above the state averages in two of the three possible Composite Score categories with sufficient responses. • Getting Care Quickly improved significantly by 9.9% improving from below state average in 2019 (17th) to well above in 2021, ranking #3 among MCPs. • Getting Needed Care ranked #4 among all MCPs. **Child Survey Key Findings:** • CenCal Health performed above the state average in 2 of 3 Overall Ratings with 100 respondents or more, missing the Rating of Health Care state average by only 0.1% and still ranking 11th. • Health Plan rating had an improvement of +6.5% and ranked #2 among all MCPs and significantly higher than the NCQA national 50th percentile. • Personal Doctor ranked #3 among all MCPs.	*Discussion*		*E. Buben*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
	• CenCal Health scored above the state average in all 4 Composite Score categories. • Getting Needed Care and Getting Care Quickly ranked in the Top 5 among all MCPs. • Customer Service rating maintained excellent performance ranking 1st overall in 2021 for all eligible MCPs with 100 responses or more. Next steps include: • Share the provider-centric data with our Provider network through the Provider Bulletin and through CenCal Health's Provider Joint Operation Committees via face-to-face discussion. • Share with members through a member newsletter article.			
7. Health Promotion Update • Population Needs Assessment "Action Plan" Update • Member Newsletter, ACAP, Provider Training in November	Population Needs Assessment (PNA) Review and Action Plan Discussion & Health Promotion Updates PNA Discussion covered: ✓ PNA Overview – Last meeting we went over the full PNA Report. ✓ Data Sources Methods ✓ Key Data Assessment Findings ✓ Action Plan ✓ Stakeholder Engagement	*Action*		*Z. Chafi-Aldwaik, MPH, CHES*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
	Next, Ms. Chafi-Aldwaik covered the CenCal Health PNA – Action Plan for 2023 for the areas of focus below: • Pediatric Development Screening • Breast Cancer Screening • Cervical Cancer Screening • Hypertension **Member Newsletter** – Fall – 87,000 Mailed out in Mid-September: Topics: • Yoga (complementary and alternative care) • Behavioral Health Treatment • Redetermination Package • Translation Services • Monkeypox • Flu shot reminder • Member Privacy notice • Physical Activity • COVID vaccine guidelines • Tobacco cessation • Unintended Pregnancy • Mental and Behavioral Health Benefits **Health Equity Collaborative through ACAP** - CenCal Health has identified it's core team that are participating in the Association for Community Affiliated Plans (ACAP) Health Equity Collaborative. More to be presented on this collaborative in the future and CenCal Health's progress toward Health Equity components through an assessment that evaluates how well we are doing with member engagement, data sharing, provider partnership and more.			

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
	Provider Trainings – November – Cultural Competency & Health Equity Training for Providers. Sign-up if interested. **Nicotine Replacement Therapy Survey** – 1,000 Members will be randomly selected and sent a survey next month identified from data as tobacco users. CenCal Health participates in the San Luis Obispo Public Health Dept's Tobacco Cessation Committee. The Committee has determined a need to identify barriers to tobacco users obtaining Nicotine Replacement Therapy, in order to inform future educational efforts. Motion to approve Health Education Report was made by Petra Lowen, seconded by Dan Herlinger, and unanimously approved by the CAB.			
8. Population Health Report • DHCS COVID-19 Vaccination Response Plan • DHCS Population Health Management Strategy Development • COVID-19 Quality Improvement Plan	Mr. Segovia gave an update from the Population Health Team. • Health Equity Dashboard - CenCal Health is in process of creating a Health Equity Dashboard in an effort to identify and address health disparities within our communities. This Dashboard will track and trend all Quality of Care measures as identified by the Department of Health Care Services (DHCS) and the National Committee of Quality Assurance (NCQA), and will also Stratify and segment Quality of Care measures based on member demographics. • Quality Improvement Accountability Requirements - CenCal Health received the quality accountability requirements from the California Department of Health Care Services (DHCS). Pop Health will be working on 2 PDSAs to address the following measures in Santa Barbara and San Luis obispo County: ➢ Chlamydia Screening in Women ➢ W30-6+ (A New Born Child Receive – Six Well Child Visits in First 16 Month of Life)	*Information*		*S. Sangovia*

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Topic	Discussion	Action Item	Target Due Date	Responsible Team Member
	Also, the Quality Improvement Priorities were recently ratified by the Quality Improvement Committee (QIC) to resolve performance shortfalls relative to benchmark levels of performance. The operational implications of CenCal Health's annual priority-setting include but are not limited to increased collaboration with providers, and greater commitment of resources to engage members to obtain vital preventive or treatment services. Value-Based payment is a primary strategy to achieve needed improvements, which requires significant and continuing organizational investment. No questions were asked by the CAB.			

Next Meeting January 12, 2023 – <u>Location TBD</u>

Respectfully submitted,

Chair Signature: _Eric Buben_____   Date: ___January 12, 2023_____
Chair Name: Eric Buben, Chair, Director of Member Services

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Health Services Division
Medical Management

Whole Child Model Program
Family Advisory Committee Meeting Minutes

Date: Thursday, November 17, 2022

Time: 11:00 am-12:30 a.m.

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

Attendees: Daisy Ramirez, Tanesha Castaneda, Jane Harpster, Dena Davis, Arlene Hernandez-Tapia, Jennifer Griffin, Patty Moore, Felisa Strickland, Mariana Murillo, Tamika Harris, Natalie Angelo, Patty Moore, Sarah Sullivan, Ashley Smeester, Edith Diaz

Recorder: Emily Murguia, Sr. Administrative Assistant

Excused: Sharleen Agrusa, Dorothy Blasing, Francesca Peterson, Keilah Smith, Jennifer Monge, Jane Harpster, Gina Stabile, Marcy Jochim

Topic	Discussion	Action Item
Welcome & Introductions Ana Stenersen, RN, BSN, PHN	Ms. Stenersen began the meeting at 11:00 a.m. Self- introductions were made.	No
Approval of August 18, 2022, Meeting Minutes Ana Stenersen, RN, BSN, PHN	Ms. Strickland made a motion to approve the minutes of the August 18, 2022, meeting. Ms. Castaneda seconded. Motion passed to approve the minutes.	Yes
Introduction of new FAC member, Ana Cabrera (parents helping parents SLO) Ana Stenersen, RN, BSN, PHN	Ms. Stenersen introduced new committee member, Ana Cabrera, from Parent Helping Parents. Ms. Stenersen asked if there were any objections to Ms. Cabrera joining the committee to which there were none.	Yes

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CCS Advisory Group Meeting Highlights	Ms. Davis provided the following updates pertaining to the CCS Advisory Group: • UCSF whole child model evaluation is being submitted to legislature later this year • CalAIM monitoring and oversight – currently working on memorandums of understanding with the counties and trying to standardize the program. There is concern with new responsibilities and work streams. • The Child Health and Disability Prevention (CHDP) will be sunsetting on July 1st, 2024. The next meeting is scheduled for February 23, 2023 The Children's Presumptive Eligibility program is replacing CHDP. • Electronic Visit Verification: The soft launch for home health visits was September 8, 2022, and providers have to be registered and trained by January 1st, 2023. • CCS Case Management and Enhanced Care Management (ECM) are working on definitions regarding case management due to different agencies using different definitions. These definitions will be presented to the oversight work group.	Informational
CalAIM/ECM for Pediatric Ana Stenersen, RN, BSN, PHN	Ms. Stenersen stated DHCS has come up with populations of focus (POF) for pediatric members. Some clarities were provided that having CCS coverage does not disqualify a child/youth for ECM, therefore CCS and ECM can be given concurrently. The populations of focus for the pediatric population include the following: • Individuals and Families experiencing Homelessness • High Utilizers • SED, identified to be at Clinical High Risk (CHR) for psychosis or experiencing a First Episode of Psychosis • Incarcerated and Transitioning to the Community • Children and youth enrolled in CCS or in the CC Whole child Model, with additional needs beyond the CCS condition. • Children and youth involved in child welfare (foster care) and individuals with intellectual or developmental disabilities Additionally, Ms. Stenersen stated the launch date is still scheduled for July of 2023. CenCal Health (CCH) has been working interdepartmentally with the ECM teams to identify the pediatric members that are included in the population of focus.	Informational
UCSF Whole Child Model Evaluation Ana Stenersen, RN, BSN, PHN	Ms. Stenersen stated when the WCM was launched, it was supported by a Senate Bill and as part of that bill, the Whole Child Model program needs to be evaluated to determine if it is effective DHCS contracted with UCSF to conduct the evaluation. UCSF completed the evaluation, however, the presentation was rescheduled and therefore the evaluation has not been released.	Informational

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Medi-Cal Rx Update Stephanie Lem, Clinical Manager of Pharmacy Services	Dr. Lem provided the following updates pertaining to Medi-Cal RX: • There have been minimal disruptions in terms of the reinstatement of prior authorization (PA) for the 11 drug classes. In terms of phase 2, there will be three waves similar to phase one. The anticipation is that it will not begin this year. A 30-day notice will be given prior to the start of phase 2. • Still no PA requirement for CCS members. • Synagis prophylaxis for RSV is a Medi-Cal RX benefit and there has been utilization. This is also exempt of the PA requirement and the quantity limit is 6 months.	Informational
CCS & MTP Updates	Ms. Ramirez stated Mixteco interpretation has gone live therefore CCS now has access to Mixteco interpretation through an agency called Herencia Indegena. Ms. Castaneda stated at this time, the Santa Maria Medical Therapy Unit is still in need of physical therapists (PT). There is a vacant PT Supervising position and a vacant full time PT position. As a worst-case scenario, they will not be able to provider therapy to children and a wait list might take place. Ms. Castaneda provided an update pertaining to the UCSF evaluation and stated DHCS has decided to add the UCSF evaluation overview to the January CCS AG meeting due to the deadline of December 30th to have the evaluation sent to the legislator. Ms. Castaneda provided an update regarding the Child Health Disability Prevention Program (CHDP) and that it will sunset July 1st, 2024, and with that, DHCS has several targets to meet before that date. One goal is finding out how to disseminate some of the funding that is currently being used for CHDP. The CHDP Gateway program that is existing currently to enroll uninsured or underinsured individuals into temporary presumptive eligibility, will also sunset. There will be a new program called "Children's Presumptive Eligibility" and the hope is that the provider population with this program will expand. This means that all medical providers serving children within that age group or guideline are to receive presumptive eligibility.	Informational
Member Services Updates:	Ms. Robles provided an update from the Member Services Department, namely: Current CenCal Health membership count: medical population count: o 225,310 total for SLO and SB counties. Update on Member Portal project:	Informational

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	o A survey was mailed to 10,000 member households, hoping to get their feedback and thoughts regarding the Member Portal. It is expected to go live within the first quarter of 2023. Update on Mixteco interpretation: o CenCal Health has CLI (Certified Language International (CLI) and Mixteco Indegena Community Organizing Project (MICOP), CLI is currently working with their recruiting team to reach out to Mixteco interpreters in California.	
Roundtable Discussion	*No items were discussed.*	Informational
	Next Scheduled Meeting: February 16th, 2023, 11am-12:30pm	

Respectfully submitted,

Emily Murguia
Sr. Administrative Assistant

Approved,

__*Ana Stenersen*_____   Date: 2/13/23_____
Chair of the Committee
Title

Board Resolution for the Appointment of Board Treasurer

Date: March 15, 2023

From: Hon Chan, Sr. Associate Counsel

Through: Marina Owen, Chief Executive Officer

Contributors: Karen S. Kim, JD, MPH, Chief Legal and Compliance Officer
David Ambrose, Outgoing CenCal Health Chief Financial Officer
Paula Marie Bottiani, Sr. Executive Assistant/Clerk of the Board

_____

Executive Summary

A CenCal Health Board of Directors resolution is necessary to transition the following appointment and authorization from David Ambrose, outgoing Chief Financial Officer, to Kashina Bishop, CPA, incoming Chief Financial Officer:

1. The appointment of Kashina Bishop, CPA, to replace David Ambrose as the Board Treasurer; and

2. The authorization of Kashina Bishop, CPA, to replace David Ambrose as lead in the organization's banking relationships, presently with Wells Fargo Bank.

Background

On January 16, 2008, David Ambrose was appointed by the Board as the Board Treasurer through a Board resolution. On June 17, 2015, David Ambrose was authorized to lead CenCal Health's banking relationship with Wells Fargo Bank through Board resolution.

On February 21, 2023, CenCal Health's Chief Financial Officer David Ambrose vacated his position and assumed the role of Sr. Business Development Advisor. On that same day, Kashina Bishop began as the new Chief Financial Officer of CenCal Health, replacing David Ambrose. A Board resolution is recommended to ensure proper Board Treasurer appointment and banking authorization transition to Kashina Bishop, CPA, the new Chief Financial Officer.

Recommendation

For the reasons set forth above, CenCal Health recommends the CenCal Health Board of Directors consider, pass, approve, and adopt the attached proposed Resolution No 2023-02 to effectuate the transition of the above-described appointment and provide authority to Kashina Bishop, CPA, CenCal Health's incoming Chief Financial Officer.

RESOLUTION OF THE BOARD OF DIRECTORS

OF CENCAL HEALTH

Resolution No. 2023-02
Appointment of new CenCal Health Chief Financial Officer to Board Treasurer and to lead CenCal Health's banking relationship with Wells Fargo Bank

WHEREAS, David Ambrose vacated his position as Chief Financial Officer of CenCal Health on February 21, 2023.

WHEREAS, Kashina Bishop, CPA, was hired as the new Chief Financial Officer of CenCal Health on February 21, 2023.

WHEREAS, David Ambrose was appointed by the Board of Directors of CenCal Health ("Board") to the Board Treasurer position on January 16, 2008.

WHEREAS, David Ambrose was appointed by the Board to lead CenCal Health's banking relationship with Wells Fargo Bank on June 17, 2015.

WHEREAS, the Board intends to appoint Kashina Bishop, CPA, to replace David Ambrose as the Board's Treasurer and to lead CenCal Health's banking relationship with Wells Fargo Bank.

NOW, IT IS RESOLVED THAT:

1. The above recitals are true and correct and are incorporated herein by this reference.
2. Kashina Bishop, CPA, Chief Financial Officer of CenCal Health, is hereby appointed by the Board to replace David Ambrose as the Board's Treasurer.
3. Kashina Bishop, CPA, Chief Financial Officer of CenCal Health, is hereby authorized by the Board to in lieu of David Ambrose establish accounts at Wells Fargo Bank, conduct banking business, borrow funds, establish a line of credit and have full authority to designate such other CenCal Health personnel as she, in her sole discretion, determines appropriate to act as authorized signatories on any accounts or obtain credit cards in their names on CenCal Health's account.

PASSED, APPROVED AND ADOPTED by CenCal Health's Board this 15th day of March 2023 by the following vote:

Ayes:
Nays:
Abstain:
Absent:

RESOLUTION NO. 2023-02
Page 1 of 2

_____

Rene Bravo, M.D.
Chair, Board of Directors

ATTEST:

By: _____
     PAULA MARIE BOTTANI
     Clerk of the Board of Directors

APPROVED AS TO FORM:

_____
Karen Kim
Chief Legal and Compliance Officer

*   *   *   *   *
CERTIFICATION

I, Paula Marie Bottiani, Clerk of the Board of Directors of CenCal Health, certify that the foregoing is true, correct and complete copy of Resolution No. 2023-02, adopted on March 15, 2023, by the Board of Directors, at which meeting a quorum was present.

DATED: _____

_____
Paula Marie Bottiani
Clerk of the Board of Directors

Performance Division Report

Date: March 15, 2023

From: Chris Morris, MSOD, Chief Performance Officer

Contributors: Andrew Hansen, Operational Excellence Director

_____

Executive Summary

The following report provides updates surrounding the development and execution of Performance Division functions, where applicable, including human resources, organizational development, strategic development, and operational excellence.

Human Resources

Structure and Oversight

Responsive to the 2023 – 2025 CenCal Health Strategic Plan and 2022 organizational design assessment, the Human Resources Department is in the process of significant evolution towards becoming a *strategic human resources function to meet future requirements*.

In January 2023 the Human Resources Department joined the Performance Division under the executive leadership of Chris Morris, MSOD, Chief Performance Officer, who brings organizational development expertise to CenCal Health. Alignment of the Human Resources Department into the Performance Division increases the integration of our strategic, process and people-oriented functions in support of CenCal Health's effectiveness.

Informed by employee and stakeholder feedback, the Human Resources Department adopted a new purpose in January 2023, to *serve as a trusted partner that strives to enable the organization in everything we do*. Responsive to that new purpose, the Human Resources Department adopted a "business partner" model to enhance and align support for existing staff, initiated recruitment for a Human Resources Director, and comprised a roadmap of actions to support evolution towards a *strategic human resources function to meet future requirements*.

Recruitment

As a result of Board approval of new FTE through in the CY23 budget, total vacancy is at 21.2%. This includes all positions created to address new CalAIM and 2024 State Contract requirements. Action planning is in process to enhance recruiting capacity to

ensure the organization is appropriately enabled in 2023. Highlights surrounding key leadership team recruitments include:

- Our new Chief Financial Officer, Kashina Bishop, CPA, rejoined CenCal Health on February 21, 2023.
- Our outgoing Chief Financial Officer, David Ambrose, transitioned into his new role as Senior Business Advisor of Product Line Development.
- Our new Director of Medical Management, Susan Fischer, MA, RN, joined CenCal Health on March 13, 2023. Ms. Fischer succeeds Chris Hill who advanced as CenCal Health's first Health Services Officer.
- Recruitment for the Chief Operating Officer, due to Amanda Flaum's departure to lead Kaiser's California Medi-Cal operation, Human Resources Director and Administrative Services Director roles commenced in February.

Compensation

The following serves as an update on budgeted CY23 staff compensation increases. In July 2022 staff partnered with a third-party vendor to conduct a market analysis of staff compensation ranges. This benchmarking is a critical and routine practice and in 2022, uniquely prudent given the cost of labor and inflation. Market analysis supported a five percent (5.0%) increase in staff compensation ranges and in October 2022 the Board adopted the salary structure via resolution for 2023.

Concurrently CenCal Health leaders were engaged in a Departmental Assessment process last year to enhance readiness to advance the 2023 – 2025 strategic plan and meet operational, regulatory and contractual commitments in 2023. Departmental Assessment results, including new staffing and promotional recommendations, directly informed the CY23 budget development process and in January 2023 the Board approved this CY23 budget, inclusive of a five percent (5.0%) compensation adjustment budget.

Following budgetary approval, CenCal Health developed, and the Senior Leadership Team adopted an approach to administer compensation increases which promotes market competitiveness and compensation equity among CenCal Health staff. The compensation philosophy, principles, and results are as follows.

Compensation philosophy is a formal statement documenting the organization's approach to compensation. The statement explains the "why" behind compensation, informs a framework and principles for consistency, and is used to attract, retain and motivate employees in support of the organization's strategic and operational objectives. CenCal Health's compensation philosophy is aligned with our values, including *integrity*, and supportive of our strategic objective to foster employee *growth* and *inclusion* towards a diverse culture.

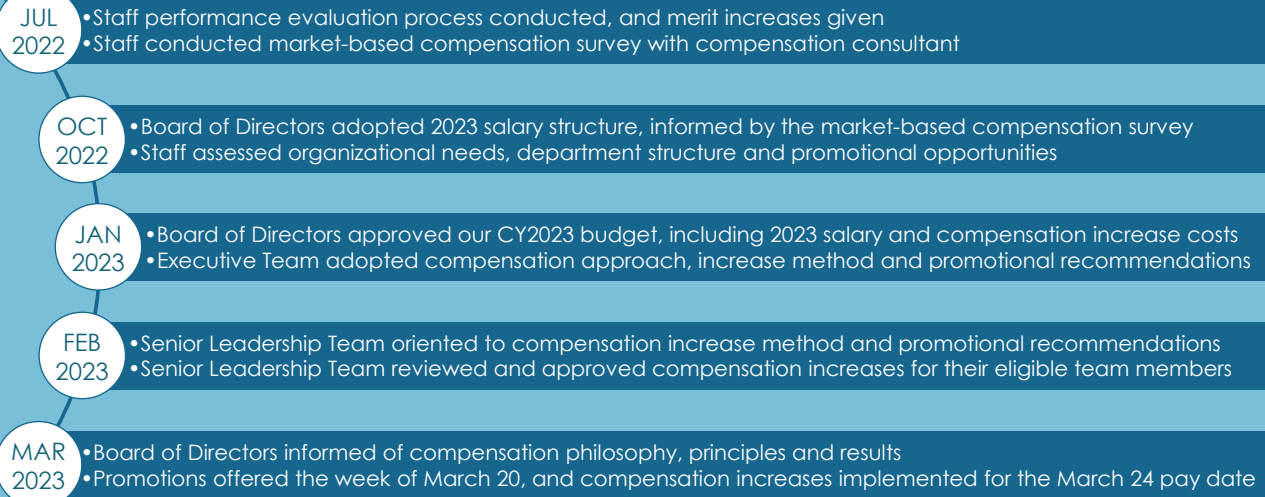Compensation principles support application of the compensation philosophy, and CenCal Health's compensation principles include:

- Compensation structure is independently assessed to be *competitive* and adopted by the Board and leadership as a public agency.
- Compensation budget is developed to enable *strategic objectives* and increases are based on *financial position.*
- Compensation process is *fair*, communication *transparent* and decisions guided by philosophy and policies.
- Compensation increases are *equitable* to encourage and reward employees while recognizing tenure, qualifications, role, and performance.
- Pay Transparency ensures current and prospective team members are provided compensation information by the organization to demonstrate that pay is competitive and equitable.

Our CY23 compensation increase approach results in 93% of eligible CenCal Health staff receiving a 4% or greater compensation adjustment, with an emphasis on the correct placement of each CenCal Health staff member in their compensation range based upon their role, tenure, expertise, etc. This year, 76% of all compensation increase dollars allocated to non-leadership positions. In February 2023, each CenCal Health Director reviewed, and validated application of the compensation increase methodology for every staff member, and compensation increases are scheduled for implementation March 24, 2023.

Strategic Development

Strategy Execution

The *2023 Operating Plan* is comprised of thirty-nine (39) tactics. 32 tactics (82%) are responsive to the Strategic Plan and the remaining 7 tactics (18%) are necessary to maintain the organization. Operational Excellence currently provides facilitation support for 13 active tactics on the *2023 Operating Plan,* 100% of which are on-track.

Following development of the 2023 Operating Plan in December 2022, staff conducted an achievability assessment to align resource needs and execution timing. At the conclusion of this assessment 97.7% of all cross-functional resource needs were identified as achievable, with the balance requiring further assessment and planning to mitigate. Given this assessment the 2023 Operating Plan was adopted as *justified* and *achievable* and tactic initiation proceeded in the Project Management Office.

Operational Excellence Update

Organizational Dashboard Update

Results have been compiled for the inaugural *Monthly Huddle Board*, reflective of January 2023 performance across 35 operational metrics. The *Monthly Huddle Board* provides centralized insight into key areas of operational performance and will serve as a tool for Plan leadership to assess and triage emergent operational performance issues as well as identify early signals of performance risks and intervene as needed.

The *Executive Level Dashboard* will provide quarterly organizational performance measurement to centralize insight into comprehensive health plan performance for both Staff and the Board. The *Executive Level Dashboard* will be comprised of 150 – 200 metrics spanning all areas of health plan operations, and performance will be aggregated using a composite methodology to produce top level performance indicators for executive oversight. Additional metric development is underway to in anticipation of an *Executive Level Dashboard* prototype, inclusive of all core operational processes, in May 2023.

Next Steps

- Maintain and share the *2023 Operating Plan* with the Board routinely in 2023 to provide visibility to execution progress.
- Produce an Executive Level Dashboard prototype for Board consideration in May 2023.

Recommendation

The Performance Division Report is informational, and no action is being requested at this time.

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Human Resources Compensation Update
Background, Philosophy, Principles, Results

Marina Owen, Chief Executive Officer
Chris Morris, Chief Performance Officer

Board of Director Meeting
March 15, 2023

1

Working Strategies	Objective	Priority	Vision

Develop a strategic human resources function and capabilities

Foster employee growth and inclusion towards a diverse culture

Organize for Impact and Effectiveness

To be a trusted leader in advancing health equity so that our communities thrive and achieve optimal health together

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 and sustainability

Values

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1

Compensation Philosophy

A **compensation philosophy** is CenCal Health's <u>formal statement</u> documenting the position and policy on employee compensation.

- Provides organizational framework for consistency.
- Leverage compensation philosophy to *attract, retain and motivate employees*.
- Support the organization's strategic plan and initiatives, business goals, competitive outlook, operating objectives, and compensation and total reward strategies.

"CenCal Health's compensation philosophy is aligned with CenCal Health's values, including *integrity*, and supportive of our strategic objective to foster employee *growth* and *inclusion* towards a diverse culture."

3

Compensation Principles

- **Compensation structure** is independently assessed to be *competitive* and adopted by board and leadership as a public agency
- **Compensation budget** is developed to enable *strategic objectives* and increases are based on *financial position*
- **Compensation process** is *fair*, communication *transparent* and decisions appropriate guided by philosophy and policies
- **Compensation Increase** is *equitable* to encourage and reward employees while recognizing contribution (i.e., tenure), qualifications and role (i.e., ranges), and employee performance.
- **Pay Transparency** ensures current and prospective team members are provided compensation information by the organization to demonstrate that pay is competitive and equitable

4

Background and Process

JUL 2022
- Staff performance evaluation process conducted, and merit increases given
- Staff conducted market-based compensation survey with compensation consultant

OCT 2022
- Board of Directors adopted 2023 salary structure, informed by the market-based compensation survey
- Staff assessed organizational needs, department structure and promotional opportunities

JAN 2023
- Board of Directors approved our CY2023 budget, including 2023 salary and compensation increase costs
- Executive Team adopted compensation approach, increase method and promotional recommendations

FEB 2023
- Senior Leadership Team oriented to compensation increase method and promotional recommendations
- Senior Leadership Team reviewed and approved compensation increases for their eligible team members

MAR 2023
- Board of Directors informed of compensation philosophy, principles and results
- Promotions offered the week of March 20, and compensation increases implemented for the March 24 pay date

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2023 Compensation Increase Results

- Team members eligible for a compensation increase include:

  o Regular classification (i.e., not temporary or a contractor)
  o Hired or promoted before July 1, 2022
  o Compensation is below the top of 2023 range
  o No Performance Improvement Plan after June 30, 2022

- **86% of team members are eligible** for a compensation increase:

  o 93% will receive a 4.0% or greater increase
  o 14% will receive a promotional increase
  o 86% will receive an equity Increase

- 76% of the 2023 increase dollars are for non-leadership positions

6

Next Steps

1. Leaders will meet with team members the week of **March 20** to provide
   - Compensation letters, outlining the compensation increase amount and %
   - Promotional letters, including associated compensation increases
2. Compensation increases will be applied to paychecks on **March 24**

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Key Takeaways

CenCal Health's compensation philosophy is aligned with CenCal Health's values, including *integrity*, and supportive of our objective to foster employee *growth* and *inclusion* towards a diverse culture

- Compensation increases will be equitable to encourage and reward staff, and 86% of team members will receive a compensation increase in March

- Increases emphasize investment in employees, and 76% of 2023 increase dollars will be for to non-leadership positions

CenCal Health has executed upon the CenCal Health Board of Director's adoption of the 2023 Salary Structure to retain and attract employees

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Government Affairs Report and Advocacy Priorities

Date: March 15, 2023

From: Michael Harris, Government Affairs & Administrative Officer

Through: Marina Owen, Chief Executive Officer

<u>**Executive Summary**</u>

The CenCal Health Board of Directors formally adopted the 2023 - 2025 CenCal Health Strategic Plan in September 2022. The Strategic Plan articulates CenCal Health's Mission Statement, Vision Statement, Strategic Priorities and Objectives of the organization. The priorities identified in the Strategic Plan are, "Cultivate Community Partnerships", "Advance Quality and Health Equity for All", and "Expand Our Service and Reach". Each one of these priorities highlights the overarching priority of "Organize for Impact and Effectiveness".

The Strategic Engagement Department, formally known as "Government Affairs", seeks to strategically engage various local, state and federal partners to further these strategic priorities, highlight the value of CenCal Health's services, build positive relationships, and provide a voice for CenCal Health during political processes. CenCal Health seeks to be a trusted community and state leader that serves as resource for community, state and federal partners who share the same mission as CenCal Health.

In addition, there is a need for CenCal Health to advocate, including in the political and administrative process, in strengthening of our health system, assisting the State with its continuing efforts around CalAIM, raising issues or concerns specific to CenCal Health's service area, and proactively working in partnership with legislative staff and legislators in the area of Medi-Cal benefits and services.

<u>**Advocacy Partners**</u>

One area of the Strategic Engagement Department's focus is building political relationships at the local, state, and federal levels. As part of the strategy, CenCal Health contracts with Public Policy Advocates, a lobbying firm in Sacramento. Russ Noack, a partner at PPA, is assisted by Armand Feliciano, General Counsel at PPA.

As CenCal Health increases its activities in the federal area of healthcare to support the engagement of an unprescidented number of new legislative members, a proactive presence in Sacramento and Washington, DC remains warranted. For several years, CenCal Health contracted with Susan White and Associates in representing CenCal Health's federal interests; especially the protection of the County Organized Health

System (COHS) model at the federal level. When Ms. White retired, she recommended that CenCal Health continue its federal presence by working with Paul Beddoe, Principal at Paul V. Beddoe Government Affairs, LLC, Washington, DC.

Another aspect of CenCal Health's strategic political engagement is CenCal Health's membership in the Local Health Plans of California (LHPC). LHPC is a respected trade association that represents California's 16 local health plans. The local health plans provide services to over 70% of Medi-Cal managed care beneficiaries in California. LHPC contracts with Kathy Mossburg to assist with legislative advocacy. Ms. Mossburg is a partner at Mosaic Solutions & Advocacy in Sacramento.

Public Policy Advocacy

The current California legislative session has just begun. Legislators have filed just under 2,700 legislative bills. A large number of these proposed legislative actions potentially impact Medi-Cal and CenCal Health. While California has significantly expanded Medi-Cal programs and activities, a slowing economy has raised concerns about healthcare financing from the State.

On the federal level, with a Republican-controlled Congress and a Democratic president, federal agencies often turn to increase regulatory and policy mechanisms as a way of further directing federal programs. Through CalAIM requirements in the coming years, CenCal Health will be entering the federal healthcare space through the development of a Medicare program serving special populations. In addition, the Centers for Medicare and Medicaid Services (CMS) has been placing requirements on states in regard to the states' management of state Medicaid programs. These requirements, in the context of California, are then placed on the managed care organizations such as CenCal Health.

Next Steps

1. At the Board of Directors meeting on March 15, 2023, members will receive a presentation from Ms. Mossburg, Mr. Novak, and Mr. Beddoe regarding their view of the Medicaid program landscape: at both the state and federal levels.

2. Ms. Owen and Mr. Harris will share key takeaways and focus areas, soliciting input from the Board of Directors on additional areas of advocacy for 2023 and beyond.

Recommendation

There is no fiscal impact with accepting this report from staff and the legislative advocates discussed in this memorandum. No Board action is being recommended.

Government Affairs and Advocacy Priorities

Marina Owen, Chief Executive Officer
Michal Harris, Government Affairs and Administrative Officer
March 15, 2023

1

Objectives

1. Introduce CenCal Health's legislative advocates:
    1. *Kathy Mossburg, LHPC, Mosaic Solutions and Advocacy*
    2. *Russ Noack, Public Policy Advocates LLC*
    3. *Paul Beddoe Government Affairs, LLC*
2. Discuss the State and Federal landscape, as relevant to CenCal Health
3. Orient to strategic focus and advocacy priorities
4. Solicit feedback on key focus areas

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2023 California Legislative Landscape

KATHY MOSSBURG

MOSAIC SOLUTIONS & ADVOCACY

RUSSELL W. NOACK

PUBLIC POLICY ADVOCATES, LLC

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2023 New Legislative Session

1. First year of a Two-Year Legislative Session
   - Bill introductions ended mid-February
   - Nearly 2,750 bills introduced by deadline
2. Budget committees have begun to hold Budget Overview hearings
3. Budget Subcommittees hearings began in February
4. Many newly elected members... educating, educating, educating...
   - Senate – 10 new members (25%)
   - Assembly – 24 new members (30%)

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Key Committee Leadership

Asm Speaker — Anthony Rendon, LA

Senate Pro Tem — Toni Atkins, SD

Asm Budget — Phil Ting, Chair, SF

Senate Budget & Fiscal Review — Nancy Skinner, Chair, Berkeley

Incoming Asm Speaker — Robert Rivas, Hollister

Senate Budget Sub #3 – HHS — Caroline Menjivar, Chair, San Fernando Valley

Asm Budget Sub #1 – HHS — Dr. Joaquin Arambula, Chair, Fresno

Asm Health — Jim Wood, Chair, Santa Rosa

Senate Health — Susan Talamantes Eggman, Chair, Stockton

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Proposed a $297 billion state budget focused on protecting prior investments amidst a revenue shortfall.

At Governor's Budget - Projecting a $22.5 billion budget deficit, which it largely proposes to address with a mix of spending delays, pull-backs, and pauses. Speculation that budget deficit will be in the $40-45 billion range.

From the 2022 Budget Act, there is a $1 billion increase in budgetary reserves ($34.6 billion for 2022-23), with $22.4 billion reserved for the Rainy-Day Fund (up $1.5 billion from last year)

Few new programs and commitments proposed, in stark contrast to previous annual budget proposals. The bulk of the Admin's narrative highlights investments approved in previous years' budgets that are being "preserved" in this proposal.

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2023 Budget – LAO

LAO and Admin project the state faces a manageable budget problem.	• Admin does not propose using any reserves – LAO recommends Leg maintain this approach.
Plan for a larger budget problem	• Estimates that revenues will be lower than the Administration's projections. Address that larger problem by reducing more one-time and temporary spending.
Recommend the Legislature evaluate recently approved augmentations	• Only maintain augmentations that meet eight criteria.
Recommend the Legislature's Budget Not Include Future Deficits	• Admin balances budget for this year only - projects future deficit years ranging from $4B-9B. Recommends enacting a budget that plans for future deficits.

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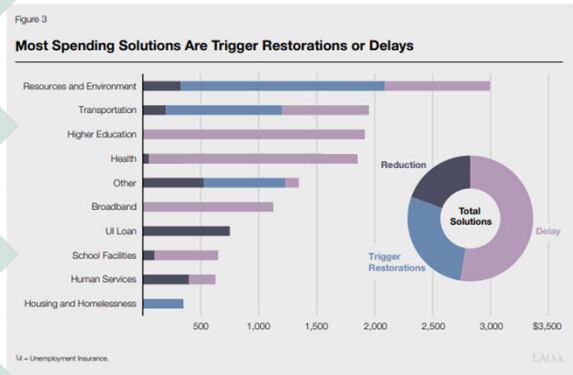
LAO Overview of the Governor's Budget:
http://budgettrack.blob.core.windows.net/btdocs2023/Budget-Overview-2023-011323.pdf

Figure 3
Most Spending Solutions Are Trigger Restorations or Delays

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2023 Budget Priorities – Legislature

Protect Progress
- Budget aims to protect progress by addressing revenue shortfalls while preserving gains over the last 10 years.
- Senate reinforced strong oversight and accountable implementation with housing, Early Care, and CalAIM.

Fiscal Preparedness/History of Responsible Budgeting
- 10 years of planning for volatility: $120 billion of available cash, including $37 billion General and Rainy-Day fund reserves

Budget Balancing
- Use state balance sheet to continue investments: (1) shift spending to special funds, (2) consider low-cost borrowing
- Reevaluate timing on one-time expenditures
- Use reserves as intended but delay as long as possible
- Evaluate inflation cost adjustments for state expenditures

Chart the Fiscal Future:
- Craft modernized Gann Limit for voters to consider in 2024 to encourage building reserves and reducing debts
- Revisit reserve laws and initiatives to encourage larger reserves in the future
- Continue planning for 2024 trigger investments including CalGrant and CalWORKs

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Assembly Budget Blueprint: https://a19.asmdc.org/sites/a19.asmdc.org/files/2022-12/2023_budget_blueprint_final.pdf
Senate Budget Blueprint: Senate Budget Plan Step 1 Key Values.pdf (ca.gov)

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2023 Budget Priorities – Health Focus

Expansion of Medi-Cal

- Reinforce Medi-Cal for All, regardless of immigration status
- Continuous coverage for Children
- Reduced seniors share of cost

Protect Health & Human Service Expansions

- Maintain $200M annual Public Health investments
- Fully implement Developmental Service rates expected in 2023/2024
- Assist counties impacted by lost federal funds for child welfare and foster care

Protect Investments

- Protect and support for abortion and reproductive health
- Support for Youth Behavioral Health
- Behavioral Health Infrastructure Investments
- Investment in Health Care Workforce

Develop Options for once Economy Rebounds

- Reduce deduct/copays in Covered California
- Improve Health Equity and Racial Justice in Public Health
- End the Epidemics of HIV, HepC, and STIs
- Complete efforts to expand CalWorks
- Expand CA Food Assistance to all

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Assembly Budget Blueprint: https://a19.asmdc.org/sites/a19.asmdc.org/files/2022-12/2023_budget_blueprint_final.pdf
Senate Budget Blueprint: Senate Budget Plan Step 1 Key Values.pdf (ca.gov)

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2023 New Legislative Session

Key Health Priorities and focus areas

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Health Information

Healthcare workforce

CalAIM

Health

Hospital funding/MCO Tax and Medi-Cal Rates

Housing/homelessness

Behavioral health

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Paul V. Beddoe Government Affairs, LLC

PAUL V. BEDDOE

PRINCIPAL,
PAUL V. BEDDOE
GOVERNMENT AFFAIRS, LLC

2023 Federal Landscape

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2023 Federal Outlook

A Divided Government

Democratic President
Republican House
Democratic Senate
Gridlock? Or Let's Make a Deal?

Debt Limit Debate

Extraordinary Measures to August-ish
Clean Debt-Limit or Spending Cuts?
Threats to Medicaid

Outlook for Health Legislation
House Focus on Oversight
SUPPORT Act Reauthorization/Behavioral
Health
PAHPA Reauthorization
Medicaid DSH/FQHC Grants
HHS Appropriations

CMS Regulatory Outlook

Equity, Access, Program Integrity
Provider Tax Guidance
Medicaid Managed Care Rule
MA Regulations

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Congressional Representation

Reps. Carbajal and Panetta
Sens. Feinstein and Padilla
Rep. Eshoo

Strategic Partnerships

ACAP
LHPC Members DC Advocates
Broad Medicaid Coalitions

Administration

U.S Department of Health and Human Services
Center for Medicare and Medicaid Services
Center for Medicaid and CHIP Services
Center for Medicare Services

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Paul V. Beddoe Government Affairs, LLC

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Key Takeaways

1. State legislature experiencing unprecedented turnover, requiring education and engagement
2. Budget pressures exist at the state and federal levels, with Medicaid at the federal level requiring close monitoring
3. CalAIM has Governor and Legislature support
4. State Medicaid Funding through mechanisms like an MCO Tax are opportunities to support reimbursement for providers
5. CenCal Health advocates are positioned to engage strategically and collaborative with partners and associations

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Questions and Feedback

1. Are there questions or additional areas of focus?

2. Is there additional guidance or feedback for staff and legislative advocates on behalf of CenCal Health?

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Consumer Assessment of Healthcare Providers & Systems (CAHPS) Survey Results

Eric Buben
Director of Member Services

1

Member Survey

DHCS administers and reports on a bi-annual basis a member survey with adult Medi-Cal beneficiaries and parents or caretakers of child beneficiaries. For the 2021 CAHPS Survey, respondents completed surveys in early 2021 and were continuously enrolled from July 2020 to December 2020. Results were shared with CenCal Health through an all-plan comparison report.

CenCal Health spent 2022 reviewing, discussing and presenting the results to its Quality Committees (MSC,HOC & QIC), Community Advisory Board, All-Staff and to the Provider Network through our 4th quarter JOCs and the Provider Bulletin.

Due to the coronavirus pandemic, members perception of and experiences with healthcare may be impacted during the time of surveying. Caution should be exercised when evaluating to prior years due to this context.

2

Results: Achievements

- CenCal Health ranked **#1** in "Customer Service", **#2** for Rating of Health Plan and **#3** for Rating of Personal Doctor on the Child Survey.
- CenCal ranked **5ᵗʰ** or better in 5 of 7 all-plan comparisons on the Child Survey with over 100 respondents *(8 comparisons – "Specialist Seen Most Often" was N/A).*
- Rating of Health Plan on the Child Survey **increased by 6.5%** from the 2019 Results.
- "Getting Needed Care" and "Getting Care Quickly" ranked **in the Top 5** on <u>both</u> Adult and Child Surveys – in the height of member experience with COVID access issues/concerns.
- CenCal ranked **11ᵗʰ** in Rating of Health Plan and Rating of Health Care on the Adult Survey.
- Getting Care Quickly on the Adult Survey **increased by 9.9%** from the 2019 Results, moving our ranking from 17ᵗʰ to **3ʳᵈ**.

3

Results: Opportunities for Improvement

- **Improving Adult respondents' overall satisfaction with the Plan and Providers.**
  - Adult respondents rated their satisfaction significantly lower than Child respondents in the following comparisons:
    - ➢ Health Plan Rating – 13.8% lower. (The "Medi-Cal Avg." was 11.4% lower)
    - ➢ Health Care Rating – 13.0% lower. (The "Medi-Cal Avg." was 14.5% lower)
    - ➢ Personal Doctor Rating – 14.7% lower. (The "Medi-Cal Avg." was 10.0% lower)
- **Overall Ratings of Personal Doctor and Specialist Seen Most Often dropped by 5% each from our 2019 scores for Adults.**

4

Next Steps

- Presented results through quality committees and incorporated into our QIHETP to ensure monitoring of performance and to generate discussion for improvement opportunities.

- Moving towards an every-year CAHPS survey for more timely performance improvement opportunities to be identified. CenCal would pay for off year surveys.

- Shared results with CenCal Health's Community Advisory Board for improvement suggestions/general feedback. Will also be posting our results to our website as required for NCQA accreditation.

- NCQA National Benchmark comparison to be included moving forward to meeting NCQA readiness requirements for accreditation.

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Quality Improvement Committee (QIC) Report

Date: March 15, 2023

From: Carlos Hernandez, Quality Officer

Through: Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer, QIC Chairperson

Contributors: Lauren Geeb, MBA, Director, Quality

> *To simplify and streamline presentation of materials, this memo highlights this year's changes and findings of significance to CenCal Health's Quality Program. Electronic copies of each of the documents named are separately provided for reference to supplement your Board's meeting packet. The supplemental materials will also be available for reference at your Board's meeting; however, because of the volume of documentation required, a detailed presentation will not be undertaken.*

Executive Summary

This report represents CenCal Health's Quality Improvement Committee's (QIC's) report to your Board, including information about the committee's proceedings for its 1st quarterly meeting of 2023, completed on March 2nd, 2023. This report summarizes key topics reviewed by the QIC as your Board's appointed entity accountable to oversee the effectiveness of CenCal Health's Quality Program.

The QIC reviewed and took action to approve the following work products presented at the recent meeting:

The QIC's evaluation included:

- CenCal Health's Quality Improvement and Health Equity Transformation Program documents:
    - A *Work Plan Evaluation of the previous year's Quality Work Plan*
    - The current year's *QIHETP Program Description*
    - The current year's *QIHETP Work Plan*

- An *Infection Prevention Nursing Home Pilot Program* proposal to decrease hospitalizations due to infection in Santa Barbara and/or San Luis Obispo counties nursing homes. Dr. Fonda presented this proposal in collaboration with guest speaker, Susan Huang, MD, MPH – Professor of Infectious Diseases/ Director of Epidemiology and Infection Prevention for UC Irvine Health.

The QIC's approval included consideration by network physician members of the QIC. Additionally, the approval of the QIHETP Program Description and associated documents indicated above serves as the QIC's recommendation for your Board's approval.

Background

CenCal Health's quality program must be approved annually by your Board according to CenCal Health's contract with the California Department of Health Care Services (DHCS). DHCS requires that CenCal Health implement and maintain a Quality Improvement Committee (QIC) designated by and accountable to your Board. Your Board's annual approval of the quality program structure reaffirms your Board's delegation of quality program oversight to CenCal Health's quality committee.

CenCal Health is committed to the delivery of equitable, quality health care services and patient safety. The purpose of CenCal Health's quality improvement program is to objectively and systematically evaluate health plan quality of care oversight, and continually act upon identified opportunities for improvement related to member experience, and the quality and safety of services provided by CenCal Health's provider network.

The QIC's annual review ensures that CenCal Health's quality program update is developed and implemented with meaningful network practitioner involvement. The QIC recent review and approval was based upon their understanding that their action was undertaken as your Board's accountable entity to oversee CenCal Health's quality program.

Role of the Board

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 accountable entity within CenCal Health to oversee the effectiveness of the Quality Improvement and Health Equity Transformation Program (QIHETP).*

   This responsibility will be affirmed by your Board's approval of CenCal Health's 2023 QIHETP Program Description. Your approval will affirm your Board's delegation of oversight of quality improvement and health equity activities to CenCal Health's Chief Executive Officer, and the Quality Improvement and Health Equity Committee (QIHEC), previously referred to as the QIC. The QIHEC, chaired by the Chief Medical Officer in collaboration with the Chief Health Equity Officer, is accountable for overseeing the QIHETP's effectiveness and organization-wide quality improvement.

2. *Annual approval of the overall QIHETP, annual Work Plan, and Work Plan Evaluation.*

This responsibility will be completed by your Board's approval of CenCal Health's QIHETP Program Description, Quality Program Work Plan Evaluation of performance for the prior year, and the current year's QIHETP 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 QIHETP 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 QIHEC describing actions taken, progress in meeting QIHETP objectives, improvements made, and directing necessary modifications to QIHETP policies and procedures to ensure compliance with quality improvement and health equity standards.*

   This memorandum represents your Board's report on the quality committee's recent proceedings for its 1st quarterly meeting of 2023, which fulfills this responsibility.

After each quarterly meeting of the QIHEC, staff presents your Board with approved minutes of the QIHEC's proceedings to assure the full scope of QIHEC 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 meeting agenda for the recent QIC meeting.

2. The QIC meeting minutes presented for approval at the recent meeting of the QIC. Minutes from the recent two meetings are included.

3. The complete QIHETP documents (2023 QIHETP Program Description, 2022 Quality Program Annual Evaluation, and the current year's 2023 QIHETP Work Plan).

Next Steps

Future QIHEC quarterly proceedings will be reported to your Board after each meeting of the QIHEC, to fulfill the progress reporting responsibility described above.

The documents described herein will serve as a roadmap for CenCal Health staff to maintain, enhance, and execute CenCal Health's QIHETP. As noted, each document is a "living" document, and as such, refinements will be made throughout 2023 to assure CenCal Health's QIHETP reflects evolving priorities. CenCal Health's QIHETP will be presented to your Board annually, to reaffirm your Board's appointment of the QIHEC to oversee the QIHETP.

Recommendation

Staff recommends your Board accept this progress report, and provide additional direction if warranted, based on the attached content that was *reviewed, discussed, evaluated and approved* by the QIC on March 2nd, 2023. Acceptance of this report includes approval of the following documents that are provided for your reference.

- 2022 Quality Work Plan Evaluation
- 2023 QIHETP Program Description
- 2023 QIHETP Work Plan

Reference files: 3
- Reference 1 - 2022 Work Plan Evaluation Final
- Reference 2 - 2023 QIHETP Program Description and Appendices
- Reference 3 - 2023 QIHETP Workplan

Attachments: 2
- Attachment 1 - QIC Qtr 1 2023 Meeting Agenda
- Attachment 2 - QIC Minutes

Quality Improvement Committee (QIC) Meeting Agenda

Meeting Date: March 2, 2023

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

Chairperson: **Emily Fonda, MD, MMM, CHCQM** – Chief Medical Officer, Internal Medicine, CenCal Health

Co-Chairperson: **Michael Collins, DO, MPH, MS** – Sr. Medical Director, Preventive Medicine, CenCal Health

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QIC Voting Members: *Network Provider*

Marina Owen - Chief Executive Officer, CenCal Health

Edward Bentley, MD* – Gastroenterologist – Santa Barbara, CA – *Board Liaison*

Neal Adams, MD, MPH – Medical Director, Psychiatrist, CenCal Health

Polly Baldwin, MD* – Family Practitioner – Santa Barbara, CA

Bethany Blacketer, MD* - Family Practitioner – Santa Maria, CA

Jeffrey Kaplan, MD* - Pediatrician – Santa Maria, CA

Van Do-Reynoso, MPH, PhD – Chief Customer Experience Officer, CenCal Health

Noemi Doohan, MD, PhD, MPH* – Medical Director, Family Medicine, SBCPH, Santa Barbara, CA

Carlos Hernandez - Quality Officer, CenCal Health

Douglas Major, OD* - Optometrist – San Luis Obispo, CA

Mazharullah Shaik, MD* – Director of Quality, Community Health Centers of the Central Coast, Santa Maria, CA

Clarissa Van Cura, RN* – Admission/Discharge Nurse, Lompoc Valley Medical Center, Lompoc, CA

Staff:

Eric Buben, Director, Member Services   Lauren Geeb, MBA, Director, Quality

Chris Hill, RN, MBA, Health Services Officer   Sheila Hill, MSPH, MBA, CPHQ; NCQA Project Leader

Stephanie Lem, PharmD, Clinical Manager, Pharmacy

Sheila Thompson, RN, CPHQ, Provider Quality & Credentialing Manager

Guest:

Susan S. Huang, MD MPH
Chancellor's Professor
Division of Infectious Diseases
University of California Irvine School of Medicine
Medical Director, Epidemiology, and Infection Prevention
University of California at Irvine Health

Secretary: Mimi Hall, Executive Assistant

Location: Via Virtual Microsoft Teams

Introductions and Announcements	Minutes	Vote Required

Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer
   a. Welcome
   b. Introductions of new committee members, Dr. Noemi Doohan, Family Medicine, and Medical Director at Santa Barbara County Public Health; Dr. Edward Bentley **(Board Liaison, replacing Dr. Bravo)**, Gastroenterologist in Santa Barbara, and Dr. Jeffrey Kaplan, Pediatrician in Santa Maria. Additionally, **Dr. Bravo's new role** as Board Chair for CenCal Health Board of Directors.
   c. Housekeeping item
	10	No

1. Consent Agenda These items are considered routine and are normally approved by a single vote of the Committee without separate discussion 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.	5	Yes
a. Approval of Minutes of December 8, 2022, QIC Meeting		
b. Acceptance of Pharmacy & Therapeutics Report for Q1 2023 Stephanie Lem, PharmD, Clinical Manager of Pharmacy		
c. Approval of Pediatric Clinical Advisory Committee Report Dr. Rea Goumas, Medical Director, Whole Child Model		
d. Approval of Healthcare Operations Committee Report Eric Buben, Director of Member Services		

e. Approval of Utilization Management Committee Report
   Dr. Emily Fonda, MMM, CHCQM, Chief Medical Officer
   Chris Hill, RN, Health Services Officer		

f. Approval of Credentialing Committee Report Sheila Thompson, RN, CPHQ, Provider Quality & Credentialing Manager		
2. *Follow-up Items* **(Consent Agenda and Quality Program Updates Agenda from December 8, 2022 QIC Meeting). The agenda items below require committee approval as they were not approved at the December 8, 2022 QIC meeting due to a lack of a quorum.**	5	Yes
Consent Agenda *(December 8, 2022)*		
a. Approval of Minutes of August 25, 2022, QIC Meeting		
b. Acceptance of Pharmacy & Therapeutics Report for Q4 2022 Stephanie Lem, PharmD, Clinical Manager of Pharmacy		
c. Approval of Pediatric Clinical Advisory Committee Report Dr. Rea Goumas, Medical Director, Whole Child Model		
d. Approval of Healthcare Operations Committee Report Eric Buben, Director of Member Services		

e. Approval of Utilization Management Committee Report
   Dr. Emily Fonda, MMM, CHCQM, Chief Medical Officer
   Chris Hill, MBA, RN, Health Services Officer		

f. Approval of Credentialing Committee Report Sheila Thompson, RN, Provider Quality & Credentialing Manager		
g. 2022 Population Needs Assessment Action Plan Update Lauren Geeb, MBA, Director, Quality		
h. Quality Care Incentive Program Lauren Geeb, MBA, Director, Quality		
i. Performance Improvement Plan, and *Plan, Do, Study, Act* (PDSA) Update Lauren Geeb, MBA, Director, Quality		
3. Health Services Division Presentation		

a. Infection Prevention Nursing Home Pilot Program
    Dr. Emily Fonda, Chief Medical Officer
    Susan S. Huang, MD, MPH, University of California at Irvine *(Guest presenter)*
	20	Yes

4. Annual Quality Program Description Update		
a. 2022 Quality Improvement & Health Equity Transformation Program Work Plan Evaluation Lauren Geeb, MBA, Director, Quality	10	Yes
b. 2023 Quality Improvement & Health Equity Transformation Program Description Carlos Hernandez, Quality Officer	10	Yes
c. 2023 Quality Improvement & Health Equity Transformation Program Work Plan Lauren Geeb, MBA, Director, Quality	5	Yes
5. Open Forum & Future Agenda Items		
6. Adjournment		

Quality Improvement Committee (QIC) Meeting Minutes

Date:	August 25, 2022
Time:	4:00 to 5:30 p.m.
Chairperson:	Dr. Emily Fonda, CHCQM, MMM, Chief Medical Officer

QIC Members:

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

Staff:

Amanda Flaum, COO	Lauren Geeb, MBA	Gabriela Labraña, MPH
Stephanie Lem, PharmD	Charlie Mohrle, RN	Karina Orozco
José Sahagún	Santiago Segovia	Sheila Thompson, RN
Chelsee Elliott		

Absent:	Polly Baldwin, MD; Mazharullah Shaik, MD
Secretary:	Mimi M. Hall, Executive Assistant
Location:	Via Teams

Topic	*Discussion*
Introductions and Announcements *Dr. Emily Fonda, CHCQM, MMM, Chief Medical Officer*	Dr. Fonda called the meeting to order at 4:03 p.m. A quorum had been met, and the Committee proceeded with business. Dr. Fonda introduced herself to the Committee and asked the Committee members to briefly introduce themselves. Next, Dr. Fonda announced that the upcoming DHCS Medical Audit would commence the weeks of October 17th – 28th, and that this particular audit is not a full-scope audit. That concluded Introductions and Announcements.
1. Consent Agenda	Dr. Fonda asked for a motion to approve the Consent Agenda, as presented. **Motion made** by Dr. Bravo; seconded by Dr. Blacketer. Motion passed.
2. Old Business	There was no old business to discuss.

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3. Quality Program Updates	

a. Annual Adoption of Clinical Practice Guidelines *Liz Figueroa, RN, HPNC for Population Health*	Ms. Figueroa spoke about the Annual Adoption of Clinical Practice Guidelines. **Background** Clinical practice guidelines supported by CenCal Health are selected based on contractual requirements and identified membership needs using data compiled from reliable sources (e.g., claims, utilization, pharmacy, epidemiological, HEDIS, or demographic data). CenCal Health's clinical guidelines address the provision of acute or chronic medical and behavioral health conditions. A subset of the clinical guidelines is used as the basis for CenCal Health's Disease Management programs and Quality Improvement Projects approved by the Department of Health Care Service (DHCS). For those aspects of care which DHCS has not specified approved practice guidelines, CenCal Health adopts nationally recognized standards, best practices guidelines and/or recommendations from appropriate professional organizations for proven methods that are evidence based, or time-tested, research supported and accepted by peer professionals as reasonable practice. The following guidelines submitted for approval by the Quality Improvement Committee include recommendations for best practices from the following professional organizations: • American Academy of Pediatrics • American Academy of Family Physicians • American College of OB/GYN • American College of Physicians • American Heart Association • American Diabetes Association • American College of Cardiology • Specialty organization guidelines • U.S. Preventive Services Task Force • NIH National Heart, Lung, and Blood Institute • UpToDate • Milliman Care Guidelines (MCG) Research concerning presentation, screening, diagnosis, and treatment of COVID-19 virus is ongoing, and CenCal Health Medical Directors will continue to provide the latest updates from CDC, WHO, NIH, and local or governmental mandates related to infectious disease specialty recommendations. **Next Steps** Adopted practice guidelines will be distributed to appropriate practitioners; and to members and potential members, upon request. CenCal Health will assure decisions related to member education, and corresponding materials, are consistent with the adopted practice guidelines listed above. Discussion ensued. ***Motion made*** by Dr. Major to accept the Annual Adoption of Clinical Practice Guidelines, as presented; motion seconded by Dr. Bravo. Motion passed. **# # #**
b. COVID-19 Treatment Guidelines *Stephanie Lem, PharmD, Clinical Manager of Pharmacy Services*	Ms. Lem spoke to the Committee about APL 22-009 Covid-19 Guidance for Medi-Cal Managed Care Health Plans. **Summary** In accordance with APL 22-009 *Covid-19 Guidance for Medi-Cal Managed Care Health Plans*, CenCal Health is committed to provide our members and providers the latest COVID-19 Therapeutic Treatment information. CenCal Health's Covid Therapeutic Plan is to provide our provider network resources to identify members eligible for outpatient COVID-19 treatment options and education on benefit coverage.

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One of the most effective ways to provide the most updated information is to adopt clinical practice guidelines that align with national best practices and that are supported by the Department of Health Care Services (DHCS).

The following National Institutes of Health (NIH) COVID-19 Treatment Guidelines provide clinicians with evidence-based recommendations on the management of COVID-19 and are revised with the emerging, rapidly evolving COVID-19 treatment options:

NIH COVID-19 Treatment Guidelines
The benefit coverage for COVID-19 outpatient therapeutics aligns with the treatment guidelines listed above. The coverage of both the outpatient oral and infused monoclonal antibodies therapeutic options are dependent on the billing provider. A pharmacy provider can bill for both oral and infused therapeutic options on the pharmacy benefit through Medi-Cal's pharmacy benefit, Medi-Cal Rx. In addition, infused therapeutics with appropriate procedure codes can be billed to CenCal Health on a medical claim once FDA-approved (i.e., remdesivir). Infused monoclonal antibodies are currently supplied free to providers by the federal government, CenCal Health will only reimburse the administration fees with the appropriate administration procedure code in accordance with FDA Emergency Use Agents (EUA). As infused therapeutic options become FDA-approved and supported by DHCS, NIH Treatment Guidelines, CenCal Health will be responsible for coverage if billed on a medical claim. As the treatment options continue to evolve, CenCal Health is committed to provide our members and providers the latest information.

Next Steps
Member and Provider Notification of COVID-19 Treatment Guideline Updates, COVID-19 Therapeutics access on both pharmacy and medical benefits. Quarterly publications on both website and bulletins.

Discussion ensued. ***Motion made*** by Dr. Bravo to accept the Covid-19 Guidance for Medi-Cal Managed Care Health Plans as presented; motion seconded by Ms. Van Cura. Motion passed.

# # #

c. 2022 Population Health Needs Assessment
Gabriela Labraña, MPH, Supervisor of Health Promotion

Next, Ms. Labraña spoke about the 2022 Population Health Needs Assessment.

Overview
Each year, CenCal Health is required to conduct a Health Education and Cultural and Linguistic (C&L) Population Needs Assessment (PNA). The purpose of the PNA is to improve health outcomes for members and ensure that CenCal Health is meeting their needs by:

- Identifying member health needs and health disparities.
- Evaluating health education, C&L, and quality improvement (QI) activities and available resources to address identified concerns.
- Implementing targeted strategies for health education, C&L, and QI programs and services.

CenCal Health's 2022 PNA was submitted to the Department of Health Care Services (DHCS) on June 27, 2022 and was given full approval on July 5, 2022.

Key Findings
Membership/Demographics
- There was an 8.5% increase in total membership in 2021, as well as a 15.06% increase in enrollment in CenCal Health's California Children's Services program.
- Seventy percent of members reside in Santa Barbara County, while 30% live in San Luis Obispo County.
- In Santa Barbara County, 59% of members speak English, and 40% speak Spanish. In San Luis Obispo County, 81% of members speak English, and 18% of members speak Spanish.

Health Status and Disease Prevalence
- The percentage of adult members that reported their overall health in 2021 as being good, very good, or great was 75.71%.
- The percentage of children whose overall health was reported as good by their parent/guardian was 100% in 2021.
- Diabetes prevalence in the population decreased from previous years. Diabetes amongst ages 18—44 is 4.37%; ages 45—64 is 20.70%; ages 65+ is 34.23%. These rates exclude dual-eligible members.
- Please note rates in the Disease Prevalence section are subject to revision due to a recently identified potential for inaccurate calculations.

Access to Care
- The Plan met network standard requirements in 2021, such as provider-to-patient ratios, and member distance from primary care.
- Consumer Assessment of Healthcare Providers and Systems (CAHPS) data indicates that for both adult and pediatric patients, a majority of members report the ability to access primary and urgent care timely and when necessary.
- There were no cultural and linguistic access issues identified in 2021, with all interpreter services requested by members being appropriately coordinated by the Plan's C&L staff.

Health Disparities
Several health disparities were identified using the DHCS Health Disparities data set. Each topic was assessed for disparities in regard to age, sex, region, language spoken, and race/ethnicity. Disparities were identified related to breast cancer screening, cervical cancer screening, pediatric developmental screening, and controlling high blood pressure.

Action Plan
Based on the findings, CenCal Health has developed an Action Plan that will address the identified gaps in services and education. Some of these strategies involve provider education or partnership. Action Plan objectives include the following:

- By January 1, 2024, increase the rate of childhood developmental screening for children aged 1 year in San Luis Obispo County from a baseline of 9.32% to 24.91%, which is the 2022 Statewide Aggregate Average for this measure.

- By January 1, 2024, increase the rate of breast cancer screening for English speaking members in both Counties from a baseline of 54.39% to 63.77%, which is the HEDIS 90th percentile for this measure.

- By January 1, 2024, increase the percentage of members who have completed clinically recommended cervical cancer screening from a baseline of 54.47% to 67.99%, which is the HEDIS 90th percentile for this measure.

- By January 1, 2024, increase the percentage of hypertensive members in Santa Barbara County that have a recorded blood pressure measurement, from 58.29% to 66.79%, which is the HEDIS 90th percentile for this measure.

Discussion ensued. **Motion made** by Dr. Major to adopt the 2022 Population Health Needs Assessment, as presented; seconded by Dr. Blacketer. Motion passed.

# # #

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d. 2021 Quality of Care Results *Chelsee Elliott, Senior Quality Measurement Specialist*	Ms. Elliott spoke to the Committee about the 2021 Quality of Care Results. **Executive Summary** In June 2022, CenCal Health reported forty quality indicators for each county to the Department of Health Care Services (DHCS) for the performance period ending December 31st, 2021. CenCal Health recognized that the COVID-19 pandemic may have continued to have an impact on the outcomes of patient care. Therefore, it was expected that performance rates may not have returned to their pre-pandemic standings. For each county, fifteen aspects (15) of care were evaluated against Medicaid benchmarks. CenCal Health's provider network rated among the best 5% of Medicaid plans nationally for five aspects of care (1 in Santa Barbara and four in San Luis Obispo), and in the top 10% for an additional 3 (2 in Santa Barbara and one in San Luis Obispo). Exceptional performance was achieved for postpartum care, pediatric preventive care, and diabetes blood glucose control. There were three quality of care indicators (1 in Santa Barbara and two in San Luis Obispo) that failed to meet the DHCS minimum performance thresholds. Improvement is needed in chlamydia screening and well-child visits for infants**.** Despite the pandemic, this year's results mark another great performance by providers to assure members received vitally important preventive and clinical services. CenCal Health rated significantly higher than the Medi-Cal Average for depression screening and follow-up plan, and childhood developmental screening. **Background** CenCal Health has publicly reported on quality of care for select DHCS priorities since 2000. These DHCS priorities, referred to as the Managed Care Accountability Set (MCAS), encompass measures from the National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data & Information Set (HEDIS) and the Centers for Medicare and Medicaid Services (CMS) Core Measure Set. DHCS adopts the NCQA 50th and 90th Medicaid percentiles as its Minimum Performance Level (MPL) and High-Performance Level (HPL) to sanction and reward Medi-Cal plans for performance. Alternatively, DHCS adopts the Medi-Cal Average as its MPL for the CMS Core Measure Set, however for these measures Medi-Cal plans are not sanctioned or rewarded for performance. Likewise, CenCal Health adopts these thresholds for each aspect of care. The results were subject to a compliance audit by Health Services Advisory Group to independently certify the accuracy of measurements, which successfully passed another year of public reporting. CenCal Health's 2022 evaluation of performance for the Santa Barbara and San Luis Obispo Medi-Cal programs was completed and reported on time to NCQA and DHCS in June 2022. **Findings** CenCal Health's high standing among Medicaid plans nationally was re-affirmed, with ratings for several aspects of care that surpassed the nation's highest Medicaid benchmarks. Below are highlights for CenCal Health's Santa Barbara and San Luis Obispo Medi-Cal products. For each county, fifteen aspects (15) of care were evaluated against Medicaid benchmarks. Discussion ensued. ***Motion made*** by Dr. Blacketer to adopt the 2021 Quality of Care Results, as presented; seconded by Dr. Bravo. Motion passed. **# # #**
e. 2021 Quality of Care Performance for CCS & TCRC Members *Teri Lee, Senior Quality Measurement Specialist*	Ms. Lee spoke about the 2021 Quality of Care Performance for CCS & TCRC Members. **Executive Summary** An annual evaluation was completed to compare performance between the California Children's Services (CCS) and Tri-Counties Regional Center (TCRC) memberships to the Non-CCS/TCRC populations using HEDIS and CMS methodology for measurement year 2021.

Santa Barbara Findings for CCS/TCRC members:
- Overall, outperformed general population in six out of eleven quality indicators
- Rate of well-care exams was higher for all five age cohorts assessed (ages 0-21). Most notable is the almost 11-point difference for the 18–21-year-old age cohort. Well-care exams for children 15 months old was also significantly higher.
- Rate of developmental screenings for 3-year-olds was slightly higher than the general population but about five points lower for screenings for 1 year old and 2-year-old children.

San Luis Obispo Findings for CCS/TCRC members:
- Overall, outperformed general population in nine out of twelve quality indicators.
- Rate of well-care exams was higher for age cohorts between 30 months – 21 years old. The well-care exam rate for members 12-17 years old and 18-21 years was significantly higher than the general membership (between 5-10 points). Well-care exams for children 30 months old was eight points higher than the general population.
- Rate of Well-Care Visits in the first 15 months of Life was eight points lower.
- While the rate of Childhood Immunizations was eight points lower, this rate may not represent true CCS/TCRC performance due to the low sample size of 31 CCS/TCRC members.
- Rate of developmental screenings was higher for all ages assessed (1, 2, and 3).
- Screening for Depression and Follow-Up Plan for Adolescents was eight points lower.

Emergency Department (ED) utilization was higher for the CCS/TCRC population in both counties. However, higher ED utilization is historically customary for this population due to the greater prevalence of serious medical conditions and/or disability among members.

Background
A performance evaluation was completed for California Children's Services (CCS) and Tri-Counties Regional Center (TCRC) programs using a subset of quality indicators from the National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data & Information Set (HEDIS) and the Centers for Medicare & Medicaid Services (CMS) Core Measure Set. CCS provides coverage of some services for physically challenged or disabled children, and TCRC offers case management and support services for the developmentally disabled.

Because the total number of members in these programs is only a small subset of the entire Santa Barbara (SB) and San Luis Obispo (SLO) Medi-Cal populations, the CCS/TCRC eligible population or sample size for many of the quality indicators is statistically insufficient to report a performance rate. This report only includes results that had an eligible population or sample size equal to or greater than thirty for the measurement period that ended December 31, 2021.

FINDINGS – Santa Barbara
HEDIS Measures
CCS/TCRC population was more adherent with completing well-care exams (5 out of five indicators) than the general SB Medi-Cal population. This includes:
- Child and Adolescent Well-Care Annual Visits – all three age cohorts (3-11, 12-17, 18-21). Most notable is the almost 11-point difference for the 18–21-year-old age cohort.
- Well-Child Visits for members who turned 15 months old and had six or more well-child visits; and Well-Child Visits for members 15 months to 30 months old and had two or more well-child visits.

CMS Measures
CCS/TCRC performance is favorable for one out of six indicators assessed.
- Rate of Developmental Screenings (including behavioral, and social delays using a standardized screening tool) for 3-year-olds was slightly higher than the general population but about five points lower for screenings for 1 year old and 2-year-old children.
- Rate of Depression Screening and Follow-Up Plan for Adolescents was slightly lower than the general population.

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- Performance for contraceptive care for women 15-20 years of age for both long-acting reversible contraceptives and most or moderately effective contraception was relatively equal.

FINDINGS – San Luis Obispo

HEDIS Measures

CCS/TCRC performance is favorable for the majority (4 out of 6) of indicators assessed. This segment of CenCal Health's membership completed more of the following preventive services than the general population:

- Child and Adolescent Annual Well-Care Visits – all age cohorts (3-11, 12-17, 18-21). The well-care exam rate for members 12-17 years old and 18-21 years was significantly higher (between 5-10 points).
- Well-Child Visits for children who turned 30 months and completed two or more well-child visits. The rate for CCS/TCRC members was over eight points higher.

The rate of Well-Care Visits in the first 15 months of Life was eight points lower. While the rate of Childhood Immunizations was also eight points lower than the general population, this may not represent true CCS/TCRC performance due to the low sample size of thirty-one members compared to 361 members sampled in the general population.

CMS Measures

San Luis Obispo CCS/TCRC performance is favorable for the majority (5 out of 6) of the CMS indicators. The percentage of members who received developmental screenings was higher for ages 1, 2, and 3 than the general population. While screenings for 1- and 2-year-old children was over seven points higher than the general population, the CCS/TCRC population was relatively few in comparison to the general population so may not represent true performance for the total CCS/TCRC membership.

CCS/TCRC women between 15-20 years of age had a slightly higher rate of receiving a long-acting reversible method of contraception or were provided a most effective or moderately effective method of contraception compared to the general population with the same risk.

CCS/TCRC performance was lower for Screening for Depression and Follow-Up Plan for Adolescents by about eight points.

Emergency Department (ED) Utilization Findings:

Both Santa Barbara and San Luis Obispo CCS/TCRC populations had higher ED visit utilization than the general Medi-Cal population for most age cohorts between ages 0-74. Higher ED utilization is expected due to the greater prevalence of serious medical conditions and/or disability among members that are CCS/TCRC eligible and in light of the ongoing COVID-19 pandemic.

The significantly greater outpatient visit utilization indicates greater accessibility and use of services for this subgroup.

Next Steps

CCS/TCRC eligible members will continue to be included by responsible committees or departments in interventions that are applicable to the CCS/TCRC membership in CenCal Health's ongoing quality improvement activities for all aspects of care where improvement is needed in the plan's general membership. Special attention must be taken to ensure provider interventions include residential facilities that specialize in care for disabled youth, when applicable.

Subsequent to this meeting, CenCal Health's Population Health team will:

- Systematically evaluate the significance of potential concerns and possible priorities for improvement as listed below;
- Confirm priorities for improvement and identify relevant barriers to improved performance;
- Lead the design and implementation of timely interventions to resolve the identified barriers.

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	Discussion ensued. ***Motion made*** by Dr. Bravo to adopt 2021 Quality of Care Performance for CCS & TCRC Members; seconded by Dr Major. Motion passed.
	# # #

f. Annual Over & Under Utilization Monitoring Report
Charlie Mohrle, RN, Quality Measurement Analyst
	Next, Ms. Mohrle spoke to the Committee about the Annual Over and Under Utilization Monitoring Report.
	
	Highlights include:
	
	Executive Summary
	This report analyzes the Santa Barbara and San Luis Obispo Medi-Cal program utilization metrics for measurement year 2021.
	
	CenCal Health staff recommends continued monitoring of over and under-utilization using established benchmarks and frequency in accordance with the health plan's monitoring policy. This policy reviews services and procedures deemed at risk for extreme utilization in Medicaid populations, according to the National Committee for Quality Assurance (NCQA). To assess over and under-utilization, CenCal Health uses the NCQA Medicaid 10th and 90th percentiles as its benchmarks.
	
	Background
	As a part of CenCal Health's Quality Program, CenCal Health conducts an annual analysis of program indicators that are designed to detect possible over and under-utilization of health care services. CenCal Health's utilization for a standard set of measures is evaluated against Medicaid benchmarks or historical trends when benchmarks are unavailable. CenCal Health adopts the NCQA Medicaid 10th and 90th percentiles as its benchmarks.
	
	CenCal Health monitors three domains of care according to the utilization policy for each of its Medi-Cal lines of business:
	
	    1) *Inpatient Acute Care:* Bed Days, Discharges, and Average Length of Stay
	    2) *Ambulatory Care:* Emergency Department and Outpatient visits
	    3) *Frequency of Selected Procedures*
	
	Utilization trends are evaluated monthly by CenCal Health's Chief Executive Officer and Health Services Department leadership including the Chief Medical Officer, Quality Officer, and Director of Medical Management. Staff annually reviews and presents the above metrics to detect possible over and under-utilization and discuss significant trends to the Quality Improvement Committee. Staff research areas of concern, provides data for the implementation of interventions that address concerns, and monitors improvement.

Behavioral Health Over & Under Utilization Monitoring Report
 	
Chelsee Elliott, Senior Quality Measurement Specialist
	Ms. Elliott spoke to the Committee about Behavioral Health Over & Under Utilization Monitoring Report.
	
	Highlights include:
	
	Executive Summary
	This report analyzes the Santa Barbara and San Luis Obispo Medi-Cal program utilization metrics for calendar year 2021 for behavioral health.
	
	<u>Santa Barbara</u>
	• Follow-Up Care for Children Prescribed ADHD Medications – Continuation Phase, identified appropriate utilization and rated above the Medicaid 95th percentile
	• Three indicators identified appropriate utilization and rated above the Medicaid 75th percentile
	    o Follow-Up Care for Children Prescribed ADHD Medications – Initiation Phase
	    o Diabetes Monitoring for People with Diabetes and Schizophrenia
	    o Diabetes Screening for People with Schizophrenia or Bipolar Disorder who are Using

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Antipsychotic Medications
- Two indicators identified appropriate utilization and rated better than the Medi-Cal average.
  - Use of Opioids at High Dosage or from Multiple Providers in Persons without Cancer
  - Screening for Depression and Follow-Up Plan
- Two indicators rated below the Medicaid 10th percentile.
  - Follow-Up After ED Visit for Mental Illness – (7-Day Follow-Up and 30-Day Follow-Up)
- One indicator, *Concurrent Use of Opioids and Benzodiazepines*, identified over-utilization as it rated worse than the Medi-Cal average.

San Luis Obispo
- Two indicators identified appropriate utilization and rated better than the Medi-Cal average.
  - Use of Opioids at High Dosage or from Multiple Providers in Persons without Cancer
  - Screening for Depression and Follow-Up Plan
- Four indicators rated below the Medicaid 10th percentile.
  - Follow-Up After ED Visit for Alcohol & Other Drug Abuse or Dependance (7-Day Follow-Up and 30-Day Follow-Up)
  - Follow-Up After ED Visit for Mental Illness – (7-Day Follow-Up and 30-Day Follow-Up)
- One indicator, *Concurrent Use of Opioids and Benzodiazepines*, identified over-utilization as it rated worse than the Medi-Cal average.

CenCal Health staff recommends continued monitoring of over and under-utilization using established benchmarks and frequency in accordance with the health plan's monitoring policy. This policy reviews services and procedures deemed at risk for extreme utilization in Medicaid populations, according to the National Committee for Quality Assurance (NCQA). To assess over and under-utilization, CenCal Health uses the NCQA Medicaid 10th and 90th percentiles as its benchmarks.

Background
CenCal Health is responsible for providing specified services to adults diagnosed with a mental health disorder as defined by the current Diagnostic and Statistical Manual of Mental Disorders (DSM) that results in mild to moderate impairment of mental, emotional, or behavioral functioning. As a part of CenCal Health's Quality Program, CenCal Health conducts an annual analysis of program indicators that are designed to detect possible over and under-utilization of health care services.

In June 2022, CenCal Health reported twelve behavioral health quality indicators to the Department of Health Care Services (DHCS) and monitored one additional indicator for the period ending December 31st, 2021, using the National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data & Information Set (HEDIS) and the Centers for Medicare & Medicaid Services (CMS) Core Measure Set.

CenCal Health's utilization for a standard set of measures is evaluated against Medicaid benchmarks or historical trends when benchmarks are unavailable. CenCal Health adopts the NCQA Medicaid 10th and 90th percentiles as its benchmarks (or Medi-Cal average rates if unavailable) to monitor performance for DHCS required measures and internally monitored measures.

Data Limitations

The division of mental health coverage of services between the Managed Care Plan and Specialty Mental Health, is a barrier to the completeness of data necessary for some measurements. CenCal Health does not receive some of the County's Mental Health data, which reflects in measures that require a specific mental health diagnosis. If a PCP does not include this diagnosis in encounter documentation, it will result in a given member not being included in the measure's eligible population.

Next Steps
Subsequent to this meeting, CenCal Health's Population Health team will:
- Systematically evaluate the potential concerns and possible priorities for improvement as listed below,
- Confirm priorities for improvement and identify relevant barriers to improved performance,
- Lead the design and implementation of timely interventions to resolve the identified barriers.
Potential areas of concern and possible priorities for improvement are:

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- Concurrent Use of Opioids and Benzodiazepines (over-utilization)
- Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence (under-utilization)
- Follow-Up After Emergency Department Visit for Mental Illness (under-utilization)

# # #

g. Priorities for Improvement
Lauren Geeb, MBA, Director of Quality

Ms. Geeb spoke to the Committee about Priorities for Improvement.

Executive Summary
Annually, the Department of Health Care Services (DHCS) adopts the NCQA 50th and 90th Medicaid percentiles as its Minimum Performance Level (MPL) and High-Performance Level (HPL) to sanction and reward Medi-Cal plans for performance. Likewise, CenCal Health adopts these percentiles to identify priorities for improvement. DHCS will be implementing a new Quality Factor in managed care rate-setting beginning in calendar year 2023, which is the first time a Medi-Cal plan's quality scores will be factored into rate development.

To identify CenCal Health's priorities for improvement, staff evaluated CenCal Health's most recent quality of care performance results against the following immediate and long-term organizational priorities. Factor considered include DHCS' proposed rate-setting Quality Factor measures (Level 1 – high due to financial risk and sanctions), DHCS' Managed Care Accountability Set priorities (Level 2 – moderate due to sanctions), and aspects of care required for NCQA Accreditation (Level 3 – on the horizon).

The proposed immediate priorities for improvement are:
- Well-Child Visits in the First 30 Months of Life
- Immunizations for Children and Adolescents
- Weight Assessment (BMI %) for Children/Adolescents
- Hypertension Control
- Prenatal Care Timeliness
- Chlamydia Screening in Women
- Cervical Cancer Screening

Staff recommends the QIC's approval of the proposed priorities for improvement into CenCal Health's 2022/2023 Annual Work Plan. Most of the measures identified as priorities for improvement are already the focus of targeted interventions and/or quality improvement efforts. Quality improvement interventions are designed to address the plan's entire membership unless program or region-specific barriers to achieve health equity are identified.

Background
CenCal Health has publicly reported on quality of care for select Department of Health Care Services (DHCS) priorities since 2000. CenCal Health's 2022 evaluation of performance (for the period ending December 31, 2021) for the Santa Barbara and San Luis Obispo Medi-Cal programs was completed and reported on time to the National Committee for Quality Assurance (NCQA) and DHCS in June 2022.

DHCS adopts the NCQA 50th and 90th Medicaid percentiles as its Minimum Performance Level (MPL) and High-Performance Level (HPL) to sanction and reward Medi-Cal plans for DHCS-required priority measures. For calendar year 2024, DHCS will be implementing a new Quality Factor rate-setting process which is the first time a Medi-Cal plan's quality scores will be factored into rate development. Plans within the rating region will be compared against each other rather than statewide. As such, CenCal Health's goal is to achieve the HPL.

To identify CenCal Health's priorities for improvement, staff completed a systematic process to evaluate CenCal Health's most recent quality of care performance, against DHCS' proposed Quality Factor rate-setting measure set, DHCS' Managed Care Accountability Set priority measures, and quality measures required for NCQA Accreditation.

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| | Goals for improvement are to at least meet the MPL. Significant improvement is defined as meeting or exceeding the goal by achieving a 10% reduction in the proportion of cases that had a negative result in the prior year for a given measure. For measures already above the HPL, CenCal Health's goal is to maintain its rating among the nation's best Medicaid plans.

Proposed Priorities for Improvement
CenCal Health staff compared plan's performance against the nine proposed measures in DHCS' Quality Factor rate-setting, the NCQA 50th percentile (MPL), and 90th percentile (HPL). This was prioritized as Level 1 due to the financial risk and sanctions it would present if CenCal Health does not perform better than the other plans within the region setting (Central California Alliance for Health, and Gold Coast Health Plan). A significant HPL gap is equal to or greater than five points.

For Level 2 prioritization, performance was compared against for DHCS' Managed Care Accountability Set priority measures, the NCQA 50th percentile (MPL), and 90th percentile (HPL). While there is a risk of sanctions due to low performance and plans will have to submit improvement plans, there are no financial revenue implications. A significant HPL gap is equal to or greater than five points.

Lastly, for Level 3 prioritization (on the horizon), an analysis of plan performance for quality measures required for NCQA Accreditation was completed. While CenCal Health will not seek out NCQA Accreditation until 2024, there is a need to prioritize resources because improvement takes time.

The committee ensued in discussion.

Motion made by Dr. Blacketer to approve the Quality Program Updates, as presented; seconded by Ms. Van Cura. Motion passed. |
| --- | --- |

If needed, return to any Consent items designated for discussion	There were none to discuss.
7. Open Forum	Dr. Major mentioned that SB 1089 recently passed unopposed. Dr. Bravo mentioned that thanks to Dr. Fonda's efforts, Pediatric Hospice Care services are coming to fruition in Santa Barbara and San Luis Obispo Counties through a couple of possible providers. More to come on that at future meetings.
8. Adjournment	There being no further business, Dr. Fonda thanked the Committee for their time and participation, and adjourned the meeting at 5:22 p.m.

Respectfully submitted,

Mimi M. Hall

Executive Assistant

Approved,

Dr. Emily Fonda, CHCQM, MMM

Emily Fonda, MD, CHCQM, MMM
Chief Medical Officer
Chair, Quality Improvement Committee

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1

2

1

Achievements

- **State Auditor Report – SB County rated best in pediatric preventive care**
- **Quality of Care Audit – Rated top 10% of Medicaid plans for 8 aspects of care**
  - Postpartum care, pediatric preventive care, and diabetes A1c control
- **Member Services customer satisfaction survey scores of 99% & 98%**
- ***Consumer Assessment of Healthcare Providers & Systems*** Customer service score received from CenCal Health's pediatric population rated **best of all qualifying plans**

3

Achievements (cont.)

- Insourcing of BH provider network from Holman Group & contracting with additional providers
- DHCS Medi-Cal Rx transition to the new Medi-Cal Pharmacy Benefit
- Rate of providers recredentialed timely improved from 81% to 97%
- Launch of Quality Care Incentive Program, Enhanced Care Management Program, & Community Supports Program
- DHCS approval of CenCal Health's attestation detailing CenCal Health's Population Health Management (PHM) Program Framework

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Opportunities for Improvement

Surpass benchmarks
for Well-Child Visits
(6 by 15 months) &
Chlamydia Screening
in Women

Automate
the PHM program
& integrate it cross-
functionally

Identify & resolve
barriers impacting UM
turn-around time
compliance

**Integrate member
feedback** to enhance new
Member Portal & Member
Portal experience

Build & expand network
to ensure adequate &
appropriate access to
benefits

**Enhance operational
compliance** to
remediate 2022 DHCS
Medical Audit Findings

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2023 Quality Improvement & Health Equity Transformation Program Description

Carlos Hernandez
Quality Officer
March 15, 2023

6

Background & Purpose

The QIHETP Description describes:

Program structure & reporting relationships, oversight by the QIHEC, supervision by CMO in collaboration with the Chief Health Equity Officer,& behavioral health practitioner involvement.

Board of Directors maintains ultimate responsibility.

Approach to proactively monitor & continually improve quality & reduce inequities.

Roles & Membership of the QIHEC & subcommittees made up of staff & network practitioners

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QIHEC: Quality Improvement & Health Equity Committee
QIHETP: Quality Improvement & Health Equity Transformation Program

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Key Updates

To evolve to ensure equitable whole person, integrated care, the following was updated:

- Quality Program & Committee **name change**, as well as Charter revisions.

- **Committee membership expansion** to include Chief Health Equity Officer, Behavioral Health Practitioner, Hospital Representative, Health Plan Member

- Overarching ***commitment to health equity*** Incorporates member experience, provider perspectives,& community-based organizations into planning & decision-making.

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Slide 9

Organizational Chart

- Quality committee reporting relationships

- Breadth of the QIHEC oversight function

Board of Directors (Governing Body) 2023

Compliance Committee* (Q)

Quality Improvement Health Equity Committee (Q)

Advisory Committees

Pediatric Clinical Advisory Committee (Q)

Customer Experience Committee (Q)

Utilization Management Committee (Q)

Provider Credentials & Peer Review Committee (Q)

Pharmacy & Therapeutics Committee (Q)

Member Support Committee (Q)

Claims Quality Committee (Q)

Network Management Committee (Q)

Benefits Committee (Q)

Community Advisory Board (every 4 months)

Provider Advisory Board (Q)

Family Advisory Committee (Q)

Q — Quarterly
* — Policy and procedure regulatory review and implementation

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Slide 10

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QIHETP Work Plan 2023

Lauren Geeb, MBA
Director, Quality
March 2, 2023

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2023 QIHETP Work Plan - Background

Purpose:

- Establish objectives & activities planned for the coming year
- Identify responsible staff leading activities
- CenCal Health's commitment & action plan of accountability to:
  - *Advance quality & health equity for all*
  - *Cultivate community partnerships*
  - *Expand our role & reach*

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Note: Refinements will be made to assure QI & health equity priorities reflect evolving needs.

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Key Updates

- Structural changes to monitor & assure NCQA Accreditation Survey readiness
- Serves to outline improvement in health equity & quality of care provided by CenCal Health & its provider network
  - NCQA Health Plan Accreditation & NCQA Health Equity Accreditation
- Programs to implement include but are not limited to:
  - Building a Community Health Worker & Doula medical benefit, &
  - Expansion of ECM & Community Support provider network
- Emphasis on whole-person care through partnerships with members, providers & community-based organizations

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Discussion & Recommendation

Staff recommends your Board accept this QIC progress report, and provide additional direction if warranted.

Acceptance of this report includes approval of the following documents that were evaluated and approved by the QIC on March 2nd, 2023.

- 2022 Quality Work Plan Evaluation
- 2023 QIHETP Program Description
- 2023 QIHETP Work Plan

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Student Behavioral Health Incentive Plan (SBHIP)

Date: March 15, 2023

From: Ed Tran, RN, PHN, MSN
                 Program Development Director

Through: Van Do-Reynoso, MPH, PhD
                 Chief Customer Experience and Chief Health Equity Officer

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<u>Executive Summary</u>

The Student Behavioral Health Incentive Plan (SBHIP) is a CalAIM initiative designed to improve student mental health. SBHIP provides financial incentives for school districts to implement best practices. Through these incentives, the Department of Health Care Services (DHCS) seeks to support managed care plans and school-based interventions that create an environment where all students have access to the resources they need to succeed.

DHCS has accepted CenCal Health's needs assessments and intervention plans, submitted last year, and recently issued an allocation approval of $3,058,836.00. This amount is 50% of the total possible allocation; the remaining 50% will be approved and distributed based upon bi-quarterly report submissions. CenCal Health has begun program implementation and anticipates a project kick-off in early April 2023.

<u>Program Overview</u>

As a CalAIM incentive program, SBHIP encourages integrated and comprehensive mental health services for students in public schools. SBHIP provides financial incentives to schools that are successful in identifying and addressing the mental health needs of their student population. This includes enhancing access to behavioral health services, developing proactive mental health awareness campaigns, and enhancing school-based behavioral health programs. SBHIP also provides additional resources to support educational initiatives related to mental health promotion and prevention. SBHIP aims to improve access to services so that all students are safe and supported, enhancing school resources so that mental health needs are addressed in a timely manner. Mental health services include counseling, screening, and the treatment of mental and emotional disorders. SBHIP also increases collaboration between schools and local managed care plans, like CenCal Health, and mental health agencies. Schools must demonstrate that they are taking steps to promote mental health awareness among their students and staff. With these goals in mind, SBHIP aims to create an integrated approach to mental health for students. Through incentive funds, schools will have

more resources to develop and implement strategies that address mental health awareness and support.

Funding Award

CenCal Health submitted a letter of interest to participate in the SBHIP initiative in January 2022. Since then, CenCal Health has engaged Flux Coaching and Consulting, with extensive experience, knowledge, and expertise of school systems and student behavioral health services, to assist with the needs assessments and intervention planning with the Local Education Agencies (LEAs). Needs assessment and intervention plans for both Santa Barbara County and San Luis Obispo County were successfully submitted to DHCS on December 30, 2022. Findings from the needs assessment, planned targeted interventions, and examples of expected outcomes were included in these submissions.

On February 24, 2023, CenCal Health received notice of being awarded 50% of the full funding allocation. The remaining 50% allocation will be determined based upon biannual report submissions.

Next Steps

CenCal Health is in the planning phases with regards to budget, project kickoff, and implementation of SBHIP with Flux Coaching and Consulting. A tentative project kick-off is slated for early April which would include CenCal Health Executive Leadership, the participating LEAs and CBOs providing mental and/or behavioral health services. The project kick-off will discuss the program goals, interventions, billing operations, and opportunities for LEAs to partner with community-based organizations.

Recommendation

This SBHIP Report is informational, and no action is requested at this time.

STUDENT BEHAVIORAL HEALTH INCENTIVE PROGRAM (SBHIP)

Van Do-Reynoso, PHD, MPH, Chief Customer Experience and Health Equity Officer
Ed Tran, RN, PHN, MSN, Director of Program Development
March 15, 2023

1

OBJECTIVES

1
Improve coordination of child and adolescent behavioral health services

2
Increase the # of students enrolled in Medi-Cal who are receiving behavioral health services

3
Increase non-specialty services on or near school campuses

4
Address health equity gaps, inequalities, and disparities

2

3/11/2023

AVAILABLE FUNDING

TOTAL POTENTIAL INCENTIVE FOR CENCAL HEALTH
$6,777,671*

County	Plan Name	Assessment Funding Allocation	Targeted Intervention Funding Allocation	Total Funding Allocation
San Luis Obispo	CenCal	$ 225,000	$ 1,775,210	2,000,210
Santa Barbara	CenCal	$ 435,000	$ 4,342,461	4,777,461

*Amounts are not final and are subject to change based on the 5% cap restriction and county and/or plan participation

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PARTICIPATING LOCAL EDUCATIONAL AGENCIES (LEAs)

| Santa Barbara County Education Office | Carpinteria Unified School District | Cuyama Unified School District | Guadalupe Unified School District | Lompoc Unified School District | Santa Maria Bonita School District | San Luis Obispo County Office of Education | Lucia Mar Unified School District | San Luis Coast Unified School District |

Santa Barbara County

San Luis County

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ASSESSMENT FINDINGS

Behavioral Health Needs

- Anxiety
- Depression
- Substance Use Disorder
- Trauma

Systemic Needs

- Universal Screening
- Tiered Interventions
- Education for adults about making referrals
- Closed loop referral system
- Medi-Cal billing procedures

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TARGETED INTERVENTIONS

Years 2 & 3

14 Interventions Identified by DHCS

Minimum # of interventions required (SBC 4 and SLO 3)

Interventions aligned with needs

MOUs for each intervention

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SELECTED INTERVENTIONS

SAN LUIS OBISPO COUNTY

- Behavioral Health Wellness Programs
- Building Stronger Partnerships to Increase Access to Medi-Cal Services
- Behavioral Health Screenings & Referrals

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SELECTED INTERVENTIONS (Cont'd)

SANTA BARBARA COUNTY

- Behavioral Health Wellness Programs
- Behavioral Health Screenings & Referrals
- Building Stronger Partnerships to Increase Access to Medi-Cal Services
- *Parenting & Family Services*

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ANTICIPATED OUTCOMES (Examples)

| Reports of emotional distress, including anxiety, depression, and suicidality will decline | Suspension and expulsion rates will decline | Increased # of M/C eligible students will receive school and community-based behavioral health svcs. | School attendance will improve | Students will report increased ability to proactively address challenging emotions |

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TIMEFRAME (2022 – 2024)

Program Begins — **Jan 2022**

Needs Assessment submitted to DHCS — **Dec 2022**

Interventions launch — **Jan – Aug 2023**

Programs Ends — **Dec 2024**

Mar 2022 – Oct 2022 — Needs Assessment conducted

Mar 2023 — DHCS communicates incentive award

Sept 2023 – Dec 2024 — Interventions continue and program evaluation

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NEXT STEPS

Planning sessions with LEAs

Project Kick-off (CCH and LEAs)

Project Implementation

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February 2023 Look Back

To:
CenCal Health's Board of Directors

From:
Nicolette Worley Marselian
Director, Communications &
Community Relations

Date:
March 3, 2023

What's Inside

CONGRATULATIONS!

Board Member Sue Andersen Recognized Among Most Influential

CenCal Health congratulates Board Member Sue Andersen for being recognized by *Pacific Coast Business Times* as one of the 50 Most Influential People in the Region. The special annual report, which was published February 10, highlights numerous leaders in the Tri-County region, including decision-makers in healthcare, banking, education, and more.

EXTERNAL COMMUNICATIONS

Owned Media

The Communications and Community Relations department created various collateral materials in English and Spanish for different audiences, including the community, our members, and providers. Samples are to the right and below.

Community-focused

Communitē Newsletter – Winter 2023 issue

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

EXTERNAL COMMUNICATIONS

Owned Media (cont.)

Member-focused

1. Community Supports – Medically Tailored Meals Resource Guide

2. Asthma Mailer

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

EXTERNAL COMMUNICATIONS

Owned Media (cont.)

Provider-focused

1. Behavioral Health – Functional Behavioral Assessment Report

2. Behavioral Health – Tri-Counties Regional Center Referral Checklist

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

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EXTERNAL COMMUNICATIONS

Owned Media (cont.)

Provider-focused

3. Behavioral Health – Treatment Progress Report

4. Health Services – Enhanced Care Management (Form D) *Spanish sample*

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

EXTERNAL COMMUNICATIONS

Earned Media

In February, positive publicity continued for the following press release, which was distributed by the Communications and Community Relations department in January 2023:

- **$7.3M Payout Rewards Physician Excellence in Healthcare on Central Coast**
  CenCal Health's provider incentive program supports quality of care for Medi-Cal members
  (Note: To read the complete press release, go to page nine.)

The bilingual press release, which publicized CenCal Health's Quality Care Incentive Program (QCIP), was converted into an editorial story that appeared as a two-page spread in the winter issue of *Central Coast Physicians* magazine.

Central Coast Physicians magazine is a regional publication focused on the medical community in our service areas. As the official publication of the Central Coast Medical Association (CCMA), *Central Coast Physicians* is a quarterly full-color magazine with a circulation of more than 1,000 per issue. CenCal Health is a regular content contributor. For every quarterly issue, the Communications and Community Relations department submits an article highlighting CenCal Health's providers, partnerships, programs, and more.

Additionally, *The Pulse*, CCMA's bimonthly e-newsletter, put a spotlight on CenCal Health's 40th anniversary with the headline *CenCal Health at 40*: *A Local Medi-Cal Experiment Thrives*. The news item included a vintage image of the building that CenCal Health occupied when it first began operations (formerly a Coca-Cola building), and a link to CenCal Health's history on our website.

Other earned media included sponsorship recognition provided by the Local Health Plans of California (LHPC). In its media monitoring email *Member Mentions,* LHPC yielded coverage of two CenCal Health-sponsored events: Fun in the Sun Walk & Roll benefit, and Hearts to Hearts. The Fun in the Sun Walk & Roll benefit was hosted by Momentum WORK, a local nonprofit and service provider for people with intellectual and developmental disabilities. Hearts to Hearts was hosted by the new nonprofit organization, Hearts Aligned, to raise funds for critically ill children and their families.

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

EXTERNAL COMMUNICATIONS

Media Coverage Report

CenCal Health received four media mentions in February 2023.

Date	Name	Type	Page	Section	Subject	Headline
*2/16/2023	*The Pulse, CCMA's e-newsletter*	Email		News	CenCal Health 40th Anniversary	**CenCal Health at 40: A Local Medi-Cal Experiment Thrives**
*2/15/2023	*Central Coast Physicians magazine*	Print & digital	6 & 7	News	QCIP Payout	**$7.3M Payout Rewards Physician Excellence in Healthcare on Central Coast**
*2/6/2023	*Member Mentions, LHPC's media monitoring email*	Email		Member Mentions	CenCal Health Sponsorship	**Fun in Sun Walk & Roll Benefit Celebrates Diversity and Rights of All Individuals**
*2/6/2023	*Member Mentions, LHPC's media monitoring email*	Email		Member Mentions	CenCal Health Sponsorship	**Hearts to Hearts**

*Clippings of online and/or print articles included below.

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

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Clippings Samples

Below are samples of the four earned media mentions.

1

2/16/2023
The Pulse, **CCMA's e-newsletter,**
CenCal Health at 40: A Local
Medi-Cal Experiment Thrives

CMA Publishes Guide New NP Classifications

CMA Publishes Guide for Physicians on New NP Classifications. The CMA has published a new guide, New NP Classifications: A Physician's Guide to AB 890, to help physicians understand the new law and the minimum "transition to practice" standards for NPs seeking to apply for licensure under these classifications. This guide is available free to members only. CMA is also hosting a webinar on Thursday, February 23, 2023, to provide an overview of the law and regulations.

CenCal Health at 40: A Local Medi-Cal Experiment Thrives

CenCal Health at 40: A Local Medi-Cal Experiment Thrives. In the former Coca-Cola Bottling building on Ortega Street in Santa Barbara, a pilot program for managed care gave birth to a health insurance plan recognized by The Ford Foundation and Harvard University for its innovation and efficiency. That plan – originally called the Santa Barbara Health Initiative – became known as CenCal Health, the nation's first locally-administered Medicaid program of its kind, now in its 40th year.

2

2/15/2023
Central Coast Physicians
magazine,
$7.3M Payout Rewards
Physician Excellence
in Healthcare on
Central Coast

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$7.3M Payout Rewards Physician Excellence in Healthcare on Central Coast

CenCal Health's provider incentive program supports quality of care for Medi-Cal members. In March of last year, CenCal Health launched the Quality Care Incentive Program (QCIP) to maximize the quality of care for its health plan members on the Central Coast. QCIP is a value-based incentive program that directly rewards plan providers who deliver exceptional medical care in their community. After nine months, the innovative initiative resulted in a distribution of over $7 million in payments to participating primary care providers (PC QCIP emphasizes the clinical priorities of significance CenCal Health members, such as diabetes and asthma, breast cancer and cervical cancer screenings, and child adolescent well-care visits. In Santa Barbara and San L Obispo counties, CenCal Health is the Medi-Cal plan partners with over 1,500 local physicians, hospitals, an providers in delivering patient care to more than 225,000 members.

In July 2022, CenCal Health distributed over $3.5 million in QCIP payments to 85 eligible PCPs, marking the first payout for the recently launched pay-for-performance program. In October, the second payout – totaling $3,751,527 – was distributed to 86 PCPs in Santa Barbara and San Luis Obispo counties.

"QCIP is an innovative value-based incentive program," said CenCal Health CEO Marina Owen. "As a community-based health plan, we are committed to supporting local providers through programs such as this one."

In 2003, the Centers for Medicare & Medicaid Services established pay-for-performance initiatives to control healthcare costs as it became more expensive to care to encourage the

endorsed standard for quality measurement in managed care, the NCQA HEDIS' Volume 2 Technical Specifications.

To monitor progress, PCPs receive monthly performance reports and actionable gaps in care data through CenCal Health's secure provider portal. No measures used in CenCal Health's payment calculations encourage withholding of services. Payments are distributed quarterly.

To implement QCIP, CenCal Health's quality management team, under the direction of Quality Officer Carlos Hernandez, collaborated with all internal departments at the local health plan, and external organizations such as the California Department of Health Care Services, as well as several representative primary care providers.

"This incentive program relies on longstanding commitment and participation from our primary care provider partners, which, I'm proud to report, is in abundance," said Hernandez. "An exemplary example is Dr. Jeffrey Kaplan, who has demonstrated a track record of extraordinary QCIP performance. Dr. Kaplan's performance was especially exceptional for pediatric preventive-care well-child visits."

Jeffrey S. Kaplan, MD (pictured) is a pediatrician in Santa Maria, in practice for over two decades. "QCIP is unique, in that the incentive offered sets concrete measures base

With a vision to be a trusted leader in advancing health equity so that the communities we serve thrive and achieve optimal health, CenCal Health invites the public to review its 2023-2025 Strategic Plan at www.cencalhealth.org/strategicplan.

February 2023 Look Back

To: CenCal Health's Board of Directors
From: Nicolette Worley Marselian, Director, Communications & Community Relations
Date: March 3, 2023

Clippings Samples (cont.)

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2/6/2023
Member Mentions,
LHPC's media monitoring email,
Fun in Sun Walk & Roll Benefit
Celebrates Diversity and Rights
of All Individuals

LHPC Member Mentions

Fun in Sun Walk & Roll Benefit Celebrates Diversity and Rights of All Individuals
Noozhawk
January 27, 2023
By Rae van Seenus
Inclusion may seem like just a buzz word in today's corporate America, but for people with disabilities, it means acceptance, empowerment, and access to basic human rights, such as going to school, getting a job, and participating in roles similar or equal to others in the community.

Momentum WORK, Inc. is a local nonprofit and service provider for people with intellectual and developmental disabilities with a mission of limiting access barriers for this underserved population.
[...]
Fun in the Sun Walk & Roll for Inclusion Awareness sponsors include: Farmer John California Kindness Project, Elks Lodge of Santa Barbara, Hinricher & Cousino, LLP., CenCal Health, Montecito Bank & Trust, Container Technology, Inc., Santa Barbara News-Press, Momentum Refresh, David C. Fainer Attorney at Law, Eternal Water, Smart & Final Charitable Foundation, and Ghitterman Ghitterman & Feld.

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2/6/2023
Member Mentions,
LHPC's media monitoring email,
Hearts to Hearts

Hearts to Hearts
Santa Barbara News-Press
January 30, 2023
By Marilyn McMahon
"Hearts to Hearts," a Valentine's luncheon to raise funds for critically ill children and their families, will be held from 11:30 a.m. to 1:30 p.m. Feb. 9 at the Cabrillo Pavilion, 1118 E.Cabrillo Blvd. The Santa Barbara event is the first benefit for Hearts Aligned, a new nonprofit founded by Vivian Solodkin.
[...]
The fledgling organization has four goals it hopes to accomplish in 2023:

- Expand its outreach program beyond Cottage Health to other medical facilities including Sansum Clinic, Dignity Health, Lompoc Health, Santa Maria Health Care Center, CenCal Health and local private pediatricians.
- Serve 50 to 60 families through a variety of programs. Hearts Aligned hopes to do this with additional funds from individuals, foundations, companies and other partners.
- Hire its first staff member, a program manager, to work directly with families.
- Begin to recruit and train volunteers to provide patient advocacy and personal assistance. Hearts Aligned said it hopes to do this with the help of its dedicated board of directors.

"We are reaching out to prospective partners to help us enhance and grow Hearts Aligned and reach our potential to serve many more low-income families in need," said Ms. Solodkin.

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Press Release

$7.3M Payout Rewards Physician Excellence in Healthcare on Central Coast
CenCal Health's provider incentive program supports quality of care for Medi-Cal members

SANTA BARBARA, Calif. – Jan. 3, 2023 – On March 1 of 2022, CenCal Health launched the Quality Care Incentive Program (QCIP) to maximize the quality of care for its health plan members on the Central Coast. QCIP is a value-based incentive program that directly rewards plan providers who deliver exceptional medical care in their community. After nine months, the innovative initiative has resulted in a distribution of over $7 million in payments to participating primary care providers (PCPs). QCIP emphasizes the clinical priorities of significance to CenCal Health members, such as diabetes and asthma care, breast cancer and cervical cancer screenings, and child and adolescent well-care visits. In Santa Barbara and San Luis Obispo counties, CenCal Health is the Medi-Cal plan that partners with over 1,500 local physicians, hospitals and other providers in delivering patient care to more than 225,000 members. Medi-Cal is the name of California's Medicaid benefits program; the federal government administers Medicaid.

Replacing five different incentive programs previously utilized, the single integrated QCIP more extensively supports PCPs to achieve excellence in quality care. Performance is measured monthly and follows pre-defined, industry-standard measurement specifications maintained by the National Committee for Quality Assurance (NCQA).

To promote health equity, QCIP payments are also tied to the diversity of member patients managed by each PCP; as such, payments increase to reflect the proportion of members of greater clinical complexity, for example, the aged or those disabled.

In July 2022, CenCal Health distributed over $3.5 million in QCIP payments to 85 eligible PCPs, marking the first payment for the recently launched pay-for-performance program. In October, the second payout – totaling $3,751,527 – was distributed to 86 PCPs in Santa Barbara and San Luis Obispo counties.

"QCIP is an innovative value-based incentive program," said CenCal Health CEO Marina Owen. "As a community-based health plan, we are committed to supporting local providers through programs such as this one."

In 2003, the Centers for Medicare & Medicaid Services established pay-for-performance initiatives to control healthcare costs and to increase access to care by encouraging more physicians to participate in Medicaid health plans. More recently, incentive programs have evolved to emphasize quality of care, especially the prevention and management of chronic conditions.

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Press Release (cont.)

QCIP was designed to encourage increased utilization of evidence-based treatment, screening, and preventive health services. The program encompasses five clinical categories of care – Women's Health, Pediatric Care, Behavioral Health, Respiratory Care, and Diabetes Care – using the most widely endorsed standard for quality measurement in managed care, the NCQA HEDIS® Volume 2 Technical Specifications.

To monitor progress, PCPs receive monthly performance reports and actionable gaps in care data through CenCal Health's secure provider portal. No measures used in CenCal Health's payment calculations encourage withholding of services. Payments are distributed quarterly.

To implement QCIP, CenCal Health's quality management team, under the direction of Quality Officer Carlos Hernandez, collaborated with all internal departments at the local health plan, and external organizations such as the California Department of Health Care Services, as well as several representative primary care providers.

"This incentive program relies on longstanding commitment and participation from our primary care provider partners, which, I'm proud to report, is in abundance," said Hernandez. "An exemplary example is Dr. Jeffrey Kaplan, who has demonstrated a track record of extraordinary QCIP performance. Dr. Kaplan's performance was especially exceptional for pediatric preventive care well-child visits."

Jeffrey S. Kaplan, MD is a pediatrician in Santa Maria, in practice for over two decades. "QCIP is unique, in that the incentives offered only promote increased use of services, aligned with widely accepted, evidence-based treatment recommendations," said Kaplan.

More information on the Quality Care Incentive Program and CenCal Health is available at cencalhealth.org.

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CenCal HEALTH®
Local. Quality. Healthcare.

SOCIAL MEDIA

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

February Campaigns (samples)

Celebrating Black History Month

**2-1-1 Community Day Celebration event attendance**

Celebrating Black Women Innovators in Healthcare
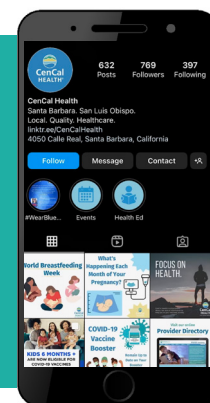

Santa Barbara South Coast Chamber of Commerce's 2023 Annual Membership Meeting & Regional Business Awards

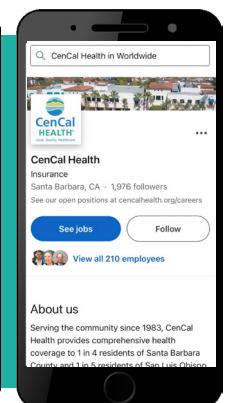As a reminder, we encourage members of the Board to:
- **Follow** CenCal Health on Facebook, Instagram, and LinkedIn.
- **"Like"** posts.
- **Post comments** as appropriate.
- **Share posts** you think others may find interesting or informative.
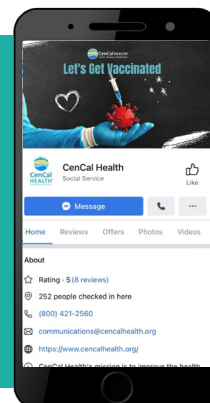
Facebook

Instagram

LinkedIn

On social media, you will see that our Facebook and Instagram content provides targeted information for our members and providers. On LinkedIn, our posts recruit, inform, and repost content from our network providers and community-based organizations whom we work with closely. We also communicate with teleworking CenCal Health staff.

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COMMUNITY RELATIONS

Outreach - Sponsorships & Events

Community Benefits Program Report (sponsorships & donations)

CenCal Health's Community Benefits program aims to foster long-term collaborative partnerships with local nonprofits and other community partners whose mission is to serve vulnerable and low-income populations in our communities. These organizations provide a service that complements or enhances CenCal Health's services, or provide a secondary benefit to our membership.

Below is a list of organizations and their events to which CenCal Health committed funds in February 2023.

Organization Name	Event Name	Support Type	Event Date
VNA Health Foundation	22nd Annual Mother's Day Luncheon	Sponsorship	5/12/2023
Transition House	Mad Hatter Luncheon	Sponsorship	5/11/2023
The Council on Alcoholism and Drug Abuse (CADA)	Summit For Danny North County Climb	Sponsorship	4/29/2023
Angels Foster Care	Al Fresco Luncheon	Sponsorship	4/28/2023

Event Participation

Through event participation, the Communications and Community Relations department seeks to:

- Outreach to members and prospective Medi-Cal beneficiaries within our service areas.
- Promote health education.
- Increase the health plan's reputation as a partner within the business and healthcare communities.
- Fulfill CenCal Health's dedication to being a trusted partner in advancing health equity.

Events are supported by volunteer staff, known as Ambassadors, who represent CenCal Health. Below is a list of the community events attended by CenCal Health Ambassadors in February 2023:

Organization Name	Event Name	Event Date
CommUnify	2-1-1 Community Day Celebration	2/11/2023
Hearts Aligned Inc.	Hearts to Hearts Valentine's Luncheon	2/9/2023
CommUnify	Off the Record: An Intimate Conversation with Anthony Edwards and Cady Huffman	2/4/2023
Court Appointed Special Advocates (CASA) of Santa Barbara County	Mardi Gras	2/4/2023
Santa Barbara South Coast Chamber of Commerce	Annual Membership Meeting & Regional Business Awards	2/2/2023

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COMMUNITY RELATIONS

Outreach - Sponsorships & Events (cont.)

Events Spotlight

The following images highlight some of the community events attended and listed above, including sponsored and non-sponsored events.

CEO Marina Owen with Chief Customer Experience & Health Equity Officer Dr. Van Do-Reynoso at Santa Barbara South Coast Chamber of Commerce's Annual Membership Meeting & Regional Business Awards, honoring United Boys & Girls Clubs of Santa Barbara County.

CenCal Health Ambassador Paula Bottiani and Hearts Aligned Inc. founder Vivian Solodkin and Ms. Solodkin's husband, at Hearts Aligned Inc.'s Hearts to Hearts Valentine's Luncheon.

CenCal Health Ambassadors Citlaly Santos and Andrea Montes Alvarado hosted a resource table at CommUnify's 2-1-1 Community Day celebration event in Lompoc.

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COMMUNITY RELATIONS

Community Meetings

CenCal Health staff are active on community boards, councils, and committees representing issues on access to healthcare, children and senior issues, behavioral health, Latine/x outreach, individuals with developmental disabilities, and homelessness. Our objective is to improve access to high-quality healthcare, reduce health inequities, provide education, and promote a healthy lifestyle.

Community Engagement Report

CenCal Health participated in 19 community-focused meetings in February 2023. Due to the COVID-19 pandemic, most meetings were attended through virtual platforms. When in-person activities occur, staff is encouraged to follow recommended preventive safety measures, like mask-wearing and social distancing.

Date	Activity/Event/Meeting	Audience Reached
February 27	5 Cities Homeless Coalition (SLO)	Community-based organization (CBO)/Provider
February 27	MICOP (SLO/SB)	CBO
February 27	Santa Barbara United Way (SB)	CBO
February 23	County of San Luis Obispo Public Health Department (SLO)	County
February 15	Housing Services Oversight Council Executive Committee (SLO)	Public/CBOs/Business community/County/ Provider/Legislators
February 14	Partnerships for Action (SLO/SB)	CBOs/Business community/County/Provider
February 13	People's Self-Help Housing (SLO/SB)	CBO/Provider
February 10	Street Medicine Affinity Group (state)	CBOs/Business community/County/Provider/ Legislators
February 8	St. Vincent's (SB)	CBO
February 8	County of San Luis Obispo Homeless Services Division (SLO)	County/Provider
February 7	Housing Services Oversight Council Finance & Data Committee (SLO)	Public/CBOs/Business community/County/ Provider/Legislators
February 7	Housing Services Oversight Council Housing Committee (SLO)	Public/CBOs/Business community/County/ Provider/Legislators
February 6	Housing Services Oversight Council Services Committee (SLO)	Public/CBOs/Business community/County/Provider/ Legislators

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COMMUNITY RELATIONS

Community Engagement Report (cont.)

Date	Activity/Event/Meeting	Audience Reached
February 3	UndocuSupport (SLO)	CBO
February 3	Lompoc Valley Medical Center (SB)	Provider
February 2	Partnership for Action Learning Session (state)	CBOs/Business community/County/Provider/Legislators
February 1	UndocuSupport (SLO)	CBO
February 1	Family Resource Center (SLO)	CBO
February 1	Savie Health (SB)	CBO