Santa Cruz – Monterey – Merced Managed Medical Care Commission

(800) 700-3874
www.ccah-alliance.org

Meeting Agenda

Wednesday, December 1, 2021

3:00 p.m. – 5:30 p.m.

Teleconference Meeting

(Pursuant to Assembly Bill 361 signed by Governor Newsom, September 16, 2021)

Important notice regarding COVID-19: In the interest of public health and safety due to the state of emergency caused by the spread of COVID-19, this meeting will be conducted via teleconference. The following alternatives are available to members of the public to view this meeting and to provide comment to the Board.

1. Members of the public wishing to join the meeting may do so as follows:
    a. Computer, tablet or smartphone via Microsoft Teams:
    Click here to join the meeting
    b. Or by telephone at:
    United States: +1 (323) 705-3950
    Phone Conference ID: 436 615 800#

2. Members of the public wishing to provide public comment on items not listed on the agenda that are within jurisdiction of the commission or to address an item that is listed on the agenda may do so in one of the following ways.
    a. Email comments by 5:00 p.m. on Tuesday, November 30, 2021 to the Clerk of the Board at kstagnaro@ccah-alliance.org.
        i. Indicate in the subject line "Public Comment". Include your name, organization, agenda item number, and title of the item in the body of the e-mail along with your comments.
        ii. Comments will be read during the meeting and are limited to five minutes.
    b. Public comment during the meeting, when that item is announced.
        i. State your name and organization prior to providing comment.
        ii. Comments are limited to five minutes.

3. Mute your phone during presentations to eliminate background noise.
    a. State your name prior to speaking during comment periods.
    b. Limit background noise when unmuted (i.e. paper shuffling, cell phone calls, etc.).

---

1. **Call to Order by Chairperson Conner. 3:00 p.m.**
   A. Roll call; establish quorum.
   B. Supplements and deletions to the agenda.

2. **Oral Communications. 3:05 p.m.**
   A. Members of the public may address the Commission on items not listed on today's agenda that are within the jurisdiction of the Commission. Presentations must not exceed five minutes in length, and any individuals may speak only once during Oral Communications.
   B. If any member of the public wishes to address the Commission on any item that is listed on today's agenda, they may do so when that item is called. Speakers are limited to five minutes per item.

3. **Comments and announcements by Commission members.**
   A. Board members may provide comments and announcements.

4. **Comments and announcements by Chief Executive Officer.**
   A. The Chief Executive Officer (CEO) may provide comments and announcements.

<u>Consent Agenda Items</u>: (5. – 10F.): 3:10 p.m.

5. **Accept Executive Summary from the Chief Executive Officer (CEO).**
   - Reference materials: Executive Summary from the CEO.

   Pages 5-01 to 5-14

6. **Accept Alliance Dashboard for Q3 2021.**
   - Reference materials: Alliance Dashboard – Q3 3021.

   Pages 6-01 to 6-02

7. **Accept Alliance Financial Highlights, Balance Sheet, Income Statement and Statement of Cash Flow for the ninth month ending September 30, 2021.**
   - Reference materials: Financial Statements as above.

   Pages 7-01 to 7-09

<u>Appointments</u>: (8A.)

8A. **Approve appointments of Dr. Devon Francis and Dr. Sara Sarah Smith to the Whole Child Model Clinical Advisory Committee.**
   - Reference materials: Staff report and recommendation on above topic.

   Page 8A-01

<u>Minutes</u>: (9A. – 9C.)

9A. **Approve Commission regular meeting minutes of October 27, 2021 and special meeting minutes of November 17, 2021.**
   - Reference materials: Minutes as above.

   Pages 9A-01 to 9A-10

9B. **Accept Continuous Quality Improvement Committee meeting minutes of July 29, 2021.**
   - Reference materials: Minutes as above.

   Pages 9B-01 to 9B-06

9C. **Accept Finance Committee meeting minutes of September 22, 2021.**

- Reference materials: Minutes as above.

Pages 9C-01 to 9C-05

Reports: (10A. – 10F.)

10A. **Approve recommendation authorizing the Chairperson to sign Amendments to the Alliance's primary Medi-Cal contract number 08-85216 to implement a Risk Corridor for the new Enhanced Case Management benefit for CY 2022 and to incorporate proposed programmatic and regulatory language, if final language presented is acceptable and consistent with staff understandings and expectations.**

- Reference materials: Staff report and recommendation on above topic.

Pages 10A-01 to 10A-02

10B. **Accept report on 2021 Legislative Session Wrap Up.**

- Reference materials: Staff report on above topic.

Pages 10B-01 to 10B-02

10C. **Accept report on Community Atlas 2021.**

- Reference materials: Staff report on above topic.

Pages 10C-01 to 10C-04

10D. **Approve staff recommendation for Alliance Formulary Changes for Q4 2021 as recommended by the Pharmacy and Therapeutics Committee.**

- Reference materials: Staff report and recommendation on above topic.

Page 10D-01

10E. **Accept Quality and Performance Improvement Program Workplan Report for Q2 2021.**

- Reference materials: Staff report and recommendation on above topic.

Pages 10E-01 to 10E-04

10F. **Accept Utilization Management Workplan Report for Q2 2021.**

- Reference materials: Staff report and recommendation on above topic.

Pages 10F-01 to 10F-05

Regular Agenda Items: (11. – 15.): 3:15 p.m.

11. **Consider approving Board meeting schedule and schedule of Board member participation in Committees and Advisory Groups for 2022. (3:15 – 3:30 p.m.)**

A. Ms. Stephanie Sonnenshine, CEO, will review and Board will consider approving the Board meeting schedule for 2022.

- Reference materials: Staff report and recommendation on above topic.

Pages 11-01 to 11-02

B. Ms. Sonnenshine will review and Board will consider approving schedule of Board member participation in Committees and Advisory Groups for 2022.

- Reference materials: Staff report and recommendation on above topic.

Pages 11-03 to 11-05

12. Consider approving: 1) Medical Budget and 2) Administrative Budget for Alliance Calendar Year (CY) 2022. (3:30 – 3:55 p.m.)

A. Ms. Lisa Ba, Chief Financial Officer (CFO), will review and Board will consider approving proposed Medical Budget for CY 2022.

B. Ms. Ba will review and Board will consider approving proposed Administrative Budget for CY 2022.

- Reference materials: Staff report and recommendation on above topic; Proposed Medical and Administrative Budget for CY 2022; and Capital Budget and Depreciation Expense for CY 2022.

Pages 12-01 to 12-06

13. Consider approving Care Based Incentive (CBI) Funding for Calendar Year (CY) 2021. (3:55 – 4:10 p.m.)

A. Ms. Lisa Ba, CFO, will review and Board will consider approving proposed CBI funding for CY 2021.

- Reference materials: Staff report and recommendation on above topic.

Pages 13-01 to 13-02

14. Consider approving staff recommendations regarding Department of Health Care Services (DHCS) incentive programs. (4:10 – 4:25 p.m.)

A. Ms. Stephanie Sonnenshine, CEO, will review and Board will consider authorizing staff to execute the CalAIM Incentive Plan approved by DHCS.

- Reference materials: Staff report and recommendation on above topic.

Paged 14-01 to 14-02

B. Ms. Sonnenshine will review and Board will consider authorizing staff to submit a Letter of Intent to DHCS to participate in the Student Behavioral Health Incentive Program and to implement the incentive program in compliance with DHCS guidelines between January 2022 through December 2024.

- Reference materials: Staff report and recommendation on above topic.

Pages 14-03 to 14-04

15. Consider accepting staff's report and approving staff's recommendation regarding the Medi-Cal Capacity Grant Program. (4:25 p.m. – 4:45 p.m.)

A. Ms. Kathleen McCarthy, Strategic Development Director, will review and Board will consider accepting staff's report on opportunities to evolve the MCGP and request that staff return in early 2022 with a proposal for a revised program framework and new funding opportunities.

B. Ms. McCarthy will review and Board will consider approving retiring the Partners for Healthy Food Access Program after the January 18, 2022 application deadline.

- Reference materials: Staff report and recommendation on above topic.

Pages 15-01 to 15-03

Adjourn to Closed Session

16. Closed session pursuant to Government Code Section 54956.9(d)(2) – Conference with Legal Counsel – Potential litigation (One Case). (4:45 – 5:25 p.m.)

A. Closed session agenda item.

Return to Open Session

17. Open session pursuant to Government Code Section 54956.9(d)(2) – Conference with Legal Counsel - Potential litigation (One Case). (5:25 – 5:30 p.m.)

A. Board will report on action taken in closed session.

Information Items: (18A. – 18E.)

A.	Alliance in the News	Page 18A-01
B.	Alliance Fact Sheet – October 2021	Page 18B-01
C.	Letters of Support	Page 18C-01
D.	Member Appeals and Grievance Report – Q3 2021	Page 18D-01
E.	Membership Enrollment Report	Page 18E-01

Announcements:

Meetings of Advisory Groups and Committees of the Commission
The next meetings of the Advisory Groups and Committees of the Commission are:

- Physicians Advisory Group
  Thursday, December 2, 2021; 12:00 – 1:30 p.m.

- Whole Child Model Clinical Advisory Committee
  Thursday, December 16, 2021; 12:00 – 1:00 p.m.

The above meetings will be held via teleconference unless otherwise noticed.

The next regular meeting of the Commission, after this December 1, 2021 meeting, unless otherwise noticed:

- Santa Cruz – Monterey – Merced Managed Medical Care Commission
  Wednesday, February 23, 2022, 3:00 – 5:00 p.m. (*pending Board approval*)
  Locations: Videoconference from Alliance offices in Scotts Valley, Salinas and Merced

Locations for the meeting:

In Santa Cruz County:
Central California Alliance for Health Board Room
1600 Green Hills Road, Suite 101, Scotts Valley, CA

In Monterey County:
Central California Alliance for Health Board Room
950 E. Blanco Road, Suite 101, Salinas, CA

In Merced County:
Central California Alliance for Health Board Room
530 West 16th Street, Suite B, Merced, CA

Members of the public interested in attending should call the Alliance at (831) 430-5523 to verify meeting dates and locations prior to the meetings.

The complete agenda packet is available for review on the Alliance website at www.ccah-alliance.org/boardmeeting.html. The Commission complies with the Americans with Disabilities Act (ADA). Individuals who need special assistance or a disability-related accommodation to participate in this meeting should contact the Clerk of the Board at least 72 hours prior to the meeting at (831) 430-5523. Board meeting locations in Salinas and Merced are directly accessible by bus. As a courtesy to persons affected, please attend the meeting smoke and scent free.

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: Executive Summary from the Chief Executive Officer

Executive

State Budget FY 2022-23. On November 17, 2021, the non-partisan California Legislative Analyst Office (LAO) issued its annual Fiscal Outlook for the upcoming state fiscal year. The LAO report indicates that despite the continuing COVID-19 pandemic and resulting financial impacts on many California residents, state revenues continue to grow and California is estimated to have a $31B budget surplus for FY 2022-23. This report, while good news, is likely to result in discussions and perhaps disagreements regarding the appropriate approach to State spending. The first indication of the Administration's position on spending is likely to come in early January with the release of the Governor's January budget proposal.

2021 Legislative Session. The 2021 Legislative Session came to a close on October 10th, with the deadline for Governor Newsom to sign or veto bills remaining on his desk. Several topics introduced through legislation in January, such as Medi-Cal expansion to undocumented individuals, telehealth and CalAIM provisions, were resolved through action taken in the State FY 2021-22 budget. As previously reported, staff maintain a list of bills impacting the Alliance and work with health plan trade associations to advocate on bills affecting the health care industry in general, as well as those which affect Medi-Cal specifically. Staff have reviewed the outcomes of these bills and are developing implementation steps as required. Outcomes of bills for which the Board approved an official position of support are provided in the 2021 Legislative Wrap-Up report included as agenda item 10B.

San Benito and Mariposa County Expansion. In support of the Board approved expansion of services to San Benito and Mariposa counties, staff continue to communicate with the Department of Health Care Services (DHCS) regarding deliverables and are in the process of finalizing a Network Contracting Strategy deliverable due to DHCS on December 3, 2021. Upon review of the executed ordinances, DHCS has provided conditional approval of the county model change and service area expansion. Pending final approval by DHCS and the Alliance Board, the expansion of services will be effective January 1, 2024.

President Biden's Build Back Better Bill. On November 19, 2021 the United States House of Representatives, under Speaker Nancy Pelosi's leadership, narrowly passed the historic roughly $2.2T "Build Back Better" spending plan. The bill's 220 to 213 passage came after months of debate, negotiation and political arm-twisting. The House bill includes, among other things, funding for universal pre-k, child care, paid family and sick leave, improving Medicaid coverage for home health care, enhancing federal Affordable Care Act (ACA) premium subsidies and closing the Medicaid coverage gap in the 12 states that have not

expanded Medicaid under the ACA. All eyes now turn to the Senate where the Build Back Better bill will meet a monumental challenge to obtain approval of 50 Senators. Still, the significance and historic nature of the House's actions should not be lost.

Community Involvement. On November 1, 2021 I attended the virtual Health, Housing, Homelessness & Human Services Committee meeting and the virtual California State University, Monterey Bay College of Health Sciences & Human Services External Leadership Council meeting on November 16, 2021. I attended the virtual Health Improvement Partnership of Santa Cruz County Annual Board Meeting on November 18, 2021.

Health Services

The Health Services Division's current priorities and efforts include communicating with stakeholders to promote readiness for the Medi-Cal Pharmacy Carve-Out, promoting COVID-19 vaccination through DHCS COVID-19 Vaccine Incentive Program, finalizing operational procedures for the Enhanced Case Management and Community Supports (ECM and CS) program and developing contracts with prospective ECM and CS providers for January 1, 2022 readiness.

Inpatient/Emergency Department (ED) Utilization. Consistent with pre-pandemic fall and winter seasons, inpatient and ED utilization has been trending upward in October and November. Hospital staff report an increase in the acuity of members accessing ED services resulting in increased admissions and longer lengths of stay due to severity of illness. Most of the increased ED and inpatient activity is not attributable to COVID-19 but appears to be related to the delayed resumption of care for chronic conditions and preventive care due to the pandemic. So far this fall, COVID-19 activity in Alliance regional hospitals has remained relatively low relative to the summer, especially in Monterey and Santa Cruz Counties as more members are vaccinated resulting in fewer hospital admissions due to COVID-19. COVID-19 activity will be monitored closely through the winter months, as a surge is likely.

Prior Authorization. Authorization requests are increasing over the previous months and appear to be a result of members beginning to resume care. Authorization requirements have been reduced through the Alliance Authorization Process Redesign project, yet some providers continue to submit unnecessary requests for processing. A provider look-up tool is now available in the provider portal for providers to determine when authorization is required, and reporting is in place to capture the utilization of the new provider look-up tool. Outreach to specific provider offices is ongoing and should increase awareness and further decrease unnecessary requests.

Medi-Cal Rx Update

Communication Plan. The Alliance developed a comprehensive communication plan with the intent to educate our providers and members on Medi-Cal Rx. It encompasses the following:

1. A Medi-Cal Rx Outreach Campaign to our California Children's Services (CCS) members with Specialty medication has been initiated.

2. New published updates on Medi-Cal Rx in the November Provider eNewsletter.
3. Medi-Cal Rx Educational Flyer emailed to providers and community partners to distribute to members in wait rooms and/or via email.
4. DHCS has distributed the 60-day Member Notice.
5. Magellan hosted a Medi-Cal Rx 101 Educational Webinar for Providers. We updated our Provider Medi-Cal Rx landing page with webinar links, CDL flyers, Provider and Prescriber Training Checklists
6. Our current Pharmacy Benefits Manager, MedImpact, has distributed a FaxBlast informing pharmacies regarding Medi-Cal Rx and changes in billing information.
7. Pharmacy staff will be attending external meetings to keep our members and providers informed on any changes. Meetings include the Physicians Advisory Group, Whole Child Model Family Advisory Committee, Quarterly CCS County, cJOCs, JOCs, etc.
8. Alliance internal teams training and education is in progress and an article was published in the Pulse Newsletter. Our pharmacy staff is attending various department (MS, UM/CCM) team meetings to educate our internal teams.

In addition, all updated Medi-Cal Rx information with links for DHCS and Magellan websites will be available for both providers and members on our website.

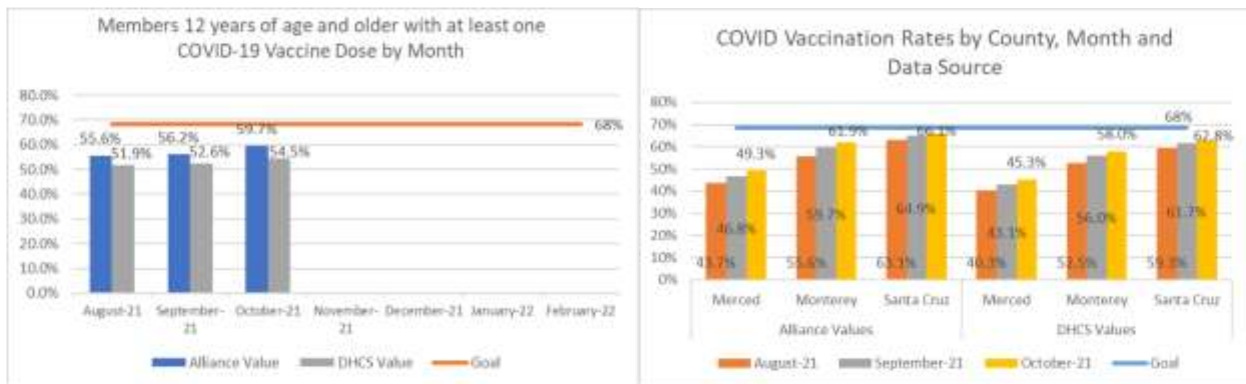
Vaccine Administration Fee Update. Currently, Managed Care Plans pay a bundled fee to the network pharmacies for vaccine administration, which includes the cost of vaccine, dispensing fee, and administration fee. DHCS announced that in addition to reimbursing pharmacies for the ingredient cost and dispensing fee, Medi-Cal Rx will reimburse pharmacies for the administration fee on the pharmacy claim. For non-COVID-19 vaccinations, there are two possible fees, depending on the service:

- If the vaccine is provided by a pharmacy to children under the Vaccine for Children program, the current physician rate for the administration fee is $9.00.
- For all vaccines provided by pharmacies not covered by the Vaccine for Children program (i.e. vaccines provided to adults), the current physician rate for the administration fee is $4.46.

Pursuant to AB 1114, pharmacy reimbursement for these fees is 85% of the physician rate on file; therefore, both rates, if billed by a pharmacy, would be reduced by 15%. The solution will be effective January 1, 2022.

DHCS COVID-19 Vaccination Incentive Plan. The Alliance is continuing to work on the Vaccine Incentive Program, which includes a comprehensive media plan, provider, and member incentives. The following represents the progress to date:

- Increases in *overall rates* for members 12 years and older with at least one COVID-19 vaccination dose from baseline of 55.6% (August) to 59.7% (October) with a target of 68%. For County rates in October, Santa Cruz has the highest rate (66.1%), followed by Monterey (61.9%), then Merced County (49.3%). Note: Alliance rates are slightly higher compared to DHCS due to data source capture.



- Member incentives: The Alliance is co-hosting pop-up clinics in areas that have the lowest vaccinated rates in high density areas where there is the greatest need (includes DHCS populations of focus) to increase access to COVID-19 vaccines. As of November 15, 2021, the Alliance provided a total of 82 Point-of-Service gift card incentives at pop-up clinics in each of the three counties as listed below.

County	Population of Focus	Date of Event	CBO Event/Provider Name	Gift Cards Awarded
Santa Cruz	All members	10/21/2021	Santa Cruz Community Health: Felton Community Hall	2
Merced	Self-identify as persons of color 50-64 years of age with multiple chronic diseases 12-25 years of age	11/1/2021	COVID-19 Mobile Vaccination Clinic: Lee's Community Food Market	40
Monterey	Self-identify as persons of color 50-64 years of age with multiple chronic diseases 12-25 years of age	11/3/2021	Natividad Medical Center: Pfizer Clinic	16

- COVID-19 vaccination incentive for 5-11 years old: The Alliance is in the process of developing and implementing both a member and provider incentive for this population. The approach will emulate the COVID-19 vaccination incentives already underway.

<u>Enhanced Case Management and Community Support Services</u>. Work continues on the development and refinement of the ECM benefit and CS services clinical workflows and processes. Staff are outlining six clinical lifecycle components: 1) identifying members for

ECM benefit and/or CS services, 2) receiving ECM and/or CS referrals via a "no wrong door" approach, 3) authorizing members to receive ECM benefit and/or CS services, 4) assigning members to ECM and/or CS contracted community providers, 5) initiating ECM benefit and/or CS services, 6) and discontinuing members from ECM benefit and/or CS services.

Work and meetings continue in collaboration with County Whole Person Care (WPC) staff. Updated member transition lists have been received to allow the Alliance to prepare the needed authorizations to continue ECM and/or CS services for members when the County's WPC program ends on December 31, 2021. Alliance staff continue to meet with Monterey and Santa Cruz County teams to prepare for the upcoming changes needed to meet the ECM benefit structure, as outlined by DHCS, and to discuss the activities required for each optional CS service that will be implemented next year.

Eating Disorder Support Development. Alliance staff and County Behavioral Health (BH) partners continue to collaborate on coordinating services and benefits for Alliance members with eating disorders. Recently, DHCS issued further guidance on the timelines and steps of implementation when Plans and County BH have a provider dispute regarding this coordination. Staff are meeting with County partners to review the changes, and to update Memorandums of Understanding and processes to align with this new state guidance.

Employee Services and Communications

Alliance Workforce. As of November 8, 2021, the Alliance has 519 budgeted positions of which our active workforce number is 488 (active FTE and temporary workers). There are 23.5 positions in active recruitment, and 41 positions are vacant. The organization continues to review and monitor all position requests to ensure we are meeting FTE targets. Human Resources continues to partner with Budget & Reporting to ensure alignment in FTE goals.

Human Resources has completed the Employee Satisfaction Survey and is currently reviewing results. Communication plans are underway to share the results of the survey with leadership and staff with the timeline to be determined.

Human Resources is working with Pearl Meyer, our outside compensation consultant, to ensure alignment between our compensation ranges, and the job market. This is an important evaluation process and best practice to ensure we are competitive in the market to attract and retain talent. This work provides an opportunity for us to review compensation data, pay structures, evaluate benchmarked positions, and provide a summary report and recommendations, if any, at the conclusion of this work. This process is a best practice and happens every two to three years.

Human Resources has completed annual Open Enrollment for 2022 benefits.

Facilities and Administrative Services. Capitola Manor: Construction is underway but the Office of Statewide Health Planning and Development increment 1 permit has not yet been issued. The project is currently 25% complete and scheduled to be finished in Q4 2022. The project is expected to exceed the current budget. A revised budget for 2022 has been submitted.

The Facilities team is currently working with several prospective tenants interested in leasing space at the 1800 building in Scotts Valley.

Communications. In support of the Alliance's state approved Vaccine Response Plan, staff developed a paid media campaign highlighting the vaccine incentive focused on elevating awareness of the incentive in order to improve COVID-19 vaccination rates. The paid campaign targets 12-19-year-old people in targeted zip codes in our counties where vaccination rates are low. The bi-lingual campaign "Crush COVID" launched late October and featured outdoor billboards, interior and exterior bus ads, movie and streaming video ads, print and digital ads and social media tactics. We also developed a website landing page and member-facing flyer. In support of the provider incentives, we have developed provider eNewsletters and have added the incentive information on our provider website pages. Staff have also engaged an advertising agency that specializes in creating multicultural media campaigns and has experience in the public health sector. The agency will focus on the second phase of the campaign targeting 5-11-year-old audiences. This campaign is in the early brainstorming stages, but we expend it to launch publicly towards the end of the year and run through February. The bi-lingual campaign will likely lean heavily on digital media including streaming radio, additional social platforms and community partnerships.

Operations

Claims. Claims inventory levels remain above target, averaging 45,000 claims. Inventory is expected to rise moderately over the next few weeks, as staff take time off for the holidays, and we anticipate inventory reduction in the new year. While inventory levels remain above target, we continue to achieve our claim cycle time goals, with a very low percentage of claims processed after 26 days of receipt. Additional developments to support inventory reduction targets and team growth include: Piloting of a time loss tracker; implementation of weekly metric meetings with staff engagement; and monthly leadership and staff meetings to ensure continuous engagement and improvement.

Member Services. The Member Services Department has finalized 30-day notices and new ID cards which will be issued by December 1, 2021 and reflect the Medi-Cal Rx carve out. Also included in the notices is information on Enhanced Care Management (ECM), a new benefit offered to eligible members starting in January 2022. Member Services is actively engaged in developing and delivering thorough training to Member Services Representatives to ensure staff are prepared for the expected increase in member calls regarding these changes. Additionally, Member Services is managing system updates in response to new regulations, which will transition Medi-Cal fee for service beneficiaries in certain aid codes to Medi-Cal managed care, as well as transition share of cost beneficiaries currently enrolled in Medi-Cal managed care to Medi-Cal fee for service.

Provider Services. Following the Alliance Board's approval of payment policy for ECM and Community Supports (CS), Provider Services sent contracting and credentialing packets to a select list of organizations in Santa Cruz and Monterey Counties. Those who received a contract indicated readiness to provide ECM and/or CS by January 1, 2022 and are currently serving Whole Person Care members. Staff are supporting those entities who received a contract in addressing follow-up questions in support of a January 1 go live, while we

simultaneously plan for the next phase of provider outreach to engage additional interested organizations in the provision of ECM and CS services. Additional and notable efforts underway within Provider Services include: the conclusion of the annual Provider Appointment and Availability Survey, for which over 3,500 surveys were administered to providers by Alliance staff; final preparation of contracting materials to support the Alliance COVID-19 Vaccine Incentive Program; completion of recruitment efforts in Northern San Luis Obispo to provide additional access points for members, while also filling regulatory access gaps; and analysis of the 2021 Provider Satisfaction Survey outcomes, which indicate extremely high satisfaction from Alliance-contracted providers.

Regional Operations. Regional Operations continues create a forum for open communication between Alliance leadership and contracted hospitals and Primary Care Providers through our Joint Operations Committee (JOC) and Clinic Joint Operations Committee (cJOC) meetings. Between January and October 2021, Regional Operations facilitated 20 JOC meetings with eight hospitals and 16 cJOC meetings with seven clinics. There are four JOC and five cJOC meetings scheduled for the remainder of the year. The focus of the Q4 2021 meetings include updates on COVID-19 impacts, ECM/CS and Pharmacy Carve Out.

The Your Health Matters (YHM) Outreach team has begun attending COVID-19 pop up clinics in our Service Area and has incentivized 58 members at these events. The $50 member incentive is a component of the DHCS Vaccine Incentive Program that began in September and will end in February of 2022. Several pop-up clinics have been scheduled for November in communities where vaccine rates are the lowest. The team also attended an additional eight outreach events, including the Salinas Valley Pride Celebration, Santa Cruz County Trunk or Treat, and the Merced Halloween Street Bash. A total of 2,160 members were reached in October via the YHM outreach efforts.

Q3 2021 Operational Dashboard Results. The Q3 2021 *Alliance Dashboard* reports the 13 top-level (Level 1) processes for Board monitoring using a composite methodology, meaning the performance of underlying core processes are averaged to produce top-level process performance results, as displayed in the *Alliance Dashboard*.

In addition to Level 1 process performance, page 2 of the *Alliance Dashboard* contains a subset of the 150 metrics that the Board has requested for quarterly monitoring. The Q3 2021 *Alliance Dashboard* indicates healthy performance. Results for 10 of 13 Level 1 processes met or exceeded 95% of target. Exceptions to the 95% standard and other notable performance are as follows:

- *Engage and Support Members*. Q3 2021 performance (92.9%) is down 3.0 percentage points over Q2 2021 performance. The Level 2 process *Help Members Navigate* (82.1%) was impacted by staff shortages leading to a reduction in service levels for incoming member calls.

- *Manage and Improve Care.* Q3 2021 performance (99.6%) is up 3.5 percentage points over Q2 2021. The increase is driven by increased performance in the rate of moderate and significant quality issues. Also, of note, *PCP 90-day referral completion rate* (86.0%) did not meet threshold in Q3 2021 due to provider staff shortages.

Finally, *Opioid Rx (per 1,000 members per year)* showed a statistically significant and positive shift in performance.

- *Acquire and Retain Employees.* Q3 2021 performance (94.2%) slightly dropped over Q2 2021 (94.6%), primarily the result of new employee turnover at 54.2 percent of target, a 6.4 percentage point drop over Q2 2021 performance.

- *Manage Alliance Compliance Commitments.* Q3 2021 performance (95.5%) increased 3.8 percentage points over Q2 2021. Rise in performance is the result of increased performance in *All cases of suspected fraud and/or abuse are reported to DHCS within 10 business days* at 100% of target, up from 50% in Q2 2021.

- *Manage Finances.* Q3 2021 performance (100%) is stable over Q2 2021. Of note is the metrics *Operating Margin*, *Net Income Percentage*, and *Medical Loss Ratio* all show six straight quarters of improved results indicating continued improvement. This improvement is attributed to higher revenue due to increased funding and membership and depressed utilization/medical expenses.

Attachments.

1. COVID-19 Vaccine Incentive Campaign

COVID-19 Vaccine Incentive Campaign

November 2, 2021

CAMPAIGN OBJECTIVES AND AUDIENCES

Objectives:

- Increase overall awareness of the importance of getting the COVID vaccine if they are eligible
- Through targeted messaging, persuade potential members to get their COVID-19 vaccine through simple, fact-based messaging

Audiences:

- Unvaccinated Members (12-20) in target areas
- Providers
- Community partners

CAMPAIGN OVERVIEW

- Campaign paid tactics launched **starting Oct. 25** and will run 4-8 weeks depending on media
- Paid tactics target young people (age 12-20) in targeted cities based on unvaccinated members by zip code (Merced, Salinas, Watsonville, King City)
- Owned tactics will also support campaign (Alliance communication channels)

CAMPAIGN- PAID TACTICS OVERVIEW

OUTDOOR/DISPLAY ADS:

- **Transit - Salinas, Watsonville, Monterey buses** (8 weeks)
  - 10 Large exterior bus ads (curb side)
  - 90 interior bus ads (45 Eng/45 Spa)
  - Merced TBD on space considerations (free space)
- **Outdoor billboards** in Merced and Salinas (4 weeks)
  - 3 Merced locations
  - 3 Salinas locations
- **Movie theaters** (8 weeks run up until Christmas)
  - 2 Merced locations (plus streaming)
  - 2 Salinas (Northridge and Maya Cinemas), 1 King City
  - 1 Watsonville (Green Valley Cinemas)

CAMPAIGN- PAID TACTICS OVERVIEW

DIGITAL TARGETED ADS:

- **Digital newspaper ads targeting Merced and Watsonville** (4 weeks)
  - Merced Sun-Star (Eng)
  - Vida en el Valle (Spa)
- **Existing social media platforms**
  - Facebook, Instagram (Eng and Spa)

Monterey Salinas Transit Bus Ads

External ads and internal ads:

Blue Line Billboard

Placed in Merced:

	Panel No.	Area	Sales Addr	ILL	Advertiser / Design / Contract #	Posted
Market: Fresno						
1	0000150-1	Monterey	First 600 ft S/O Division W/S F/S	N	Central California Alliance fo - VACCINE INCENTIVES - 3355489	10/27/2021 6:32PM
2	0037417-O	Monterey	Hwy 101 8.60 mi N/O Salinas E/S F/S	N	Central California Alliance fo - Vaccine Incentives - 3355489	10/29/2021 2:22PM

Lamar Billboard:

- **Posted in MERCED:** **@ EL HWY 99 1500' N/O WINTON, Livingston CA**

Vida en el Valle:

Spanish circulation

in Merced:

Print ad 10/27/20

"Los Latin Grammy tienen que dar espacio a otoro tipo de música"

LA VIDA ESTÁ A UNA LLAMADA

California Phones
te ayuda a conectarte.
Este programa público gratuito ofrece dispositivos y servicios accesibles que ayudan con la audición, la visión, el habla, la movilidad y la memoria.
1-855-441-5504
www.CaliforniaPhones.org

¡DESTRUYE EL COVID!
CONOZCA LOS HECHOS.
VACÚNESE.
¡RECIBA $50!*
OBTENGA MÁS INFORMACIÓN EN
www.thealliance.health/crushcovid
800-700-3874
*Se aplican restricciones.

Digital Ads

On Merced Sun Star Website

CRUSH COVID!
GET THE FACTS.
GET THE VACCINE.
GET $50!*
*Restrictions apply.
LEARN MORE

CRUSH COVID!
GET THE FACTS.
GET THE VACCINE.
GET $50!*
*Restrictions apply.
LEARN MORE

CRUSH COVID!
LEARN MORE
GET THE FACTS.
GET THE VACCINE.
GET $50!*

Incentive Landing page and Facebook Post

- Crush COVID! - Central California Alliance for Health (thealliance.health)

Vaccine Incentive Flyers

- **English:** https://brandfolder.com/s/ghtbwr3bpnfcng6hsgwpv8x3
- **Spanish:** https://brandfolder.com/s/47jwg94wmjqkm8jw38j5w8m9
- **Hmong:** https://brandfolder.com/s/mxqkjqvzhsgbm99r6s9wbp

Alliance Dashboard – *Quarter 3 2021*

Purpose: To provide oversight of health plan performance across all organizational processes, to enable timely and targeted intervention as needed.

Context & Limitations: *Target* and *Threshold* levels are established by Alliance leadership and informed by contractual requirements and best practice standards (where available). This dashboard is produced using composites, meaning the performance of multiple sub-processes is combined for aggregate performance scores. All metrics are normalized to a 100 point scale to create the composites, so *Target* performance is always 100%. A subset of metrics are included on the following page, and additional context, analysis, and action plans surrounding performance trends (positive or negative) are included in the *Executive Summary from the CEO*, as applicable.

Legend | Target = desirable performance | Threshold = lowest acceptable performance | ≥ to 95% of *Target* | <95% of *Target* and >*Threshold* | <*Threshold*

Core Processes
Deliver value to our members, providers and community

Engage & Support Members — 92.9% Of Target
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

SUBPROCESSES:
- 98.6 Help Members Engage
- 82.1 Help Members Navigate
- 98.1 Member Experience

Manage & Improve Care — 99.6% Of Target
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

SUBPROCESSES:
- 99.1 Manage Care Use
- 100 Improve Care

Develop & Maintain the Provider Network — 98.3% Of Target
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

SUBPROCESSES:
- 98.5 Develop the Network
- 98.1 Maintain the Network

Pay Providers — 99.8% Of Target
JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

SUBPROCESSES:
- 99.6 Fee-for-Service Payments
- 100 Value-Based Payments

Managerial Processes
Guide the organization

- 100 Enhance Operational Effectiveness (Q320 Q420 Q121 Q221 Q321)
- 95.5 Manage Compliance Commitments (Q320 Q420 Q121 Q221 Q321)
- 100 Manage Finances (Q320 Q420 Q121 Q221 Q321)
- 100 Manage Governmental & Community Relations (Q320 Q420 Q121 Q221 Q321)

Support Processes *Enable organizational operations*

- 94.2 Acquire & Retain Employees (Q320 Q420 Q121 Q221 Q321)
- 93.2 Manage Data (Q320 Q420 Q121 Q221 Q321)
- 99.9 Manage Technology (Q320 Q420 Q121 Q221 Q321)
- 100 Provide Administrative Services (Q320 Q420 Q121 Q221 Q321)
- 98.6 Communications & Organizational Branding (Q320 Q420 Q121 Q221 Q321)

Alliance Dashboard

Board Metrics

No.	Metric	Period	Target	Performance
1	Member Calls Answered Timely	Q321	80.0%	35.9%
2	New Member Welcome Call Completion Rate	Q221	30.0%	33.7%
3	Timely Resolution of Member Complaints	Q321	100.0%	100.0%
4	Members' Favorable Rating of Health Plan (CAHPS) (Medi-Cal)	2020	Child: 86.0% | Adult: 73.0%	Child: 89.2% | Adult: 80.6%
5	Members' Favorable Rating of Health Care (CAHPS) (Medi-Cal)	2020	Child: 84.5% | Adult: 70.5%	Child: 83.8% | Adult: 76.5%
6	Routine PCP Facility Site Reviews Completed Timely	Q321	100.0%	60.0%
7	Facility Sites Reviewed in Good Health	Q321	100.0%	97.0%
8	In Area PCP Market Share (all counties)	Q321	80.0%	85.2%
9	In Area Specialist Market Share (all counties)	Q321	80.0%	84.0%
10	Contracted PCP Open % (all counties)	Q321		59.8%
11	Overall Provider Satisfaction Rate	2020	88.0%	84.0%
12	Inpatient Bed Days/ 1,000 members/Year (Medi-Cal)	Q221	282.0	259.0
13	Admissions/1,000 Members/Year (Medi-Cal)	Q221	63.0	57.0
14	Total 30 Day All-Cause Readmissions %	Q221	11.0%	11.0%
15	Ambulatory Care Sensitive Admissions (Medi-Cal)	Q221	8.0%	7.7%
16	Average Length of Stay (Medi-Cal)	Q221	4.5	4.6
17	Emergency Department visits/1,000 members/year (all LOBs)	Q221	513.0	408.0
18	Avoidable Emergency Department visits (all LOBs)	Q221	18.0%	10.0%
19	Behavioral Health Utilization Rate by County (All Ages)	Q221	3.6%	SC: 9.0% | Mont: 4.2% | Merced: 4.0%
20	Routine Medical/Surgical Prior Authorizations Adjudicated Timely	Q321	100.0%	99.6%
21	Medical/Surgical Authorization Denial Rate	Q321		0.7%
22	Pharmacy Cost/Member/Month - Retail, Outpatient & Specialty	Q321	$46.59	$43.62
23	Generic Prescription %	Q321	88.0%	89.4%
24	Clean Claims Processed and Paid Within 30 Calendar Days	Q321	90.0%	92.5%
25	Employee Turnover Rate	Q420-Q321	10.0%	7.4%
26	Total Staffed Workforce	Q321	90.0%	94.0%
27	Board Designated Reserves Percentage	Q321	100.0%	116.9%
28	Net Income Percentage	Q321	1.0%	12.5%
29	Medical Loss Ratio	Q321	92.0%	81.5%
30	Administrative Loss Ratio	Q321	6.0%	4.9%

DATE: December 01, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Lisa Ba, Chief Financial Officer

SUBJECT: Financial Highlights for the Ninth Month Ending September 30, 2021

For the month ending September 30, 2021, the Alliance reported an Operating Income of $13.7M. The Year-to-Date (YTD) Operating Income is at $118.7M, with an MLR of 84.6%, and ALR of 5.2%.

The 2021 budget assumed services to rebound starting Q4 2020 and returning to the 2019 level by Q1 2021. However, the assumption was not realized, and utilization continued to be suppressed through February 2021. Utilization increased from March through July. The delta variant slowed down the utilization in recent months. As a result, YTD medical expenses are favorable to budget by $88.6M or 8.2%.

During the Board Finance Committee meeting on September 22, 2021, staff shared a forecast based on the YTD July financial result. Staff expect an operating income of $128M for 2021. The Alliance received an updated revenue package in July which improved revenue by 4% compared to the budget due to the pharmacy carve-in, the COVID add on and the extension of the long-term care add-on. The forecast assumes an increase in utilization through the end of 2021. However, due to the lower than expected utilization earlier in 2021, the overall utilization and cost for the year will be at the 2019 level. The increases in revenue rates and enrollment, combined with decreased utilization have resulted in favorable financial performance and forecast in 2021.

Sep-21 MTD (In $000s)

Key Indicators	Current Actual	Current Budget	Current Variance	% Variance to Budget
Membership	*383,089*	*375,273*	*7,816*	*2.1%*
Revenue	133,224	124,285	8,940	7.2%
Medical Expenses	113,305	121,326	8,021	6.6%
Administrative Expenses	6,239	7,413	1,174	15.8%
Operating Income/(Loss)	13,680	(4,454)	18,134	100.0%
Net Income/(Loss)	13,134	(5,153)	18,288	100.0%
MLR %	*85.0%*	*97.6%*	*12.6%*	
ALR %	*4.7%*	*6.0%*	*1.3%*	
Operating Income %	*10.3%*	*-3.6%*	*13.9%*	
Net Income %	*9.9%*	*-4.1%*	*14.0%*	

HEALTHY PEOPLE. HEALTHY COMMUNITIES.

www.ccah-alliance.org

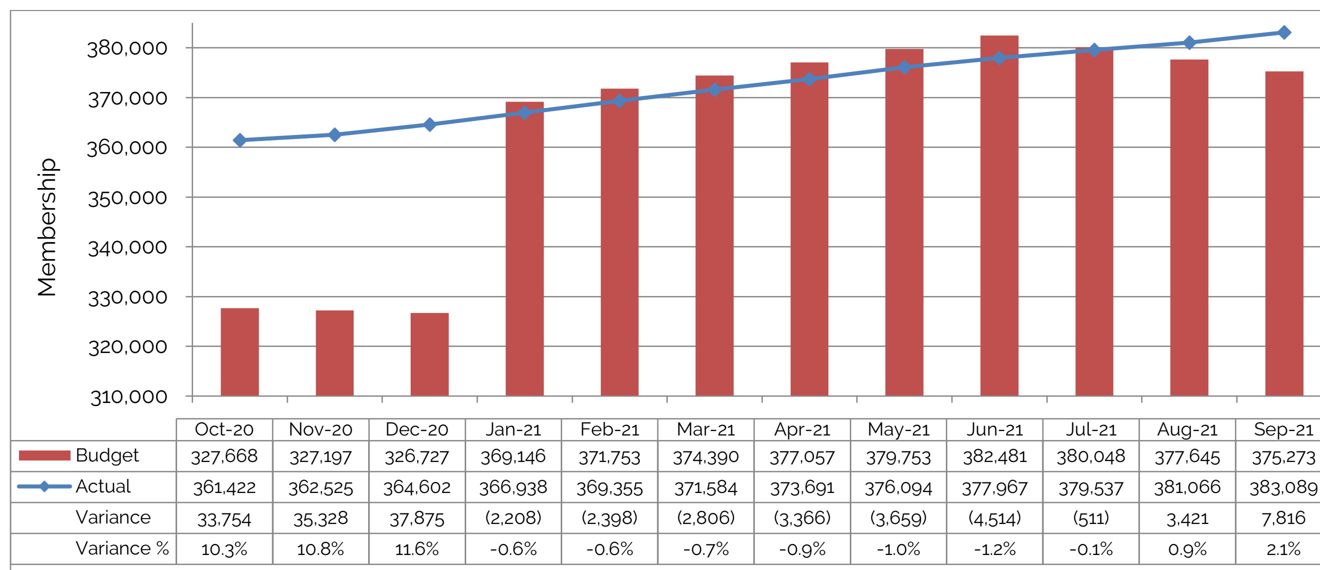
Sep-21 YTD (In $000s)

Key Indicators	YTD Actual	YTD Budget	YTD Variance	% Variance to Budget
Membership	*3,379,321*	*3,387,545*	*(8,224)*	*-0.2%*
Revenue	1,169,343	1,122,952	46,391	4.1%
Medical Expenses	989,534	1,078,118	88,584	8.2%
Administrative Expenses	61,080	64,678	3,598	5.6%
Operating Income/(Loss)	118,729	(19,844)	138,573	100.0%
Net Income/(Loss)	110,490	(25,969)	136,458	100.0%
PMPM				
Revenue	346.03	331.49	14.53	4.4%
Medical Expenses	292.82	318.26	25.44	8.0%
Administrative Expenses	18.07	19.09	1.02	5.3%
Operating Income/(Loss)	35.13	(5.86)	40.99	100.0%
MLR %	84.6%	*96.0%*	*11.4%*	
ALR %	*5.2%*	*5.8%*	*0.6%*	
Operating Income %	*10.2%*	*-1.8%*	*11.9%*	
Net Income %	*9.4%*	*-2.3%*	*11.7%*	

Per Member Per Month. Capitation revenue and medical expenses are variable based on enrollment fluctuations, therefore the PMPM view offers more clarity than the total dollar amount. Conversely, administrative expenses do not directly correspond with enrollment and are therefore viewed in terms of total dollar amount. At a PMPM level, YTD revenue is $346.03, which is favorable to budget by $14.53 or 4.4%. Medical cost PMPM is $292.82, which is favorable by $25.44 or 8.0% and administrative cost PMPM is $18.07, which is favorable by $1.02 or 5.3%. The resulting operating income is $40.99 PMPM.

Membership. September 2021 Member Months are favorable to budget by 2.1%. Please note that the budget assumed the Public Health Emergency (PHE) would end in June 2021. In the Governor's May Revision, the PHE is assumed to end in December 2021. This will result in favorable membership and member months for the year.

Membership. Actual vs. Budget (based on actual enrollment trend for Sep-21 rolling 12 months)



	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Budget	327,668	327,197	326,727	369,146	371,753	374,390	377,057	379,753	382,481	380,048	377,645	375,273
Actual	361,422	362,525	364,602	366,938	369,355	371,584	373,691	376,094	377,967	379,537	381,066	383,089
Variance	33,754	35,328	37,875	(2,208)	(2,398)	(2,806)	(3,366)	(3,659)	(4,514)	(511)	3,421	7,816
Variance %	10.3%	10.8%	11.6%	-0.6%	-0.6%	-0.7%	-0.9%	-1.0%	-1.2%	-0.1%	0.9%	2.1%

Revenue. The budgeted revenue was based on the 2021 rate package as of October 2020. Revised rates received July 13, 2021 included Pharmacy, COVID-19 and LTC add-ons for the entire CY 2021. This resulted in stronger and more favorable revenue.

September 2021 capitation revenue of $132.9M is favorable to budget by $9.0M or 7.2% and includes a true up adjustment of $1.2M for maternity revenue due to increased utilization in August. September 2021 YTD revenue of $1,167.0M is favorable to budget by $46.7M or 4.2%, of which $9.1M is attributed to enrollment and $37.5M to rate variance.

Sep-21 YTD Capitation Revenue Summary (In $000s)

County	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Santa Cruz	260,650	251,666	8,984	3,359	5,625
Monterey	507,636	487,595	20,041	2,559	17,482
Merced	398,644	380,984	17,660	3,228	14,432
Total	**1,166,930**	**1,120,245**	**46,685**	**9,146**	**37,539**

Note: Excludes Sep-21 YTD In-Home Supportive Services (IHSS) premiums revenue of $2.4M.

Medical Expenses. September 2021 Medical Expenses of $113.3M are favorable to budget by $8.0M or 6.6%. September 2021 YTD Medical Expenses are $989.5M, which is favorable to budget by $88.6M or 8.2%, with an MLR of 84.6%. Of this $88.6M favorability, $2.6M is attributed to enrollment and $86.0M to PMPM cost variance.

Sep-21 YTD Medical Expense Summary ($ In 000's)

Category	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Inpatient Services (Hospital)	309,032	327,803	18,771	796	17,975
Inpatient Services (LTC)	105,255	147,887	42,632	359	42,273
Physician Services	175,498	177,154	1,655	430	1,225
Outpatient Facility	76,574	62,261	(14,313)	151	(14,464)
Pharmacy	155,793	159,120	3,327	386	2,941
Other Medical	167,381	203,893	36,512	495	36,017
Total	**989,534**	**1,078,118**	**88,584**	**2,617**	**85,967**

Note: Surgical Clinics cost was reclassified to Outpatient Facility and budget is in the Other Medical category.

At a PMPM level, YTD Medical Expenses are $292.82, which is favorable by $25.44 or 8.0% as compared to budget. Please note that rate (PMPM) is the unit cost for a service, and when multiplied by the utilization for the service, equals the medical cost. The suppressed utilization contributed to the favorable rate variance.

YTD authorization trends indicate outpatient services are rising, whereas inpatient services are close to the budget. We believe members are now aggressively seeking services within the outpatient setting that may have been postponed to post-pandemic times. Please note that Surgical Clinics actual cost has been reclassed from Other Medical to Outpatient Facility to align with RDT, whereas the budget remains intact.

Sep-21 YTD Medical Expense by Category of Service (In PMPM)

Category	Actual	Budget	Variance	Variance %
Inpatient Services (Hospital)	91.45	96.77	5.32	5.5%
Inpatient Services (LTC)	31.15	43.66	12.51	28.7%
Physician Services	51.93	52.30	0.36	0.7%
Outpatient Facility	22.66	18.38	(4.28)	-23.3%
Pharmacy	46.10	46.97	0.87	1.9%
Other Medical	49.53	60.19	10.66	17.7%
Total	**292.82**	**318.26**	**25.44**	**8.0%**

Administrative Expenses. September 2021 YTD Administrative Expenses are favorable to budget by $3.6M or 5.6% with a 5.2% ALR.

Non-Operating Revenue/Expenses. September 2021 YTD Total Non-Operating Revenue is unfavorable to budget by $4.3M, primarily driven by lower interest income and unrealized gain/loss on investments. This is offset by a favorable September 2021 YTD Non-Operating Expense of $2.2M, for a net loss of $2.1M.

Summary of Results. Overall, the Alliance generated a YTD Net Income of $110.5M, with an MLR of 84.6%, and an ALR of 5.2%.

CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Balance Sheet
For The Ninth Month Ending September 30, 2021
(In $000s)

Assets	
Cash	$167,969
Restricted Cash	300
Short Term Investments	514,793
Receivables	168,697
Prepaid Expenses	3,197
Other Current Assets	18,111
Total Current Assets	**$873,066**
Building, Land, Furniture & Equipment	
Capital Assets	$83,434
Accumulated Depreciation	(40,461)
CIP	4,759
Total Non-Current Assets	**47,731**
Total Assets	**$920,797**
Liabilities	
Accounts Payable	$43,086
IBNR/Claims Payable	288,953
Accrued Expenses	1
Estimated Risk Share Payable	7,529
Other Current Liabilities	6,148
Due to State	0
Total Current Liabilities	**$345,718**
Fund Balance	
Fund Balance - Prior	$464,590
Retained Earnings - CY	110,490
Total Fund Balance	**575,080**
Total Liabilities & Fund Balance	**$920,797**

CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Income Statement - Actual vs. Budget
For The Ninth Month Ending September 30, 2021
(In $000s)

	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
Member Months	*383,089*	*375,273*	*7,816*	*2.1%*	*3,379,321*	*3,387,545*	*(8,224)*	*-0.2%*
Capitation Revenue								
Capitation Revenue Medi-Cal	$132,940	$123,974	$8,967	7.2%	$1,166,930	$1,120,245	$46,685	4.2%
Premiums Commercial	284	311	(27)	-8.6%	2,414	2,708	(294)	-10.9%
Total Operating Revenue	**$133,224**	**$124,285**	**$8,940**	**7.2%**	**$1,169,343**	**$1,122,952**	**$46,391**	**4.1%**
Medical Expenses								
Inpatient Services (Hospital)	$25,539	$36,412	$10,873	29.9%	$309,032	$327,803	$18,771	5.7%
Inpatient Services (LTC)	12,855	17,356	4,501	25.9%	105,255	147,887	42,632	28.8%
Physician Services	24,100	20,009	(4,091)	-20.4%	175,498	177,154	1,655	0.9%
Outpatient Facility	9,596	6,956	(2,640)	-37.9%	76,574	62,261	(14,313)	-23.0%
Pharmacy	19,028	17,131	(1,897)	-11.1%	155,793	159,120	3,327	2.1%
Other Medical	22,187	23,461	1,274	5.4%	167,381	203,893	36,512	17.9%
Total Medical Expenses	**$113,305**	**$121,326**	**$8,021**	**6.6%**	**$989,534**	**$1,078,118**	**$88,584**	**8.2%**
Gross Margin	**$19,919**	**$2,959**	**$16,960**	**100.0%**	**$179,809**	**$44,834**	**$134,975**	**100.0%**
Administrative Expenses								
Salaries	$4,088	$4,771	$684	14.3%	$41,369	$42,143	$774	1.8%
Professional Fees	139	242	103	42.5%	1,268	1,540	272	17.7%
Purchased Services	790	945	155	16.4%	7,696	7,798	102	1.3%
Supplies & Other	585	693	107	15.5%	5,140	6,612	1,472	22.3%
Occupancy	84	118	34	28.7%	636	999	363	36.3%
Depreciation/Amortization	553	643	91	14.1%	4,972	5,586	615	11.0%
Total Administrative Expenses	**$6,239**	**$7,413**	**$1,174**	**15.8%**	**$61,080**	**$64,678**	**$3,598**	**5.6%**
Operating Income	**$13,680**	**($4,454)**	**$18,134**	**100.0%**	**$118,729**	**($19,844)**	**$138,573**	**100.0%**
Non-Op Income/(Expense)								
Interest	$297	$558	($261)	-46.8%	$2,705	$5,148	($2,442)	-47.4%
Gain/(Loss) on Investments	(670)	(22)	(647)	-100.0%	(2,276)	(207)	(2,070)	-100.0%
Other Revenues	109	82	26	31.9%	1,025	829	196	23.6%
Grants	(282)	(1,318)	1,035	78.6%	(9,694)	(11,896)	2,202	18.5%
Total Non-Op Income/(Expense)	**($546)**	**($699)**	**$153**	**21.9%**	**($8,240)**	**($6,125)**	**($2,115)**	**-34.5%**
Net Income/(Loss)	**$13,134**	**($5,153)**	**$18,288**	**100.0%**	**$110,490**	**($25,969)**	**$136,458**	**100.0%**
MLR	*85.0%*	*97.6%*			*84.6%*	*96.0%*		
ALR	*4.7%*	*6.0%*			*5.2%*	*5.8%*		
Operating Income	*10.3%*	*-3.6%*			*10.2%*	*-1.8%*		
Net Income %	*9.9%*	*-4.1%*			*9.4%*	*-2.3%*		

CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Income Statement - Actual vs. Budget
For The Ninth Month Ending September 30, 2021
(In PMPM)

	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
Member Months	*383,089*	*375,273*	*7,816*	*2.1%*	*3,379,321*	*3,387,545*	*(8,224)*	*-0.2%*
Capitation Revenue								
Capitation Revenue Medi-Cal	$347.02	$330.36	$16.67	5.0%	$345.31	$330.70	$14.62	4.4%
Premiums Commercial	0.74	0.83	(0.09)	-10.5%	0.71	0.80	(0.09)	-10.6%
Total Operating Revenue	**$347.76**	**$331.18**	**$16.58**	**5.0%**	**$346.03**	**$331.49**	**$14.53**	**4.4%**
Medical Expenses								
Inpatient Services (Hospital)	$66.67	$97.03	$30.36	31.3%	$91.45	$96.77	$5.32	5.5%
Inpatient Services (LTC)	33.56	46.25	12.69	27.4%	31.15	43.66	12.51	28.7%
Physician Services	62.91	53.32	(9.59)	-18.0%	51.93	52.30	0.36	0.7%
Outpatient Facility	25.05	18.54	(6.51)	-35.1%	22.66	18.38	(4.28)	-23.3%
Pharmacy	49.67	45.65	(4.02)	-8.8%	46.10	46.97	0.87	1.9%
Other Medical	57.92	62.52	4.60	7.4%	49.53	60.19	10.66	17.7%
Total Medical Expenses	**$295.77**	**$323.30**	**$27.53**	**8.5%**	**$292.82**	**$318.26**	**$25.44**	**8.0%**
Gross Margin	**$52.00**	**$7.88**	**$44.11**	**100.0%**	**$53.21**	**$13.24**	**$39.97**	**100.0%**
Administrative Expenses								
Salaries	$10.67	$12.71	$2.04	16.1%	$12.24	$12.44	$0.20	1.6%
Professional Fees	0.36	0.65	0.28	43.7%	0.38	0.45	0.08	17.5%
Purchased Services	2.06	2.52	0.46	18.1%	2.28	2.30	0.02	1.1%
Supplies & Other	1.53	1.85	0.32	17.2%	1.52	1.95	0.43	22.1%
Occupancy	0.22	0.32	0.10	30.2%	0.19	0.29	0.11	36.2%
Depreciation/Amortization	1.44	1.71	0.27	15.9%	1.47	1.65	0.18	10.8%
Total Administrative Expenses	**$16.29**	**$19.75**	**$3.47**	**17.6%**	**$18.07**	**$19.09**	**$1.02**	**5.3%**
Operating Income	**$35.71**	**($11.87)**	**$47.58**	**100.0%**	**$35.13**	**($5.86)**	**$40.99**	**100.0%**

CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Statement of Cash Flow
For The Ninth Month Ending September 30, 2021
(In $000s)

	MTD	YTD
Net Income	$13,134	$110,490
Items not requiring the use of cash: Depreciation	535	4,215
Adjustments to reconcile Net Income to Net Cash provided by operating activities:		
Changes to Assets:		
Receivables	2,059	79,032
Prepaid Expenses	176	(375)
Current Assets	(721)	1,394
Net Changes to Assets	**$1,514**	**$80,051**
Changes to Payables:		
Accounts Payable	12,794	2,527
Accrued Expenses	-	-
Other Current Liabilities	(1,868)	(1,315)
Incurred But Not Reported Claims/Claims Payable	57,121	(21,864)
Estimated Risk Share Payable	834	(2,481)
Due to State	-	-
Net Changes to Payables	**$68,881**	**($23,133)**
Net Cash Provided by (Used in) Operating Activities	**$84,064**	**$171,624**
Change in Investments	(24,582)	(158,683)
Other Equipment Acquisitions	(246)	(2,018)
Net Cash Provided by (Used in) Investing Activities	**($24,827)**	**($160,701)**
Net Increase (Decrease) in Cash & Cash Equivalents	**$59,237**	**$10,923**
Cash & Cash Equivalents at Beginning of Period	**$108,732**	**$157,045**
Cash & Cash Equivalents at September 30, 2021	**$167,969**	**$167,969**

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Dr. Dale Bishop, Chief Medical Officer

SUBJECT: Whole Child Model Clinical Advisory Committee: Member Appointment

---

Recommendation. Staff recommend the Board approve the appointment of the individuals listed below to the Whole Child Model Clinical Advisory Committee (WCMCAC).

Background. The Board established the WCMCAC authorized in the Bylaws of the Santa Cruz-Monterey-Merced Managed Medical Care Commission.

Discussion. The following individuals have indicated interest in participating on the WCMCAC.

Name	Affiliation	County
Dr. Devon Francis	Physician	Santa Cruz
Dr. Sarah Smith	Physician	Monterey

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

HEALTHY PEOPLE. HEALTHY COMMUNITIES.

www.ccah-alliance.org

SANTA CRUZ – MONTEREY – MERCED
MANAGED MEDICAL CARE COMMISSION

Meeting Minutes

Wednesday, October 27, 2021

Teleconference Meeting
(Pursuant to Assembly Bill 361 signed by Governor Newsom, September 16, 2021)

Commissioners Present:

Ms. Dorothy Bizzini	Public Representative
Ms. Leslie Conner	Provider Representative
Supervisor Ryan Coonerty	County Board of Supervisors
Dr. Maximiliano Cuevas	Provider Representative
Dr. Larry deGhetaldi	Provider Representative
Ms. Julie Edgcomb	Public Representative
Dr. Charles Harris	Hospital Representative
Ms. Dori Rose Inda	Hospital Representative
Ms. Elsa Jimenez	County Health Director
Ms. Shebreh Kalantari-Johnson	Public Representative
Mr. Michael Molesky	Public Representative
Supervisor Josh Pedrozo	County Board of Supervisors
Ms. Elsa Quezada	Public Representative
Dr. James Rabago	Provider Representative
Dr. Allen Radner	Provider Representative
Dr. Joerg Schuller	Hospital Representative
Mr. Rob Smith	Public Representative
Mr. Tony Weber	Provider Representative

Commissioners Absent:

Supervisor Wendy Root Askew	County Board of Supervisors
Ms. Mimi Hall	County Health Services Agency Director
Ms. Rebecca Nanyonjo	Director of Public Health

Staff Present:

Ms. Stephanie Sonnenshine	Chief Executive Officer
Ms. Lisa Ba	Chief Financial Officer
Dr. Dale Bishop	Chief Medical Officer
Mr. Scott Fortner	Chief Administrative Officer

Ms. Van Wong	Chief Information Officer
Ms. Jenifer Mandella	Compliance Officer
Ms. Kathy Stagnaro	Clerk of the Board

1. Call to Order by Chair Conner.

Commission Chairperson Conner called the meeting to order at 3:01 p.m.

Roll call was taken and a quorum was present.

[Commissioner Coonerty arrived at this time: 3:03 p.m.]

Ms. Stephanie Sonnenshine, Chief Executive Officer (CEO), informed the Board that Commissioner Radner intended to abstain from voting on the Consent Agenda as item 9F posed potential conflicts of interest. This allowed the Board to avoid having two separate Consent Agenda votes.

Chair Conner acknowledged the Board service and service to the community of Ms. Mimi Hall in her role as Santa Cruz County Health Services Agency Director. This was Ms. Hall's last meeting.

2. Oral Communications.

Chair Conner opened the floor for any members of the public to address the Commission on items not listed on the agenda.

No members of the public addressed the Commission.

3. Comments and announcements by Commission members.

Chair Conner opened the floor for Commissioners to make comments.

No comments or announcements from Commissioners at this time.

4. Comments and announcements by Chief Executive Officer.

Chair Conner opened the floor for Ms. Stephanie Sonnenshine, Chief Executive Officer (CEO).

Ms. Sonnenshine, CEO, brought to the Board's attention staff's consent agenda report on AB 361 – Brown Act: Teleconferencing Meeting Procedures which allows meetings via teleconferencing as permitted by the Brown Act, as amended in AB 361, during a proclaimed state of emergency. She informed the Board that staff anticipate calling a Special Meeting by the Chairperson on or about November 17, 2021 to consider teleconferencing for the December 1, 2021 regular meeting. Staff expect to recommend returning to in-person meetings in 2022.

Consent Agenda Items: (5. – 9F.): 3:08 p.m.

Chair Conner opened the floor for approval of the Consent Agenda.

Commissioner Molesky requested to ensure a grievance procedure remains in place for members as staff recommended Board approval to cease efforts on Knox Keene licensure for the Alliance's Medi-Cal line of business.

Ms. Lois Sones, Program Director at Elderday Healthcare Program at Community Bridges, spoke in appreciation to the Board of the Medi-Cal Capacity Grant Program.

MOTION: Commissioner Coonerty moved to approve the Consent Agenda seconded by Commissioner Pedrozo.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Bizzini, Conner, Coonerty, Cuevas, deGhetaldi, Edgcomb, Inda, Jimenez, Kalantari-Johnson, Molesky, Pedrozo, Quezada, Rabago, Schuller, Smith and Weber.

Noes: None.

Absent: Commissioners Askew, Hall, Harris and Nanyonjo.

Abstain: Commissioner Radner.

Regular Agenda Item: (10. - 13.): 3:12 p.m.

10. Discuss Enhanced Care Management/Community Supports Implementation and consider approving Enhanced Care Management and Community Supports Provider Payment Policy. (3:12 – 3:53 p.m.)

Dr. Dale Bishop, Chief Medical Officer, provided background on CalAIM, the implementation of an Enhanced Care Management (ECM) benefit, and Community Supports (CS) implementation.

A significant effort is underway to establish a new ECM benefit and to offer selected CS services under the new CalAIM initiative with the goal to improve the quality of life and result in equitable health outcomes for Alliance members.

[Commissioner Harris arrived at this time: 3:16 p.m.]

Ms. Lisa Ba, Chief Financial Officer, discussed the Board's role in payment policies. Board approval of payment policy for the ECM/CS providers will support staff's efforts to contract with a provider network in advance of the January 1, 2022 implementation. Staff's recommendation is based on a goal to maximize payments to Alliance providers from the revenue made available by the Department of Health Care Services (DHCS) while also adhering to the Board's direction of providing provider payments which are in line with DHCS's revenue assumptions.

Chair Conner reminded the Board that this item carried potential conflicts of interest. Board members whose organization may serve as an ECM provider or CS provider were encouraged to abstain from discussion and voting on this item.

MOTION: Commissioner Molesky moved to approve Alliance pay contracted Enhanced Care Management providers at the Department of Health Care Services developed per enrollee per month rate for enrolled members and outreach dollar per target; and Alliance pay contracted Community Supports providers within the Department of Health Care Services established pricing guidance rate ranges for Community Supports, seconded by Commissioner deGhetaldi.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Coonerty, Cuevas, deGhetaldi, Edgcomb, Harris, Kalantari-Johnson, Molesky, Pedrozo, Quezada, Rabago, Schuller, Smith, and Weber.

Noes: None.

Absent: Commissioners Askew, Bizzini, Hall, and Nanyonjo.

Abstain: Commissioners Conner, Inda, Jimenez and Radner.

[Commissioner Pedrozo departed at this time: 3:53 p.m.]

11. Consider approving removal of Quality of Care performance adjustment from Care-Based Incentives (CBI) program for 2021. (3:53 – 4:06 p.m.)

Chair Conner reminded the Board that this item carried potential conflicts of interest. Board members holding a primary care physician agreement with the Alliance were encouraged to abstain from discussion and voting on this item.

Dr. Dale Bishop, Chief Medical Officer, discussed proposed changes for Care-Based Incentive (CBI) 2021 payment. In April 2020 the Board approved a performance adjustment to decrease CBI payment for low performance on quality of care metrics. This adjustment factor was recommended in response to the 2019 Department of Health Care Services change of minimum performance level quality performance reporting. The approved CBI adjustments included a provision for the pandemic that would not be put in place if metrics could not be achieved by brief visits or telemedicine visits. The majority of Alliance providers would not achieve results consistently above the 50th percentile for most quality measures in 2021. Despite providers best efforts, pandemic related challenges have not been overcome through modified visit methods.

MOTION: Commissioner Smith moved to approve removal of the Quality of Care performance adjustment from the Care-Based Incentive program for 2021, seconded by Commissioner Coonerty.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Bizzini, Coonerty, Edgcomb, Kalantari-Johnson, Molesky, Quezada, Smith.

Noes: None.

Absent: Commissioners Askew, Hall, Nanyonjo and Pedrozo.

Abstain: Commissioners Conner, Cuevas, deGhetaldi, Harris, Inda, Jimenez, Rabago, Radner, Schuller and Weber.

12. Consider approving delegation of authority to respond to government claims to a Government Claims Board and adoption of Government Claims Policy. (4:06 – 4:17 p.m.)

Ms. Jenifer Mandella, Compliance Officer, provided background and discussed Government Claims Act requirements with the Board and draft Policy #105-0018 - Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims which documents staff's recommendation for delegation of the authority to act on government claims to a Government Claims Board. The policy identifies the make-up of the Government Claims Board and addresses any potential conflict of interest with respect to the claim.

MOTION: Commissioner Weber moved to approve delegation of authority to respond to government claims to a Government Claims Board consisting of three Alliance staff, pursuant to the authority under Government Code Section 935.2; and adoption of Policy #105-0018 – Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims, seconded by Commissioner Jimenez.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Bizzini, Conner, Coonerty, Cuevas, deGhetaldi, Edgcomb, Harris, Inda, Jimenez, Kalantari-Johnson, Molesky, Quezada, Rabago, Radner, Schuller, Smith and Weber.

Noes: None.

Absent: Commissioners Askew, Hall, Nanyonjo and Pedrozo.

Abstain: None.

13. Consider Golden Valley Health Center's request for Letter of Support for expansion of Program of All-Inclusive Care for the Elderly (PACE) into Merced County. (4:17 – 4:53 p.m.)

Chair Conner reminded the Board that this item carried potential conflicts of interest. Board members who perceived that they were at risk of conflicts of interest were encouraged to abstain from discussion and voting on this item.

Ms. Stephanie Sonnenshine, CEO, discussed a request for a letter of support from Golden Valley Health Center for their expansion of a PACE program into Merced County. She provided background on the PACE program, discussed how it is related to a County Organized Health System, and provided a review of relevant issues for Board consideration and determination regarding the request for a letter of support. She noted that the PACE program is voluntary, and seen as an added value, for members who may return to Medi-Cal Managed Care from PACE. Commissioner deGhetaldi requested that staff provide an assessment of members who return to the Alliance.

[Commissioner Kalantari-Johnson departed at this time: 4:40 p.m.]

[Commissioner Coonerty departed at this time: 4:44 p.m.]

The following individuals provided public comment: Kris Christie, Dayout Adult Day Health Care Center, Merced; Michael Chai, Day Break Adult Day Health Care Center, Merced; and Jason West, Executive Director Central Valley PACE at Golden Valley Health Centers, Merced.

MOTION: Commissioner Cuevas moved to approve the request for a Letter of Support from Golden Valley Health Center to expand the operation of their Program of All-Inclusive Care for the Elderly (PACE) to Merced County, seconded by Commissioner Molesky.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Bizzini, Conner, Cuevas, deGhetaldi, Harris, Inda, Jimenez, Molesky, Rabago, Radner, Schuller and Smith.

Noes: Commissioner Edgcomb.

Absent: Commissioners Askew, Coonerty, Hall, Kalantari-Johnson, Nanyonjo and Pedrozo.

Abstain: Commissioners Quezada and Weber.

Adjourn to Closed Session

Chair Conner moved the Commission into Closed Session at 4:53 p.m.

14. Closed session pursuant to Government Code Section 54956.9(d)(2) – Conference with Legal Counsel – Potential litigation (One Case).

Return to Open Session

Chair Conner reconvened the meeting to Open Session at 5:39 p.m.

15. Open session pursuant to Government Code Section 54956.9(d)(2) – Conference with Legal Counsel – Potential litigation (One Case).

Chair Conner reported from Closed Session that no action was taken by the Board.

The Commission adjourned its regular meeting of October 27, 2021 at 4:41 p.m. to the regular meeting of December 1, 2021 at 3:00 p.m. via teleconference unless otherwise noticed.

Respectfully submitted,

Ms. Kathy Stagnaro
Clerk of the Board

SANTA CRUZ – MONTEREY – MERCED
MANAGED MEDICAL CARE COMMISSION
MEETING

Meeting Minutes

Special Meeting at the call of the Chairperson

Wednesday, November 17, 2021

Teleconference Meeting

(Pursuant to Assembly Bill 361 signed by Governor Newsom, September 16, 2021)

Commissioners Present:

Supervisor Wendy Root Askew	County Board of Supervisors
Ms. Dorothy Bizzini	Public Representative
Ms. Leslie Conner	Provider Representative
Dr. Maximiliano Cuevas	Provider Representative
Dr. Larry deGhetaldi	Provider Representative
Ms. Julie Edgcomb	Public Representative
Dr. Charles Harris	Hospital Representative
Ms. Elsa Jimenez	County Health Director
Mr. Michael Molesky	Public Representative
Ms. Rebecca Nanyonjo	Director of Public Health
Supervisor Josh Pedrozo	County Board of Supervisors
Ms. Elsa Quezada	Public Representative
Dr. James Rabago	Provider Representative
Dr. Joerg Schuller	Hospital Representative
Mr. Rob Smith	Public Representative
Mr. Tony Weber	Provider Representative

Commissioners Absent:

Supervisor Ryan Coonerty	County Board of Supervisors
Ms. Dori Rose Inda	Hospital Representative
Ms. Shebreh Kalantari-Johnson	Public Representative
Dr. Allen Radner	Provider Representative

Staff Present:

Ms. Stephanie Sonnenshine	Chief Executive Officer
Ms. Van Wong	Chief Information Officer
Ms. Kathy Stagnaro	Clerk of the Board

1. Call to Order by Chair Conner.

Commission Chairperson Conner called the meeting to order at 3:02 p.m.

Roll call was taken and a quorum was present.

[Commissioner Rabago arrived at this time: 3:05 p.m.]

2. Oral Communications.

Chair Conner opened the floor for any members of the public to address the Commission on items not listed on the agenda.

[Commissioner Harris arrived at this time: 3:06 p.m.]

No members of the public addressed the commission.

3. Comments and announcements by Commission members.

Chair Conner opened the floor for Commissioners to make comments.

No comments or announcements from Commissioners at this time.

[Commissioner Pedrozo arrived at this time: 3:08 p.m.]

4. Comments and announcements by Chief Executive Officer.

Chair Conner opened the floor for Ms. Stephanie Sonnenshine, Chief Executive Officer (CEO).

Ms. Sonnenshine, CEO, announce that Van Wong is the Alliance's next Chief Operating Officer (COO). Van will transition into the COO role on Monday, November 22, 2021. In addition, Dr. Dale Bishop, Chief Medical Officer, intends to retire at the end of 2023. As part of his transition toward retirement, Dr. Bishop will scale back his current role, and in the next three to six months, will transition into a vacant Medical Director position.

Ms. Sonnenshine reviewed the December 1, 2021 Board agenda which will include a Closed Session. Due to a full agenda, the meeting may be extended by 30 minutes to end at 5:30 p.m.

5. Approve findings that the state of emergency continues to impact the ability of members to meet safely in person and/or State or local officials continue to impose or recommend measures to promote social distancing.

Chair Conner opened the floor for approval of Item 5.

MOTION: Commissioner Molesky moved to approve to continue to meet via teleconferencing as permitted by the Brown Act, as amended in AB 361, during a proclaimed state of emergency and made the requisite findings supporting teleconferencing for the December 1, 2021 regular meeting, seconded by Commissioner Bizzini.

ACTION: The motion passed with the following vote:

Ayes: Commissioners Askew, Bizzini, Conner, Coonerty, Cuevas, deGhetaldi, Edgcomb, Harris, Jimenez, Molesky, Nanyonjo, Pedrozo, Quezada, Rabago, Schuller, Smith and Weber.

Noes: None.

Absent: Commissioners Coonerty, Inda, Kalantari-Johnson and Radner.

Abstain: None.

The Commission adjourned its special meeting of November 17, 2021 at 3:12 p.m. to the regular meeting of December 1, 2021 at 3:00 p.m. via teleconference unless otherwise noticed.

Respectfully submitted,

Ms. Kathy Stagnaro
Clerk of the Board

CONTINUOUS QUALITY IMPROVEMENT COMMITTEE

Meeting Minutes
Thursday, July 29, 2021
12:00 – 1:30 p.m.

Virtual Meeting / Web Conference

Committee Members Present

Dr. Casey Kirkhart	Provider Representative
Dr. Eric Sanford	Provider Representative
Dr. Eugene Santillano	Provider Representative
Dr. Madhu Raghavan	Provider Representative
Dr. Oguchi Nkwocha	Provider Representative
Dr. Stephanie Graziani	Provider Representative
Ms. Allyse Gilles	Hospital Representative
Ms. Rohini Mehta	Hospital Representative
Ms. Susan Harris	Hospital Representative

Guests Present:

Mr. Tony Nannini	Registered Dietician

Committee Members Absent:

Dr. Amy McEntee	Provider Representative
Dr. Caroline Kennedy	Provider Representative
Ms. Rohini Mehta	Hospital Representative

Staff Present:

Dr. Maya Heinert	Chair, and Medical Director
Dr. Dianna Diallo	Medical Director
Mr. Chris Morris	Operational Excellence Director
Mr. Jim Lyons	Provider Relations Manager
Mr. Luis Somoza	Member Services Director
Ms. Deborah Pineda	Quality and Health Programs Manager
Ms. Hilary Gillette-Walch	Quality and Population Health Manager
Ms. Jacqueline Van Voerkens	Administrative Specialist
Ms. Jennifer Mockus	Community Care Coordination Director
Ms. Linda Gorman	Communications Director
Ms. Michelle Stott	QI & Population Health Director
Ms. Navneet Sachdeva	Pharmacy Director
Ms. Tammy Brass, RN	UM & CCM Manager
Ms. Yasuno Sato	Clinical Pharmacy Manager

1. **Call to Order by Dr. Maya Heinert, Medical Director**
   Dr. Maya Heinert called the meeting to order at 12:04 PM, welcomed the members and established a quorum.

Dr. Maya Heinert opened the floor for discussion of emerging issues. The purpose is to provide an open forum to announce significant changes in public health mandates, state requirements and provider concerns.

Committee discussed CDC changes in COVID guidelines. New guidelines include continuation of wearing masks in public regardless of vaccination status, mandatory COVID Vaccine for all public employees, government employees (Federal policy), and for all health care workers. Committee discussed the Delta Variant.

COVID vaccine hesitation, emergency use authorization of vaccine, and FDA approval was discussed.

- The World Health Organization released an article on ethical considerations for mandate of COVID vaccination.
    - **Action:** Dr. Heinert will distribute the article (Action Completed)
- Some parents prefer to wait to vaccinate their children until it is a school requirement and fully FDA approved. Committee discussed the possibility of providing vaccinations at schools (back to school night/orientation).
- DHCS distributed points for Health Plans to focus on to encourage member vaccination.
- Committee discussed member incentives to reduce vaccine hesitation.
    - The Alliance is researching approaches other health plans are utilizing.
    - A list of Alliance Member Incentives is attached to the meeting packet.
- Committee members mentioned the positive outcomes of "point-of-care" member incentives (e.g.: fruit smoothie card, grocery card, items providers can distribute at a visit).
- Committee discussed incentives implemented by the federal government.

Committee member suggested surveying previously hesitant members, to identify the trigger that prompted them to decide to get the COVID vaccine.

- The Alliance conducted multiple member outreach COVID-19 campaigns to high-risk members.
- Group discussed the Alliance exploring the idea of outreaching to members who were previously hesitant and recently vaccinated to ask them what changed their minds.
- Allyse from Golden Valley proposed a possible medical research project/opportunity for their medical students, Allyse will forward more information and/or follow up with the Alliance.

San Mateo County Clinic changed their patient messaging to shift from hesitancy to logistics. The messaging includes "we have a vaccine reserved for you/waiting for you" which increased vaccine rates. The goal is to make the vaccine readily available, and change the normalization of hesitation.

Action: Pharmacy will provide the scientific research behind San Mateo County Clinic's process. (Action Completed)
Action: The Alliance will provide educational safety information of the COVID vaccine for adolescent patients. (Action Completed)

2. Consent Agenda

Dr. Maya Heinert introduced the consent agenda. Luis Samosa, the Alliance's new Member Services Director, was introduced to the committee as a CQIC member.

April 29, 2021 CQIC Meeting Minutes

Dr. Maya Heinert presented the April 29, 2021 CQIC Minutes. No edits requested at this time.

Subcommittee/Workgroup Meeting Minutes

- Continuous Quality Improvement Workgroup – Interdisciplinary (CQIW - I) Minutes (Q1 2021)
- Continuous Quality Improvement Workgroup (CQIW) Minutes (Q1 2021)
- Pharmacy and Therapeutic (P&T) Committee – Formulary Q2 2021
- Utilization Management Workgroup (UMWG) Minutes (Q2 2021)

Workplans:

- Q1 2021 Utilization Management Work Plan
- Q1 2021 Quality and Performance Improvement Program Work Plan
- Q1 2021 Quality and Performance Improvement Program Work Plan Executive Summary

Policies:

Approval Required		
Policy Number	**Title**	**Significant Changes**
401-1301	Potential Quality Issue • Attachment A (retire attachment)	• Severity Level, rewording • PCP and Specialist thresholds • Recommendation to remove attachment (PQI form)
401-1501	Standards of Care	• Updated reference language
401-1505	Childhood Preventative Care • Attachment A • Attachment B	• Lead screening language added from APL 20-016 • Regulatory references • Department name change
401-1506	Immunization Services	• Policy revisions have been made in response to the APL 20-022 COVID-19 Vaccine.
Informational		
Policy Number	**Title**	**Significant Changes**
401-1518	Medical Assistants Scope of Practice	• Aligning annual review date of policy and attachment
401-1607	Healthcare Effectiveness Data and Information Set (HEDIS) Program Management and Oversight • Attachment A	• Updated Attachment A to the RY2021 MCAS Measures • Removed references to NCQA material attachments • Updated title of QPHM

401-1705	Care based Incentive Program	• Payment adjustment language added • Updated portal reports available • Clarified language added to member reassignment threshold

Delegate Oversight Report (BEACON): Q1-2021 delegate oversite summary included in consent agenda meeting packet.

QIPH Reports

- HEDIS Executive Summary
- IHA Code Review
- Member Incentive
- PQI Trend Executive Report

Committee Decision: April 29, 2021 CQIC minutes were approved as written. Consent agenda items approved.

3. Regular Agenda

A. HEDIS MY 2020
A review of HEDIS MY 2020 Performance on Hybrid Measures and Performance on Administrative Measures was presented to the Committee.

- DHCS requires the plan to achieve at or above the 50th percentile using NCQA benchmarks.
- Controlling Blood Pressure (CBP) measure considerations was discussed.
- Considerations examined included Cervical Cancer Screening (CCS) and Breast Cancer Screening (BCS) state-level rate drops.
- Telehealth visit provision added to Technical Specifications, providers not always capturing the BP date of service (DOS) accurately or with multiple readings when possible,
- Santa Cruz Health Information Organization (SCHIO) data dramatically increased rate, and the significant rate drop in Santa Cruz/Monterey (5.49%) for Chlamydia Screening in Women (CHL).

The Committee discussed blood pressure measure, and the strong performance of childhood immunizations measure, with a slight increase noted for Merced County.

B. Medical Nutrition Therapy (MNT) criteria and Weight Reduction Drugs Formulary/Prior Authorization (PA) Criteria Update
Medical Nutrition Therapy program was presented to the committee. Main points indicated during the conversation included adult weight management, Hyperlipidemia, and MNT for pediatric members.

a. The committee reviewed the Alliance's weight reduction formulary and non-preferred medications.
b. Prior authorization criteria was presented. Initial authorizations are approvable for 24 weeks.
c. Re-authorization requirement is 5% weight loss from baseline after 24 weeks, and/or maintenance of 5% weight loss.
d. FDA approved medication is available for obesity.

e. Treatment authorization requests, criteria and utilization limits was discussed.
f. An MNT quick reference guide is attached to the meeting packet for more information.

C. Authorization Process Redesign

The Authorization Process Redesign Project has undergone some exceptional developments. Approximately 200 codes are programmed in the portal for automatic approval. Once these codes are submitted in the portal, these codes will receive immediate turnaround approval.

a. A portion of codes have been added to the No Tar Required (NTR) process.
b. The authorization roadmap metrics and breakdown of progress was reviewed with the committee.
c. Next steps include UM/CM to work internally with the Claims Department on Non-Emergency Medical Transportation (NEMT) invoicing processes for greater efficiencies, working on PCR processes to reduce provider burden and support greater auth efficiencies, develop additional reporting to monitor processes and identify new codes.
d. The Provider Procedure Code Lookup (PCL) tool is coming soon per Application Development team. Tools are being created to ensure the PCL tool is intuitive.
e. Determination of appropriate codes to include in the automated approval include(d) examination of individual codes, code groupings, as well as utilization, in the reporting system.

D. Readmissions and Recuperative Care Update

The Readmissions and Recuperative Care Pilot (RCP) has further refined the Alliance's authorization processes. The Recuperative Care Pilot Admit and Length of Stay criteria was reviewed with the committee.

a. The Reducing Re-Admissions (RRAD) update included data of members enrolled in Complex Case Management using the BI Tool, and members contacted on discharge by CCM/MSW transitions of care work.
b. During the first and second quarter of 2021 the Recuperative Care pilot initiated 12 beds in Santa Cruz County in March, will initiate 32 beds in Merced, and 6 beds in Monterey County in August. Total member admitted to RCP is 9, and 5 members are still in need of housing.

Action: RCP Authorization Process Instructions will be added to the minutes. (Action Completed)

E. Population Need Assessment (PNA)

Key findings of the 2020 demographics were presented (total population, age groups, race/ethnicity, and preferred spoken language). DHCS provided some guidance for the Population Needs Assessment requirements, which includes creation of systems-level focused vs. individual member targeted interventions, requested to limit the number of objectives, and of those objectives, one must be a health disparity goal.

Areas of focus:

a. Access to Care (Timely and equitable access to care and to mental health services), Cultural and Linguistic services (Language Assistance, Health Literacy, and common concerns),
b. Quality Improvement and Health Education, which included Diabetes /Heart Disease, Obesity in Adults, and Information desired by members and Social and Health Risk Factors, was reviewed.
c. Oral Health Care Access was added in response to feedback received from the Member Services Advisory Group.

The PNA action plan was examined.

a. The goal of the PNA action plan is to raise awareness and increase education on our defined areas of opportunity.
b. The 2021/2023 action plan will focus on areas of opportunity in Access to Care, Cultural & Linguistics, QI/Health Education, and Health Disparities.
c. Next steps include implementing tactics for targeted strategies.

Action: Team request to present PNA targeted strategies to next CQIC meeting. (Action Completed)

4. Future Topics

Future topics include:

- Long COVID
- PNA targeted strategies

Committee members are encouraged to submit items for discussion at any time to Michelle Stott or Mary Brusuelas.

Next Meeting: Thursday, October 28, 2021 12:00 p.m. – 1:30 p.m.

The meeting adjourned at 1:30 p.m.

Minutes respectfully submitted by,

Jacqueline Van Voerkens
Administrative Specialist

FINANCE COMMITTEE
SANTA CRUZ – MONTEREY – MERCED
MANAGED MEDICAL CARE COMMISSION

Meeting Minutes

Wednesday, September 22, 2021

Teleconference Meeting
(Pursuant to Governor Newsom's Executive Order N-29-20)

Members Present:

Ms. Mimi Hall	County Health Services Agency Director
Mr. Michael Molesky	Public Representative
Ms. Elsa Jiménez	County Health Director
Allen Radner, MD	Provider Representative

Members Absent:

Mr. Tony Weber	Provider Representative

Staff Present:

Ms. Lisa Ba	Chief Financial Officer
Ms. Stephanie Sonnenshine	Chief Executive Officer
Ms. Dulcie San Paolo	Finance Administrative Specialist

1. Call to Order by Chairperson Molesky. (1:34 p.m.)

Chairperson Molesky called the meeting to order at 1:34 p.m. Roll call was taken. A quorum was present.

2. Oral Communications. (1:35 – 1:36 p.m.)

Chairperson Molesky opened the floor for any members of the public to address the Committee on items not listed on the agenda.

No members of the public addressed the Committee.

Consent Agenda Items:

3. Approve minutes of the May 26, 2021 meeting of the Finance Committee. (1:36 – 1:38 p.m.)

FINANCE COMMITTEE ACTION: Chairperson Molesky opened the floor for approval of the minutes of the May 26, 2021 meeting.

MOTION:	Commissioner Hall moved to approve the minutes, seconded by Commissioner Jiménez
ACTION:	The motion passed with the following vote:
Ayes:	Commissioners Hall, Jiménez, Molesky
Noes:	None
Absent:	Commissioners Radner and Weber
Abstain:	None

Regular Agenda Items:

4. Year-to-date July 2021 Financials. (1:38 – 1:47 p.m.)

Ms. Lisa Ba, Chief Financial Officer (CFO), updated the commissioners on the Alliance's most recent financial performance. For the seven months ending on July 31, 2021, there was an operating income of $86.2M. The Medical Loss Ratio (MLR) was favorable to budget at 85% compared to the budgeted 96%. Ms. Ba explained that, at the time the budget was developed in October 2020, there was the assumption that care would resume during the fourth quarter of 2020 and to rise to the 2019 levels in the first quarter of 2021. However, it is now known that resumption of care was further delayed due to the surge of COVID-19 cases that occurred from December 2020 through February 2021. Since then, utilization data has shown that utilization began to increase in March through June 2021, and then that upward trend slowed again in July and August of this year due to the spread of the COVID-19 Delta variant.

In summary, the continuation of lower utilization into 2021 due to the on-going pandemic, combined with increases in revenue, including the pharmacy carve-in and COVID and LTC add-ons, as well as increased enrollment, has resulted in positive financial results that have continued into the second quarter of 2021.

Ms. Ba opened the floor for questions and discussion.

5. Forecast based on Year-to-date July 2021 Financials. (1:47 - 2:24 p.m.)

Ms. Ba oriented the commissioners to the Alliance's trended performance for the past three years. Prior to the pandemic, the Plan incurred losses in 2018 and 2019. The pandemic has caused a pause in utilization which resulted in a small operating income in 2020. Year to date we continue to be profitable due to a continued suppressed utilization. With seven months of actual performance now available, the current forecast is based on a combination

of the actual results for the seven months through July 2021 and assumptions for the last five months of the year. Utilization did not increase as had been expected in the first seven months. Although the hope is that utilization will continue to grow, the current forecast includes an operating income of $128M

Next, Ms. Ba went on to provide a more detailed view of the assumptions related to enrollment, revenue and utilization. She explained that the 2021 budget and earlier forecasts this year used the Department of Health Care Services (DHCS) rate assumption which assumed the Public Health Emergency (PHE) would end in June 2021. The State budget now assumes that the PHE will be extended through the end of the year and therefore, our current forecast factors in redetermination being further delayed until 2022. Based on actual data through August, the growth rate has been re-calculated to 8.2% for this forecast compared to 7.1% in the budget. Overall for the year, the average enrollment is up from the budgeted 375K to a forecast of 378K.

Revenue assumptions have been adjusted according to the most updated July rate package from DHCS which includes an extension of the 10% LTC increase from six months to the full year, as well as a trend factor built in to reflect a full year of pharmacy revenue for 2021. The rate is 4% higher compared to the budget at a PMPM level.

Ms. Ba explained that utilization is the primary driver for medical cost. She presented the commissioners with a view of authorizations per one thousand actual data from 2019 and 2020 compared to 2021 forecasts and explained that the projection is that there will be a 18% increase in utilization per 1000 members compared to 2020. In comparison to 2019 levels the assumption is that there will be a 1.9% increase from Q3 2019 and another 6% from Q4 2019. So, even with this projection, utilization continues to remain flat as compared to 2019 levels.

Commissioner Jiménez inquired about the increased enrollment and asked for some clarification related to utilization and if newer members may not be utilizing at the level of prior members because they are healthier, or if appropriate access points are not being created for them. Ms. Ba explained that the increased enrollment includes a combination of new members as well as the fact that disenrollment is not currently happening. She also noted that reports have shown that the new members who have joined since the onset of the pandemic generally have lower costs than members who had been with us prior to the pandemic.

In summary, Ms. Ba explained that the July revenue package further improved revenue due to the pharmacy carve-in and the extension the long-term care add-on. Additionally, the resumption of care slowed in January 2021 due to the winter surge and then again in July 2021 due to the Delta variant. She explained that the most recent forecast assumes an increase in utilization through the end of 2021. However, the overall utilization and cost will be at the 2019 level. The increases in revenue rates and enrollment, combined with decreased utilization have resulted in favorable financial performance.

Considerations for the 2022 Budget will include a redetermination process that occurs over a 12-month period. The Pharmacy Carve-out will be effective as of January 1, 2022 which will result in an approximate 18% or $200M decrease in revenue. The PHE is scheduled to end on December 31, 2021 and with that the related revenue add-ons will also end. Others factors to be considered for next year include the beginning of phase one of the Regional

Rate. At this point the Regional Rate is still unknown and remains an uncertainty. Additionally, it is expected that, with a lower revenue base, combined with the need to invest in administrative resources to support CalAIM implementation efforts, administrative cost and ALR will be increased next year.

Ms. Ba communicated that Staff will continue to keep the Board and Finance Committee updated on budget assumptions and hope to have a first draft of the budget available for this committee's input and comment at the October 27, 2021 Finance Committee meeting.

Ms. Ba opened the floor for questions and discussion.

Commissioner Molesky asked a question related to federal legislation around expansion of member eligibility. Stephanie Sonnenshine, Chief Executive Officer (CEO) responded that, at this time, we are not aware of Medicaid being further expanded at the federal level. However, we are currently monitoring an initiative where the State may have the opportunity to receive federal funding to support infrastructure development for home and community-based services. She noted that, while this will not include a member eligibility expansion, we will continue to monitor this and how it may impact health plans in administering or developing programs related to that funding.

6. Investment Update Q2 2021. (2:24 – 2:32 p.m.)

Ms. Ba presented the commissioners with an overview of the Alliance's investment portfolio for the six-month period of January through June 2021. As of June 30, 2021, the Alliance holds $439M in investment funds and about 75% or $332M is invested in the Pooled Money Investment Account (PMIA), which includes CalTRUST and Local Agency Fund (LAIF). The CFO explained that we primarily utilize PMIA to manage our portfolio.

The remaining 25% or $107M of investments outside of PMIA is spread mainly between Comerica and Union Banks. Most of these investments are in corporate bonds, government bonds and municipal bonds.

Ms. Ba went on to explain that, in accordance with the policy, the Alliance's investments are in institutions with A or higher ratings. Currently, about 5% of the investments are in the non-rated category of U.S. Treasury Notes. The investment policy allows for a five-year maturity. The return has decreased from 2% in 2019 to around 1% in the second quarter of 2020. For the second quarter of 2021 the return is slightly higher but still below 1%. Ms. Ba explained that this is largely due to our investments being short term in nature as well as the yield being lower due to the pandemic.

Additionally, Ms. Ba reported that, as of July 2021, the Alliance no longer has holdings with Wells Fargo and that the account was closed in the second quarter of 2021.

In closing, Ms. Ba spoke to a question that had be presented by a committee member related to any financial impacts that have been associated with the transition of the Alliance staff to a remote work environment. She noted that, during this time there have been some savings related to office supplies, travel and conferences and utilities. Currently, from a budget perspective, management has been asked to consider these expenses when planning for 2022 with an expected return to the office no sooner than February 1, 2022.

Ms. Ba opened the floor for questions and discussion.

[Commissioner Allen Radner, MD arrived at this time: 2:28 p.m.]

Commissioner Molesky thanked Ms. Ba for taking the action to close the Wells Fargo account and for ensuring the ethical investment of funds.

Commissioner Molesky asked the committee members to relay any questions to Ms. Ba ahead of the October 27, 2021 meeting, and thanked the commissioners for their support and work in the community.

Adjourn:

The Commission adjourned its meeting of September 22, 2021 at 2:32 p.m. to October 27, 2021 at 1:30p.m. via videoconference from the Alliance offices in Scotts Valley, Salinas, and Merced and by teleconference.

Respectfully submitted,

Ms. Dulcie San Paolo
Finance Administrative Specialist

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: Department of Health Care Services Medi-Cal Contract Amendments

---

Recommendation. Staff recommend the Board authorize the Chair to sign Amendments to the Alliance's primary Medi-Cal contract number 08-85216 to implement a Risk Corridor for the new Enhanced Case Management (ECM) benefit for CY 2022 and to incorporate proposed programmatic and regulatory language, if final language presented is acceptable and consistent with staff understandings and expectations.

Background. The Alliance contracts with the Department of Health Care Services (DHCS) to provide Covered Services to eligible and enrolled Medi-Cal beneficiaries in Santa Cruz, Monterey and Merced counties. The Alliance entered into the primary Agreement 08-85216 with DHCS on January 1, 2009. The amendment has subsequently been amended via written amendments.

DHCS works with Centers for Medicare and Medicaid Services (CMS) to sequence contract amendments for final approval by CMS. DHCS has informed plans that there are two contract amendments in process which must be executed prior to the end of calendar year 2021. Plans have been provided draft language for review. However, final language is not yet developed.

Discussion. DHCS is developing contract amendments to the Alliance's State Medi-Cal contract to add provisions, capitation rates and language, as follows:

- Enhanced Case Management Risk Corridor. The proposed amendment will implement a risk sharing arrangement symmetrical with respect to risk and profit based on the results of an ECM risk corridor calculation for CY 22 and will mitigate both plan and state risk in implementing this new benefit.
- Fall 2021 Amendment. The proposed amendment contains technical changes throughout as well as changes to reflect the following:
    - 2021 Final Rule, which includes:
        - Provider Network and Adequacy Standards
        - Grievance and Appeal
        - Budget and Payment Updates
    - Early and Periodic Screening, Diagnosis and Treatment Updates
    - Encounter and Network Data Reporting Updates
    - Network Provider Agreements and Subcontractor Agreements
    - New and Updated Definitions

Staff have reviewed draft contract language provided comment to DHCS. Staff will review final language to ensure it is acceptable and meets with staffs' understandings and expectations.

Board authorization for the Chairperson to sign the Amendments is required and signature is required by the end of this calendar year.

Fiscal Impact. The ECM risk corridor is intended to limit the risk for both DHCS and the Plan. Because this is a new program in 2022, the financial impact is unknown. For the 2022 budget, staff assume the ECM program break-even.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: 2021 Legislative Session Wrap Up

Recommendation. There is no recommended action associated with this agenda item.

Summary. Staff provides a summary of the 2021 legislative session including outcomes of bills of interest and potential impact.

Background. The official end of the 2021 legislative session came at midnight on October 10, 2021 with the deadline for Governor Newsom to sign or veto bills passed by the legislature prior to recessing for the year.

Throughout the legislative session, staff, in conjunction with the Local Health Plans of California and our Sacramento representatives, Edelstein, Gilbert, Robson and Smith, identified, tracked and monitored bills in the following areas of legislative focus:

- Health Care Coverage/Delivery System Reform
- Medi-Cal Eligibility
- Medi-Cal Benefits
- Medi-Cal Provider Payments
- Medi-Cal Health Plan Revenue
- Medi-Cal and/or Managed Care Policies and Initiatives

Discussion. The Alliance was tracking 66 bills in these areas of focus, including 17 Tier 1 priority bills, of which four bills received a Board approved official position of support. Of the 66 bills tracked, 15 were signed into law.

At the April 28, 2021 meeting, the Board approved an official position of support on four bills. The following provides a report on the outcome of each of these bills:

- AB 4 (Arambula) – Medi-Cal Eligibility. Expands Medi-Cal coverage to all individuals who are eligible, regardless of immigration status.

  Final Disposition. Budget Trailer Bill (AB 133) signed by the Governor, included expansion of Medi-Cal coverage to all individuals age 50 years and over who are

otherwise eligible, regardless of immigration status, to be implemented no sooner than May 1, 2022.

- SB 56 (Durazo) – Medi-Cal Eligibility**.** Expands Medi-Cal coverage to all individuals over the age of 65, regardless of immigration status.

  Final Disposition. Budget Trailer Bill (AB 133) signed by the Governor, included expansion of Medi-Cal coverage to all individuals age 50 years and over who are otherwise eligible, regardless of immigration status, to be implemented no sooner than May 1, 2022.

- SB 316 (Eggman). Medi-Cal Federally Qualified Health Center's and Rural Health Clinic's. Authorizes Federally Qualified Health Center (FQHC) or Rural Health Clinic (RHC) reimbursement for a maximum of two visits taking place on the same day at a single location if after the first visit the patient suffers illness or injury requiring additional diagnosis or treatment, or if the patient has a medical visit and a mental health visit or a dental visit, as defined. The bill would authorize an FQHC or RHC that currently includes the cost of a medical visit and a mental health visit that take place on the same day at a single location as a single visit for purposes of establishing the FQHC's or RHC's rate to apply for an adjustment to its per-visit rate, and after the department has approved that rate adjustment, to bill a medical visit and a mental health visit that take place on the same day at a single location as separate visits, in accordance with the bill.

  Final Disposition. Two-year bill.

- SB 365 (Caballero). E-Consult Services. Makes electronic consultation services reimbursable under the Medi-Cal program for enrolled providers, including FQHCs or RHCs, and would require the department to develop a reimbursement policy for those services that, at a minimum, and with respect to primary care providers, is consistent with the Medicare program coverage policy. The bill would require the department to seek federal waivers and approvals to implement this provision.

  Final Disposition. Vetoed by the Governor.

Staff continue to review all applicable bills that were signed into law by the Governor to identify implementation issues and impact on the plan or providers and will report to the Board on any significant issues that may arise from this review that warrant Board attention.

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Lilia Chagolla, Regional Operations Director

SUBJECT: Community Atlas 2021

Recommendation. There is no recommended action associated with this agenda item.

Background. The Community Atlas is a profile of the Alliance's collaborative work in each of the three counties that the plan serves.

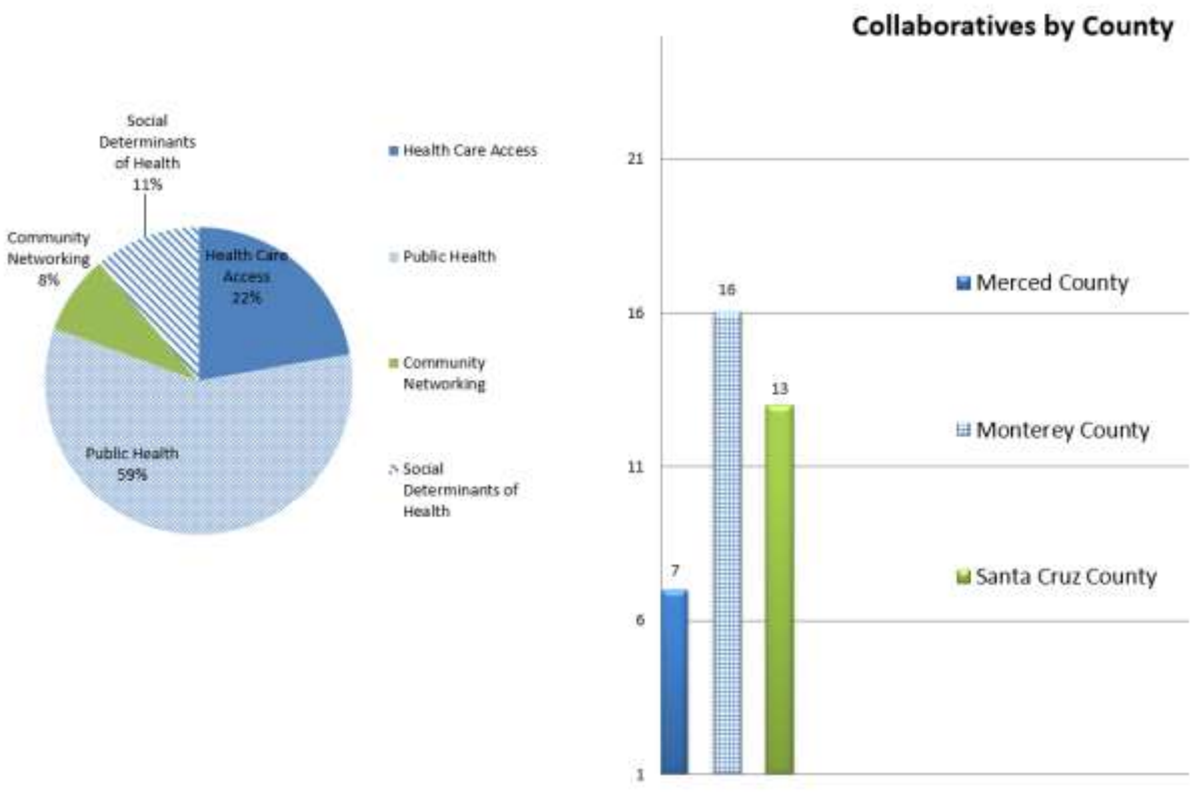
Discussion. Listed below is a list of the Alliance's collaborative work for 2021.

Community Atlas				
Name of Meeting / Collaborative	**County**	**Frequency**	**Chairperson Alliance Participant**	**Type**
All in for Health – Growing Equity Coalition	Merced	Monthly	Chair: Ilesha Sanders, MCDPH Alliance: Joana Castaneda	Health Care Access
Behavioral Health and Recovery Services (BHRS)	Merced	Monthly	Chair: Fernando Granados, Behavioral Health and Recovery Services Alliance: Joana Castaneda	Health Care Access
Binational Health Planning Committee	Merced	Bi-Weekly	Chair: Lillian Sanchez-Ramos, Dignity Health Alliance: Joana Castaneda	Addressing Social Determinants of Health
Community Action to Fight Asthma (CAFA)	Merced	Monthly	Chair: Brandon Kitagawa Alliance: Raquel Ortega	Public Health
COVID-19 Updates for Health Care Providers	Merced	Bi-Weekly	Chair: Merced County Department of Public Health Alliance: Ronita Margain	Public Health
Merced County A Coalition Counteracting Tobacco (ACCT)	Merced	Quarterly	Chair: Tashelle Wright and Jazmine Kenny, UC Merced Alliance: Raquel Ortega	Public Health
Vaccination Implementation Hub Steering Committee	Merced	Monthly	Chair: Ronita Margain, Central California Alliance for Health Alliance: Ronita Margain	Public Health

Access and Functional Needs	Monterey	Monthly	Chair: Ron Lee, Monterey County Health Department Alliance: Lilia Chagolla	Health Care Access
Active Referral Network	Monterey	Monthly	Chair: Josh Madfis, United Way Monterey County Alliance: Lilia Chagolla	Community Networking
Aging & Disability Resource Connection	Monterey	Monthly	Chair: Judith Cabrera, CCCIL Alliance: Lilia Chagolla	Public Health
Blue Zones Project – Wellness Champion Committee	Monterey	Bi-Monthly	Chair: Chelsey Storm-Larsen; Blue Zones Project Alliance: Clarisa Gutierrez	Public Health
Commission on Disabilities County of Monterey	Monterey	Monthly	Chair: Cristy Sugabo, Monterey Salinas Transit Alliance: Lilia Chagolla	Public Health
Community Alliance for Safety and Peace (CASP)	Monterey	Bi-Monthly	Chair: Jose Arreola, City of Salinas Alliance: Maria Marquez	Addressing Social Determinants of Health
COVID Collaborative	Monterey	Bi-Monthly	Chair: Michael Castro, Monterey County Health Department Alliance: Lilia Chagolla	Community Networking
COVID CHW Outreach Project Coordination & Support	Monterey	Weekly	Chair: Krista Hanni, Monterey County Health Department Alliance: Lilia Chagolla	Public Health
Monterey County Caring Partners (MCCP)	Monterey	Monthly	Chair: Christine Betts, Monterey County CCS Medical Therapy Program Alliance: Clarisa Gutierrez	Health Care Access
Monterey County Commission on Disabilities	Monterey	Quarterly	Chair: Susan Osorio, CSUMB Alliance: Lilia Chagolla	Addressing Social Determinants of Health
Monterey County Operational Area Coordination Call	Monterey	Monthly	Chair: Patrick Moore, Office of Emergency Services Alliance: Lilia Chagolla	Public Health
Monterey Regional Health Development Group, Inc. (MoReHEALTH)	Monterey	Quarterly	Chair: Elsa Jimenez, Monterey County Health Department Alliance: Stephanie Sonnenshine	Health Care Access
Nutrition & Fitness Collaborative of the Central Coast	Monterey	Quarterly	Chair: Ofelia Prieto, San Benito County NEOP and Sara Houseman, SVMHS Alliance: Clarisa Gutierrez	Public Health
Prescribe Safe Monterey County	Monterey	Monthly	Chair: Reb Close, MD, CHOMP Alliance Suzette Reuschel-DiVirgilio	Public Health

Preventing Alcohol Related Trauma - South County & Monterey Peninsula	Monterey	Monthly	Chair: Darlene Acosta, Sun Street Centers Alliance: Clarisa Gutierrez	Addressing Social Determinants of Health
Whole Child Model Family Advisory Network Meeting	Monterey	Monthly	Chair: Ly Nguyen, Lucile Packard Foundation for Children's Health Alliance: Lilia Chagolla	Public Health
Alliance & Santa Cruz County: COVID/Flu Collaboration	Santa Cruz	Bi-Weekly	Chair: Jo Pirie/the Alliance Alliance: Jo Pirie/Hilary Gillette-Walch	Public Health
Cabrillo College Community Health Workers – Program Advisory Committee	Santa Cruz	Quarterly	Chair: Adrienne Saxton, CSUMB and Cabrillo College Alliance: Lilia Chagolla	Community Networking
Communications and Education for Farmworkers during COVID-19	Santa Cruz	Monthly	Chair: Juan Hidalgo, Agricultural Commissioner Alliance: Lilia Chagolla	Public Health
County Community Partner Updates	Santa Cruz	Monthly	Chair: Karen Adler, Santa Cruz Co. Health Department Alliance: Lilia Chagolla	Public Health
Health and Wellness Santa Cruz	Santa Cruz	Bi-Monthly	Chair: Jivan/Robyn McKeen, Santa Cruz Office of Education Alliance: Lilia Chagolla	Health Care Access
Healthcare Leadership Briefing COVID-19	Santa Cruz	Weekly	Chair: Courtney Kilgore, Santa Cruz County Health Department Alliance: Lilia Chagolla	Public Health
OES Community Partner Update Meeting	Santa Cruz	Bi-Monthly	Chair: Karen Adler, Public Health Department Alliance: Lilia Chagolla	Health Care Access
Health Improvement Partnership of Santa Cruz County (HIPSCC)	Santa Cruz	Monthly	Chair: Stephanie Sonnenshine Alliance: Stephanie Sonnenshine	Health Care Access
SafeRX Santa Cruz	Santa Cruz	Quarterly	Chair: Becky Carter, Health Improvement Partnership Alliance: Suzette Reuschel-DiVirgilio	Public Health
Santa Cruz County Operational Call COVID-19	Santa Cruz	Weekly	Chair: Courtney Kilgore, Santa Cruz County Health Department Alliance: Lilia Chagolla	Public Health
Santa Cruz Community Prevention Partners	Santa Cruz	Monthly	Chair: Santa Cruz County Health Department Alliance: Suzette Reuschel-DiVirgilio	Public Health

Vaccine Strategy and Planning Santa Cruz County	Santa Cruz	Weekly	Chair: Maritza Lara, Health Improvement Partnership of Santa Cruz County Alliance: Lilia Chagolla	Public Health
Whole Person Care Advisory Council	Santa Cruz	Bi-Monthly	Chair: Lynn Lauridsen, County of Santa Cruz Health Services Agency Alliance: Jennifer Mockus/Gina Rhoads	Public Health



Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Dr. Dale Bishop, Chief Medical Officer

SUBJECT: Alliance Formulary Changes for Q4 2021

Recommendation. Staff recommend the Board approve the decision from the November 4, 2021 Pharmacy and Therapeutics (P&T) Committee on Alliance formulary changes for Q4 2021 listed below.

Background. The Alliance formulary is developed and maintained by the P&T Committee. The P&T Committee reports to the Continuous Quality Improvement Committee (CQIC). The CQIC is designated by, and accountable to, the Santa Cruz-Monterey-Merced Managed Medical Care Commission (Board). The activities, findings, recommendations and actions of the CQIC are reported to the Board on a scheduled basis.

Discussion. The P&T Committee accepted the following changes recommended by Alliance Pharmacists based on safety, efficacy, cost, scientific evidence and standards of practice.

Drug	Action
Aranesp	Modified Prior Authorization Criteria
Tamiflu	New quantity limit

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Michelle N. Stott, RN, MSN, Quality Improvement & Population Health Director

SUBJECT: Quality and Performance Improvement Program Workplan Report – Q2 2021

Recommendation. Staff recommend the Board accept the Q2 2021 Quality and Performance Improvement System (QPIP) Workplan report.

Summary. This informational report provides pertinent highlights, trends, and activities from the Q2 2021 QPIP Workplan.

Background. The Alliance is contractually required to maintain a QPIP to monitor, evaluate, and take effective action on any needed improvements in the quality of care for Alliance members. The Santa Cruz-Monterey-Merced Managed Medical Care Commission (Board) is accountable for all QPIP activities. The Board has delegated to the Continuous Quality Improvement Committee, the authority to oversee the performance outcomes of the QPIP. This is monitored through quarterly and annual review of the QPIP Workplan, with review and input from CQIW-I.

The 2021 QPIP Workplan was developed to align with the Alliance Strategic Plan of Member Wellness, Access to Care, and Promotion of Value. This is accomplished through the following initiatives:

I. Projects and Initiatives	**Status**
A. Department of Healthcare Services (DHCS) Performance Improvement Project (PIP): Immunizations	**In progress**
B. DHCS PIP: Child and Adolescent Well Care Visits	**In progress**
C. DHCS Plan-Do-Study-Act (PDSA): Breast Cancer Screening, COVID Quality Improvement Project (QIP)	**In progress**
D. Healthier Living Program	**Goal met**
II. Operational Performance	**-**
A. FSR Management	**Goal partially met**
B. Grievance and PQI Management	**Goals met**
C. Cultural and Linguistic Services	**Goals met**
D. Population Health	**In progress**

Discussion.

QPIP Workplan Outcomes:

Department of Health Care Services Performance Improvement Projects (PIPs).
1) Immunizations: The Alliance continues to focus on increasing the Healthcare Effectiveness Data and Information Set (HEDIS) Childhood Immunization Status (CIS) rates in Merced County. For 2021, the goal is to increase the CIS rates by at least five percentage points from 19.71% to 24.71% for children 2-years of age. The Alliance has partnered with Castle Family Health Center (CFHC) on a PIP to increase their CIS rates from 12.22% to 19.51% by December 2022. The CIS rate in Merced county this quarter was below the baseline at 18.04%. The CIS rate for CFHC was at 12.61% at the end of the second quarter.

2) Child and Adolescent Well Care Visits: The Alliance has partnered with Golden Valley Health Center at their Los Banos clinic on a PIP to increase the number of child and adolescent members 3-17 years of age who receive at least one adolescent well care visit with a primary care physician or OB/GYN practitioner from 32.65% to 48.56%. The child and adolescent well care visit rate increased slightly to 30.62% from 29.7% in the first quarter but remains below the baseline.

Limited provider engagement due to conflicting priorities with the COVID-19 vaccine and member hesitancy to resume preventative care are contributing to the lack of improvement in the goal for the CIS rate as well as the child and adolescent well care visits.

Breast Cancer Screening (BCS) PDSA. DHCS required all health plans to conduct a PDSA rapid cycle project on a single performance measure that focuses on preventive care, chronic disease management or behavioral health MCAS measure impacted by COVID-19. The Alliance decided to focus on increasing the BCS rate as the measure needing most improvement and set the global aim to be above the NCQA Medicaid 50th percentile benchmark in Merced county. The PDSA Cycle 1 intervention resulted in improving the screening compliance rate at Gettysburg Medical clinic from 26.79% to 39.50%, exceeding the 10% improvement goal. During this quarter, the Alliance focused on PDSA Cycle 2 intervention activities at Apex Medical Group that resulted in 16.9% improvement in the compliance rate for breast cancer screening exceeding the 15% improvement goal.

Recently, DHCS provided an update on quality improvement activities and submission requirements for 2021 – 2022. DHCS requires all health plans with two or more MCAS measures below the MPL in any one measure domain (e.g., children's health, women and maternal health, acute and chronic disease management, and behavioral health) to either do a PDSA project or a Strengths, Weaknesses, Opportunities and Threats project in that domain. DHCS identified women and maternal health to be the only domain in which the Alliance had two measures below MPL – breast cancer screening and chlamydia screening. The Alliance decided to continue with the Breast Cancer Screening PDSA that was initiated in Fall 2020 due to its successful outcomes at Gettysburg Medical Clinic and Apex Medical Group. The Alliance will complete three additional PDSA cycles to meet the DHCS requirement for 2021-2022.

COVID-19 Quality Improvement Plan (QIP). Recently, DHCS provided an update on quality improvement activities and submission requirements for 2021 – 2022. All health plans regardless of performance are required to submit a brief COVID-19 Quality Improvement Plan (COVID QIP). The initial submission must include three strategies related to MCAS measure domains, one of which must address the behavioral health domain. The Alliance has identified the following three strategies to meet this requirement:

1. Member incentive for completing the second dose of the flu vaccine in children between the ages 7-months to 2-years to improve the CIS Combination 10 rate.
2. Reminder letters prior to the child's 11th, 12th, and 13th birthday to improve adolescent well-care visits.
3. Leveraging the Healthy Mom and Healthy Babies program for BIPOC/low-rate populations to improve PPC – postpartum/maternal mental health.

Healthier Living Program. To increase member self-efficacy in performing self-management behaviors, members participate in the Alliance Healthier Living Program, (Chronic Disease Self-Management Program). The goal is by December 31, 2021, at least 50% of participants will have scored "Good/Very Good/Excellent" for their "Overall Health" and "Quality of Life." In Q2, 67% of the participants scored "Good/Very Good/Excellent" for their "Overall Health" and "Quality of Life". The members reported interest in video or in-person option, more time for weekly action plans, and different times for day options. Positive member experience was expressed for the workshops.

Operational Performance:

The QPIP includes surveillance to maintain and improve the clinical safety of services to members. Two key clinical safety operational functions Facility Site Review (FSR) and Potential Quality Issues (PQI) programs are reported below.

Clinical Safety: Facility Site Review and Potential Quality Issues. The FSR team monitors all primary care providers within the network to ensure that facilities are safe and accessible, care is evidence-based, prevention-focused and safe for our members. The FSR team set out to achieve all operational goals at 100% compliance for 2021. Nineteen sites or 100% (N=19) completed a full site review within three years of the last FSR. When Critical Element (CE) Corrective Action Plan (CAPs) were issued at a review, two out of two sites (100%) had the CAP resolved within 10 business days. CEs require near immediate resolution, including items like infection control practices. The clinics issued a CAP 100% (N=9) were able to submit a CAP plan within forty-five calendar days to the Alliance. This quarter all providers agreed to conduct timely remote reviews. Some clinics with many staff have been holding many small group trainings to address CAPs in order to avoid large staff gathering to limit the spread of COVID-19. This approach is supported but has yielded an extended timeline for resolving a CAP. The team continues to work with California Health Plan Collaborative to create a webinar to educate providers on the updated All Plan Letter 20-006.

For PQI, the team reviewed 100% of the 121-member grievances in Q2 2021 and accepted additional reports of patient safety concerns from across the Alliance. Examples include a member who falls while inpatient, failure to follow through on lab results, inappropriate opioid prescribing that result in injury to the member. The aim is to complete investigation of cases within ninety calendar days of receipt and the team was successful for 100% of PQIs (N=170). All member grievances (N=120) opened as PQIs in Q2 were closed within

Grievance department's timeframe of 25 days or less. Challenges facing the program included staffing shortages due to leaves of absence and ongoing program development specific to our CAP procedures. During Q1 an MD peer to peer interrater reliability study was held and resulted in 100% agreement of reviewed cases.

Cultural and Linguistic Services. The goal is to increase Provider Utilization of the Alliance Language Assistance Services program by 5%. Current utilization numbers are detailed in the QPIP workplan. In brief, compared to Q1, telephonic interpreting services decreased among providers, Alliance staff, and contracted Alliance vendors; decreased in face-to-face interpreter services; and increased in translation service by 62%.

Population Health Management. The Alliance 2021 Operating Plan includes the tactic of *Develop a Population Health Strategy* with the goal of developing objectives and a strategy for population health based on the 2020 Population Health NCQA gap analysis. Strategy will contemplate remediating any gaps identified through the gap analysis, including those in people, process or systems. QIPH leadership has met with internal and external stakeholders to introduce the concepts of population health, including CalAIM requirements, and initiate the project tactic. A new Measure of Performance was adopted: Establish a fully socialized and adopted Population Health Strategy and Objectives. Goals written for the Program description, Data management, Model of Care, and External partners. Staff will be distributing the PH Strategy slide deck to our internal subject matter experts for review and feedback. Staff continue to work on completion of a draft Population Health Management Program description, addressing the first five sections from the DHCS' CalAIM "*Population Health Management Template Discussion Guide*". Finally, the Population Needs Assessment (PNA) document was submitted on August 2, 2021. DHCS accepted the report stating, "*Overall, a very well done PNA Report. Appropriate data sources were used, the key findings were thorough and covered all the required topics, and the Action Plan Update was comprehensive*."

Conclusion. The QPIP Workplan does not have any critical areas of concern that require further intervention or follow-up. There is continued progress toward goals for the initiatives and operational metrics, including addressing any barriers to achieve outcomes. The pandemic continues to impact provider staffing and active engagement; however, there are efforts in participation and the team is providing support as needed.

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Mary Brusuelas, RN, UM, Complex Case Management Director

SUBJECT: Utilization Management Workplan Report - Q2 2021

Recommendation. Staff recommend the Board accept the Q2 2021 Utilization Management (UM) Work Plan report.

Summary. This report provides an overall summary of the UM Work Plan activities for the Q2 2021 highlights and outcomes.

Background. The UM Workgroup provides guidance and direction to the UM Program and operates under the authority of the Continuous Quality Improvement Committee. This quarterly summary continues to reflect the outcomes of the changes to the UM Work Plan established for 2021. In addition, projects and Initiatives carried forward from 2020 continue to be monitored and updated for progress toward goals. Variances in goal achievement are documented in the quarterly UM Work Plan with evaluation of issues influencing outcomes. In areas where interventions are adjusted or changed, documentation is described in the quarterly recommendations.

Q2 2021 Workplan Outcomes and Evaluation

Project and Initiative Outcomes:

Pediatric Case Management. Despite prolonged COVID-19 pandemic activity, Q2 2021 reflects a continued increase in California Children's Services (CCS) referral activity. There was a total of 397 internal referrals and an average turnaround time of eight days for eligibility determination from the counties. Of the cases referred from the Alliance during Q2, 67.5% were approved to be opened for CCS. Referrals that were denied came in around 15% with the remaining 17% pending for county review. Though Alliance CCS Corrective Action Plans (CAPs) formally concluded in Q4 2020, the work of those CAPs has continued into Q2 2021, with additional reports and processes built to support the CCS Annual Redetermination and Age Out Processes. Additional metrics have been built to monitor Health Assessment Status, Individualized Care Plan timeliness and overall referral activity. Individual CCS county meetings throughout 2021 have supported progression in this program and work continues with the Alliance Information Technology Services and the Essette Teams to build upon the reporting capabilities of the program.

System Transformation Development/Community Care Coordination. Model of Care (MOC) submitted timely and approved by the Department of Health Care Services. Meetings continue with county Whole Person Care Pilot partners. The project team has reviewed and identified staff responsible for second phase of MOC questions. Ongoing project team meetings and subgroups continue.

Reducing Readmissions Initiative:

Post Discharge Meal Delivery Program (PDMDP). The volume of members enrolled into the PDMDP in Q2 showed an increase of 21% over the previous quarter. Members who participated in and completed the program represented an increase of 11% over Q1. Of the 34% who did not complete the program, 28 were readmitted. six discontinued the program and one expired. This value represented a 7% decrease in the number of members readmitted for the previous quarter during the 12-week enrollment period.

Recuperative Care Program. Of the six members enrolled in the Santa Cruz Recuperative Care Center (RCC) the length of stays ranged from 22-60 days. One Alliance member was discharged to a hotel, one to a shelter and the remaining members transitioned to Bridge Housing. Weekly interdisciplinary team meetings continue with collaboration between Alliance and RCC staff.

The team will continue to monitor PDMDP and RCC measures for trends, and work toward increasing enrollment in both programs. Monterey and Merced Counties opened their RCP program in August 2021.

Operational Performance Outcomes:

Operational Performance include regulatory performance monitoring metrics that are reported on the organizational dashboard in addition to the UMWP. These include**:**

Authorization Turn Around Times (TAT). Of the 25,939 authorizations monitored, 75 were noted as non-compliant. Additional work with Analytics in refining the report requirements is now allowing automated removal of provider change requests and post-service data from the routine TAT count. TAT is nearing the goal of 100% as a reflection of finalized cross-team training and utilization of new reports for review of authorization activity and assignments.

The recommendation is to continue current practices with use of Essette authorization activity reports for twice daily TAT overview and assignments.

Goal: 100%
Goal not met at 99.7%

Prior Authorization Request Determination Metrics. Q2 2021 saw a 25.3% increase in overall authorization volumes compared to the previous quarter. This is likely a reflection of increasing membership across the counties as well as increased member engagement in care postponed during the pandemic surge. Void activity remains consistently high as in prior quarters, coming in at 16%. Authorization redesign efforts have not yet positively impacted void activity and more work is needed in this area.

Improvements are expected moving into the second half of 2021 as the Provider Code Look-Up tool becomes available and providers are oriented to its use. Denial activity has been relatively low throughout the pandemic and second quarter medical necessity denials are beginning to normalize closer to pre-pandemic levels. A 27% ratio of total medical necessity denials were overturned in appeal. This value

is also consistent with pre-pandemic activity. The normalizing denial rates are a further reflection of members resuming care throughout COVID-19 surges and prolonged pandemic activity.

Top 10 Prior Authorization Requests Resulting in Medical Necessity Denials. As noted previously, denial activity is normalizing to pre-pandemic rates. The higher categories for medical necessity denials remain consistent, with genetic testing and cosmetic procedure requests topping the list. Consistent with prior quarters, out-of-network, non-contracted (OON/NC) consultation request denials remain high, with members redirected in-network. Staff recommend continued review of the referring sources for OON/NC providers to increase provider education and minimize potential delays in care due to corresponding redirection in network. Prior authorization activity has been consistent in including Case Management referrals for member outreach and support where redirection is needed, and this activity will continue. Of note, reductions in allergen immunotherapy denials were noted in Q2 and are likely a reflection of consistent and successful provider outreach and education in this area.

Utilization Performance Outcomes:

Inpatient Utilization. Average length of stay has decreased from last quarter and bed days are stable. Ambulatory Care Sensitive Admissions minimally increased over last quarter which is likely insignificant.

Goal: Bed day PKPY282
Goal met at 259

Ambulatory Care Sensitive Admission. All three counties are somewhat higher than the previous quarter, though still well within the average range when compared to the previous year. Staff will continue to monitor for any further upward trending over the next quarter.

Goal: Dashboard target goal is 8.0 Goal
Goal not met at 8.4 (threshold 8.9)

Readmissions. Readmission rates remained stable, and slightly below the last three quarters.

Goal: Dashboard target 11%, (threshold is 12.2%.)
Goal met at 11%

Alternatives to Acute Inpatient Days – Skilled Nursing Facilities (SNF). SNF/Short Term Rehab (STR) bed days have decreased by 7% over Q2 2020. As compared to Q1 2020, Q2 is 3% lower than the previous quarter. Of the 274 members admitted to SNF/STR 20.0% of members were readmitted to the hospital within 30 days. This is a 4.5% increase from the previous quarter.

SNF/STR bed days that resulted in the utilization of STR lowest level of care for COVID-19 isolation continued into the second quarter. This assisted with the increased care associated with members in COVID-19 isolation as well as those that were COVID-19 positive. Monitoring will continue in Q3 for trends related to the pandemic activity. This will be assessed for any surge associated with the Delta

variant in the upcoming quarter. It is likely that we may see an increase in SNF/STR stays as the counties opened back up to less exposure-related restrictions in Q3.

Long Term Care (LTC). Number of quarter two new admissions to LTC increased 40% as compared to Q4 2020. New admissions to LTC are 7.0% lower than seen in pre-pandemic Q1 2020. Medi-Medi members comprise 87% of total members in LTC. Staff anticipate return to pre-pandemic numbers in Q3 as the surge decreased significantly during that quarter.

Emergency Department (ED) Utilization Metric. ED visits increased to 408 P/K/PY in Q2, which is still well below pre-COVID-19 volumes. The increase may indicate that members were beginning to return to the ED during improved COVID-19 conditions.

Pharmacy Utilization. Per member, per month (PMPM) for retail is similar to the previous quarter, and a 1.2% increase compared to Q2 2020. For the In-Home Support Services (IHSS) line of business (LOB), PMPM remains high due to few members on high cost drugs (oncology, specialty, non-specialty).

Monitoring will continue until the transition to Medi-Cal Rx. There is a plan to delegate IHSS LOB to MedImpact for formulary and prior authorization management. In upcoming quarters, there may be an increase in utilization from members resuming their care as counties reopen.

Out of Network (OON) Specialist Utilization Metric. Requests for OON authorizations increased this quarter as members returned to out of area activity. OON/NC denials have increased as members are redirected to in network providers. Continued work with Provider Services is needed to support primary care provider education on in-network referrals as well as in network development for areas of challenge previously identified. The Pediatric Complex Case Management team is working proactively with Provider Services to encourage onboarding of CCS paneled providers. This priority item remains on the agenda and has been discussed at multiple hospital and clinic Joint Operations Committee meetings.

Under/Over Utilization Tracking and Reporting. Nerve Conduction Tests increased by a total of 31 authorizations over the previous quarter. This is still below approved authorization totals in the same quarter of the previous year.

Electromyography decreased by 47 authorizations over the previous quarter. This remains below approved authorization totals in the same quarter of the previous year.

Neurology and neuromuscular procedures increased minimally from 14 approved authorizations to 18 over the previous quarter. Overall comparison to the previous year appears stable.

Emerging Under/Over Utilization Analysis. Reporting development continues, with an expected deadline for completion in September 2021.

Delegate Oversight Outcomes:

Delegated Oversight Quarterly Report Summary. All reports were received on time. A recommendation was made this quarter to enhance the Denial Log Report to include the reason for denial, and a clarification of timeliness count to exclude weekends. Beacon Health Options is taking necessary actions to update the report.

Behavioral Health. The penetration rates lag by one quarter for claims. This information represents mild-moderate mental health utilization rates for Q1 2021. Counties fall within or exceed the goal range, except for in Monterey where utilization for members age 19+, is slightly under goal.

Ongoing collaboration with Beacon to expand network capacity within Merced and Monterey counties continues. Some traction has been made in Merced and recommend continuing to monitor utilization rates.

Goals Met: 100% (Merced and Santa Cruz)
Goals not met: 96.67 (Monterey)

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: Schedule of Alliance Board Meetings 2022

Recommendation. Staff recommend the Board approve the 2022 schedule of Alliance Board Meetings.

Discussion. Meetings are held from 3:00 to 5:00 p.m. (fourth Wednesdays) at the following locations via videoconference unless otherwise noted, and are open to the public.

In Santa Cruz County: Central California Alliance for Health Board Room
1600 Green Hills Road, Suite 101, Scotts Valley, CA

In Monterey County: Central California Alliance for Health Board Room
950 East Blanco Road, Suite 101, Salinas, CA

In Merced County: Central California Alliance for Health Board Room
530 West 16th Street, Suite B, Merced, CA

As previously discussed with your Board, Executive Orders by Governor Newsom granting flexibilities for the conduct of public meetings were rescinded effective September 30, 2021 and staff anticipate returning to pre-COVID-19 Brown Act compliant meetings beginning with the February 23, 2022 meeting.

In preparation for return to in-person meetings, and to ensure compliance with Brown Act provisions governing public meeting, staff propose the following.

- Board meetings will be held via videoconferencing at each of the Alliance's three offices in Scotts Valley, Salinas and Merced.
- Board members will be required to attend the meetings in person at one of the three locations.
- Members of the public will be allowed access to each meeting location and to provide public comment from each location.
- On-site staff will be kept to a minimum to include only Executive staff and meeting support staff.

In the interest of public health and safety and to minimize the potential spread of COVID-19 staff are exploring technology options for the following which will be available pending identification of an appropriate technology solution.

- Staff required to present will do so via video/audio.
- Members of the public wishing to observe the meeting via video/audio livestream may do so. However, to provide comment during the meeting the public must be at one of the on-site locations.

Staff continue to explore options to ensure compliance with Brown Act requirements and maximizing opportunities for public attendance and participation while following appropriate public health and safety protocol.

Details regarding meetings will be provided to the board and public noticing will occur in advance of the February 23, 2022 meeting

Schedule of Alliance Board Meetings 2022.

January 2022	No meeting scheduled
February 23, 2022	By videoconference
March 23, 2022	By videoconference
April 27, 2022	Merced County: Alliance Office; 10:00 a.m. - 2:30 p.m.
May 25, 2022	By videoconference
June 22, 2022	By videoconference
July 2022	No meeting scheduled
August 24, 2022	By videoconference
September 28, 2022	Retreat: 9:00 a.m. – 5:00 p.m.; Location: TBD
October 26, 2022	By videoconference
November 2022	No meeting scheduled
December 7, 2022	By videoconference

As meeting dates and locations can change, please visit the Alliance website or contact the Clerk of the Board (see below) to verify the date and location.

The complete agenda packet is available for review on the Alliance website at https://thealliance.health/about-the-alliance/public-meetings/. The Commission complies with the Americans with Disabilities Act (ADA). Individuals who need special assistance or a disability-related accommodation to attend meetings should contact the Clerk to the Board at least 72 hours prior to the meeting at (831) 430-5523. Board meeting locations in Salinas and Merced are directly accessible by bus. As a courtesy to persons affected, please attend in person meetings smoke and scent free.

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: Schedule of Board Member Participation 2022

Recommendation. Staff recommend the Board approve the 2022 schedule of Board member participation.

Background. Advisory Group and Committee members serve a one-year term at the end of which Commissioners vote on membership. Meetings are held at the following locations via videoconference unless otherwise noted, and are open to the public.

In Santa Cruz County:	Central California Alliance for Health Board Room 1600 Green Hills Road, Suite 101, Scotts Valley, CA
In Monterey County:	Central California Alliance for Health Board Room 950 East Blanco Road, Suite 101, Salinas, CA
In Merced County:	Central California Alliance for Health Board Room 530 West 16th Street, Suite B, Merced, CA

In the interest of public health and safety due to the state of emergency caused by the spread of COVID-19, some meetings may be held by teleconference with no access to Alliance offices. Information for attending meetings remotely will be included in the respective agenda.

Finance Committee

Meetings will be held by videoconference in Scotts Valley, Salinas and Merced or by teleconference from 1:30 – 2:45 p.m. unless otherwise noticed with a 2022 meeting schedule as follows.

Finance Committee members include:
1. Michael Molesky (Committee Chair)
2. Tony Weber
3. Elsa Jimenez
4. Alan Radner, MD

Wednesday, March 23, 2022, 1:30 – 2:45 p.m.
Wednesday, May 25, 2022, 1:30 – 2:45 p.m.
Wednesday, August 24, 2022, 1:30 – 2:45 p.m.
Wednesday, October 26, 2022, 1:30 – 2:45 p.m.

HEALTHY PEOPLE. HEALTHY COMMUNITIES.
www.ccah-alliance.org

Member Services Advisory Group (MSAG)

MSAG meets quarterly in February, May, August, November on days set at start of calendar year. Meetings will be held by videoconference in Scotts Valley, Salinas and Merced or by teleconference from 10:00 – 11:30 a.m. unless otherwise noticed.

1. Thursday, February 10, 2022: Michael Molesky
2. Thursday, May 12, 2022: Shebreh Kalantari-Johnson
3. Thursday August 11, 2022: Rob Smith
4. Thursday, November 10, 2022: Julie Edgcomb

Physicians Advisory Group (PAG)

PAG meets quarterly in March, June, September and December on days set at start of calendar year. Meetings will be held by videoconference in Scotts Valley, Salinas and Merced or by teleconference from 12:00 – 1:30 p.m. unless otherwise noticed so that physicians from all three Alliance counties can interact.

1. Thursday, March 3, 2022: Maximiliano Cuevas, MD
2. Thursday, June 2, 2022: James Rabago, MD
3. Thursday, September 1, 2022: Joerg Schuller, MD
4. Thursday, December 1, 2022: Larry deGhetaldi, MD

Whole Child Model Clinical Advisory Committee (WCMCAC)

WCMCAC meets quarterly in March, June, September, and December on days set at start of calendar year. Meetings will be held by teleconference from 12:00 – 1:00 p.m. unless otherwise noticed with a 2022 meeting schedule as follows.

WCMCAC members include James Rabago, MD

1. Thursday, March 17, 2022, 12:00 – 1:00 p.m.
2. Thursday, June 16, 2022, 12:00 – 1:00 p.m.
3. Thursday, September 15, 2022, 12:00 – 1:00 p.m.
4. Thursday, December 15, 2022, 12:00 – 1:00 p.m.

Whole Child Model Family Advisory Committee (WCMFAC)

WCMFAC meets on days set at start of calendar year. Meetings will be held by teleconference from 1:30 – 3:00 p.m. unless otherwise noticed with a 2022 meeting schedule as follows.

WCMFAC members include Elsa Quezada

1. Monday, January 10, 2022; 1:30 – 3:00 p.m.
2. Monday, March 14, 2022; 1:30 – 3:00 p.m.
3. Monday, May 9, 2022; 1:30 – 3:00 p.m.
4. Monday, July 11, 2022; 1:30 – 3:00 p.m.
5. Monday, September 12, 2022; 1:30 – 3:00 p.m.
6. Monday, November 14, 2022; 1:30 – 3:00 p.m.

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Lisa Ba, Chief Financial Officer

SUBJECT: Proposed Medical and Administrative Budget for Calendar Year 2022

Recommendation. Staff recommend the Board approve the following:

1. CY 2022 Medical Budget of $1,235,455,108.
2. CY 2022 Administrative Budget of $86,680,278.

Summary. The Alliance is committed to putting forward a budget that ensures adequate funds for efficient and effective operations and which also demonstrates fiscal responsibility to the long-term sustainability. This shall be achieved through:

- Continuing the Board approved Cost Containment Plan and bringing medical costs in line with revenue rate, utilization trends, and industry benchmark;
- Maintaining operational efficiency while adequately funding administrative resources to execute regulatory requirements; and
- Maintaining access to and quality of care for members.

Background. In June 2020, the Board approved the execution of a medical cost containment plan to align financial performance with Department of Health Care Services (DHCS) revenue rate, utilization trends and industry standard payments.

The pandemic has suppressed utilization of routine and non-urgent care during the pandemic surges. As a result, the Alliance had a break-even performance in 2020. As the COVID-19 vaccine became widely available in 2021, the utilization has increased. The overall utilization for 2021 reached the 2019 level. Staff forecast a net income of $121.9M in 2021. This positive result is driven from higher enrollment, additional revenue add-ons during the Public Health Emergency (PHE) and suppressed utilization due to the COVID-19 pandemic. The operating reserve, which fell below the Board Designated Reserve Target in previous years, is forecasted to be above target by $66.5M or 17%.

Staff expect that the utilization will continue to rise as members resume the delayed elective procedures, surgeries, and specialist referrals in 2022. Staff assume the PHE ends in January 2022 and redetermination will resume, and that the enrollment will decrease to the pre-pandemic level by December 2022.

Discussion. Staff developed the 2022 Medical Budget based on historical claims data, expected provider payments, and expected utilization based on historical trends. The Medical Budget is developed by County, Category of Aid, and Category of Service. The budget is based on 2019 through March 31, 2021 cost experience and paid through September 30, 2021. In the event of any, yet unknown, program or funding changes that may materially impact the 2022 budget, such changes would be addressed in the 2022 financial forecast.

Enrollment: The 2022 budget enrollment uses the base period from January 2020 through October 2021, updated October 31, 2021. The budget assumes that the PHE will end in January 2022 and membership will decrease to the pre-pandemic level of 345,000 in December 2022. The average enrollment for 2022 is at 364,551, a 3.6% annual decrease from prior year.

Revenue: The 2022 budget revenue is based on the calendar year (CY) 2022 draft capitation rates, which are developed using the CY 2019 Rate Development Template. The rate package excludes the LTC and COVID-19 add-ons that are temporary during PHE, and assumes Pharmacy is carved out in 2022. In addition, there are two negative adjustments from the revenue. One is the managed care efficiency adjustment, including Potentially Preventable Hospital Admission, Low Acuity Non-Emergent visits, and the HCPCS efficiency adjustment for Physician Administered Drugs. The other is the negative acuity adjustment. Furthermore, the budget assumes a budget neutral for Enhanced Care Management (ECM) and Community Supports, both are new programs in 2022. These capitation rates applied on the aforementioned enrollment budget result in an annual revenue of $1,362.8M.

As noted above, any unknown new programs or policies which may impact revenue not factored in the budget will be included in the forecast next year. A big driver impacting revenues is the DHCS redetermination policy that is targeted to begin January 2022. If this is further delayed, we may not fully experience our enrollment reduction assumption. No earlier than May 1, 2022, undocumented members who are 50+ years of age will become eligible for Medi-Cal. There are 5,000 such members in the Alliance service areas. However, this is not included in the budget as the actual enrollment is unknown and the financial impact is estimated at breakeven.

Additionally, the Medi-Cal expansion population accounts for 25.1% of enrollment and 30.9% of revenue, whereas the Child population is 45.5% of enrollment and 12.4% of revenue. The Whole Child Model (WCM) population accounts for 1.8% of the enrollment and 8.8% of the revenue.

Medical Expense: The 2022 annual budgeted medical expense of $1,235.5M is based on trended historical claims from January 2019 through March 2021 claims paid through September 2021. The Medical Expense budget is built-up by utilization and unit cost.

The budget considered trended the utilization from calendar year 2019 to December 2022. Due to the COVID-19 pandemic disrupting services, the budget includes a 5% utilization increase from calendar year 2019. Ongoing observation of authorization data and additional insight from our providers indicates upward service trends. The 5% utilization increase is representative of historical utilization patterns prior to the pandemic.

For unit cost, a 3% increase is included to account for Medicare, Medi-Cal, and DRG fee schedule increases, as well as case-mix patterns. The budget also considered ECM and Community Supports cost and changes in acuity due to disenrollment through redetermination by the State.

The largest categories of service for the 2022 budget are Inpatient/Outpatient Services (Hospital) at 51.7%, Physician Services at 21.1%, Other Medical at 14.2%, and Long-Term Care at 13.0%. Please note that, in 2022, the State of California will carve-out the Pharmacy benefit from the health plan and will provide this benefit to members directly.

Administrative Expense: CY 2022's Administrative Budget is budgeted at $86.7M, which represents 6.4% of total budgeted revenue.

As part of the Cost Containment Plan, staff continue to make efforts to maintain organizational efficiency through departmental assessments and continue the administrative efficiency work that aims to optimize business resources and processes. Responsive to known requirements of the CalAIM initiatives and other DHCS regulatory requirements as of the preparation of this budget, the admin budget added a net 4.5 FTE in 2022, bringing the total FTE to 522.5. Overall, the admin budget increased a moderate $1.1M or 1.3% increase compared to the prior year's budget.

Non-Operating Income/(Expense): Non-operating income includes income earned from investments including real estate. Non-operating income is budgeted at $1.9M for 2022. Non-operating expense includes payments for Board approved grants, paid from the grant program budget, previously allocated by the Board. Grant-related non-operating expenses for 2022 are budgeted at $16.8M for scheduled grant distribution. The net non-operating income/expense is an expense of $14.9M.

Fiscal Impact. Overall, staff budgets an operating income for CY 2022 of $40.7M, with a Medical Loss Ratio of 90.7% and an Administrative Loss Ratio of 6.4%.

Attachments.

1. Proposed Medical and Administrative Budget for CY 2022
2. Capital Budget and Depreciation Expense for CY 2022

Central California Alliance for Health

Proposed Medical and Administrative Budget for Calendar Year 2022

	2019 Actual	2020 Actual	2021 Budget	2021 Forecast #2	2022 Budget
Average Monthly Enrollment	*340,560*	*350,146*	*374,951*	*378,346*	*364,551*
Total Member Months	*4,086,720*	*4,201,753*	*4,499,410*	*4,540,151*	*4,374,608*
Revenues					
Capitation Revenue: Medi-Cal	$1,218.4M	$1,309.7M	$1,487.4M	$1,560.8M	$1,359.6M
Capitation Revenue: IHSS	2.9M	3.2M	3.6M	3.3M	3.2M
Total Revenues	**$1,221.4M**	**$1,312.9M**	**$1,491.0M**	**$1,564.0M**	**$1,362.8M**
Medical Costs					
Inpatient Services (Hospital)	$397.7M	$392.2M	$436.9M	$443.1M	$468.0M
Inpatient Services (LTC)	145.1M	157.3M	201.6M	147.7M	159.7M
Physician Services	205.0M	193.6M	237.1M	240.9M	260.5M
Outpatient Facility	71.9M	61.2M	83.1M	125.5M	170.4M
Pharmacy Expense	177.9M	191.7M	209.6M	209.1M	0.9M
Other Medical	215.0M	225.9M	274.8M	184.6M	175.9M
Total Medical Costs	**$1,212.7M**	**$1,222.0M**	**$1,443.1M**	**$1,350.9M**	**$1,235.5M**
Administration					
Salaries, Wages and Benefits	$53.1M	$56.5M	$56.5M	$56.4M	$60.0M
Professional Fees	1.6M	1.8M	1.9M	1.9M	2.1M
Purchased Services	9.8M	9.8M	10.3M	10.7M	8.8M
Supplies, Occupancy and Other	9.8M	8.5M	10.2M	9.7M	10.7M
Depreciation and Amortization	6.4M	6.5M	6.6M	5.8M	3.6M
Contingency/Non-Allocated	0.0M	0.0M	0.0M	0.0M	1.4M
Total Administrative Costs	**$80.6M**	**$83.1M**	**$85.6M**	**$84.6M**	**$86.7M**
Total Costs	**$1,293.3M**	**$1,305.1M**	**$1,528.6M**	**$1,435.5M**	**$1,322.1M**
Operating Income (Loss)	**($71.9M)**	**$7.8M**	**($37.6M)**	**$128.6M**	**$40.7M**
Non-Op Income/(Expense)					
Interest & Gains/(Losses) On Inv.	$16.4M	$5.8M	$6.5M	$1.8M	$0.9M
Other Revenues	1.0M	1.1M	1.1M	1.4M	0.9M
Grants	(13.2M)	(14.2M)	(15.8M)	(10.3M)	(16.8M)
Total Non-Op Income/Expenses	**$4.3M**	**($7.3M)**	**($8.2M)**	**($7.2M)**	**($14.9M)**
Net Income (Loss)	**($67.6M)**	**$0.5M**	**($45.8M)**	**$121.4M**	**$25.8M**
Medical Loss Ratio	*99.3%*	*93.1%*	*96.8%*	*86.4%*	*90.7%*
Administration Cost Ratio	*6.6%*	*6.3%*	*5.7%*	*5.4%*	*6.4%*
Operating Income %	*-5.9%*	*0.6%*	*-2.5%*	*8.2%*	*3.0%*

Note: 2020 Actual excludes the $13.4M or 3.19 PMPM prior year revenue adjustment.

Central California Alliance for Health

Proposed Medical and Administrative Budget for Calendar Year 2022

PMPM	**2019 Actual**	**2020 Actual**	**2021 Budget**	**2021 Forecast #2**	**2022 Budget**
Average Monthly Enrollment	*340,560*	*350,146*	*374,951*	*378,346*	*364,551*
Total Member Months	*4,086,720*	*4,201,753*	*4,499,410*	*4,540,151*	*4,374,608*
Revenues					
Capitation Revenue: Medi-Cal	$289.98	$311.69	$330.58	$343.77	$310.79
Premiums: Commercial (IHSS)	0.70	0.77	0.81	0.72	0.73
Total Revenues	**$290.68**	**$312.46**	**$331.38**	**$344.49**	**$311.53**
Medical Costs					
Inpatient Services (Hospital)	$94.66	$93.35	$97.10	$97.61	$106.98
Inpatient Services (LTC)	34.53	37.44	44.80	32.54	36.50
Physician Services	48.80	46.09	52.69	53.05	59.56
Outpatient Facility	17.11	14.56	18.47	27.64	38.95
Pharmacy Expense	42.34	45.63	46.59	46.05	0.21
Other Medical	51.18	53.76	61.08	40.65	40.21
Total Medical Costs	**$288.62**	**$290.83**	**$320.73**	**$297.54**	**$282.42**
Administrative					
Salaries, Wages and Benefits	$12.63	$13.45	$12.56	$12.42	$13.72
Professional Fees	0.39	0.43	0.43	0.43	0.47
Purchased Services	2.32	2.34	2.29	2.36	2.02
Supplies, Occupancy and Other	2.33	2.02	2.27	2.14	2.45
Depreciation and Amortization	1.52	1.55	1.47	1.28	0.83
Contingency/Non-Allocated	0.00	0.00	0.00	0.00	0.33
Total Administrative Costs	**$19.18**	**$19.78**	**$19.02**	**$18.63**	**$19.81**
Total Costs	$307.80	$310.62	$339.74	$316.17	$302.23
Operating Income (Loss)	**($17.12)**	**$1.85**	**($8.36)**	**$28.32**	**$9.30**
Non-Op Income/(Expense)					
Interest & Gains/(Losses) On Inv.	$3.91	$1.39	$1.45	$0.39	$0.21
Other Revenues	0.25	0.27	0.24	0.31	0.21
Grants	(3.13)	(3.39)	(3.51)	(2.28)	(3.83)
Total Non-Op Income/Expenses	**$1.02**	**($1.74)**	**($1.82)**	**($1.58)**	**($3.41)**
Net Income (Loss)	**($16.10)**	**$0.11**	**($10.18)**	**$26.74**	**$5.89**
Medical Loss Ratio	99.3%	93.1%	96.8%	86.4%	90.7%
Administration Cost Ratio	6.6%	6.3%	5.7%	5.4%	6.4%
Operating Income %	-5.9%	0.6%	-2.5%	8.2%	3.0%

Note: 2020 Actual excludes the $13.4M or 3.19 PMPM prior year revenue adjustment.

Central California Alliance for Health

2022 Capital Budget & Depreciation Expense for Calendar Year 2022

Capital It	Description	Capital Request	2022 Depreciation
Rental Property Improvement (1800 Green Hills)			
	Tenant Improvements for 1800GHR	$200,000	$20,000
	Landscaping & Irrigation Repairs	$30,000	$1,000
	HVAC Replacement 1800	$350,000	$7,778
1.31E+09	Repair and Replace Roof and Deck	$150,000	$5,000
	Subtotal	**$730,000**	**$33,778**
Office Building Improvement (1600 & 1700 Green Hills, Salinas and Merced)			
	Replace HVAC AC#6	$73,597	$2,453
	Resurfacing and Striping Parking Lot 1600	$18,000	$1,500
	Member Service Glass Separation Wall	$20,000	$667
	Resurfacing and Striping Parking Lot 1700	$17,000	$1,417
	Permanent Barrier between Public and MSR's	$40,000	$6,667
	Replacement of 5 - 6 HVAC units	$110,000	$5,500
	Install Member Walk & Lobby Glass/Barrier	$30,000	$500
	Subtotal	**$308,597**	**$18,703**
Finance Record Improvement			
	Paperless Accounts Payable System	$50,000	$5,556
	Subtotal	**$50,000**	**$5,556**
Technology Improvement			
	ESXi Hosts - Support virtual Servers in Salinas and 1700 GHR	$15,000	$2,917
	Subtotal	**$15,000**	**$2,917**
2022 New Capital Request		**$1,103,597**	**$60,953**
Existing Depreciation Assets			
	Current Depreciating Assets		$2,520,277
	Projects In Process - 2022 Forecast		$953,735
	Capitola Manor($2.6M Building+$11.7M Building Improvement)		$91,727
	Total Existing		$3,565,738
Total 2022 Depreciation Expenses			**$3,626,691**

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Lisa Ba, Chief Financial Officer

SUBJECT: Proposed Care Based Incentive Funding for Calendar Year 2021

Recommendation. Staff recommend the Board approve the Calendar Year 2021 Care Based Incentive funding at $10M.

Summary. The Alliance offers the Care Based Incentive (CBI) program for contracted primary care providers (PCPs). Each year in December, the Board approves the budget for the following year's provider incentive programs, with actual payment amounts decided upon in December of that following year.

Background. Prior to 2021, the Alliance offered two incentive programs to its contracted physician providers: 1) Care Based Incentive (CBI) program for contracted PCPs, and 2) Specialty Care Incentive (SCI) program for contracted referral providers. In June 2020, the Board approved a Cost Containment Plan that aligns our cost with revenue rate, utilization trend and industry benchmarks. Effective January 1, 2021, the Alliance eliminated SCI and brought up the specialists' payment at the current Medicare fee schedule.

CBI is designed to encourage contracted PCPs to promote and implement the Patient Centered Medical Home model, improve access to care and promote the delivery of high-quality care. CBI offers contracted PCPs financial incentives for improvements made in care coordination, quality of care, preventive care and practice management. CBI is calculated based on outcomes of performance measures.

Historically, the Alliance has considered financial performance when approving the funding for the incentive programs at the end of the year.

Discussion. The Alliance was recognized by the Department of Health Care Services (DHCS) in 2018 and 2019 with quality awards focusing on member wellness and outstanding Healthcare and Effectiveness Data and Information Set performance. In 2019, the Alliance performed above the Minimum Performance Level (MPL) on all measures in all three counties. This represented the first time Merced County performed above the MPL on all measures. This performance is attributable to the PCP efforts to deliver high quality care and ensure the provision of preventive services to their patients.

In 2020, DHCS raised the MPL from the 25th percentile to the 50th percentile for all measures and implemented financial sanctions on plans for non-performance. DHCS released a supplemental All Plan Letter removing the sanctions and Correction Action Plans (CAPs) in 2020 due to the COVID-19 public health emergency. Recently. DHCS has indicated that sanctions and CAPs will be in place for 2021 performance.

With the continued public health emergency, it is evident that most practices are not able to achieve performance above the 50th percentile for CBI metrics. Furthermore, in many cases, even our historically highest CBI performing practices have been significantly affected. As a result, the Alliance needs to continue partnering with our PCPs to achieve these new performance levels. Consequently, staff understand the importance of providing incentives to reward performance and recommend the Board fully fund CBI for PCPs.

Fiscal Impact. There is no financial impact as the $10M is budgeted in the 2021 medical budget and the amount has been accrued in our monthly financial statement.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Stephanie Sonnenshine, Chief Executive Officer

SUBJECT: Department of Health Care Services CalAIM Incentive Payment Program

---

Recommendation. Staff recommend the Board authorize staff to execute the CalAIM Incentive Plan approved by the Department of Health Care Services (DHCS).

Summary. This report provides an overview of the CalAIM Incentive Payment Program which supports managed care plans (MCPs) and providers in implementing the Enhanced Care Management (ECM) benefit and Community Supports (CS) programs as part of the CalAIM initiative. This report outlines the Alliance's intention to participate in the program and submit the required Needs Assessment and Gap-Filling Plan, using the DHCS reporting template, by December 22, 2021.

Background. CalAIM is a multi-year initiative by DHCS to improve the quality of life and health outcomes of Medi-Cal members by implementing a broad delivery system, program, and payment reform across the Medi-Cal program. A key feature of CalAIM is the introduction of ECM in the Medi-Cal managed care delivery system, as well as a new menu of CS services (formerly In Lieu Of Services) which can serve as cost-effective alternatives to covered Medi-Cal services. The Alliance will offer seven of the 14 DHCS approved CS in 2022, including housing transition and navigation; housing deposits; housing tenancy and sustaining services; medically tailored meals; sobering center (Monterey County only), recuperative care and short-term post hospitalization housing. A detailed report on the Alliance's implementation of ECM and CS was included in the October 27, 2021 Board packet.

Effective January 1, 2022, DHCS will implement the CalAIM Incentive Payment Program. Implementation of ECM and CS will require significant new investments in ECM and CS infrastructure, care management capabilities, information technology and data exchange, and workforce capacity across the Alliance, city and county agencies and other community-based organizations. As designed, the Incentive Payment Program is intended to compliment and expand ECM and CS by building appropriate and sustainable capacity; driving MCP investment in necessary delivery system infrastructure; bridging current silos across physical and behavioral health care service delivery; reducing health disparities and promoting health equity; achieving improvements in quality performance; and incentivizing MCP take-up of CS.

Discussion. DHCS issued an All Plan Letter (APL) on October 27, 2021 providing requirements for MCPs to participate in the incentive program. The required Needs Assessment submission includes baseline data and information pertaining to three domains: 1) Delivery System Infrastructure; 2) ECM Provider Capacity Building; and 3) CS Provider Capacity Building and CS Take-Up. Additionally, the required Gap-Filling Plan is a written narrative that outlines strategies to address identified gaps and needs that currently limit

capacity for implementing ECM and CS. MCPs may submit one narrative for their Needs Assessment and Gap-Filling Plan that pertains to all the counties in which they operate; however, data and other baseline information must be reported by county and the Gap-Filling Plan must address gaps, needs, and strategies for each county. The APL includes requirements for Program Year 1 (PY 1) only. Requirements for PYs 2 and 3 will be incorporated in a future revision.

DHCS will make incentive payments associated with the implementation of ECM and CS over three program years from January 2022 through June 2024. For PY 1 (2022), DHCS has allocated the maximum incentive amount of $21.66M total for the Alliance's three counties. By county, the allocations are as follows: Merced County $8.4M; Monterey County $9M; Santa Cruz County $4.2M. The incentive amount is based on a calculation of 50/50 blend for enrollment and revenue and a 15% increase to non-WPC/HHP county (Merced County). DHCS will issue the first of two payments to MCPs as early as February 2022, subject to DHCS' acceptance of the Needs Assessment and Gap-Filling Plan submissions. MCPs must meet subsequent submission requirements using the DHCS reporting template in the fall of 2022 to demonstrate overall progress and performance against targets linked to achievement of the Gap-Filling Plan in order to receive the second payment in December 2022.

Staff are currently concluding the gap analysis for the Alliance and the ECM/CS provider network to inform the Gap-Filling Plan. DHCS anticipates participating MCPs will maximize the investment and flow of incentive funding to ECM and CS providers to support capacity building and infrastructure. Contracting ECM and CS providers and those expected to contract for service delivery in 2022 were requested to submit detailed information on identified ECM and CS implementation needs to inform how funds may be distributed to support capacity and infrastructure at the provider level.

Strategies included in the Gap-Filling Plan that would be supported by the incentive program at the Alliance and/or provider level include certified Electronic Health Record technology, care management document systems, closed-loop referral systems, billing systems, onboarding/enhancements to health information exchange capabilities, data analytics to identify eligible members and populations, ECM and CS workforce hiring and training to ensure core competencies support requirements, operational workflow development, technical assistance, oversight and compliance, reporting baseline and performance data, and strategies to engage hard to reach populations and address health disparities.

Next Steps. Staff will complete the required Needs Assessment and Gap-Filling Plan and submit them to DHCS no later than the deadline of December 22, 2021. Staff will continue to develop provider incentive payment plans in January 2022 in anticipation of DHCS approval and issuance of the first incentive payment to the Alliance.

Fiscal Impact. Costs associated with the incentive program will be covered through incentive revenue made available by DHCS.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Kathleen McCarthy, Strategic Development Director

SUBJECT: Department of Health Care Services Student Behavioral Health Incentive Program

---

Recommendation. Staff recommend the Board authorize staff to submit a Letter of Intent (LOI) to the Department of Health Care Services (DHCS) to participate in the Student Behavioral Health Incentive Program (SBHIP) and to implement the incentive program in compliance with DHCS guidelines between January 2022 through December 2024.

Summary. This report provides an overview of the DHCS Student Behavioral Health Incentive Program.

Background. The California FY 2021-22 budget included roughly $400 million in one-time funds, available over three years, for incentive payments paid through Medi-Cal managed care plans (MCPs) to build infrastructure, partnerships, and capacity, statewide for school behavioral health services. The SBHIP is scheduled to begin in January 2022. The intent of incentive payments is to:

1. Break down silos and improve coordination of student behavioral health services through communication with schools, school affiliated programs, Medi-Cal managed care plans, counties, and Mental Health Plans;
2. Increase the number of TK-12 students receiving preventive and early intervention behavioral health services provided by schools, providers in schools, school affiliated community-based organizations or clinics, county behavioral health departments and school districts, charter schools, and/or county offices of education (COE) within the county; and
3. Get non-specialty services on or near school campuses.

Discussion. Alliance staff have been participating in the DHCS SBHIP Workgroup that is providing input on the incentive program design, including the targeted interventions, goals, and metrics that will be used to determine incentive payments. The SBHIP Workgroup has been convening monthly since August 2021 and includes representatives from health plans, behavioral health departments, school districts and county offices of education, and government agencies. Alliance staff have also begun initial outreach to the COEs, county behavioral health departments and Local Education Agencies (LEAs) in the Alliance service area to make them aware of this new funding opportunity.

To participate in the SBHIP, the Alliance must submit a LOI to DHCS by December 31, 2021. The initial step for MCPs participating in the SBHIP will be to partner with LEAs, county behavioral health departments and other interested stakeholders to conduct a needs assessment, including a resource map. One assessment will be required per county; however, the assessment will target selected LEAs, not the entire county.

With input from the COE, the Alliance will use the criteria proposed by DHCS to select at least one LEA in each county to partner with on the SBHIP. The proposed partnership assessment criteria include: 1) LEAs with a high density of students who are: a) English learners; b) meet income or categorical eligibility requirements for free or reduced-price meals; and c) are foster youth; 2) LEAs with a high density of Medi-Cal plan enrollees; and 3) LEAs with a high interest in participating in SBHIP.

The needs assessment and resource maps will be used to inform the selection of specific targeted interventions. DHCS is in the process of finalizing a list of targeted interventions that are designed to provide broad perimeters for acceptable interventions under the SBHIP. The Alliance, in collaboration with selected LEAs and other stakeholders, will select one or more of the targeted interventions that align with the needs of the community. For each targeted intervention, the Alliance will be required to submit project plan and metrics to DHCS. After approval of the project plans, the Alliance, in collaboration with selected LEAs and other engaged stakeholders, will use incentive funds to implement the targeted interventions.

DHCS has proposed an incentive payment methodology which considers: 1) Medi-Cal member months (age 4-18); 2) Free and Reduced-Price Meal count; and Title 1 status. Based on this methodology, the Alliance could be eligible for up to $13.4M ($4.9M in Merced County, $6.3M in Monterey County and $2.2M in Santa Cruz County). DHCS will notify MCPs of the final funding allocation in Q1 2022. Participating MCPs will likely receive some upfront funding to support the assessment and ensure LEA and stakeholder engagement. Subsequent funding will be based on successful implementation of the selected interventions.

Next Steps. Submit LOI to DHCS by December 31, 2021. Select LEA partners in each county by early 2022.

Fiscal Impact. Costs associated with the incentive program will be covered through incentive revenue made available by DHCS.

Attachments. N/A

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Kathleen McCarthy, Strategic Development Director

SUBJECT: Medi-Cal Capacity Grant Program Evolution

Recommendation. Staff recommend the Board accept this report on opportunities to evolve the Medi-Cal Capacity Grant Program (MCGP) and request that staff return in early 2022 with a proposal for a revised program framework and new funding opportunities. Staff also recommend that the Board approve the recommendation to retire the Partners for Healthy Food Access Program after the January 18, 2022 application deadline.

Summary. This report provides an overview of the MCGP framework and progress to date, changes in the health care environment since the program's inception, and opportunities to evolve the program to address emerging needs. In October 2019, staff presented to the Board a review of these topics as this work was originally planned for 2020. However, the COVID-19 pandemic delayed the Alliance's organizational strategic planning process and aligned planning for MCGP evolution.

Background. In December 2014, the Alliance Board approved the initial allocation of a portion of the Plan's reserves to create the MCGP to address access and capacity challenges resulting from the rapid expansion of the Medi-Cal population brought about by the Affordable Care Act (ACA). Since the program launched in July 2015, grants have been awarded according to the Board-approved program framework. The framework includes awarding one-time grants to partner organizations for projects that expand Medi-Cal capacity in the Alliance service area and advance the goals of each of the following priority focus areas: 1) Provider Capacity; 2) Behavioral Health and Substance Use Disorder Services; 3) High Utilizer Support Resources; and 4) Healthy Eating and Active Living (new as of 2018). MCGP funds are allocated by county and program and will be spent down over time.

Progress to Date. Through the MCGP, the Alliance has made significant investments to increase Medi-Cal capacity throughout Merced, Monterey and Santa Cruz counties. Since 2015, the Alliance has awarded 562 grants totaling $125.2M to 138 health care and community-based organizations. Using the Board-approved theory of change, evaluation of the program's impact to date indicates that capacity has improved, and the funding strategies have been effective in advancing the MCGP goals.

The MCGP is well-established and has strong policies and guidelines for operations. Grant program staff have developed meaningful relationships with grantees and community partners throughout the Alliance service area. In a grantee survey conducted in June 2021, 90% of grantees reported they receive helpful and consistent communication regarding the grant application process, deadlines, instructions, and requirements. In addition, 97% of grantees responded that the Alliance has a good understanding of the local community and needs of Medi-Cal members and 96% of grantees rated the Alliance's MCGP impact on the local community as significant.

Current Environment. Much has changed in the health care environment since the grant program was launched in 2015. Medi-Cal membership has largely stabilized, and post-ACA demands on provider capacity have eased, resulting in improved access in many areas. The COVID-19 pandemic created a public health and economic crisis, and both highlighted and exacerbated health disparities among subpopulations of Medi-Cal members.

In 2021, the Alliance engaged in a strategic planning process. In September, the Board approved the Alliance's 2022-2026 Strategic Plan with a focus on two strategic priorities: 1) Health Equity; and 2) Person-Centered Delivery System Transformation. Under these priorities, the Alliance will work to advance strategic goals focused on: 1) eliminating health disparities and achieving optimal health outcomes for children and youth; 2) increasing access to culturally and linguistically appropriate health care; 3) improving behavioral health services and systems; and 4) improving the system of care for members with complex medical and social needs.

The Alliance's new strategic priorities are closely aligned with State Administration's health-related priorities. Beyond responding to the pandemic, the State's priorities include CalAIM, behavioral health, equity, early childhood development and housing/homelessness.

Opportunities to Evolve MCGP. Information gathered from various sources during the 2021 strategic planning process, including Alliance members and community partners, provided valuable insights into current unmet and emerging Medi-Cal needs and opportunities. Given these insights and changes in the health care environment, it is the ideal time to refresh the Alliance's grantmaking strategy to increase the program's impact on member and community health, and to align with the organizational priorities adopted by the Board in the 2022-2026 Strategic Plan.

There is currently $107.5M remaining in unallocated MCGP funds. With these remaining funds, the Alliance could build on the program's success to date and increase investments upstream, towards root causes and prevention. Feedback from stakeholders in the recent strategic planning process indicates further exploration of the following new potential funding areas is merited: 1) Early childhood development; 2) Access to healthy food, housing and other social determinants of health; and 3) Health care workforce and addressing other barriers to care.

In addition to potential changes to the funding priorities, MCGP evolution planning would include exploring opportunities for more equitable grantmaking and inclusion of member voice to inform community investments. There is also an opportunity for potential adjustments to the original MCGP policy framework (e.g., one-time grants, spend down) and processes based on grantee feedback and program experience.

Next Steps. Staff will return to the Board in early 2022 with recommendations for how to evolve the grant program to increase the impact of the Alliance's funding and advance the Alliance's vision of *Healthy People. Healthy Communities*. Development work will include solicitation of stakeholder input and incorporation of opportunities identified by the Board through the strategic planning process to further evolve the MCGP. Staff will return to the Board with a revised framework, including a new logic model, and an initial proposal for new or redesigned funding opportunities.

For the current MCGP programs, staff recommend that the last round of Partners for Healthy Food Access program applications be accepted in January 2022. This funding opportunity has been available since 2018. All funds have been spent down in Santa Cruz County and eligible applicant interest in the program has been maximized. Winding down this program will give staff the opportunity to focus on redesigning the approach to addressing food insecurity to align with CalAIM Community Supports capacity building and developing new funding opportunities. If approved by the Board, staff will notify community partners of the due date for last round of applications.

Fiscal Impact. There is no immediate fiscal impact associated with this agenda item.

Attachments. N/A

Information Items: (18A. – 18E.)

A. Alliance in the News — Page 18A-01
B. Alliance Fact Sheet – October 2021 — Page 18B-01
C. Letter of Support — Page 18C-01
D. Member Appeals and Grievance Report – Q3 2021 — Page 18D-01
E. Membership Enrollment Report — Page 18E-01

HEALTHY PEOPLE. HEALTHY COMMUNITIES.

www.ccah-alliance.org

DATE: December 1, 2021

TO: Santa Cruz-Monterey-Merced Managed Medical Care Commission

FROM: Scott Fortner, Chief Administrative Officer

SUBJECT: Alliance in the News

Delivering Whole-Person Care, One Meal at a Time
Alliance in the News
California Health Care Foundation
November 5, 2021

Every Wednesday afternoon, Brett Perkinson eagerly awaits a delivery of customized meals that keep him healthy and help make ends meet. The 51-year-old Santa Cruz gardener and long-time diabetic has been receiving prepared meals since he was hospitalized for a severe hand injury that left him unable to care for himself. Doctors feared that his diabetes would worsen once discharged, so they referred him to a medically tailored meal program.

"My diabetes has gotten better with the meals," said Perkinson. "I've kept my weight down, and I feel much better now than I have in a long time. I'm one of the people this program is meant for."

Perkinson's meals are a benefit provided to Medi-Cal enrollees by the Central California Alliance for Health, a Medi-Cal managed care plan for Santa Cruz, Merced, and Monterey Counties. Eligible participants are people with chronic conditions who have been recently discharged from a hospital and are at high risk of needing to be readmitted.

For three months, eligible members receive a supply of 14 meals per week along with recipe cards to teach them how to prepare healthier meals at home. The Alliance assigns a case manager and offers consultations with a nutritionist to help participants make healthy food choices.

In Santa Cruz County, the medically tailored meals are delivered by Teen Kitchen Project, a community-based organization. A registered dietitian works with staff chefs to create meals that meet the dietary needs of people with diabetes, congestive heart failure, and other chronic health problems. The organization, which employs paid staff including teens, is one of two partners working with the alliance to provide the meal service.

"I enjoy the variety of the meals, and I really appreciate the fruits and vegetables. Fresh produce is hard to get at food pantries," said Perkinson, who used to rely on his church's garden to supplement his groceries.

My diabetes has gotten better with the meals.... I've kept my weight down, and I feel much better now than I have in long time. I'm one of the people this program is meant for. —Brett Perkinson

The Alliance began offering medically tailored meals in 2018 through a two-year pilot program developed and funded through its Medi-Cal Capacity Grant Program. The project enrolled more than 495 Medi-Cal enrollees with chronic health issues, and more than 72,000 meals were delivered to them.

Evaluation of the pilot found that medically tailored meals have helped reduce hospital stays and health care costs by $676 per member per month. These findings echoed national research showing that medically tailored meal programs reduce emergency and hospital care while improving health outcomes and helping people make healthier food choices.

"The pilot was very successful and resulted in better health outcomes for our members, lower health care costs, and high satisfaction among participants," said Kathleen McCarthy, strategic development director at the Alliance. "This prompted us to continue offering this service as a benefit to all eligible members."

Medically tailored meals are an outgrowth of community response to the AIDS epidemic in the 1980s. Today, there are medically tailored meal programs around the country that serve people living with serious illness paired with food deprivation.

"Access to healthy food is an important factor in disease prevention and overall well-being," said Michelle Schneidermann, MD, director of CHCF's People-Centered Care team. "People who experience poverty and food insecurity may choose high-calorie, nutrient-poor foods or forgo meals altogether, which can in turn lead to or worsen medical conditions. We know from rigorous studies that interventions like medically tailored meals can reduce stress, improve nutrition, and ultimately improve health outcomes."

CalAIM Brings Medically Tailored Meals Statewide

In January, the state is launching CalAIM, an initiative to revamp its Medicaid program, which enables plans to offer medically tailored meals and 13 other approved community supports. These services were selected on the basis of evidence that they are cost-effective (PDF) and are integral to the state's plan to offer comprehensive, whole-person care for patients with the greatest medical and social needs. Starting in January 2022, the state will allow health plans to offer these services as alternatives to traditional medical services.

An important part of the pilot was helping Teen Kitchen Project learn how to operate like a provider in a managed health plan provider network, and for the alliance to work with a provider that was new to managed care.

—Kathleen McCarthy, Central California Alliance for Health

The state is encouraging plans to offer a range of community supports to fully address patients' complex health needs, reduce health care costs, and produce better outcomes for enrollees. In fact, medically tailored meals are the most commonly offered community support service and will be available in January in 45 of California's 58 counties, according to a list published by the California Department of Health Care Services. Almost all managed care plans are expected to begin offering at least one service in January, and many will offer more robust services by summer. To deliver these services at scale, health

plans will have to work with community organizations that have never been part of the health care delivery system. While this approach presents new funding opportunities for local organizations, working in the Medi-Cal system presents challenges.

From Opportunity to Implementation

Community organizations need technology infrastructure, training, and ongoing support (PDF) to work with managed care plans. Navigating claims systems to properly bill and get paid in a timely manner is critical for local organizations that often lack cash reserves. Anticipating these challenges, the state has held webinars, created resources, and announced incentive payments to build capacity and encourage participation (PDF).

"An important part of the pilot was helping Teen Kitchen Project learn how to operate like a provider in a managed health plan provider network, and for the alliance to work with a provider that was new to managed care," said McCarthy. "We all needed to invest time and resources to ensure a successful transition."

The managed care plan added Teen Kitchen Project as a provider in its claims system and guided the organization to use a claims clearinghouse that enabled it to bill the Alliance for services rendered. Teen Kitchen Project implemented Office Ally, a free web-based billing service, to handle claims transactions and set up an electronic interface to submit invoices.

For three months, the health plan conducted extensive training to build the organization's capacity for billing. The Alliance required Teen Kitchen Project to apply for a National Provider Identifier number, assigned by the US Centers for Medicare & Medicaid Services, to qualify for reimbursement.

The Alliance also partnered with an additional meals provider to cover its entire three-county service area. A national for-profit company, Mom's Meals, is servicing Merced and Monterey Counties, which fall outside of Teen Kitchen Project's coverage area.

"The whole experience has been seamless for us," said Angela Farley, executive director of Teen Kitchen. "We couldn't have done this without the Alliance's support."

Farley says she is grateful for the opportunity to provide a life-saving service to the community. Her organization plans to broaden its services to include meals tailored for patients with kidney failure.

For Perkinson, the help came just in time.

"When I was younger, I saw my father pass away from diabetes," he said. "It's a horrible way to die. I swore that I would do everything I could to be healthy and live as long as possible. I'm getting help to do that now."

Rewards for COVID-19 Vaccination

Alliance in the News
The Pajaronian
November 5, 2021

Rewards for Covid-19 vaccination

If you're getting your first or second Covid-19 vaccine dose, you might be eligible for a free Target gift card.

The Central California Alliance for Health, also known as the Alliance, will give its members a $50 gift card for getting vaccinated. The Alliance offers Medi-Cal health care plans for people living in Monterey, Merced and Santa Cruz counties. The reward is available for all Alliance members who will be receiving their first or second dose between Sept. 1 and Feb. 28, 2022.

The vaccine is free and available for those ages 12 and above.

You can schedule your vaccination appointment at myturn.ca.gov, and visit thealliance.health/crushcovid for more information on if you are eligible for a free Target gift card.

The Alliance Provides COVID-19 Vaccine Incentive For Members

Alliance in the News
Patch Santa Cruz
November 3, 2021

Press release from Central California Alliance for Health:

November 3, 2021

Central California Alliance for Health (the Alliance), the Medi-Cal managed health care plan for residents of Monterey, Merced and Santa Cruz counties, is offering an incentive for members who get their COVID-19 vaccine.

Alliance members who get a needed dose of the COVID-19 vaccine will receive a $50 Target gift card. This member reward is available for all members who get their first or second dose between Sept. 1, 2021 and Feb. 28, 2022. Eligible members can receive their gift card by mail or on-site at eligible provider and community-based vaccination clinics.

"It's critically important that we vaccinate as many eligible people as we can in order to continue fighting the pandemic," said Stephanie Sonnenshine, Alliance Chief Executive Officer. "Since our most vulnerable residents are at increased risk for contracting COVID-19, we must do all that we can to remove any barriers by ensuring these residents have all the facts and equitable access to these vaccines."

There is no cost to get the vaccine, and everyone 12 years and older can get vaccinated. The Alliance is encouraging members to get their COVID-19 vaccine by scheduling an appointment at www.myturn.ca.gov, visiting a walk-in clinic, going to a pharmacy or calling their doctor to make an appointment. The Alliance has released a mass media campaign

with the theme "Crush COVID" to inform their members about the incentive and encourage the public to get the facts about the importance of getting vaccinated.

The $50 Target gift card vaccine incentive is for Alliance members only. Details are available on the Alliance website at www.thealliance.health/crushcovid.

Central California Alliance for Health (the Alliance) is a regional Medi-Cal managed care health plan, established in 1996 to improve access to health care for over 370,000 members in Santa Cruz, Monterey and Merced counties. Using the state's County Organized Health System (COHS) model, the Alliance delivers innovative community-based health care services by connecting members with providers that deliver timely services and care, focused on prevention, early detection and effective treatment. As an award-winning managed care health plan with a vision of "healthy people, healthy communities," the Alliance remains focused on efforts to improve access to quality health care for its members. For more information, visit www.thealliance.health.

This press release was produced by Central California Alliance for Health. The views expressed here are the author's own.

Lookout PM 11/03/2021
Alliance in the News
Lookout Santa Cruz
November 3, 2021

Greetings, folks. It's been another busy Tuesday in Santa Cruz and beyond, and the Lookout Santa Cruz Staff is here to take you through it.

The day brought the news many parents and guardians had been waiting for: U.S. health officials gave the final sign-off to Pfizer's kid-size COVID-19 shot. As Lookout's Hillary Ojeda reported last week, county officials aim to get vaccine clinics up and running by Monday.

Meanwhile, with COVID-19 vaccines now just days away for younger age cohort, Medi-Cal members of any age in Santa Cruz County can get a $50 Target gift card for getting the shot.

Tuesday also brought word of the arrest of a 39-year-old man for a hate crime assault after an early morning stabbing — in which one victim suffered a significant but not life-threatening stab wound to the leg, Hillary reported.

Lookout's Grace Stetson and Kevin Painchaud talked to folks experiencing homelessness and others about the impact of Santa Cruz's impending overnight parking ban for RVs, which opponents say criminalizes homelessness.

The different restrictions facing property owners who jumped on the ADU bandwagon back in the 1980s versus those building them today was the focus for Lookout contributor Maria Gaura, who found some strong opinions on the topic.

And the California Public Utilities Commission is now on PG&E's case after Santa Cruz County residents and supervisors complained about multiple unplanned power outages, which Hillary covered.

Turlock Woman Thanks Stan State for Giving Her a Start
Alliance in the News
Turlock Journal
October 26, 2021

With a bachelor's degree from Harvard in hand and medical school on the horizon, Shivani Thakur has returned to Stanislaus State.

Specifically, she raised $10,346 through donations from businesses to create a scholarship for students of color in the Master of Science in Nursing, Family Nurse Practitioner program. It comes four years after, as a high school senior, she raised $10,000 to establish a College of Science scholarship and two years after younger brother Ashish, now a sophomore at Stanford University, raised $10,000 to establish the Ashish Thakur Science Foundation Scholarship.

"I read a lot of articles and research on the shortage of health care workers in the Central Valley," she said. "I thought I could make the biggest impact by helping increase the number of health care workers in the Central Valley and the nurse practitioner program would be the best place to start. It's a great program at Stan State, and I wanted to support it.

Thakur specifically made the scholarship for students of color because they were disproportionately affected during the pandemic.
"I truly believe it's important for patients to see health care providers who look like them, speak the same language as them and understand their culture so they're able to get the best health care possible and achieve, ultimately, the best quality of life."

Shivani and Ashish grew up in Turlock and are the children of physicians who enrolled in other universities but remain tied to Stan State after they participated in programs and research projects during their high school years.

"We couldn't have done it without Stan State," she said. "It's such an integral part of our community and really shaped the people Ashish and I have become. We're really grateful for the University and for having the mentors we do there."

For Shivani, that means, particularly, Professor of Biological Sciences Mark Grobner.
She first met him as a junior high school student attending Stan State's science preparatory academy. As a junior in Modesto High School's International Baccalaureate program, Thakur joined Grobner's new study on the effect of cigarette smoke exposure in blood vessel formation in chick embryos.

"It was my first exposure to developmental biology," Thakur said. "I loved it so much. It was so incredible to see, in real time, the development of an embryo and learn so much from it.

From that experience, I went on to major in human developmental and regenerative biology at Harvard."

Thakur spent three years at Harvard working in the lab of Jason Buenrostro and wrote a 60-page thesis for graduation with honors.

"He works on a type of blood cancer, acute myeloid leukemia (AML), and the project I worked with him on was to use a type of technique he'd developed called single-cell ATAC-sequencing," she said. "My work explored cells in both healthy and diseased states to help us better understand how dysregulation of normal hematopoietic cells leads to the development of AML."

Thakur, who wants to be a neonatal surgeon, hopes to continue clinical research.

"I enjoyed the wet lab research, but I'm more of a people person," she said. "I empathize with people's problems, learn from them, and learn with them."

During her gap year as she is applying to medical school, she is working in two Turlock clinics to mitigate COVID-19 vaccine hesitancy in the Central Valley. Currently, she is collaborating with the Merced Department of Public Health and the Central California Alliance for Health.

She began with surveys to learn who was not getting the vaccine and why and discovered Hispanic and Portuguese populations have the lowest rates of vaccination in the Central Valley.

"I think the reason for that is a language barrier and a cultural barrier," she said. "I wanted to work to improve that."

She created a video of a Spanish-speaking patient sharing her story of the suffering she experienced with COVID, the effects on her and her family and her recommendation that others be vaccinated.

Thakur hopes it inspires those who watch it in clinic waiting rooms to get vaccinated and to encourage their family and friends as well. Six years of studying Spanish made her comfortable creating the video, and she's working with a Portuguese-speaking patient to help facilitate a video in that language.

In the meantime, she's begun analyzing post-surveys to determine the effectiveness of their work.

"We have very early preliminary data," Thakur said. "We have seen that among people that are vaccinated, they will go speak to their own families, tell them it's not scary, it's important, it's FDA approved, it's readily available and it's free."

The work has led Thakur to submit two abstracts for publication, and she'll present her findings to the American College of Surgeons and to the Academic Surgical Congress.

“My research will highlight how medical clinics can implement the techniques in their own clinics,” Thakur said.

It’s a typically selfless response, which comes naturally to her. Giving back seems a part of her nature, and Stan State is among those the richer for it.

Alliance Fact Sheet
October 2021

ABOUT THE ALLIANCE

The Alliance is an award-winning regional non-profit health plan, established in 1996, with **over 25 years** of successful operation. Using the State's County Organized Health System (COHS) model, we currently serve **382,806 members** in Merced, Monterey and Santa Cruz counties. We work in partnership with our contracted providers to promote prevention, early detection and effective treatment, and improve access to quality health care for those we serve. This results in the delivery of innovative community-based health care services, better medical outcomes and cost savings. The Alliance is governed with local representation from each county on our Board of Commissioners.

Quick Facts[2]

1996
Year Established

491
Number of Employees

$1.2 B
YTD Revenue

5.2%
Spent on Administration

Service Area:
Merced, Monterey and Santa Cruz counties.

Membership by Program

Total Membership: **382,806**[3]

382,291
Medi-Cal

515
Alliance Care IHSS

OUR VISION

Healthy People,
Healthy Communities.

OUR MISSION

Accessible, quality health care guided by local innovation.

WHAT WE DO

The Alliance is a health plan that was developed to improve access to health care for lower income residents who often lacked a primary care "medical home" and so relied on emergency rooms for basic services. The Alliance has pursued this mission by linking members to primary care physicians (PCPs) and clinics that deliver timely services and preventive care, and arrange referrals to specialty care.

WHO WE SERVE

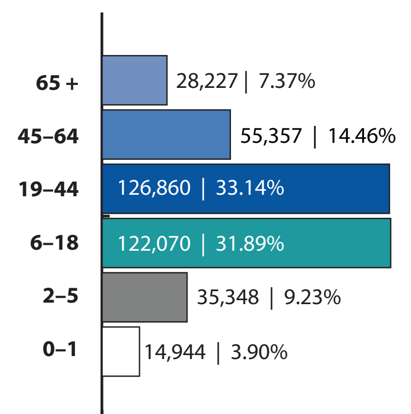
Our members represent 39 percent[1] of the population in Merced, Monterey and Santa Cruz counties. We serve seniors, persons and children with disabilities, low-income mothers and their children, children who were previously uninsured, pregnant women, home care workers who are caring for the elderly and disabled, and low-income, childless adults ages 19–64.

Our programs currently include Medi-Cal Managed Care serving Merced, Monterey and Santa Cruz counties and Alliance Care In-Home Supportive Services (IHSS) in Monterey County.

PROVIDER PARTNERSHIPS

The Alliance partners with more than 11,600 providers to form our provider network, with 85 percent of primary care physicians and 84 percent of specialists within our service area contracted to provide services to our members.

Membership by Age Group



HEALTHY PEOPLE. **HEALTHY** COMMUNITIES.

www.thealliance.health

10-2021

EXECUTIVE LEADERSHIP

Stephanie Sonnenshine
Chief Executive Officer

Lisa Ba
Chief Financial Officer

Dale Bishop, MD
Chief Medical Officer

Scott Fortner
Chief Administrative Officer

Van Wong
Chief Information Officer

Chief Operating Officer
Open until filled

GOVERNING BOARD

The Alliance's 21-member governing board, the Santa Cruz-Monterey-Merced Managed Medical Care Commission (Alliance Board), sets policy and strategic priorities for the organization and oversees health plan service effectiveness. The Alliance Board has fiscal and operational responsibility for the health plan. In alphabetical order, current Board members are:

- **Supervisor Wendy Root Askew,** County of Monterey
- **Dorothy Bizzini,** Public Representative
- **Leslie Conner,** Executive Director, Santa Cruz Community Health Centers – Alliance Board Chairperson
- **Supervisor Ryan Coonerty,** County of Santa Cruz
- **Maximiliano Cuevas, MD,** Executive Director, Clinica de Salud del Valle de Salinas
- **Larry deGhetaldi, MD,** President, Santa Cruz Division, Palo Alto Medical Foundation (Sutter Health)
- **Julie Edgcomb,** Public Representative
- **Vacant,** Health Services Administrator of Santa Cruz County
- **Charles Harris,** MD, Interim Chief Executive Officer, Natividad Medical Center
- **Dori Rose Inda,** Chief Executive Officer, Salud Para La Gente
- **Elsa Jimenez,** Director of Health, Monterey County Health Department - Alliance Board Vice Chairperson
- **Shebreh Kalantari-Johnson,** Public Representative
- **Michael Molesky,** Public Representative
- **Rebecca Nanyonjo,** Director of Public Health, Merced County, Department of Public Health
- **Supervisor Josh Pedrozo,** County of Merced
- **Elsa Quezada,** Public Representative
- **James Rabago,** MD, Merced Faculty Associates Medical Group
- **Allen Radner,** MD, Salinas Valley Memorial Healthcare System
- **Joerg Schuller,** MD, Vice President Medical Affairs, Mercy Medical Center
- **Rob Smith,** Public Representative
- **Tony Weber,** Chief Executive Officer, Golden Valley Health Centers

AWARDS

The Alliance is a multi-award winning organization for outstanding health plan performance, quality and leadership in health care.

State Quality Awards:

Over the years, the Alliance has received numerous awards including the Department of Health Care Services (DHCS) Quality Awards for performance in the state's annual Healthcare Effectiveness Data Information Set (HEDIS®) measures for Medi-Cal managed care plans. The recent awards include:

2019

- Outstanding Performance for Medium-sized Plan

2018

- Most Improved Runner Up for Santa Cruz/Monterey Counties
- Innovation Award for Academic Detailing

Customer Service Honors:

- DHCS 2011 Gold Quality Award for Outstanding Service and Support

Employer Workplace Distinctions:

- American Heart Association 2016 Workplace Health Achievement Gold Level Award as a "Fit and Friendly Workplace"
- Second Harvest Food Bank, Santa Cruz County – CEO Cup 2018, 2017; Titanium Award 2015, 2014, 2013
- United Way of Santa Cruz County 2018, 2013 Corporate Campaign Gold Award
- 2020 Certified California Green Business - Program Participant since 2008.

---

[1]County population data source: U.S. Census Bureau 2019 population estimate (as of Jul. 1, 2019). Membership percentage by county: Merced (50 percent); Monterey (39 percent); Santa Cruz (27 percent).

[2]Fact sheet data as of October 1, 2021.

[3]Fact sheet data as of October 1, 2021.

1600 Green Hills Road, Suite 101
Scotts Valley, CA 95066-4981
831-430-5500

950 East Blanco Road, Suite 101
Salinas, CA 93901-4487
831-755-6000

530 West 16th Street, Suite B
Merced, CA 95340-4710
209-381-5300

October 28, 2021

Michaele Evans
Loan Officer, Capital Investment
Primary Care Development Corporation
445 S Figueroa Street, Suite 2100
Los Angeles, CA 90071

Dear Ms. Evans:

On behalf of Central California Alliance for Health (the Alliance), I am writing in support of the new health care development at 1500 Capitola Road in Live Oak. The Alliance is one of the largest investors in the project having awarded over $2.5 million each to Santa Cruz Community Health (SCCH), Dientes Community Dental Care, and MidPen Housing.

The Alliance is an award-winning regional non-profit health plan, established in 1996. Using the State's County Organized Health System (COHS) model, we work in partnership with our contracted providers to promote prevention, early detection and effective treatment, and improve access to quality health care for those we serve. This results in the delivery of innovative community-based health care services, better medical outcomes and cost savings. Overall, we serve over 300,000 Medi-Cal enrollees, 174,000 of whom live in Santa Cruz County.

When the Affordable Care Act was formally launched in 2014, the Alliance experienced a dramatic increase in the number of new Medi-Cal members soon to enroll. As a result, we established a grant program to build the capacity of our provider network, including investments in workforce development, technology systems, and new facilities SCCH's.

Santa Cruz Community Health is a valuable member of our provider in Santa Cruz County. It consistently provides high quality care to our members as evidenced in its Care Based Incentives program results. SCCH also partners with us in innovative programs for intensive case management to reduce avoidable and costly hospital admissions. Their plan to expand addresses the needs of low-income Medi-Cal members in Live Oak and throughout the County, ensures access to critical medical, behavioral, and social supports.

Access to primary care in Santa Cruz is lacking, including in the Live Oak community. Our investment in SCCH's new clinic is designed to address this. Together – along with the New Markets Tax Credit opportunity– we can ensure access to thousands of low-income members of our community who struggle in poverty, experience homelessness, or face debilitating medical or behavioral health issues. The goal is a healthier community for all. Thank you for your support of their work.

Sincerely,

Stephanie Sonnenshine
Chief Executive Officer

HEALTHY PEOPLE. HEALTHY COMMUNITIES.

www.thealliance.health

1600 Green Hills Road, Suite 101
Scotts Valley, CA 95066-4981
831-430-5500

950 East Blanco Road, Suite 101
Salinas, CA 93901-4487
831-755-6000

530 West 16th Street, Suite B
Merced, CA 95340-4710
209-381-5300

November 18, 2021

To Whom It May Concern:

The Central California Alliance for Health (the Alliance), the County Organized Health System responsible for administering the Medi-Cal program in Monterey County, is pleased to offer its support for the work of the Monterey County Diabetes Collaborative. The Alliance provided one-time grant funding to Community Health Innovations (now a division of Aspire Health) to pilot a program to address prevention of childhood obesity, as well as food insecurity in our membership.

This 18 month pilot identified obese children and their families. Those who agreed to participate engaged in at least four classes on food choices, nutrition and healthy lifestyle. For six months, the participants received weekly healthy groceries from Monterey County Food Bank filled with lean proteins, local fruits and vegetables, and recipe cards. They also received telephonic coaching, along with scales and pedometers to track their progress. Starting BMI vs BMI at end of six month program was evaluated. The analysis of the programs' effects is forthcoming, however we are anxious to determine if food supplied as medicine is a factor in lowering or maintaining BMI in children. This entire effort is intended to have members learn the tools and access resources necessary to avoid prediabetes and diabetes.

We are happy to have been able to support Aspire Health on this innovative work to prevent prediabetes and diabetes in our community and the membership we serve.

Sincerely,

Stephanie Sonnenshine
Chief Executive Officer

HEALTHY PEOPLE. HEALTHY COMMUNITIES.

www.thealliance.health

Member Appeals and Grievance Report
Q3, 2021

Q3 2021 Appeals and Grievances: 537

Appeals: 14% [55% in favor of Plan; 45% in favor of Member]
Exempt: 5%
Grievances: 78%
Other: 3% [Inquiries, Duplicates, Withdrawn]

Category Figures
Transportation: 39%
Inappropriate Care: 15%
Billing: 9%
Provider/Staff Attitude: 6%
Provider Availability: 6%
Authorization: 3%
Other: 14%

Analysis and Trends
- A high percentage of grievances involved transportation issues for late, missed rides to appointments and quality of service issues.
- No other significant trends noted for grievances in Q3 2021.

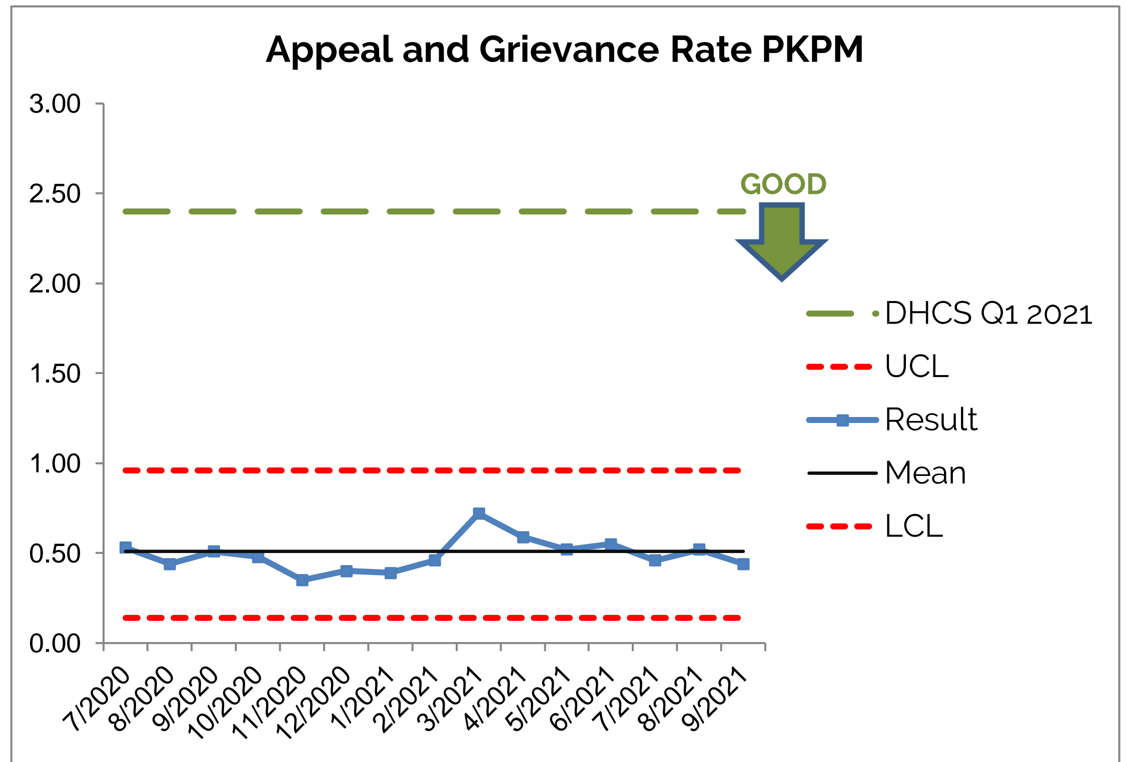
Highest Grievances Filed by County
1. Merced: 44%
2. Monterey: 34%
3. Santa Cruz: 22%

Behavioral Health Beacon Grievances:
- Member Grievances: 14

IHSS Summary:
- Member Grievances: 0

☒ **In Control**
☐ **Not in Control**

A lower rate demonstrates a good or positive result when compared to Upper Control Limits (UCL) and Lower Control Limits (LCL) which represent three (3) standard deviations from mean or average performance.



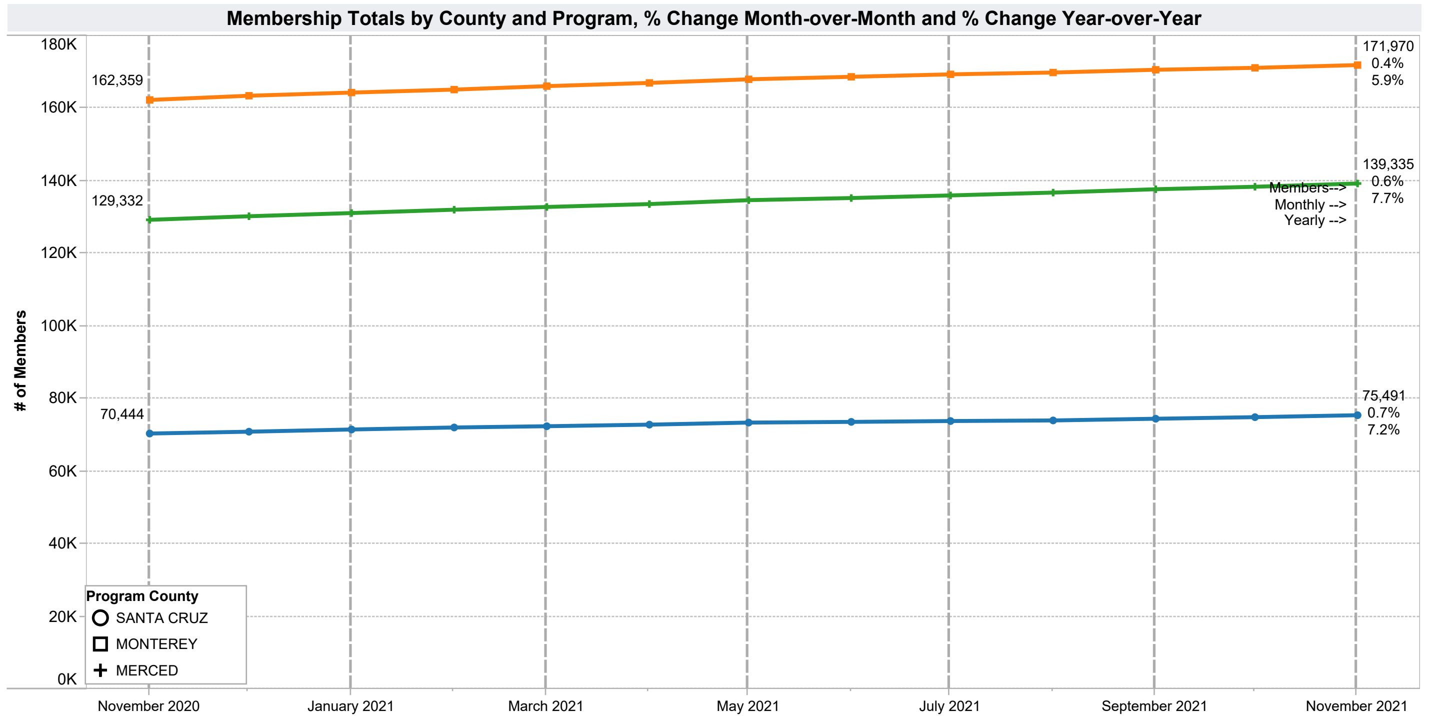
	Jan	Feb	Mar	Apr	May	Jun	**July**	**Aug**	**Sep**	Oct	Nov	Dec
2020 Enrollment	334,394	337,611	337,444	341,861	346,268	350,131	352,983	355,570	358,607	359,810	362,135	364,785
A&G Issues	173	167	141	107	108	162	187	157	183	173	126	146
Rate PKPM*	0.52	0.49	0.42	0.31	0.31	0.46	0.53	0.44	0.51	0.48	0.35	0.40
2021 Enrollment	367,138	369,436	371,493	373,618	376,251	377,718	**379,353**	**380,797**	**382,949**			
A&G Issues	145	170	269	222	195	206	**173**	**197**	**167**			
Rate PKPM*	0.39	0.46	0.72	0.59	0.52	0.55	0.46	0.52	0.44			

*Grievances Per 1,000 Member Month

Enrollment Report

Year: *2017 & 2018* **County:** *All* **Program:** *IHSS & Medi-Cal*
Aid Cat Roll Up: *All* **Data Refresh Date:** *11/2/2021*

StaticDate
11/1/2020 12:00:00 AM to 11/30/2021 11:59:59 PM



Program..	ProgramCo..	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021
Medi-Cal	SANTA CRUZ	70,444	70,947	71,554	72,108	72,455	72,892	73,459	73,648	73,884	74,048	74,518	74,952	75,491
	MONTEREY	161,813	162,983	163,854	164,682	165,651	166,545	167,544	168,238	168,919	169,407	170,159	170,697	171,456
	MERCED	129,332	130,315	131,193	132,117	132,871	133,669	134,743	135,331	136,052	136,833	137,756	138,441	139,335
IHSS	MONTEREY	546	540	537	529	516	512	505	501	498	509	516	513	514
Total Members		**362,135**	**364,785**	**367,138**	**369,436**	**371,493**	**373,618**	**376,251**	**377,718**	**379,353**	**380,797**	**382,949**	**384,603**	**386,796**