

Board of Directors Meeting Highlights

May 4, 2017

Former Board Chair Mark Refowitz Honored

The Board of Directors expressed appreciation for the service of former CalOptima Board Chair Mark Refowitz, who stepped down from the role when he retired as Director of the Orange County Health Care Agency in March 2017. CEO Michael Schrader and current Board members Lee Penrose and Supervisor Andrew Do acknowledged the crucial role Mr. Refowitz played in guiding CalOptima through significant changes in recent years, including the unprecedented increase in membership following the implementation of the Affordable Care Act. Current Board Chair Paul Yost, M.D., presented Mr. Refowitz with an award commemorating his five years of service to the agency. After accepting the award, Mr. Refowitz reflected upon his experience at CalOptima and underscored the importance of the agency's work in providing access to quality health care for nearly 800,000 low-income Orange County residents.

CEO Michael Schrader Addresses the American Health Care Act (AHCA)

Mr. Schrader informed the Board that the AHCA, H.R. 1628, passed earlier in the day on May 4. The federal legislation is designed to restructure Medicaid financing as well as repeal and replace major portions of the Affordable Care Act. After the Speaker of the House pulled the bill from consideration on March 24, negotiations continued in an effort by Republican leadership to revive the legislation. On April 26, the conservative House Freedom Caucus expressed support for an amendment to the AHCA proposed by the moderate Tuesday Group's co-chairman Rep. Tom MacArthur. The MacArthur amendment does not change the Medicaid financing provisions of the AHCA that significantly impact CalOptima, such as the move to per-capita payments, but it does impact the employer-sponsored and individual insurance marketplaces. After the inclusion of another revision designed to build on the MacArthur amendment's compromises, House leadership was able to garner enough support to pass the bill on May 4. The AHCA will now move to the Senate, where it is likely to be carefully evaluated and possibly revised. Mr. Schrader assured the Board that staff as well as CalOptima's associations and federal advocate are tracking the legislation closely to ensure that CalOptima has the latest information available.

Program of All-Inclusive Care for the Elderly (PACE) Study Session Provides Information

The central focus of the May 4 Board meeting was a lengthy study session devoted to understanding the PACE program and planning for a future that increases access to PACE in Orange County. Richard Helmer, M.D., CalOptima's Chief Medical Officer, spoke about CalOptima PACE's history, development, and recent financial and operational achievements. Joseph Billingsley, Chief of Long-Term Services and Supports for the Department of Health Care Services (DHCS), addressed state regulations and DHCS guidance related to PACE expansion. Chris van Reenen, Vice President of Regulatory Affairs for the National PACE Association, reviewed the current federal regulatory framework and how variations on the traditional PACE model could help increase access to services. Ultimately, the Board directed staff to proceed with a Request for Information process related to increasing access to PACE services using alternative care setting sites, while continuing to study the issue of PACE expansion.

ABOUT CALOPTIMA

CalOptima is a county organized health system that administers health insurance programs for low-income children, adults, seniors and people with disabilities in Orange County. Our mission is to provide members with access to quality health care services delivered in a cost-effective and compassionate manner. As one of Orange County's largest health insurers, we provide coverage through four major programs: Medi-Cal, OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan), OneCare (HMO SNP) (a Medicare Advantage Special Needs Plan), and the Program of All-Inclusive Care for the Elderly (PACE).

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