NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
PROVIDER ADVISORY COMMITTEE

THURSDAY, DECEMBER 14, 2017
8:00 A.M.

CALOPTIMA
505 CITY PARKWAY WEST, SUITE 109-N
ORANGE, CALIFORNIA 92868

AGENDA

This agenda contains a brief, general description of each item to be considered. The Committee may take any action on all items listed. Except as otherwise provided by law, no action shall be taken on any item not appearing in the following agenda.

Information related to this agenda may be obtained by contacting the CalOptima Clerk of the Board at 714.246.8806 or by visiting our website at www.caloptima.org. In compliance with the Americans with Disabilities Act, those requiring special accommodations for this meeting should notify the Clerk of the Board's office at 714.246.8806. Notification at least 72 hours prior to the meeting will allow time to make reasonable arrangements for accessibility to this meeting.

I. CALL TO ORDER
Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES
A. Approve Minutes of the November 9, 2017 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

IV. PUBLIC COMMENT
At this time, members of the public may address the Committee on general topics. Public Comment on posted item(s) will follow staff presentation of the item(s) to the Committee. If you wish to speak on an item contained in the agenda, please complete a Public Comment Request Form(s) identifying the item(s) and submit the form to the assistant to the PAC. When addressing the Committee, it is requested that you state your name for the record. Please address the Committee as a whole through the Chair. Comments to individual Committee members or staff are not permitted. Speakers will be limited to three (3) minutes.

V. REPORTS
None

VI. CEO AND MANAGEMENT REPORTS
A. Chief Executive Officer (CEO) Update
B. Chief Operating Officer (COO) Update
C. Chief Medical Officer (CMO) Update
D. Chief Financial Officer (CFO) Update
E. Network Operations Update
F. Federal and State Legislative Update

VII. INFORMATION ITEMS
A. California Children's Service (CCS) Stakeholder Update
B. Opioid Epidemic Update
C. PAC Member Presentation on Vision Care
D. PAC Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

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MINUTES

REGULAR MEETING OF THE CALOPTIMA BOARD OF DIRECTORS' PROVIDER ADVISORY COMMITTEE

November 9, 2017

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, November 9, 2017, at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

Teri Miranti, PAC Chair, called the meeting to order at 8:06 a.m., and Member Pimentel led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present:	Teri Miranti, Chair; Anjan Batra, M.D.; Donald Bruhns; Theodore Caliendo, M.D.; Steve Flood; Jena Jensen; Pamela Kahn, R.N.; Craig G. Myers; John Nishimoto, O.D; George Orras, Ph.D., FAAP; Mary Pham, Pharm.D, CHC; Pamela Pimentel, R.N.; Jacob Sweidan, M.D.
Members Absent:	Suzanne Richards, MBA, FACHE, Vice Chair
Others Present:	Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Richard Bock, M.D., Deputy Chief Medical Officer; Gary Crockett, Chief Counsel; Greg Hamblin, Chief Financial Officer; Michelle Laughlin, Executive Director, Network Operations; Phil Tsunoda, Executive Director, Public Policy and Public Affairs; Tracy Hitzeman, Executive Director, Clinical Operations; Cheryl Simmons, Staff to the Provider Advisory Committee; Melissa Tober, Orange County Health Care Agency; Roseann Peters, Lestonnac Free Clinic

MINUTES

Approve the Minutes of the October 12, 2017 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

Action: ***On motion of Member Pimentel, seconded and carried, the Committee approved the minutes of the October 12, 2017 meeting. (Motion carried 13-0-0; Vice Chair Richards absent)***

PUBLIC COMMENTS

No requests for public comment were received.

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REPORTS

A. **Consider Recommendation of Agency-Appointed Representative from Orange County Health Care Agency (OCHCA).**

Member Alan Edwards, M.D., notified CalOptima of his resignation from the PAC due to his retirement from the OCHCA effective immediately. The OCHCA has named Mary R. Hale, Director, Behavioral Health as the representative for the OCHCA's standing seat. The recommendation will be presented to the Board of Directors for consideration at the December 7, 2017 meeting.

Action: ***On motion of Member Myers, seconded and carried, the Committee recommended Board of Directors' approval of the OCHCA recommendation of Mary R. Hale to replace Dr. Alan Edwards as the OCHCA Representative on the PAC. Motion carried 13-0-0; (Vice Chair Richards absent).***

PAC Chair Miranti reordered the agenda to hear Agenda Item VII.A, Community Referral Network Presentation before continuing with the CEO and Management Reports.

PRESENTATION

Community Referral Network

Melissa Tober, Manager of Strategic Projects at the OCHCA, provided an update on the Whole Person Care Pilot (WPC) that went into effect on July 1, 2017, Ms. Roseann Peters, Program Manager at the Lestonnac Free Clinic, presented information on the new Community Referral Network. This Community Referral Network is funded by various foundations located in Orange County as well as by the WPC program. The mission of the Community Referral Network is to bridge service gaps, create a stronger network of services, and achieve a healthy, empowered community. This network will be used to increase awareness of underutilized services that are available to underserved populations.

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Update

Michael Schrader, Chief Executive Officer, discussed three top PACE initiatives that combine giving PACE participants the choice of keeping their PCP or enrolling with a community-based physician for services at CalOptima's PACE Center clinic, utilizing a network of 15 satellite sites located throughout the Orange County area, and reviewing plans to coordinate an expansion of the service area into South Orange County, which would allow qualifying low-income seniors who live in that part of the county to enroll in the PACE program.

Chief Medical Officer Update

Richard Bock, M.D., Deputy Chief Medical Officer, announced that DHCS has awarded CalOptima the highest quality award in California among the public plans. Dr. Bock noted that October was National Pharmacy Month, and he thanked Member Pham for inviting him to the Orange County Pharmacy Association's event and acknowledged the excellent work being done

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in county by pharmacists, especially with the challenges being faced due to the high cost of medications. Dr. Bock also discussed the Pay for Value program (P4V) and noted that the first P4V checks would be issued soon. Dr. Bock also briefly discussed the opioid epidemic, and the PAC requested in-depth update on the on-going opioid epidemic at the December PAC meeting.

Chief Financial Officer Update

Michael Schrader introduced Greg Hamblin as CalOptima's new Chief Financial Officer. Mr. Hamblin presented the September 2017 financial report, and summarized CalOptima's financial performance and current reserve levels. Mr. Hamblin also reviewed the Health Network enrollment figures for September 2017.

Network Operation Update

Michelle Laughlin, Executive Director, Network Operations, provided an update on the Magellan transition. Ms. Laughlin noted that as of November 8, 2017, 85% of mental health providers had been contracted, and 80% of the Applied Behavioral Analysis (ABA) providers had returned signed contracts. She also noted that CalOptima will offer continuity of care for each to member whose current provider does not contract with CalOptima before the January 1, 2018 transition.

Federal and State Budget Update

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, provided the PAC with an update on the Children's Health Insurance Program (CHIP) in Orange County and noted that a reauthorization that was signed in to law in 2015, which funded CHIP through September 30, 2017 has expired. The U.S. House of Representatives approved a bill that extends funding for five years and creates a phased reduction in federal funding from the current rate of 88%federal/12%state to 65% federal/35% state across the five-year period. The bill is now in the Senate for consideration.

INFORMATION ITEMS

Palliative Care Presentation

Tracy Hitzeman, Executive Director, Clinical Operations, provided an update on Palliative Care. Ms. Hitzeman discussed how the Palliative Care program began with Senate Bill 1004 in 2014, which required the Department of Health Care Services (DHCS) to establish standards and provide technical assistance to ensure delivery of palliative care services by managed health care plans. Ms. Hitzeman reviewed the DHCS established goals for palliative care and the targeted population. She noted that health networks would be responsible for all SB 1004 palliative care services for their assigned members effective January 1, 2018. She also noted that CalOptima does not plan to prescribe delivery requirements other than as required by the legislation, the All Plan Letter, and outlined in CalOptima's policies and procedures.

Women's Mental Health Issues

Pamela Pimentel, PAC member representing the Allied Health, and Chief Executive Officer, MOMS of Orange County, presented on Maternal Mood and Anxiety Disorders. Ms. Pimentel noted that in 2017, the Centers for Disease Control (CDC) estimated that more than 20% of all births are negatively impacted by maternal depression and anxiety. She also discussed the

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current screenings and treatments options that were available to all women (including CalOptima members) in Orange County.

PAC Member Updates

Chair Miranti reviewed the first quarter progress on the PAC Goals and Objectives for 2017-18 and asked the members to submit any changes to the Staff to the PAC. Chair Miranti reminded the PAC members that the next meeting is scheduled for December 14, 2017.

ADJOURNMENT

There being no further business before the Committee, Chair Miranti adjourned the meeting at 10:00 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the PAC

Approved: December 14, 2017

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MEMORANDUM

DATE:	December 7, 2017
TO:	CalOptima Board of Directors
FROM:	Michael Schrader, CEO
SUBJECT:	CEO Report
COPY:	Suzanne Turf, Clerk of the Board; Member Advisory Committee; Provider Advisory Committee; OneCare Connect Member Advisory Committee

Behavioral Health (BH) Transition

In a short period of time, CalOptima has made good progress on our preparations for the transition of Medi-Cal BH services. As of this writing, CalOptima has contracted with 469 providers offering mental health (MH) and Applied Behavior Analysis (ABA) services, representing coverage for about 87 percent of the members receiving those services. This high percentage reflects our positive position when it comes to continuity of care and keeping members engaged with their current providers. Notices have been mailed to those remaining members who may need to select new providers, offering our support with making the change or requesting continuity of care arrangements. Under a continuity of care arrangement, a member may continue to see the same provider for up to a year if the provider agrees to accept the standard rate through a member-specific Letter of Agreement. To foster collaboration, CalOptima held four meetings in October and November with the ABA provider community, and a large orientation session is planned for December 20 to onboard all MH and ABA providers and share operational details, such as claims and authorization procedures. Finally, CalOptima has hired nearly all the necessary clinical and customer service staff needed to administer the BH benefits.

Program of All-Inclusive Care for the Elderly (PACE)

On October 27, the Department of Health Care Services (DHCS) released its final policy letter covering the PACE application process. The provisions in the final letter are largely consistent with the earlier draft, which was summarized in my November CEO Report. Importantly, the final letter supports your Board-directed PACE expansion approach, including allowing the use of Alternative Care Settings and community-based physicians. Seeking to expand PACE into South Orange County, CalOptima officially submitted its application for service area expansion on November 8. It can take six to nine months for review and approval by both DHCS and the Centers for Medicare & Medicaid Services (CMS).

Children's Health Insurance Program (CHIP)

CHIP provides health care coverage for children age 0–19 whose parents earn up to 266 percent of the Federal Poverty Level. This is an important population for CalOptima, representing approximately 112,000 of our Medi-Cal members. In California, CHIP receives approximately $3 billion in federal funding annually, yet all federal funding for CHIP nationwide expired on September 30, 2017. California is currently using reserve funding to pay for CHIP through

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yearend. In the meantime, activity to reauthorize funding is ongoing in Washington, D.C. On November 3, the House approved a bill (242–174) that extends funding for five years and creates a phased reduction in federal funding from the current rate of 88 percent federal/12 percent state to 65 percent federal/35 percent state across those years. The bill is now in the U.S. Senate. CalOptima recently sent letters of support to California's two U.S. Senators, urging their support to reauthorize CHIP funding. Currently, there is no timetable for final action on CHIP in the Senate, as Congress is focusing now on tax reform and legislation to fund the federal government beyond December 8.

Intergovernmental Transfers (IGTs)

CalOptima plays a significant role in obtaining additional funding for the local health care system. With our community funding partners and through several transactions, CalOptima has helped bring Orange County $337 million, including CalOptima's portion of almost $75 million. This month, your Board is scheduled to consider approving our participation in an eighth IGT (IGT 8). Recent changes will affect the amount of federal money received and the approved use of IGT funds. For IGT 8, we can expect a higher return because the funding formula will now consider our Medi-Cal Expansion and CHIP populations, which are funded using different federal/state payment ratios than Medi-Cal Classic. The July 2017 implementation of the Mega Reg changed the permissible use of IGT dollars to fund only CalOptima-covered Medi-Cal services, perhaps by increasing provider rates, rather than funding enhanced services beyond Medi-Cal, such as school-based vision care or community health center grants. This change does not impact our current IGT plans:

- IGT 5: The results of the Member Health Needs Assessment will drive IGT 5 spending in five Board-approved categories: Adult Mental Health, Children's Mental Health, Childhood Obesity, Strengthening the Safety Net and Improving Children's Health.
- IGT 6 and 7: Letters of Interest will guide grant funding allocations in three Board-approved areas: Opioid and Other Substance Overuse, Homeless Health, and Children's Mental Health.

California Children's Services (CCS)

As 2018 approaches, CalOptima is already beginning the yearlong process of transitioning the CCS program from a Medi-Cal carve-out administered by the Orange County Health Care Agency to the fully integrated Whole-Child Model (WCM), overseen by CalOptima. This effort a major undertaking, as Orange County has more than 13,000 CCS children, all of whom have significant medical conditions. CalOptima has created a plan for engaging stakeholders and obtaining Board approval for all the necessary changes. Active collaboration with the CCS community is also expected via your Board's newly approved WCM Family Advisory Committee. Later this month and in January, CalOptima will host meetings for providers and health networks affected by the transition. In late January, we plan a general stakeholder event that will include a guest speaker from DHCS. Overall, CalOptima is committed to a smooth transition focused on ensuring that CCS children have continued access to the same primary care physicians, specialists, hospitals, durable medical equipment suppliers, and other providers essential to their care.

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Financial Summary

October 2017

Provider Advisory Committee Meeting

December 14, 2017

Greg Hamblin

Chief Financial Officer

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FY 2017-18: Consolidated Enrollment

- October 2017 MTD:
  - Overall enrollment was 780,645 member months
    - Actual lower than budget by 22,057 or 2.7%
      - Medi-Cal: unfavorable variance of 21,818 members
        - TANF unfavorable variance of 13,566 members
        - SPD unfavorable variance of 4,286 members
        - Medi-Cal Expansion (MCE) unfavorable variance of 3,965 members which includes a retro adjustment of 7,458 members
      - OneCare Connect: unfavorable variance of 297 members
    - 15,536 or 2.0% decrease from prior month
      - Medi-Cal: decrease of 15,506 from September
      - OneCare Connect: decrease of 31 from September
      - OneCare: increase of 2 from September
      - PACE: decrease of 1 from September

FY 2017-18: Consolidated Enrollment

- October 2017 YTD:
  - Overall enrollment was 3,162,503 member months
    - Actual lower than budget by 46,334 or 1.4%
      - Medi-Cal: unfavorable variance of 45,631 members or 1.5%
        - TANF unfavorable variance of 44,336 members
        - SPD unfavorable variance of 11,001 members
        - MCE favorable variance of 9,127 members
        - LTC favorable variance of 579 members
      - OneCare Connect: unfavorable variance of 945 members or 1.5%
      - OneCare: favorable variance of 245 members or 4.6%
      - PACE: unfavorable variance of 3 member or 0.3%

FY 2017-18: Consolidated Revenues

- October 2017 MTD:
  - ➢ Actual higher than budget by $4.3 million or 1.5%
    - Medi-Cal: favorable to budget by $3.6 million or 1.4%
      - Unfavorable volume variance of $6.8 million due mainly to retro enrollment adjustment offset by $6.2 million release of prior year contingency reserve
      - Favorable price variance of $4.2 million due to:
        - ➢ $2.5 million of fiscal year 2018 Coordinated Care Initiative (CCI) including In-Home Supportive Services revenue (IHSS)
        - ➢ $1.9 million of fiscal year 2018 Behavioral Health Treatment (BHT) Revenue

FY 2017-18: Consolidated Revenues (cont.)

- October 2017 MTD:
  - OneCare Connect: favorable to budget by $0.3 million or 1.0%
    - Unfavorable volume variance of $0.5 million due to lower enrollment
    - Favorable price variance of $0.8 million due to higher than anticipated RAF score
  - OneCare: favorable to budget by $0.5 million or 33.5%
    - Favorable volume variance of $0.1 million
    - Favorable price variance of $0.4 million due to higher than anticipated RAF score and prior year adjustments
  - PACE: unfavorable to budget by $46.8 thousand or 3.1%
    - Unfavorable volume variance of $26.4 thousand
    - Unfavorable price variance of $20.4 thousand

FY 2017-18: Consolidated Revenues (cont.)

- October 2017 YTD:
  - ➢ Actual higher than budget by $38.1 million or 3.5%
    - Medi-Cal: favorable to budget by $33.5 million or 3.4%
      - Unfavorable volume variance of $14.2 million offset by $6.2 million release of prior year contingency reserve
      - Favorable price variance of $41.5 million due to:
        - ➢ $17.8 million for combined CCI including IHSS revenue
        - ➢ $5.7 million for Behavioral Health Treatment (BHT) Revenue
        - ➢ $15.9 million for prior year revenue
    - OneCare Connect: favorable to budget by $5.9 million or 5.4%
      - Unfavorable volume variance of $1.7 million
      - Favorable price variance of $7.6 million due to higher than anticipated RAF score and prior year revenue

FY 2017-18: Consolidated Revenues (cont.)

- October 2017 YTD:
  - OneCare: Unfavorable to budget by $1.8 million or 32.8%
    - Favorable volume variance of $0.3 million
    - Unfavorable price variance of $2.0 million
      - $2.8 million due to CMS recoupment for prior years
  - PACE: favorable to budget by $0.5 million or 7.8%
    - Favorable price variance of $0.5 million due to prior year revenue

FY 2017-18: Consolidated Medical Expenses

- October 2017 MTD:
  - ➢ Actual higher than budget by $6.1 million or 2.3%
    - ▪ Medi-Cal: unfavorable variance of $5.4 million
      - Facilities expenses favorable variance of $3.7 million
      - Provider Capitation unfavorable variance of $3.6 million
      - MLTSS unfavorable variance of $3.2 million
        - ➢ IHSS unfavorable variance of $4.0 million
      - Professional Claims unfavorable variance of $1.0 million
      - Prescription Drugs unfavorable variance of $1.1 million

    - OneCare Connect: unfavorable variance of $0.8 million
      - Favorable volume variance of $0.5 million
      - Unfavorable price variance of $1.3 million

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FY 2017-18: Consolidated Medical Expenses (cont.)

- October 2017 YTD:
  - ➢ Actual higher than budget by $49.5 million or 4.7%
    - ▪ Medi-Cal: unfavorable variance of $49.3 million
      - Favorable volume variance of $13.6 million
      - Unfavorable price variance of $62.9 million
        - ➢ MLTSS expense $29.2 million higher than budget
        - ➢ Provider Capitation $14.6 million higher than budget
        - ➢ Professional Claims $8.4 million higher than budget
        - ➢ Facilities $5.1 million higher than budget
    - ▪ OneCare Connect: unfavorable variance of $3.7 million
      - Favorable volume variance of $1.6 million
      - Unfavorable price variance of $5.2 million
- Medical Loss Ratio (MLR):
  - ➢ October 2017 MTD: Actual: 96.5% Budget: 95.7%
  - ➢ October 2017 YTD: Actual: 96.2% Budget: 95.1%

FY 2017-18: Consolidated Administrative Expenses

- October 2017 MTD:
  - ➢ Actual lower than budget by $2.8 million or 23.4%
    - Salaries and Benefits: favorable variance of $0.8 million
    - Other categories: favorable variance of $2.1 million

- October 2017 YTD:
  - ➢ Actual lower than budget by $10.8 million or 22.4%
    - Salaries and Benefits: favorable variance of $3.5 million driven by lower than budgeted FTE
    - Other categories: favorable variance of $7.3 million

- Administrative Loss Ratio (ALR):
  - ➢ October 2017 MTD: Actual: 3.3% Budget: 4.4%
  - ➢ October 2017 YTD: Actual: 3.3% Budget: 4.4%

FY 2017-18: Change in Net Assets

- October 2017 MTD:
  - $2.5 million surplus
  - $2.6 million favorable to budget
    - Higher than budgeted revenue of $4.3 million
    - Higher than budgeted medical expenses of $6.1 million
    - Lower than budgeted administrative expenses of $2.8 million
    - Higher than budgeted investment and other income of $1.6 million

- October 2017 YTD:
  - $13.8 million surplus
  - $6.7 million favorable to budget
    - Higher than budgeted revenue of $38.1 million
    - Higher than budgeted medical expenses of $49.5 million
    - Lower than budgeted administrative expenses of $10.8 million
    - Higher than budgeted investment and other income of $7.3 million

Enrollment Summary: October 2017

Month-to-Date					Year-to-Date			
Actual	Budget	Variance	%	Enrollment (By Aid Category)	Actual	Budget	Variance	%
60,871	63,017	(2,146)	(3.4%)	Aged	245,871	249,741	(3,870)	(1.5%)
552	618	(66)	(10.7%)	BCCTP	2,429	2,472	(43)	(1.7%)
46,702	48,776	(2,074)	(4.3%)	Disabled	187,951	195,039	(7,088)	(3.6%)
325,320	329,642	(4,322)	(1.3%)	TANF Child	1,307,625	1,319,429	(11,804)	(0.9%)
94,597	103,841	(9,244)	(8.9%)	TANF Adult	383,371	415,903	(32,532)	(7.8%)
3,267	3,268	(1)	(0.0%)	LTC	13,651	13,072	579	4.4%
232,469	236,434	(3,965)	(1.7%)	MCE	954,058	944,931	9,127	1.0%
763,778	**785,596**	**(21,818)**	**(2.8%)**	**Medi-Cal**	**3,094,956**	**3,140,587**	**(45,631)**	**(1.5%)**
15,234	**15,531**	**(297)**	**(1.9%)**	**OneCare Connect**	**61,093**	**62,038**	**(945)**	**(1.5%)**
227	**231**	**(4)**	**(1.7%)**	**PACE**	**891**	**894**	**(3)**	**(0.3%)**
1,406	**1,344**	**62**	**4.6%**	**OneCare**	**5,563**	**5,318**	**245**	**4.6%**
780,645	**802,702**	**(22,057)**	**(2.7%)**	**CalOptima Total**	**3,162,503**	**3,208,837**	**(46,334)**	**(1.4%)**

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Financial Highlights: October 2017

Month-to-Date					Year-to-Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
780,645	802,702	(22,057)	(2.7%)	Member Months	3,162,503	3,208,837	(46,334)	(1.4%)
279,997,967	275,747,826	4,250,141	1.5%	Revenues	1,139,081,219	1,101,007,792	38,073,427	3.5%
270,075,616	263,996,393	(6,079,223)	(2.3%)	Medical Expenses	1,096,159,288	1,046,659,224	(49,500,064)	(4.7%)
9,257,028	12,089,098	2,832,070	23.4%	Administrative Expenses	37,389,862	48,183,422	10,793,560	22.4%
665,322	**(337,665)**	**1,002,987**	**297.0%**	**Operating Margin**	**5,532,069**	**6,165,146**	**(633,076)**	**(10.3%)**
1,844,895	231,157	1,613,738	698.1%	Non Operating Income (Loss)	8,286,896	967,402	7,319,494	756.6%
2,510,218	**(106,508)**	**2,616,725**	**2456.8%**	**Change in Net Assets**	**13,818,965**	**7,132,548**	**6,686,417**	**93.7%**
96.5%	95.7%	(0.7%)		Medical Loss Ratio	96.2%	95.1%	(1.2%)	
3.3%	4.4%	1.1%		Administrative Loss Ratio	3.3%	4.4%	1.1%	
0.2%	(0.1%)	0.4%		Operating Margin Ratio	0.5%	0.6%	(0.1%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

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Consolidated Performance Actual vs. Budget: October (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
Actual	Budget	Variance		Actual	Budget	Variance
0.3	(0.3)	0.6	Medi-Cal	0.0	6.7	(6.7)
(0.1)	0.2	(0.3)	OCC	3.8	0.3	3.5
0.3	(0.1)	0.5	OneCare	0.9	(0.6)	1.5
0.2	(0.1)	0.2	PACE	0.7	(0.2)	1.0
0.6	**(0.3)**	**1.0**	**Operating**	**5.5**	**6.2**	**(0.7)**
1.9	0.2	1.6	Inv./Rental Inc, MCO tax	8.3	1.0	7.3
1.9	**0.2**	**1.6**	**Non-Operating**	**8.3**	**1.0**	**7.3**
2.5	**(0.1)**	**2.6**	**TOTAL**	**13.8**	**7.1**	**6.7**

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Consolidated Revenue & Expense: October 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	531,309	232,469	763,778	15,234	1,406	227	780,645
REVENUES							
Capitation Revenue	$ 147,638,268	$ 101,072,503	$ 248,710,771	$ 27,928,548	$ 1,883,126	$ 1,475,522	$ 279,997,967
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	147,638,268	101,072,503	248,710,771	27,928,548	1,883,126	1,475,522	279,997,967
MEDICAL EXPENSES							
Provider Capitation	39,952,086	50,674,304	90,626,391	11,469,777	548,437	-	102,644,605
Facilities	22,594,319	17,890,547	40,484,866	2,174,336	322,811	118,668	43,100,680
Ancillary	-	-	-	505,167	67,238	-	572,406
Skilled Nursing	-	-	-	-	42,128	-	42,128
Professional Claims	7,211,212	7,949,507	15,160,719	-	-	366,989	15,527,708
Prescription Drugs	18,494,877	19,132,547	37,627,424	5,550,474	489,156	113,843	43,780,897
Quality Incentives	-	-	-	-	-	-	-
MLTSS Facility Payments	51,042,319	2,424,946	53,467,265	5,508,982	-	(88)	58,976,158
Medical Management	1,860,670	885,096	2,745,765	1,061,406	17,894	525,384	4,350,449
Reinsurance & Other	481,335	337,227	818,562	156,378	9,686	95,959	1,080,585
Total Medical Expenses	141,636,818	99,294,174	240,930,992	26,426,520	1,497,350	1,220,755	270,075,616
Medical Loss Ratio	**95.9%**	**98.2%**	**96.9%**	**94.6%**	**79.5%**	**82.7%**	**96.5%**
GROSS MARGIN	**6,001,450**	**1,778,329**	**7,779,779**	**1,502,028**	**385,777**	**254,767**	**9,922,351**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,290,246	770,831	20,264	69,869	6,151,210
Professional fees			126,275	16,238	0	2,213	144,725
Purchased services			499,034	(6,492)	10,988	3,990	507,520
Printing and Postage			267,372	108,504	11,914	183	387,972
Depreciation and Amortization			370,983	-	-	2,168	373,151
Other expenses			1,246,695	44,651	(32)	17,417	1,308,732
Indirect cost allocation, Occupancy expense			(297,686)	664,798	13,553	3,052	383,717
Total Administrative Expenses			7,502,918	1,598,529	56,688	98,893	9,257,028
Admin Loss Ratio			**3.0%**	**5.7%**	**3.0%**	**6.7%**	**3.3%**
INCOME (LOSS) FROM OPERATIONS			276,861	(96,501)	329,089	155,874	665,322
INVESTMENT INCOME			-	-	-	-	1,863,285
NET RENTAL INCOME			-	-	-	-	5,137
NET GRANT INCOME			(23,527)	-	-	-	(23,527)
OTHER INCOME			-	-	-	-	0
CHANGE IN NET ASSETS			**$ 253,334**	**$ (96,501)**	**$ 329,089**	**$ 155,874**	**$ 2,510,218**
BUDGETED CHANGE IN ASSETS			(318,318)	164,143	(130,545)	(52,945)	(106,508)
VARIANCE TO BUDGET - FAV (UNFAV)			571,651	(260,644)	459,634	208,819	2,616,725

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Consolidated Revenue & Expense: October 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	2,140,898	954,058	3,094,956	61,093	5,563	891	3,162,503
REVENUES							
Capitation Revenue	$ 595,266,918	$ 418,102,867	$ 1,013,369,785	$ 115,700,324	3,672,507	$ 6,338,603	$ 1,139,081,219
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	595,266,918	418,102,867	1,013,369,785	115,700,324	3,672,507	6,338,603	1,139,081,219
MEDICAL EXPENSES							
Provider Capitation	156,612,904	201,185,982	357,798,886	45,359,817	(908,166)	-	402,250,536
Facilities	99,080,855	78,627,156	177,708,010	11,287,866	1,159,321	937,182	191,092,379
Ancillary	-	-	-	2,396,687	152,699	-	2,549,386
Skilled Nursing	-	-	-	-	94,683	-	94,683
Professional Claims	30,241,906	33,077,742	63,319,648	-	-	1,341,227	64,660,875
Prescription Drugs	71,532,910	74,316,720	145,849,630	20,652,922	1,910,085	442,777	168,855,413
MLTSS Facility Payments	213,748,466	9,914,645	223,663,111	20,884,462	-	16,302	244,563,875
Medical Management	8,283,634	2,818,991	11,102,625	4,201,374	69,195	2,054,716	17,427,910
Reinsurance & Other	2,207,986	1,309,215	3,517,201	726,405	31,035	389,589	4,664,231
Total Medical Expenses	581,708,660	401,250,450	982,959,110	105,509,534	2,508,852	5,181,792	1,096,159,288
Medical Loss Ratio	**97.7%**	**96.0%**	**97.0%**	**91.2%**	**68.3%**	**81.7%**	**96.2%**
GROSS MARGIN	**13,558,259**	**16,852,416**	**30,410,675**	**10,190,790**	**1,163,655**	**1,156,810**	**42,921,931**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			20,758,812	3,007,829	95,856	277,829	24,140,326
Professional fees			687,343	34,613	0	11,253	733,209
Purchased services			2,870,574	253,272	49,562	16,414	3,189,823
Printing and Postage			1,089,378	257,222	20,486	5,178	1,372,264
Depreciation and Amortization			1,743,583	-	-	8,600	1,752,183
Other expenses			4,514,938	192,533	(32)	71,303	4,778,742
Indirect cost allocation, Occupancy expense			(1,324,486)	2,659,193	54,212	34,396	1,423,316
Total Administrative Expenses			30,340,142	6,404,662	220,084	424,974	37,389,862
Admin Loss Ratio			**3.0%**	**5.5%**	**6.0%**	**6.7%**	**3.3%**
INCOME (LOSS) FROM OPERATIONS			70,533	3,786,128	943,571	731,837	5,532,069
INVESTMENT INCOME			-	-	-	-	8,323,414
NET RENTAL INCOME			-	-	-	-	20,381
NET GRANT INCOME			(57,319)	-	-	-	(57,319)
OTHER INCOME			419	-	-	-	419
CHANGE IN NET ASSETS			**$ 13,634**	**$ 3,786,128**	**$ 943,571**	**$ 731,837**	**$ 13,818,965**
BUDGETED CHANGE IN ASSETS			6,715,026	266,153	(582,697)	(233,336)	7,132,548
VARIANCE TO BUDGET - FAV (UNFAV)			(6,701,392)	3,519,975	1,526,268	965,173	6,686,417

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Balance Sheet:
As of October 2017

ASSETS			LIABILITIES & FUND BALANCES	
Current Assets			Current Liabilities	
	Operating Cash	$595,875,265	Accounts payable	$26,835,297
	Investments	893,957,195	Medical claims liability	1,052,927,427
	Capitation receivable	348,723,749	Accrued payroll liabilities	12,213,097
	Receivables - Other	24,107,561	Deferred revenue	156,624,497
	Prepaid Expenses	4,326,372	Deferred lease obligations	178,046
			Capitation and withholds	445,423,990
	Total Current Assets	**1,866,990,142**	**Total Current Liabilities**	**1,694,202,355**
Capital Assets	Furniture and equipment	34,039,048	Other employment benefits liability	29,281,263
	Building/Leasehold improvements	5,883,665		
	505 City Parkway West	49,433,337	Net Pension Liabilities	16,279,542
		89,356,051	Long Term Liabilities	100,000
	Less: accumulated depreciation	(37,039,357)		
	Capital assets, net	**52,316,694**	**TOTAL LIABILITIES**	**1,739,863,160**
Other Assets	Restricted deposit & Other	300,000	Deferred inflows of Resources - Excess Earnings	-
			Deferred inflows of Resources - Changes in Assumptions	1,340,010
	Board-designated assets			
	Cash and cash equivalents	23,993,088	Tangible net equity (TNE)	89,267,130
	Long term investments	513,303,463	Funds in excess of TNE	638,010,227
	Total Board-designated Assets	537,296,552		
	Total Other Assets	**537,596,552**	**Net Assets**	**727,277,357**
	Deferred outflows of Resources - Pension Contributions	5,234,198		
	Deferred outflows of Resources - Difference in Experience	1,072,771		
	Deferred outflows of Resources - Excess Earnings	5,270,171		
TOTAL ASSETS & OUTFLOWS		**2,468,480,527**	**TOTAL LIABILITIES, INFLOWS & FUND BALANCES**	**2,468,480,527**

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Board Designated Reserve and TNE Analysis
As of October 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,818,562				
	Tier 1 - Logan Circle	146,605,875				
	Tier 1 - Wells Capital	146,501,667				
Board-designated Reserve		439,926,104	307,284,558	477,235,282	132,641,546	(37,309,178)
TNE Requirement	Tier 2 - Logan Circle	97,370,448	89,267,130	89,267,130	8,103,317	8,103,317
	Consolidated:	537,296,552	396,551,688	566,502,412	140,744,863	(29,205,861)
	Current reserve level	*1.90*	*1.40*	*2.00*		

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HN Enrollment Summary - Medi-Cal

Health Network Name	NOVEMBER 2017	% of Total MCAL	% of HN Enrollment
CHOC Health Alliance (PHC20)	149,603	19.6%	22.6%
Monarch Family HealthCare (HMO16)	83,793	11.0%	12.7%
CalOptima Community Network (CN)	73,174	9.6%	11.1%
Arta Western Health Network (SRG66)	67,783	8.9%	10.2%
Family Choice Health Network (PHC21)	46,869	6.1%	7.1%
Kaiser Permanente (HMO04)	45,551	6.0%	6.9%
Alta Med Health Services (SRG69)	44,832	5.9%	6.8%
Prospect Medical Group (HMO17)	34,510	4.5%	5.2%
United Care Medical Network (SRG67)	33,782	4.4%	5.1%
Noble Mid-Orange County (SRG64)	28,634	3.7%	4.3%
AMVI Care Health Network (PHC58)	23,320	3.1%	3.5%
Talbert Medical Group (SRG65)	23,205	3.0%	3.5%
Heritage - Regal Medical Group (HMO15)	4,873	0.6%	0.7%
OC Advantage (PHC35)	1,689	0.2%	0.3%
Total Health Network Capitated Enrollment	**661,616**	**86.6%**	**100.0%**
CalOptima Direct (all others)	102,322	13.4%	
Total Medi-Cal Enrollment	**763,938**	**100.0%**	

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HN Enrollment Summary – OneCare Connect

Health Network Name	NOVEMBER 2017	Percentage
Monarch HealthCare (HMO16DB)	4,832	32.1%
Propect Medical Group (HMO17DB)	2,782	18.5%
Family Choice Medical Group (SRG81DB)	1,869	12.4%
CalOptima Community Network (CN)	1,705	11.3%
Talbert Medical Group (SRG52DB)	1,101	7.3%
Arta Western Health Network(SRG66DB)	528	3.5%
United Care Medical Group (SRG67DB)	519	3.4%
Alta-Med (SRG69DB)	509	3.4%
AMVI Care Health Network (PHC58DB)	469	3.1%
Noble Mid Orange County (SRG64DB)	447	3.0%
Heritage - Regal Medical Group (HMO15)	212	1.4%
OC Advantage (PHC35DB)	103	0.7%
Total OneCare Connect Enrollment	**15,076**	**100.0%**

HN Enrollment Summary - OneCare

Health Network Name	NOVEMBER 2017	Percentage
Monarch HealthCare (PMG53DE)	718	51.2%
AMVI/Prospect Medical Group (PMG27DE)	333	23.8%
Talbert Medical Group (PMG52DE)	100	7.1%
Family Choice Medical Group (PMG21DE)	91	6.5%
Arta Western Health Network (PMG66DE)	65	4.6%
Alta-Med (PMG69DE)	47	3.4%
United Care Medical Group (PMG67DE)	29	2.1%
Noble Mid Orange County (PMG64DE)	19	1.4%
Total OneCare Enrollment	**1,402**	**100.0%**

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Opioid Epidemic Update

Provider Advisory Committee

December 14, 2017

Richard Bock, M.D., MBA

Deputy Chief Medical Officer

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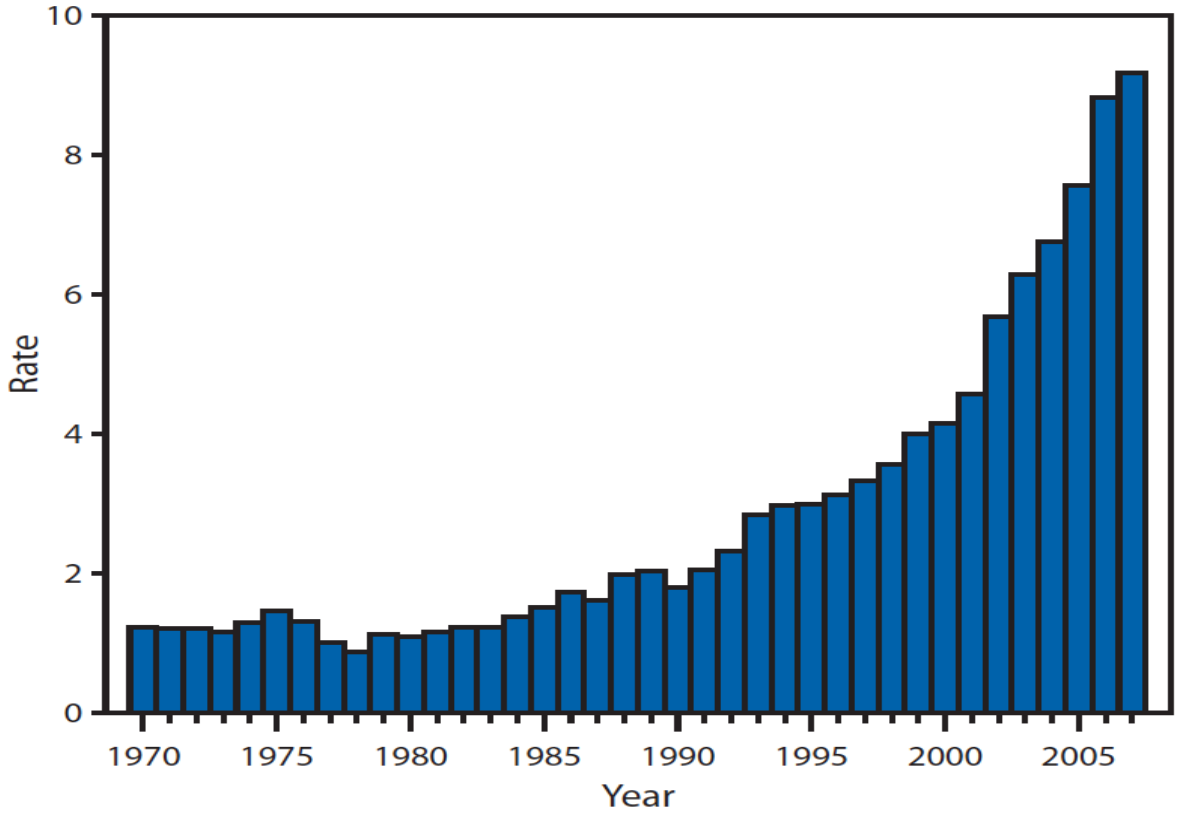
U.S. Drug Overdose Deaths

FIGURE 1. Rate* of unintentional drug overdose deaths — United States, 1970–2007



Source: National Vital Statistics System. Available at http://www.cdc.gov/nchs/nvss.htm.
* Per 100,000 population.

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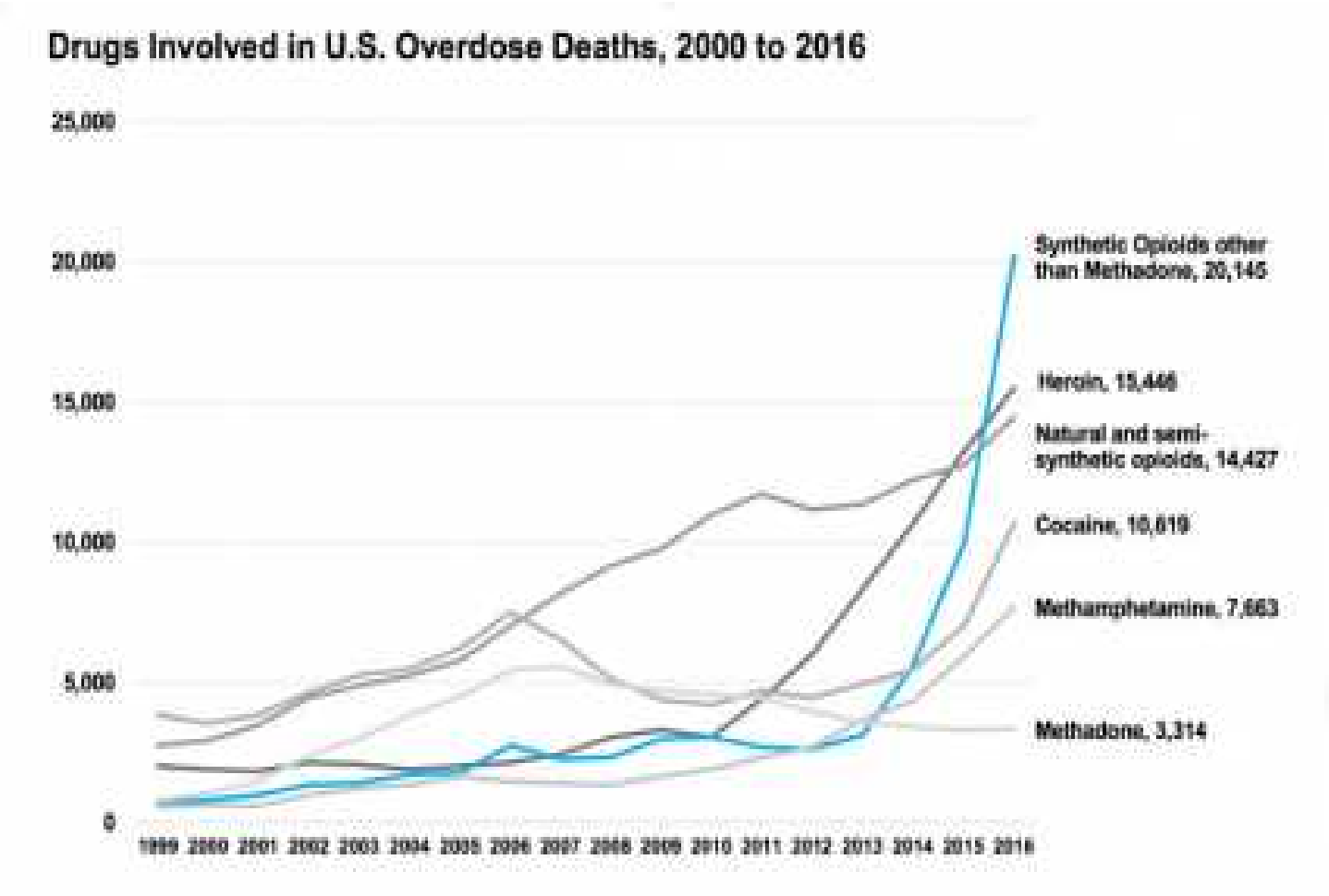
U.S. Drug Overdose Deaths



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On an Average Day in the U.S.

- More than **650,000 opioid prescriptions** dispensed; >250 million per year
- **3,900 people** initiate nonmedical use of prescription opioids
- **580 people** initiate heron use
- **154 people** die from an opioid-related overdose
- **More people die of overdose** than car accidents, guns or HIV/AIDS at its peak

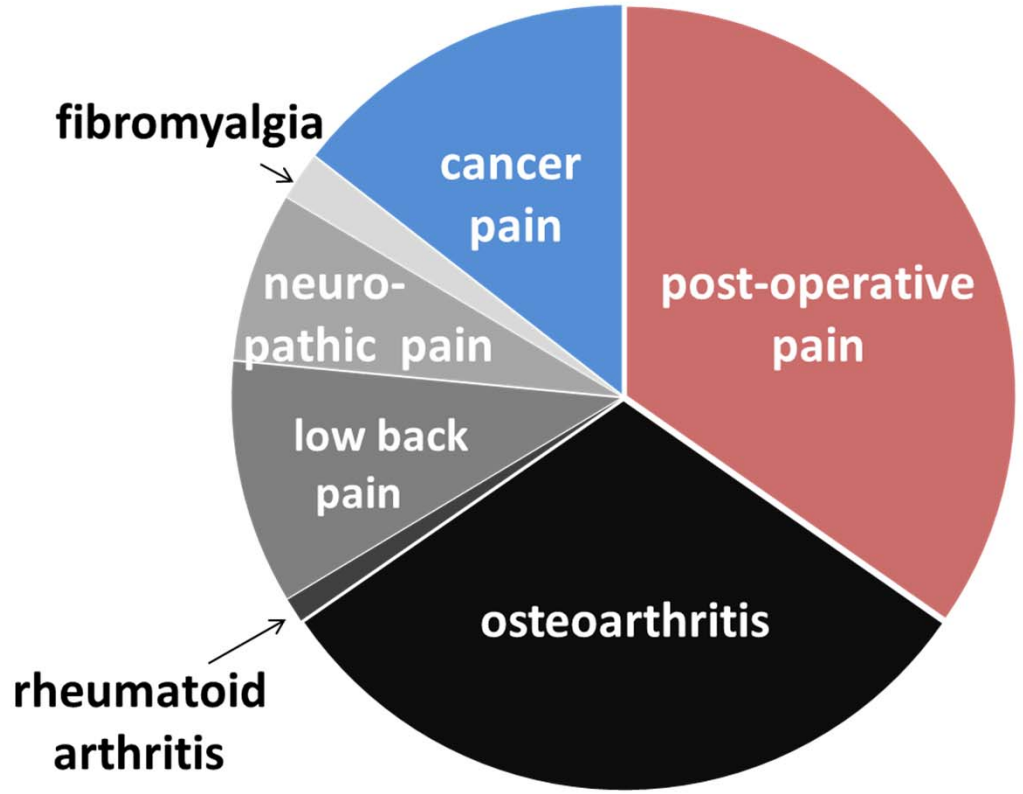
How the Epidemic Began

- Late 1990s: false marketing and distribution of longer acting opioids (“Safer, non-addicting, twice-a-day”)
  - Purdue Pharmaceuticals owned by Sackler Family
- States passed new laws and regulations moving from near prohibition of opioids to use without dosing guidance
- Laws were based on weak science, good experience with cancer pain and aggressive “pain control” lobby
  - Thus, no ceiling on dose and axiom to use more opioid if tolerance develops

U.S. Opioids Market Revenues

U.S. opioids market revenues for 7 leading indications, 2010

Source: GBI Research. Opioids Market to 2017. June 2011



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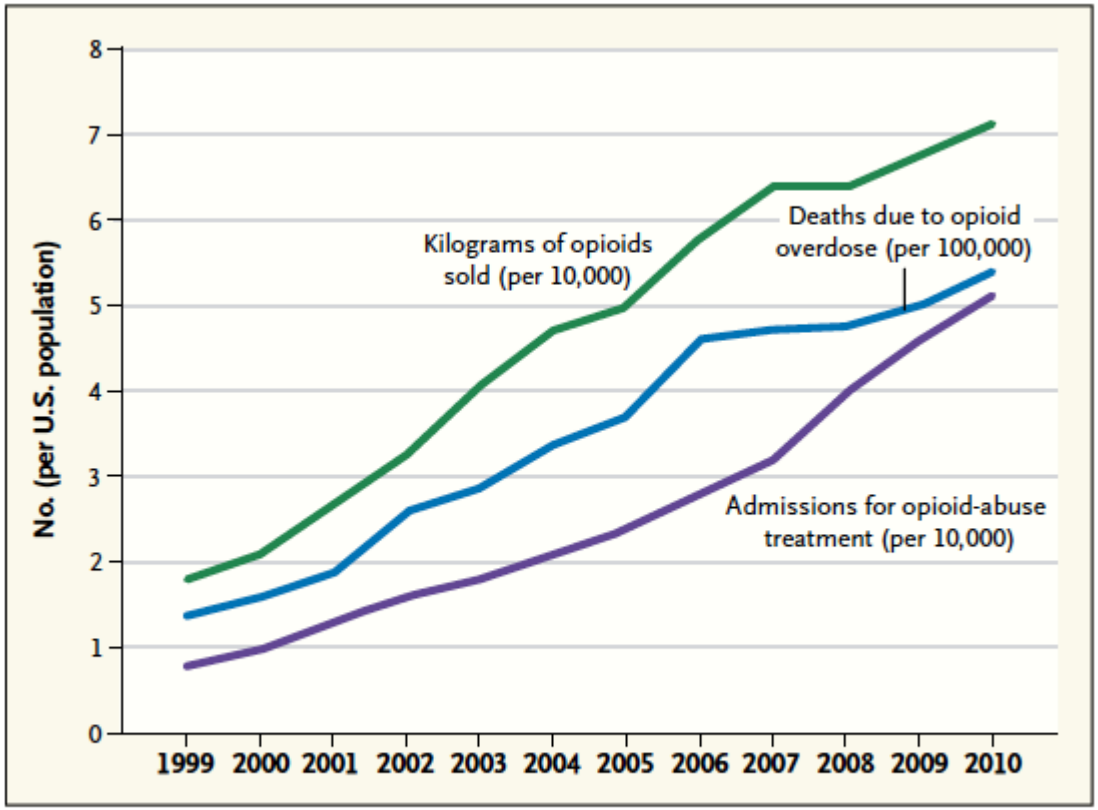
Opioid Deaths Rose With Increased Sales



Opioid Sales, Admissions for Opioid-Abuse Treatment, and Deaths Due to Opioid Overdose in the United States, 1999–2010.

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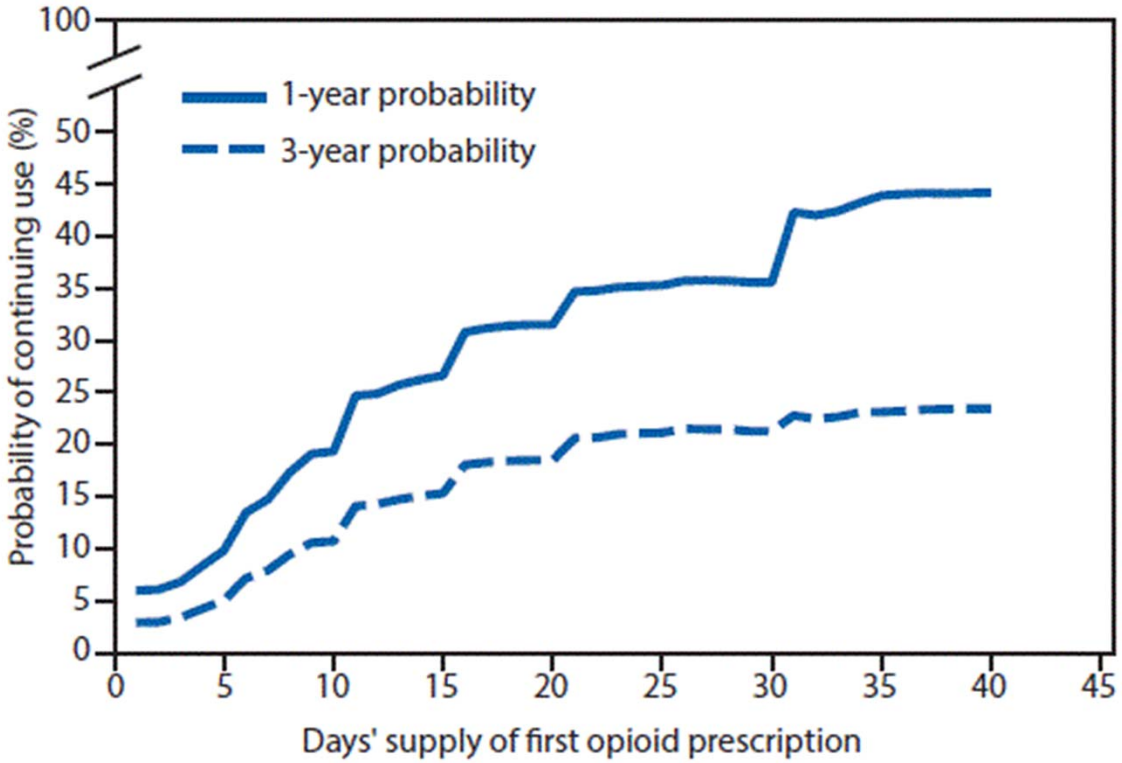
Risk of Addiction by Days Supplied



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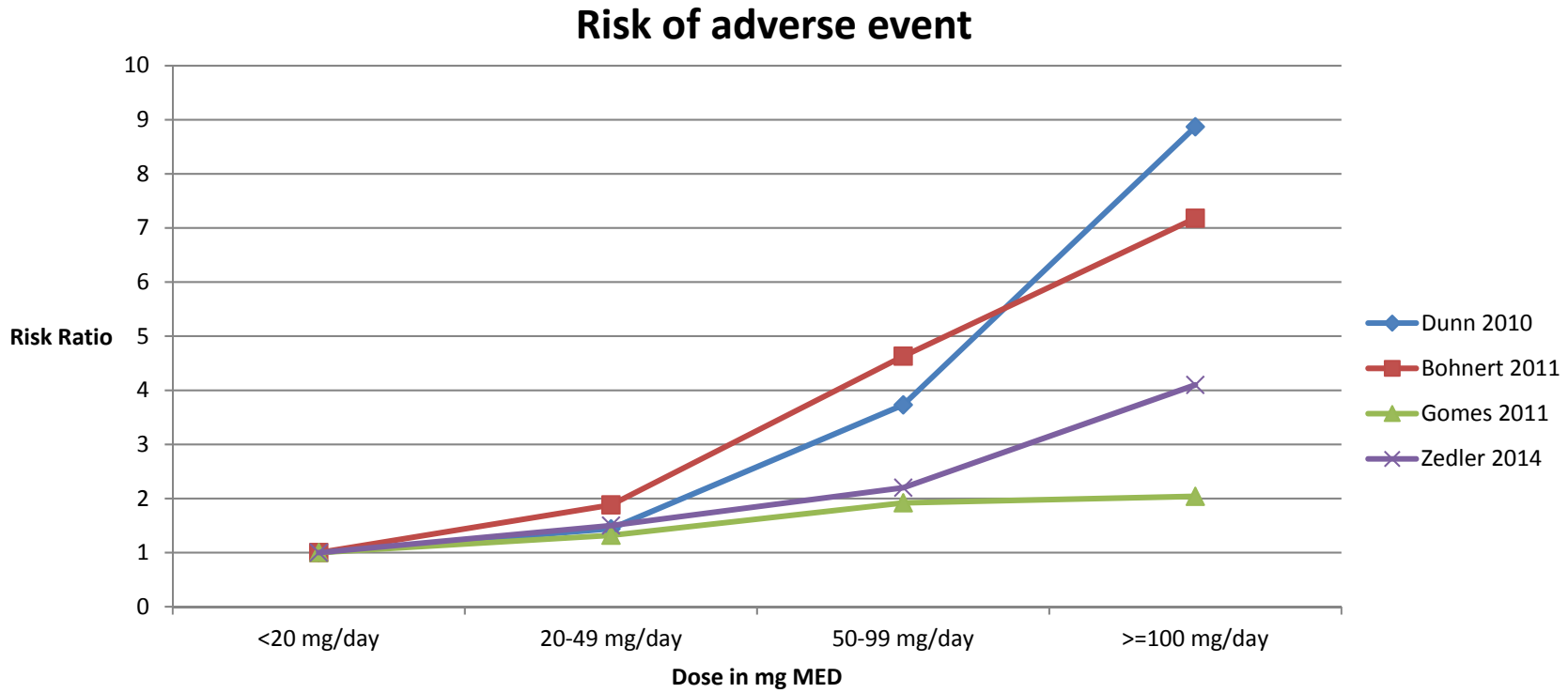
Dose-Related Risk



Two thirds of those using opioid medications for 90 days continue to use them long term (>2 years)

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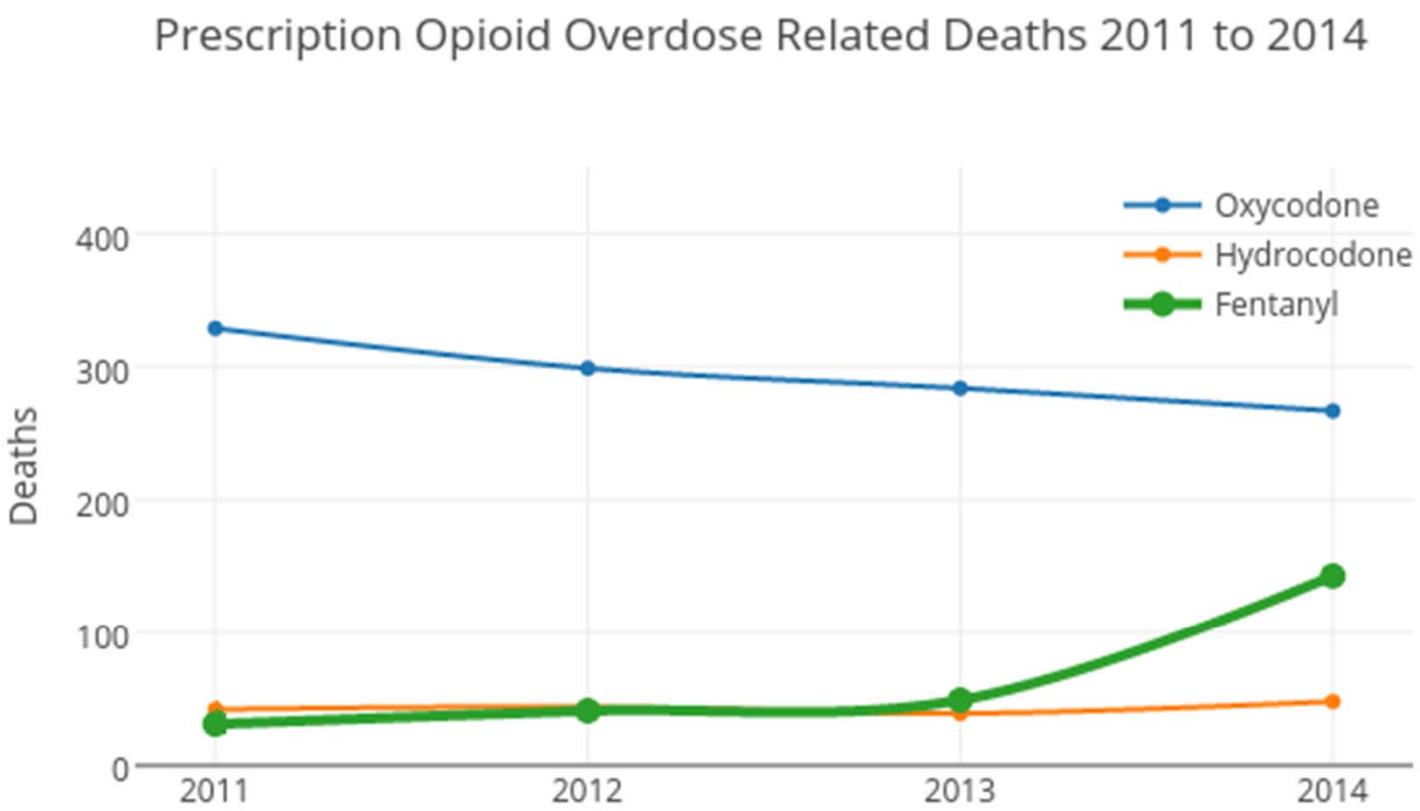
Impact on Medicaid

- More than 45% of fatal prescription drug overdoses were Medicaid enrollees
- Medicaid beneficiaries
  - Two times the prevalence of opioid Rx
  - Six times the risk of overdose death
- Prescription drug misuse elevated in
  - Poverty
  - Rural communities
  - Co-occurring mental illness
  - History of substance abuse
- Between 2000 and 2009, the rate of newborns diagnosed with Neonatal Abstinence/withdrawal Syndrome (NAS) nearly tripled
- Abusers of opioids have been found to have total health care costs eight times that of non-abusers

Changing Face of Opioid Epidemic



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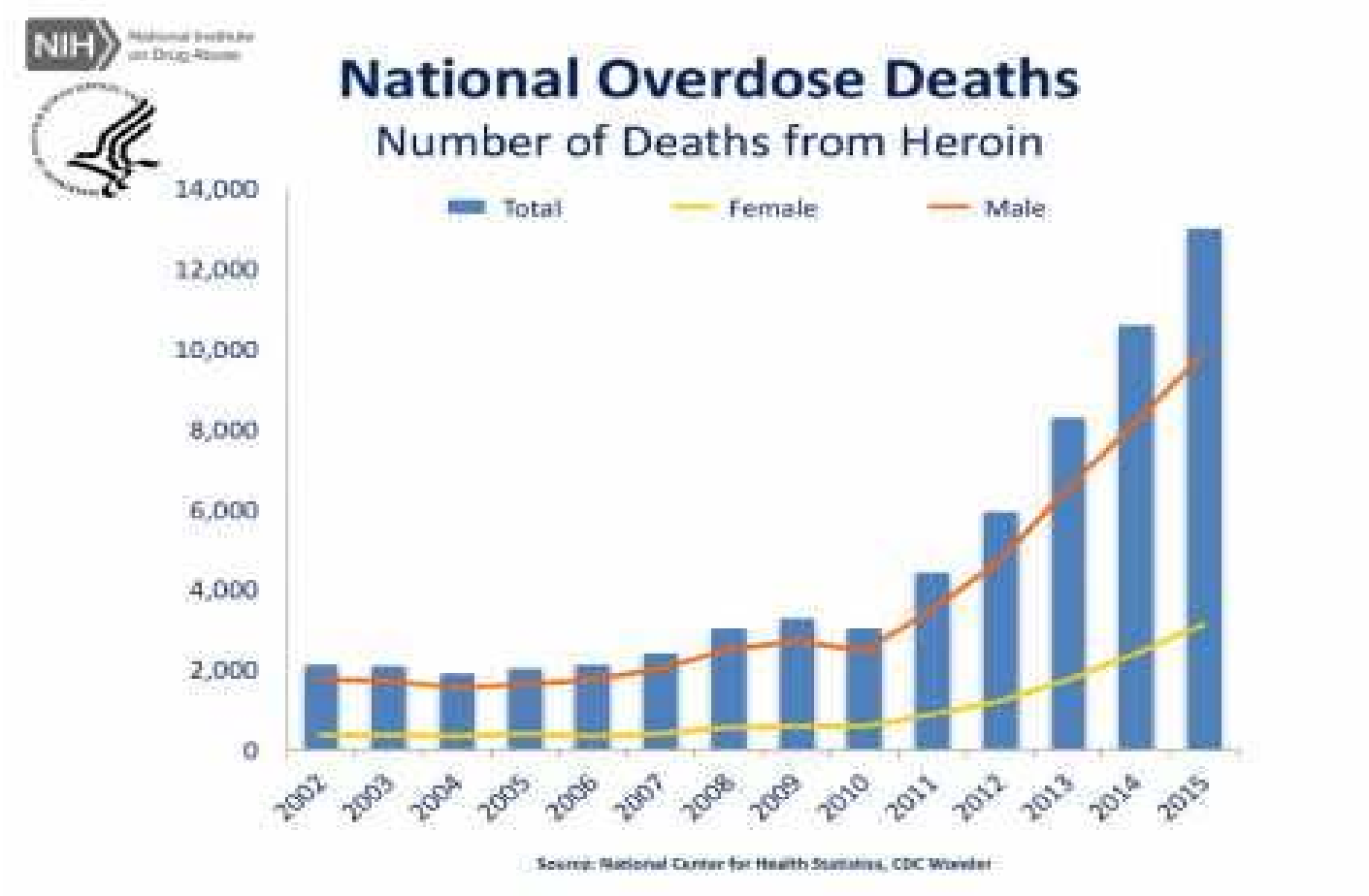
Changing Face of Opioid Epidemic (Cont.)

- Prescriptions for OxyContin have fallen nearly 40% since 2010, meaning billions in lost revenue for its Connecticut manufacturer, Purdue Pharmaceuticals

- Taking a page from Big Tobacco: OxyContin goes global — “We’re only just getting started.”

- A network of international companies owned by the Sackler family is moving rapidly into Latin America, Asia, the Middle East, Africa and other regions, and pushing for broad use of painkillers

Switch to Heroin



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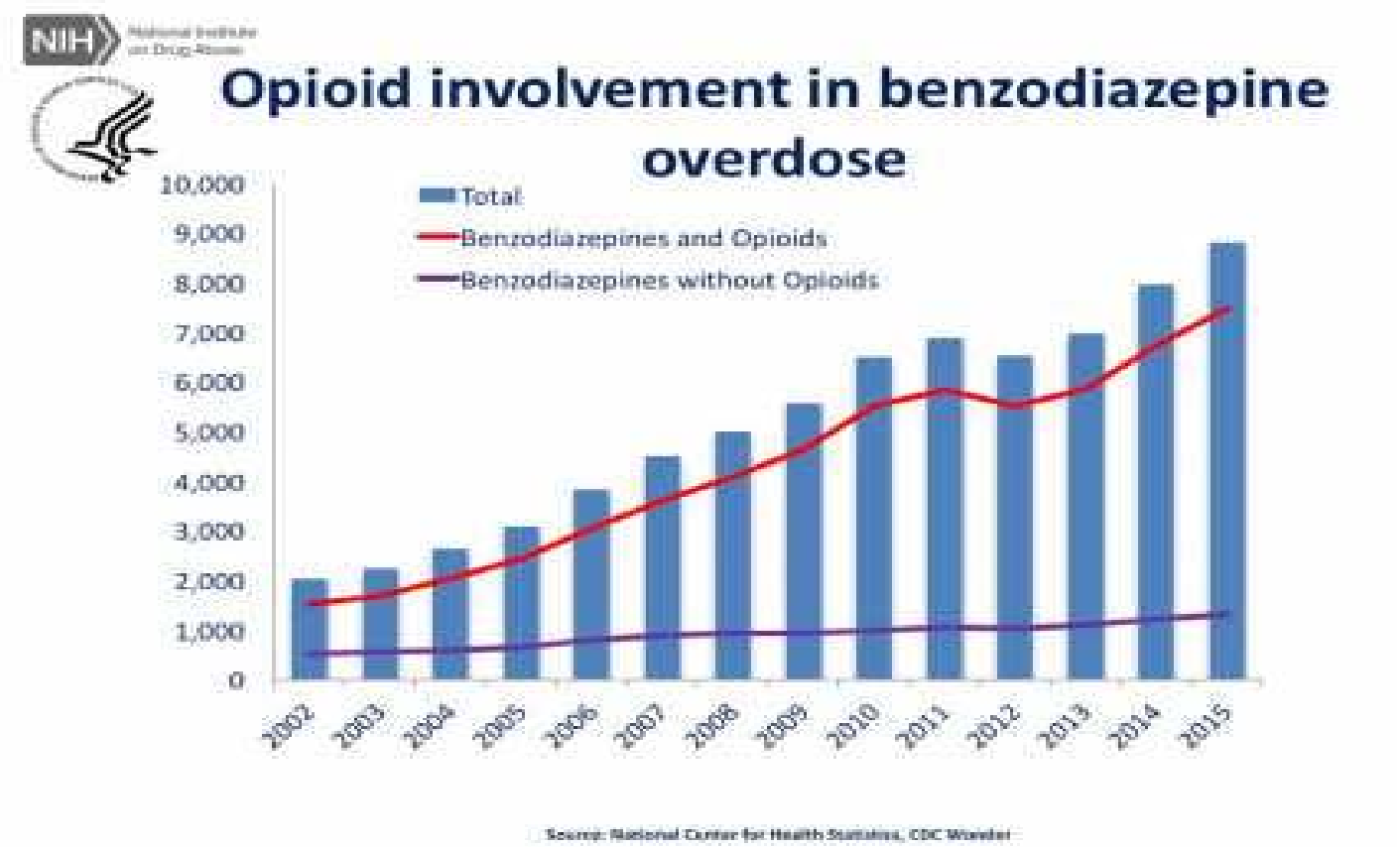
Opioids and Benzos



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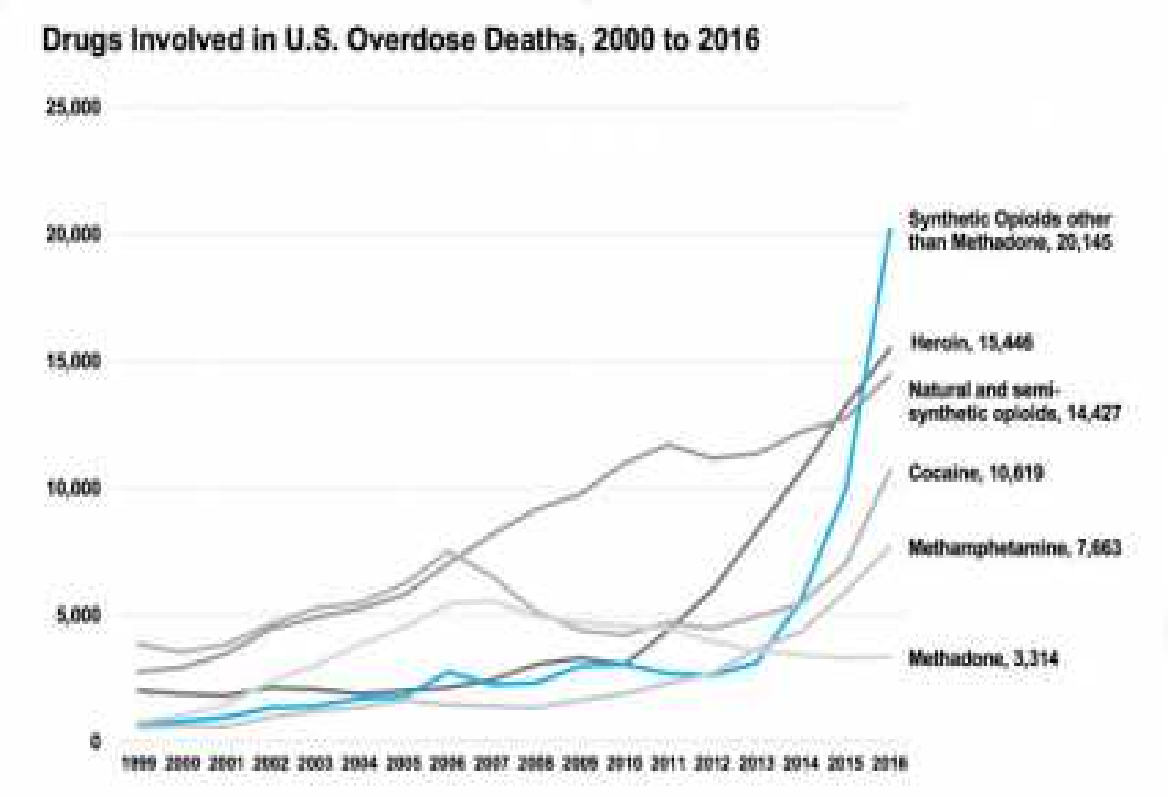
Changing Face of Opioid Epidemic (Cont.)

- Fentanyl-related overdoses prompt CDC alert
- *Insys* founder charged with helping to fuel opioid crisis
- DEA issues nationwide warning on Carfentanil animal opioid sedative10,000 times that of morphine
- Fentanyl and Carfentanil have been mixed with powder heroin and substituted for pill ingredients
- Combined Benzodiazepine use was associated with 30.1% of opioid overdose deaths
- Opioid use was associated with 77.2% of benzodiazepine overdose deaths

Fentanyl Overdose Deaths



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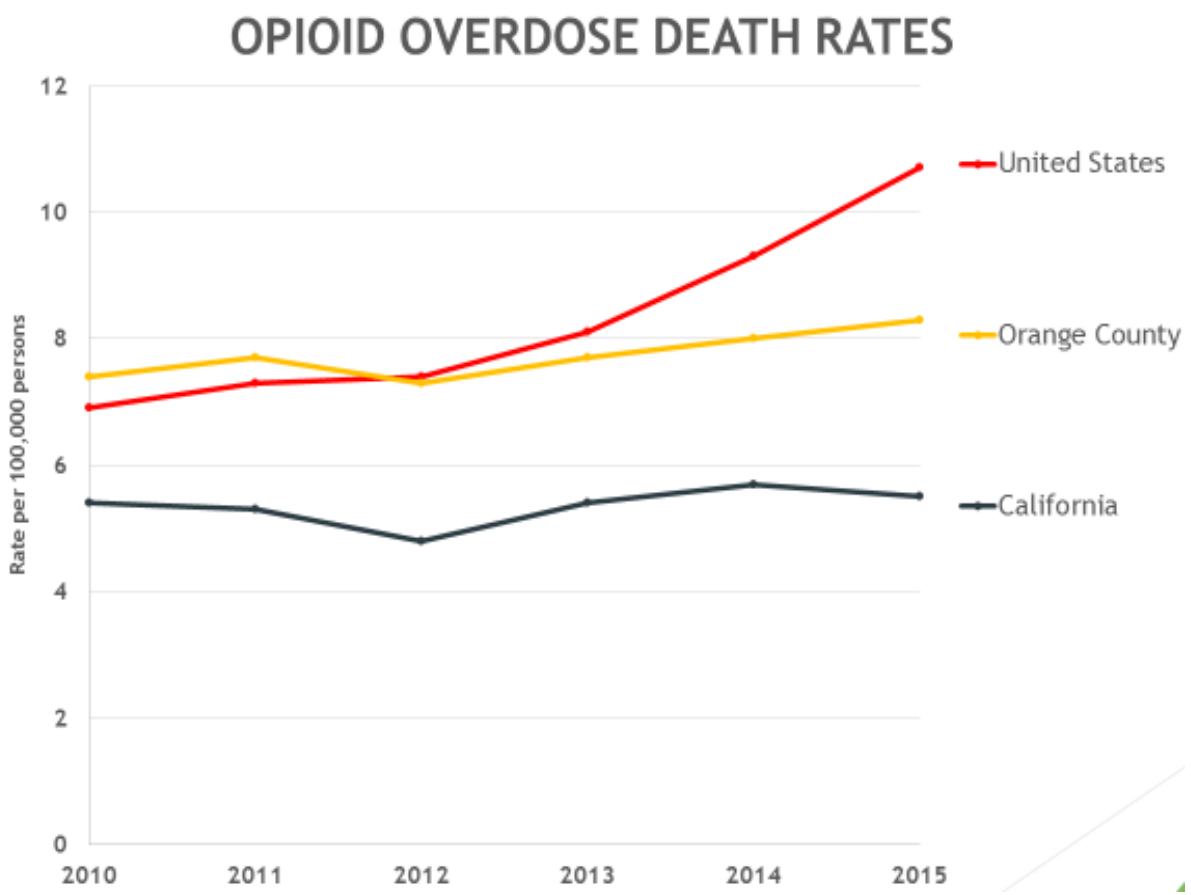
Opioid Overdose Death Rates



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CalOptima Opioid Utilization

MCAL OPIATE ANALGESICS	2015-Q3	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3
Rxs	61,062	63,537	58,483	57,686	57,440	55,168	54,000	53,242	50,404
Utilizing Members	29,013	30,014	28,808	28,304	28,416	27,529	27,559	26,983	26,234
Membership	1,861,109	1,929,816	1,986,104	1,997,437	2,006,272	2,006,418	1,989,435	1,974,049	1,954,675
% Utilizing	1.56%	1.56%	1.45%	1.42%	1.42%	1.37%	1.39%	1.37%	1.34%
Rxs PUMPM	2.1046	2.1169	2.0301	2.0381	2.0214	2.0040	1.9594	1.9732	1.9213
Rxs PMPM	0.0328	0.0329	0.0294	0.0289	0.0286	0.0275	0.0271	0.0270	0.0258
Members Over 80mg Avg MED	1,426	1,459	1,361	1,293	1,221	1,185	1,112	1,046	1,005
% Util Members Over 80mg Avg MED	4.92%	4.86%	4.72%	4.57%	4.30%	4.30%	4.03%	3.88%	3.83%

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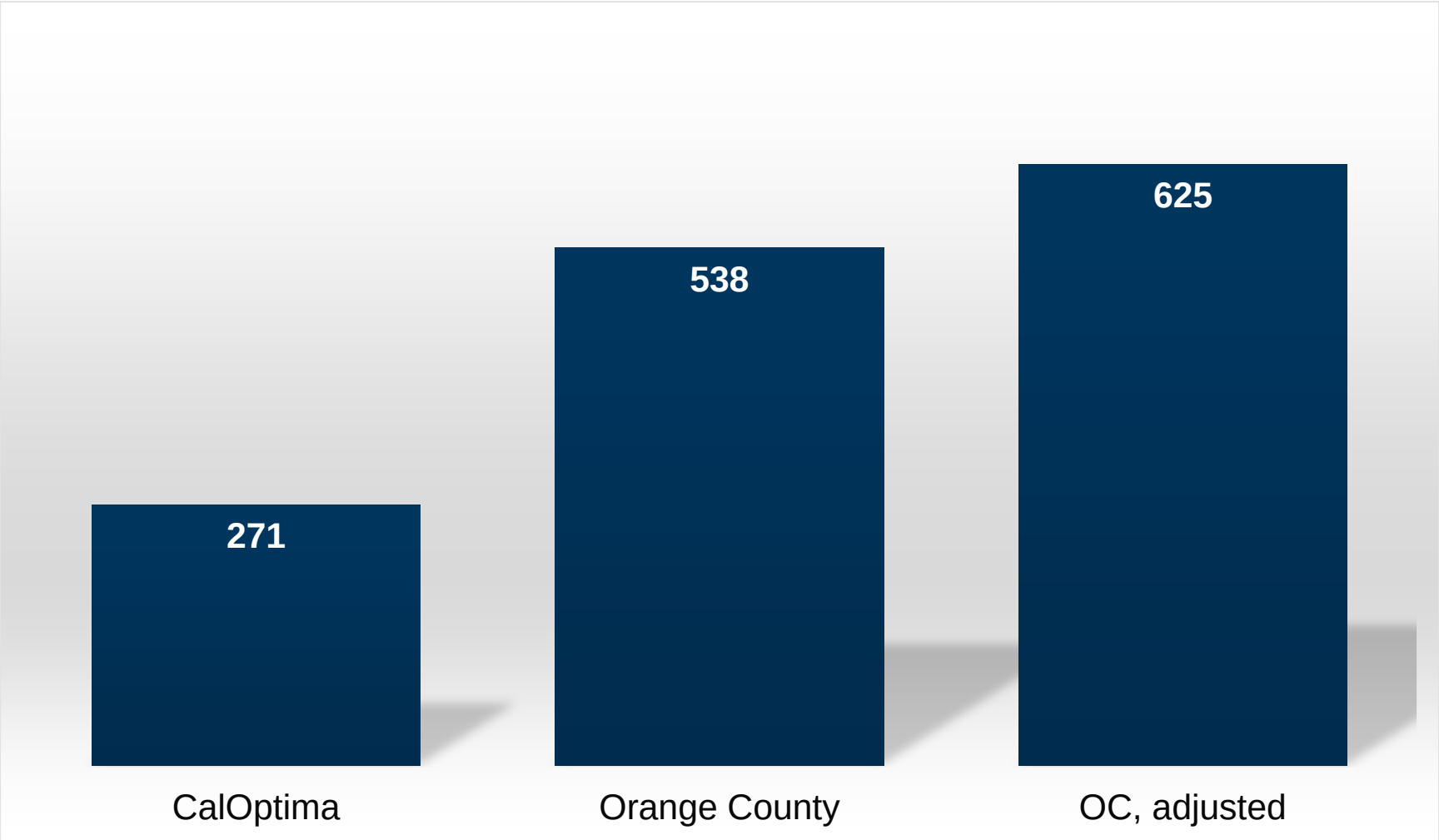
Opioid Prescriptions Per 1,000



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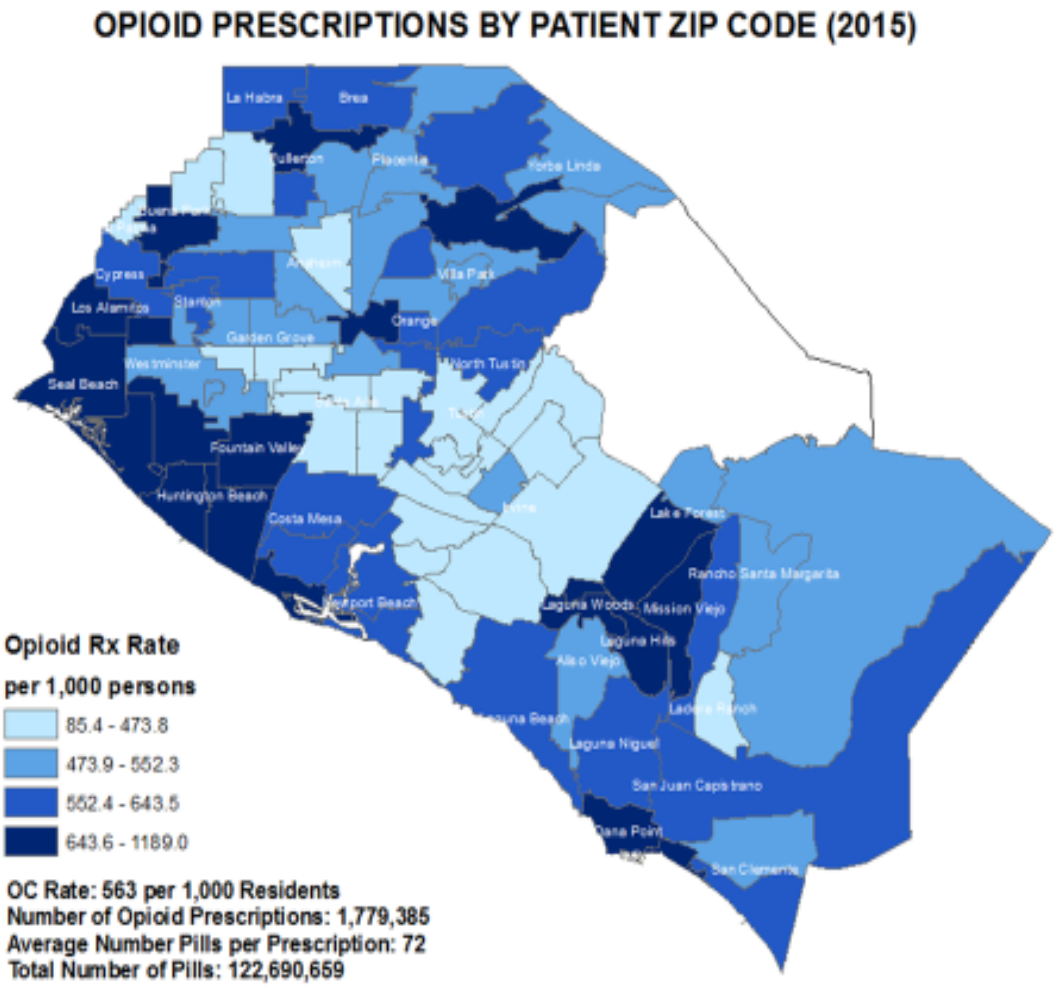
Drugs in OC



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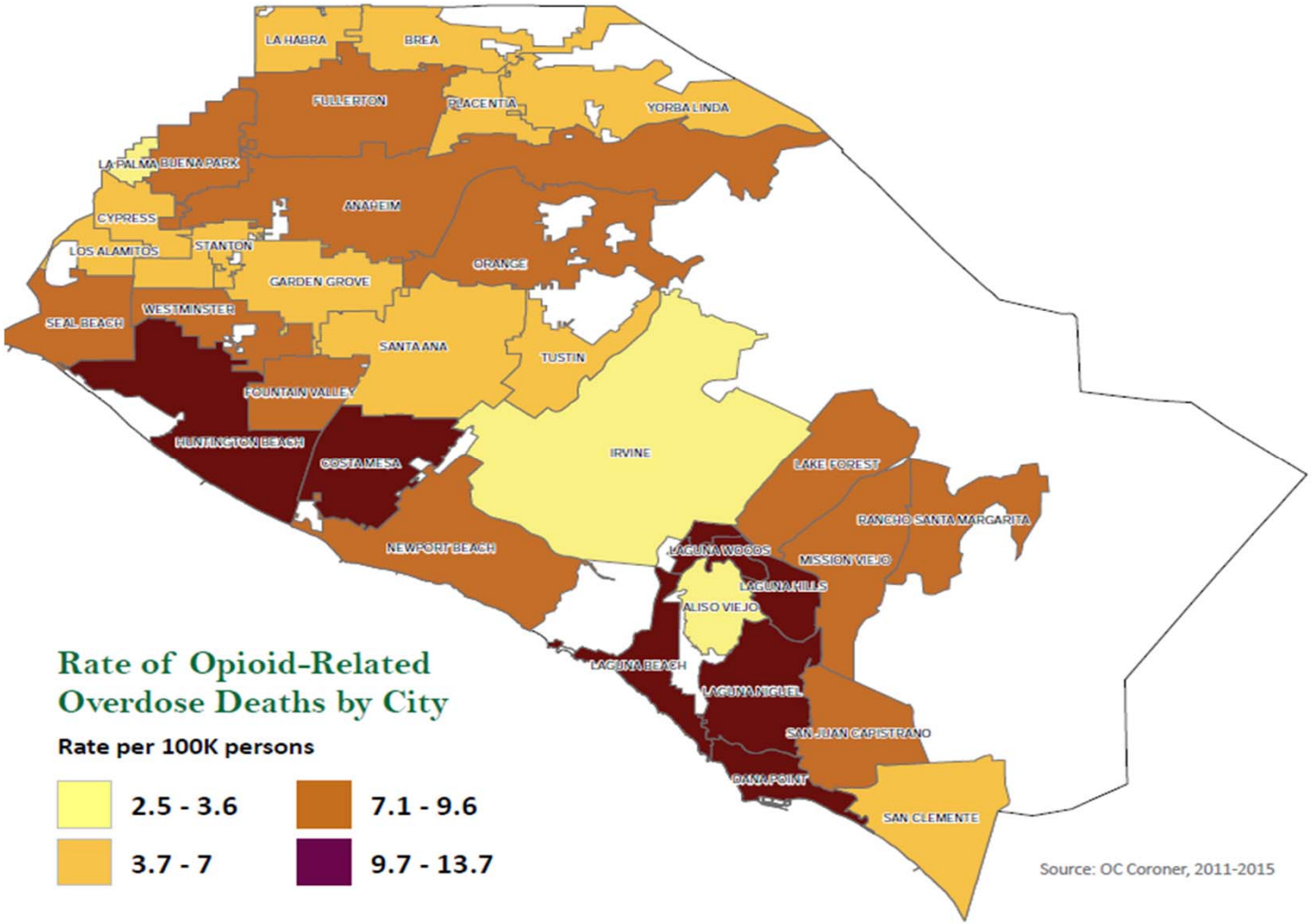
Opioid-Related Deaths by City



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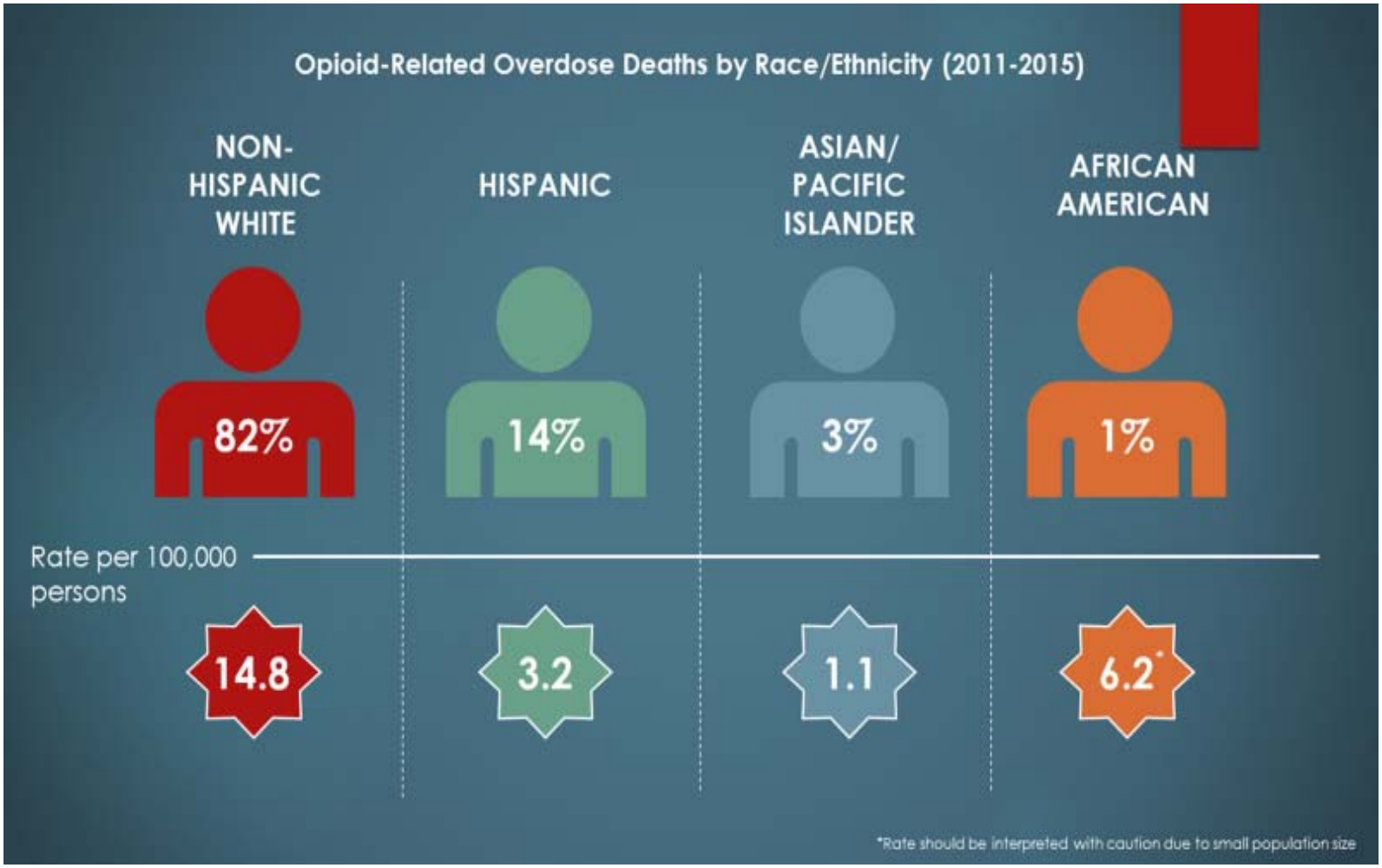
OC Overdose Deaths



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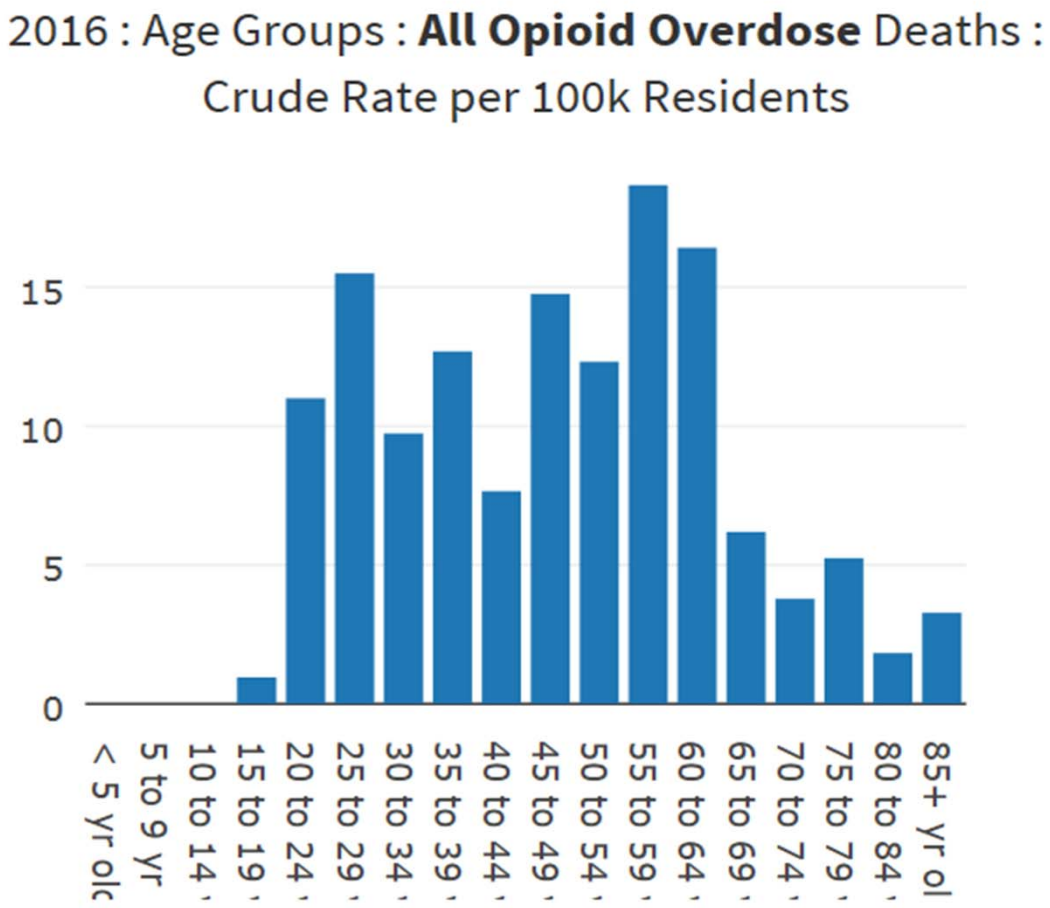
OC Opioid Deaths by Age



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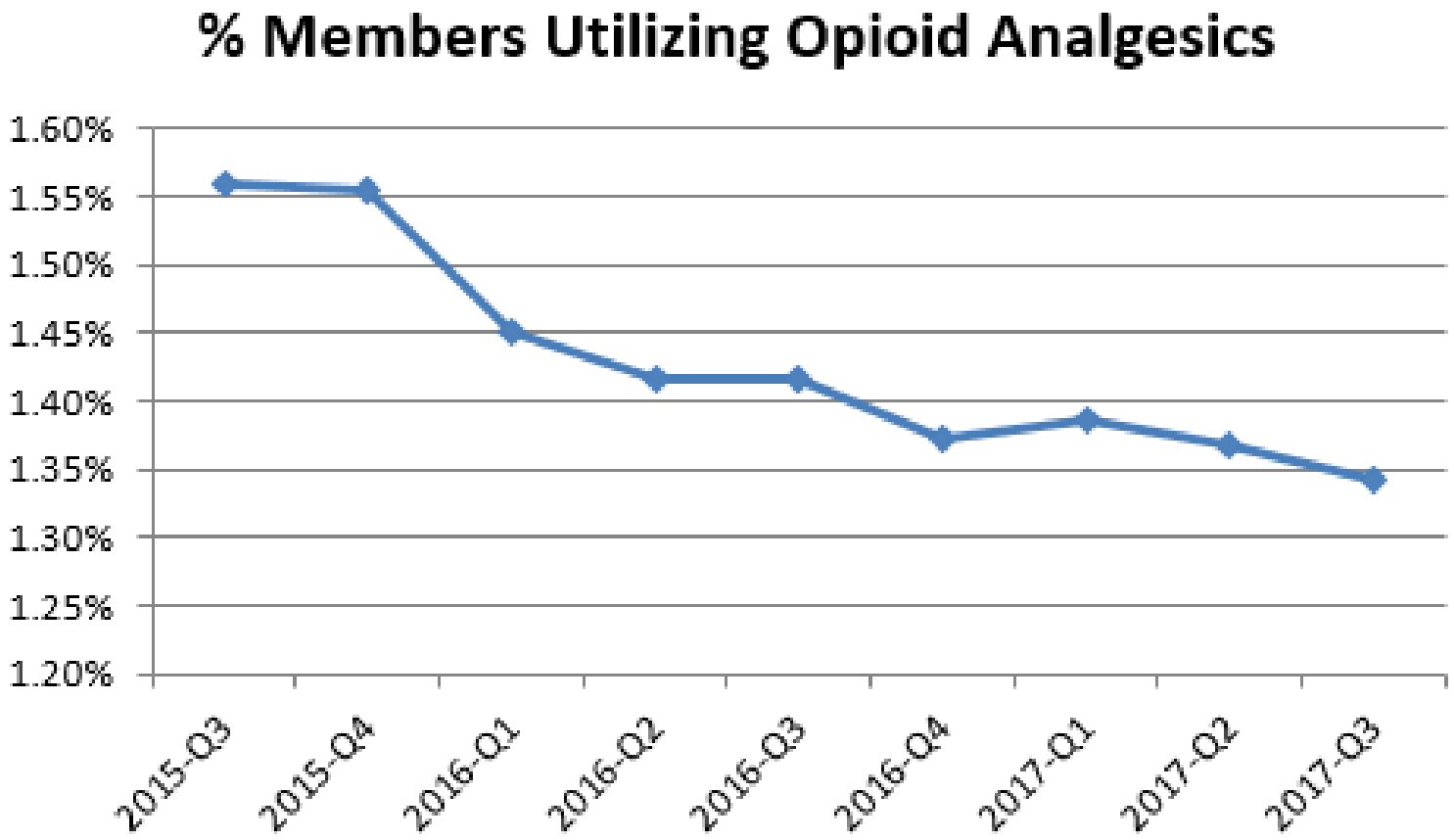
CalOptima Opioid Utilization



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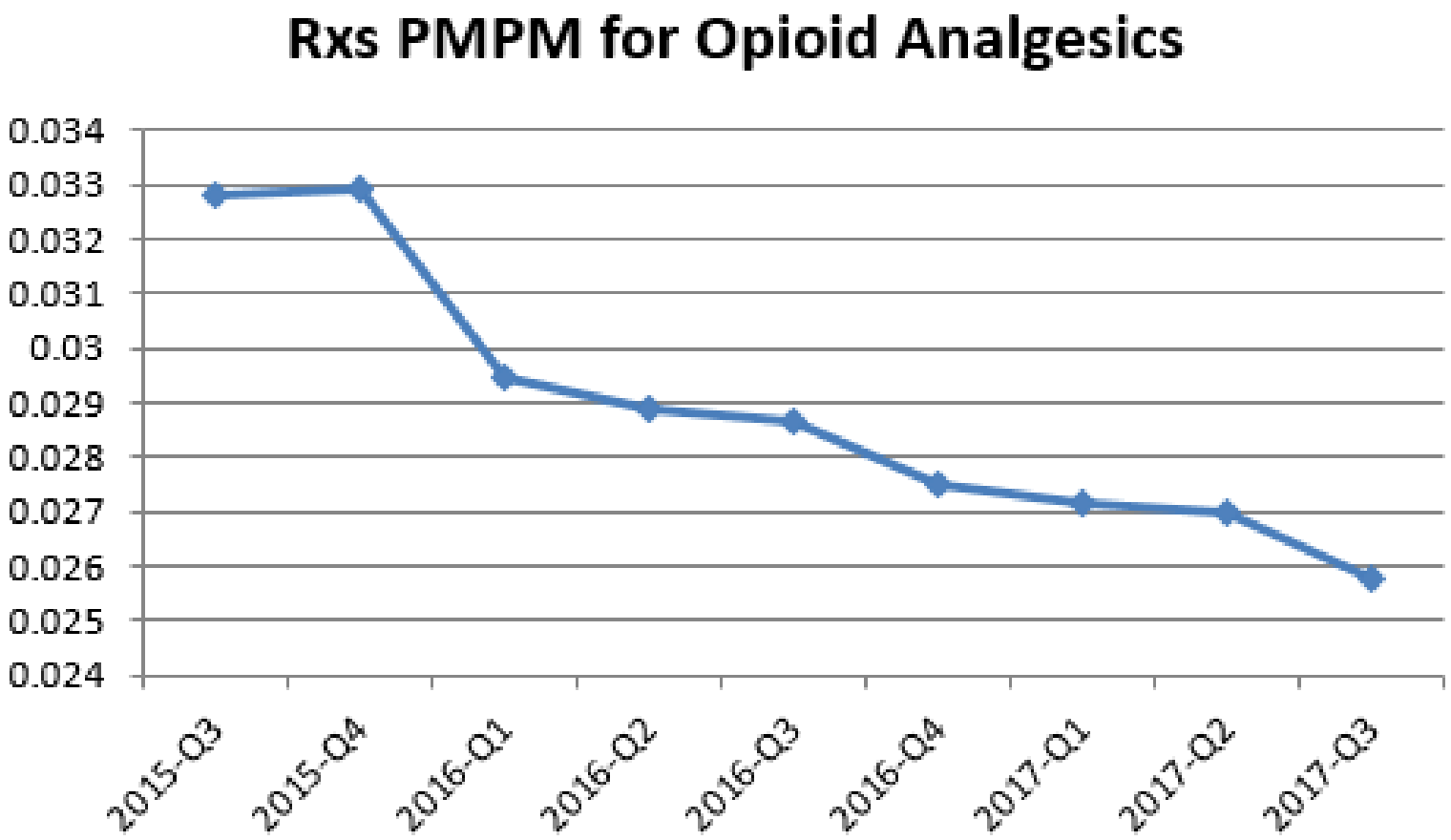
CalOptima Opioid Utilization (Cont.)



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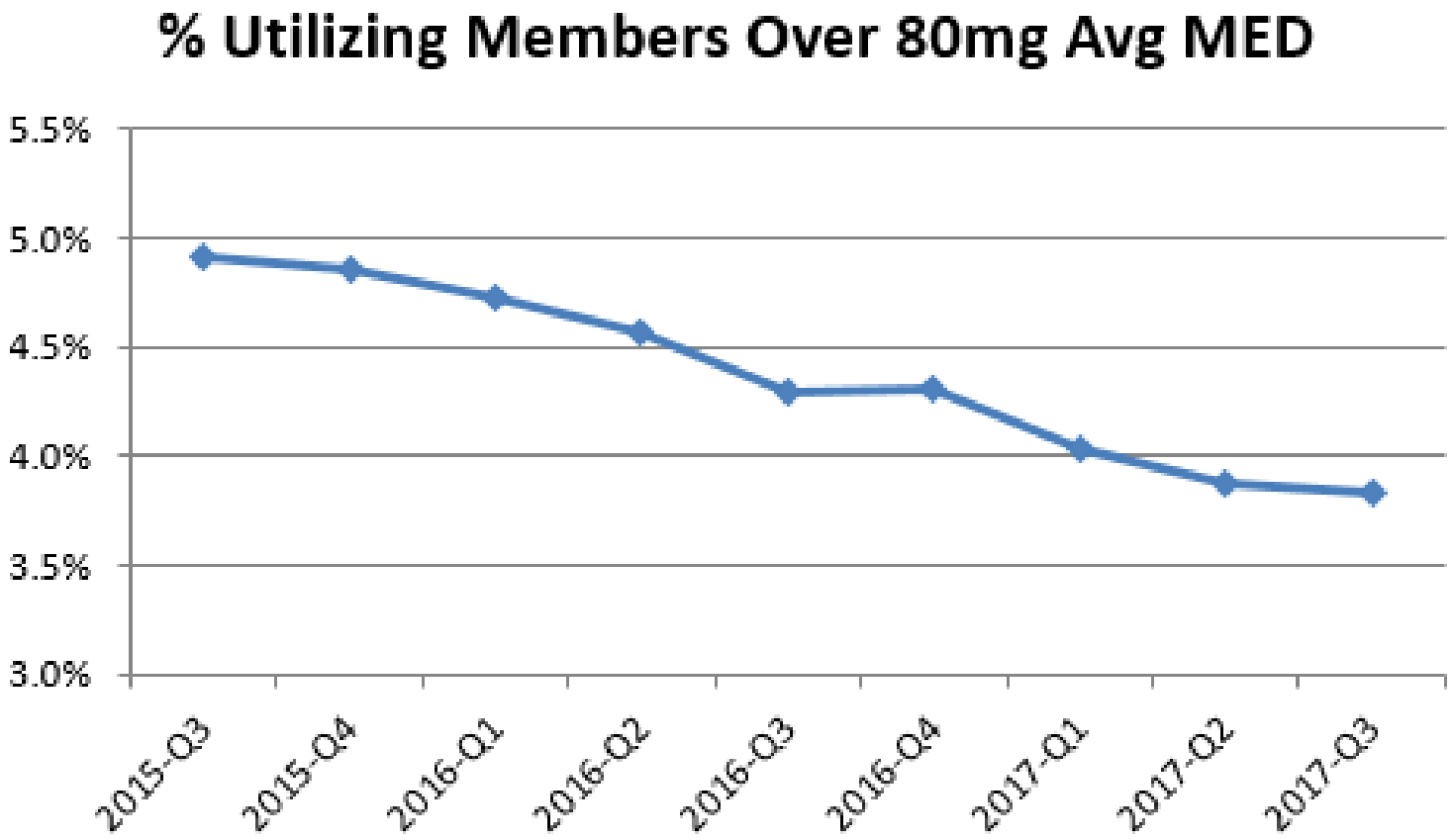
CalOptima Opioid Utilization (Cont.)



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Formulary Restrictions: Methadone

Effective January 1, 2017: Require prior authorization for new starts for methadone doses above 30mg/day.

Medi-Cal Members	New Starts Dec-16	All Rxs Dec-16	New Starts Jul-17	All Rxs Jul-17	New Starts Sep-17	All Rxs Sep-17
Methadone Rxs	54	504	22	320	11	304
Over 30mg/Day	20	212	6	120	2	114
% Over 30mg/Day	37.0%	42.1%	27.3%	37.5%	18.2%	37.5%

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CalOptima Interventions

- Formulary restrictions effective January 1, 2017
  - Cumulative morphine equivalent dose (MED) pharmacy edits (Part D)

- Restrictions for drugs with the highest risk of overdose
  - Methadone
  - Extended-release opioids
  - Concurrent use of opioids and buprenorphine

CalOptima Interventions II

- Member restrictions programs
  - Pharmacy Home Program Policy – 1,022 members enrolled
  - Pharmacy Restriction Program Policy – 364 eligible Medi-Cal members
  - Part D opioid overutilization monitoring and case management – 60 member interventions
  - Fraud and abuse referrals to Compliance – 176 members

CalOptima Interventions III

- Prescriber outreach programs
  - Opioid-containing cough meds
    - 177 reviews, 101 discontinued
  - Highest MED prescribers
    - 15 prescribers, 177 high-dose Rx
  - Concomitant benzodiazepines
    - 237
  - High volume/high MED prescribers
    - Top 5% send scorecards

CalOptima Interventions IV

- Quality Measures
  - Retrospective review of opioid overutilization by medical director
    - 120 members referred to Compliance and/or Case Management
  - ACAP plan opioid utilization benchmarking study
  - Pharmacy Quality Alliance (PQA) Part D STAR display measures
    - High dosage
    - Multiple providers

CalOptima Interventions V

Education:

January 27, 2016

Event Title: The State of Opioid Prescribing in Orange County: Practical Strategies and Update on CURES 2.0 – Total attendees: 63

July 28, 2016

Event Title: The State of Opioid Prescribing in Orange County: Critical Issues in Over-the-Counter (OTC) Analgesia – Total attendees: 72

March 30, 2017

Event Title: The State of Opioid Prescribing in Orange County: PCP Treatment Options and Access to Behavioral Health Services

CalOptima Interventions V (Cont.)

Education:

March 3, 2017

CalOptima Informational Series

Panel: Dr. Nikan Khatibi, Dr. Richard Bock and Sandra Fair, SafeRx OC

November 15, 2017

UCI Beckman Health Forum Presentation

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CalOptima Interventions VI

- Coalition Participation
  - ACAP
    - Opioid intervention (2015): CalOptima cited as one of 13 Best Practice Plans for Pharmacy Home Program
  - SafeRX OC
    - Since 2015, CalOptima participating with public health agencies, hospitals, prescribers, community clinics, emergency rooms, medical associations, and law enforcement to curb abuse and save lives
  - DHCS Health Homes Program (2018)
    - Care management for those with SUD and eligible chronic conditions

What Can Be Done?

- "National Health Emergency" vs. 2018 Budget Proposal
  - 3% decrease in Drug Treatment (excluding CURES Act funds)
  - 11% decrease in funding for Drug Prevention
  - $400 million cut to Substance Abuse and Mental Health Services
  - Billions cut from NIH, CDC and FDA
  - Plus threatened cuts to Medicaid
  - Increased law enforcement funds (War on Drugs)
  - Passed in 2016 (Marino): The Ensuring Patient Access and Effective Drug Enforcement Act

What Can Be Done? (Cont.)

- What About Drug Courts?
  - Incarceration costs – $75,000/year
  - Inpatient rehab – $20,000/month (retail)
  - Outpatient rehab – $5,000/three months
  - OC Drug Court Program since 1997
    - 230 participants; 84 graduated
  - Orange County 2016
    - 400 drug overdose deaths

What Else Can Be Done?

- Medication Assisted Treatment (MAT)
  - Buprenorphine (Suboxone) – Use in Emergency Rooms, Prisons
- Naltrexone (Vivitrol)
- Overdose antidote: Naloxone (Narcan)
- Also tried
  - Drug Checking Services (test strips for Fentanyls, NYC)
  - Safe Injection Sites (Seattle)
  - Supervised Injectable Heroin (Canada)
  - Decriminalization (Portugal)
  - "Abuse Deterrent" opioid formulations
  - Lawsuits and investigations into manufacturers and distributors

Affiliations and Resources

- NIH: National Institute on Drug Abuse
- Drugabuse.gov
- SAMHSA: Substance Abuse and Mental Health Services Administration
- ACAP: SUD Collaborative
- Cures 2.0
- CHCF: Opioid Safety Coalition Network
- Smart Care California (DHCS, CalPERS, Covered CA)
- California Department of Public Health
  - Prescription Opioid Misuse and Overdose Prevention Workgroup
  - Prescription Drug Overdose Prevention Initiative
  - California Opioid Overdose Surveillance Dashboard

CalOptima's Mission

To provide members with access to quality health care services delivered in a cost-effective and compassionate manner

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How We Can Help - Optometry's Role in Patient Care

John Nishimoto, OD, MBA, Senior Associate Dean of Professional Affairs

Southern California College of Optometry at Marshall B. Ketchum University

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How Optometrists Can Help - Currently

- Greater access for early detection and intervention
- Quality assurance
- Diabetic examinations: Increase HEDIS score
- Knowledge and professionalism
- Cost effective

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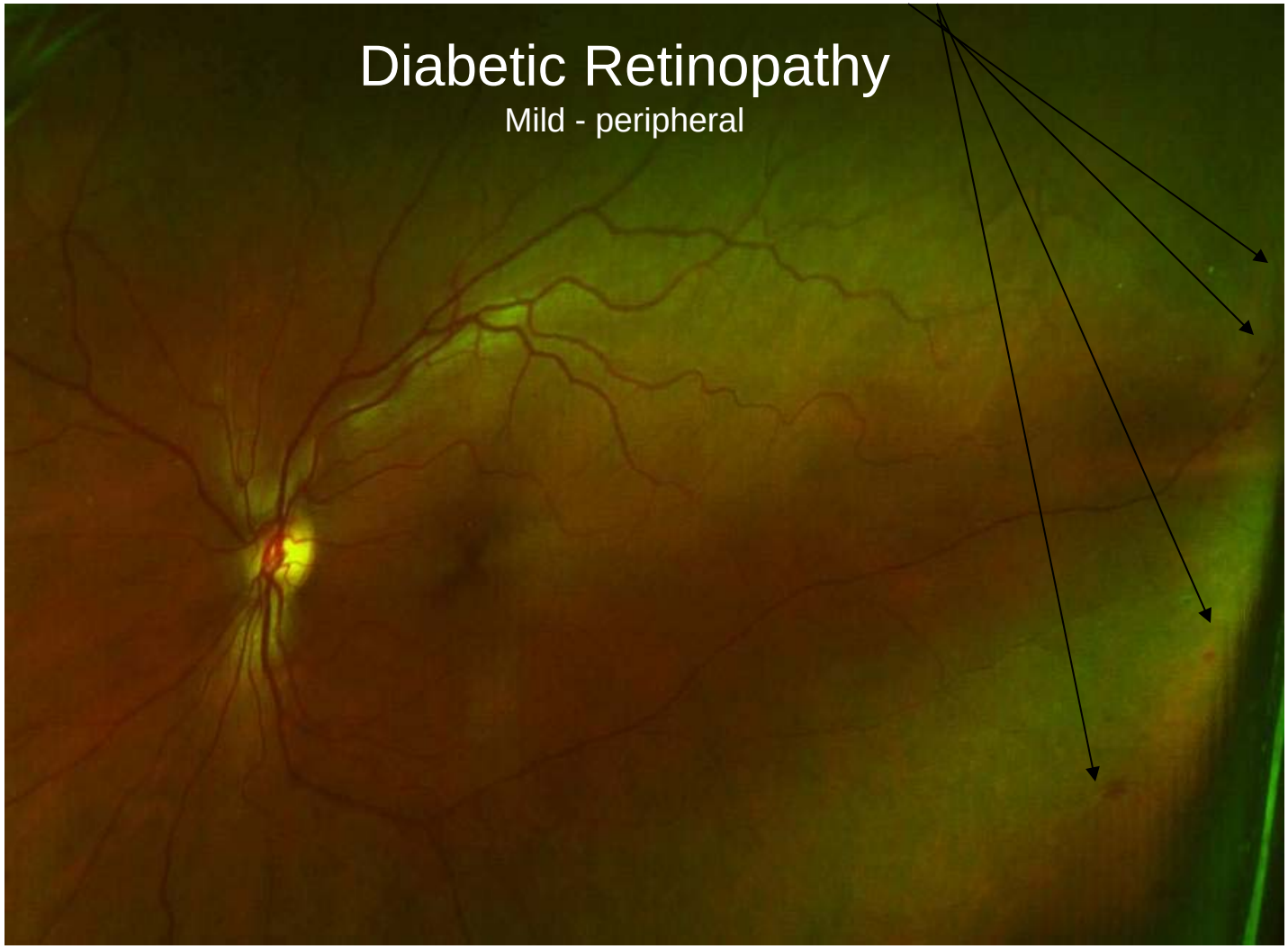
Eye And Vision Care For All

Provide services for all ages; Infants to the elderly, including:

1. Primary eye care
2. Optical
3. Contact lenses (soft, hard and Prosthetics)
4. Pediatrics
5. Low vision rehabilitation
6. Vision therapy
7. Brain injury
8. Special populations
9. Therapeutic management of ocular disease (red eyes, glaucoma)
10. Urgent care

Diabetic Examinations

- Comprehensive eye examinations including diabetic eye examinations
- Latest technology to manage diabetic retinopathy
- Specialized ophthalmology care
- Medical laser treatment
- CalOptima - 63.89% of members received retinal/dilated eye exam in 2015.



Optomap image courtesy of Marshall B. Ketchum University

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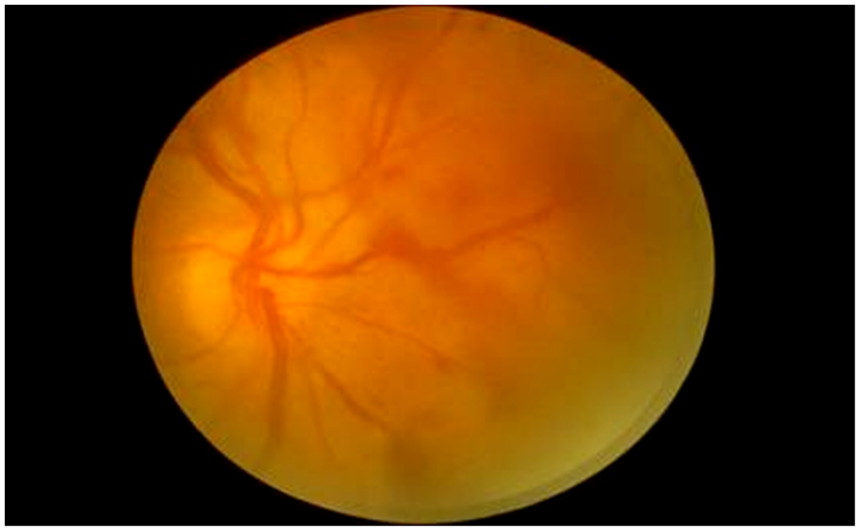
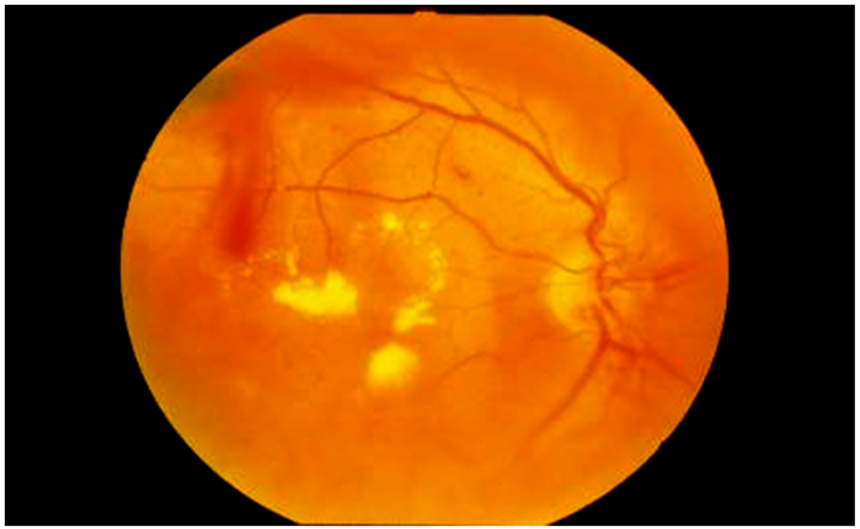
Diabetic Retinopathy





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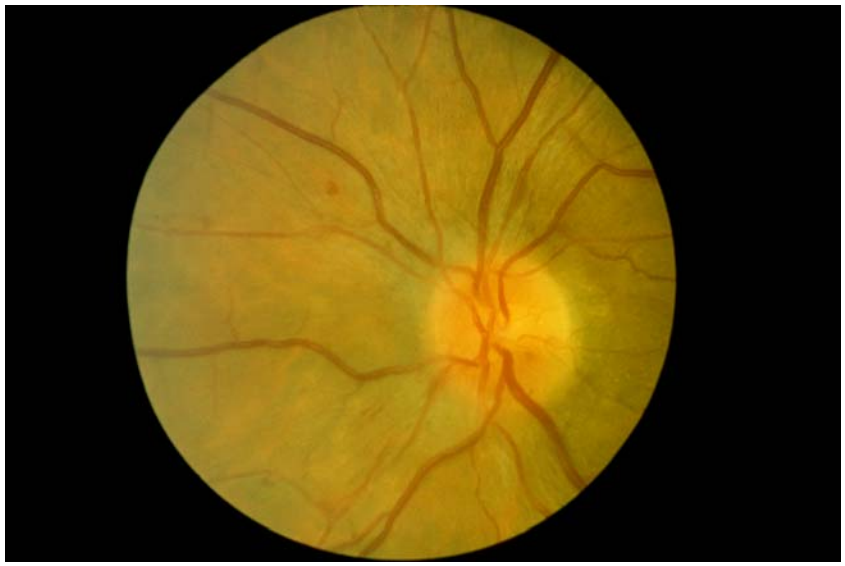
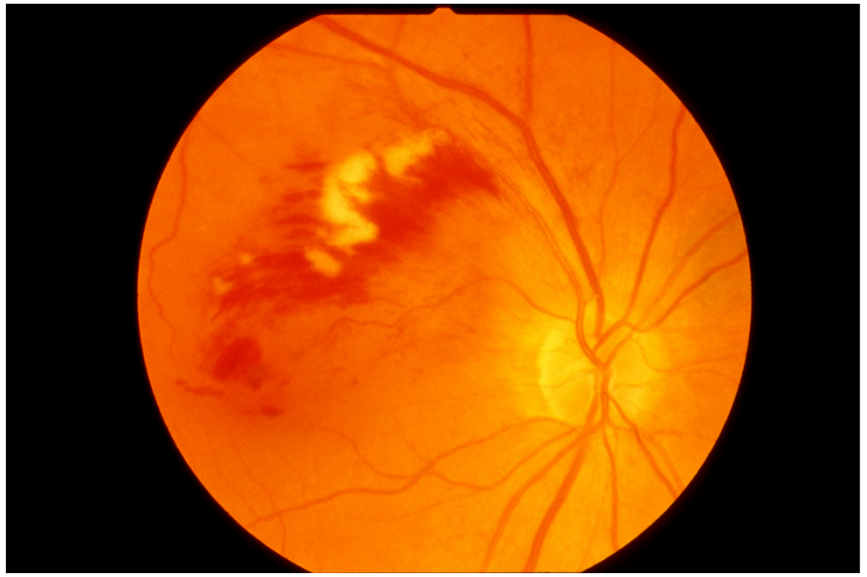
Hypertensive Changes to Retina





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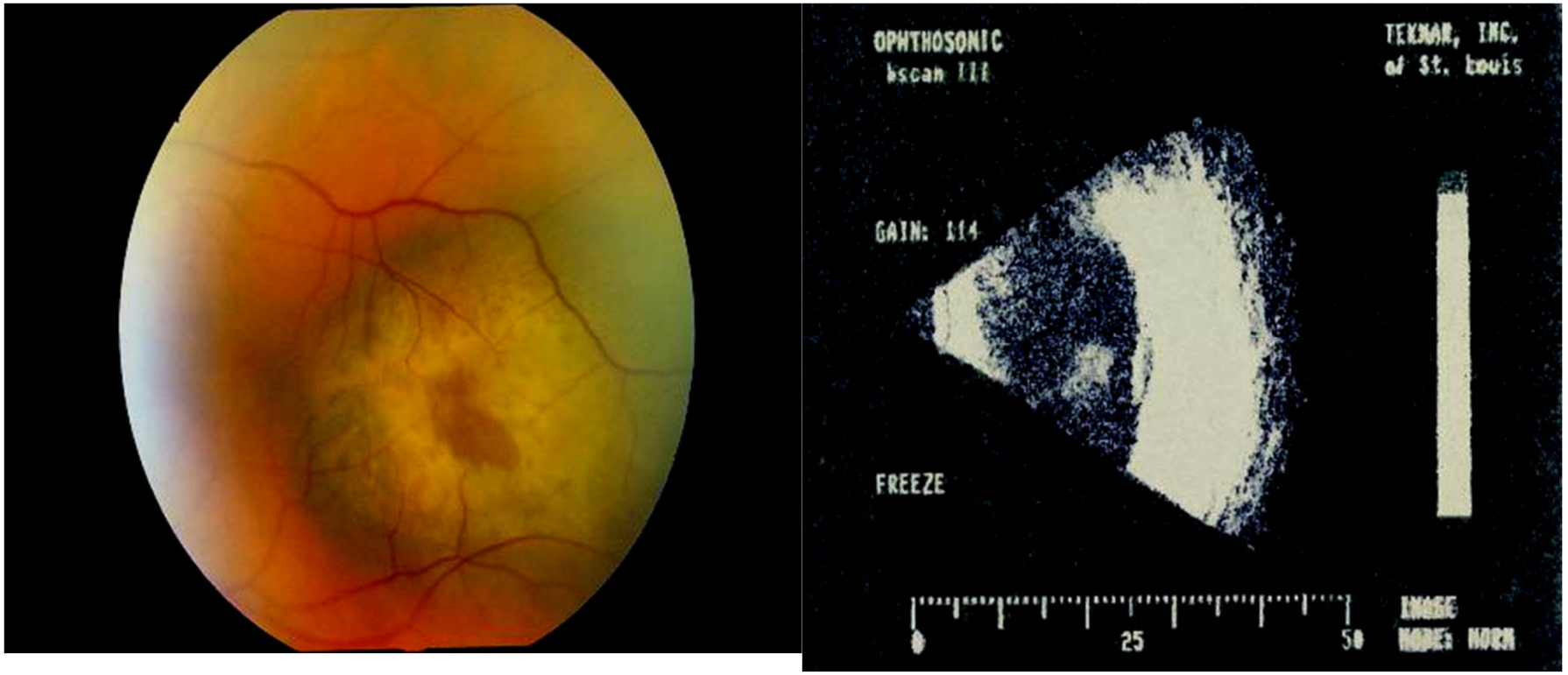
Malignant Choroidal Melanoma



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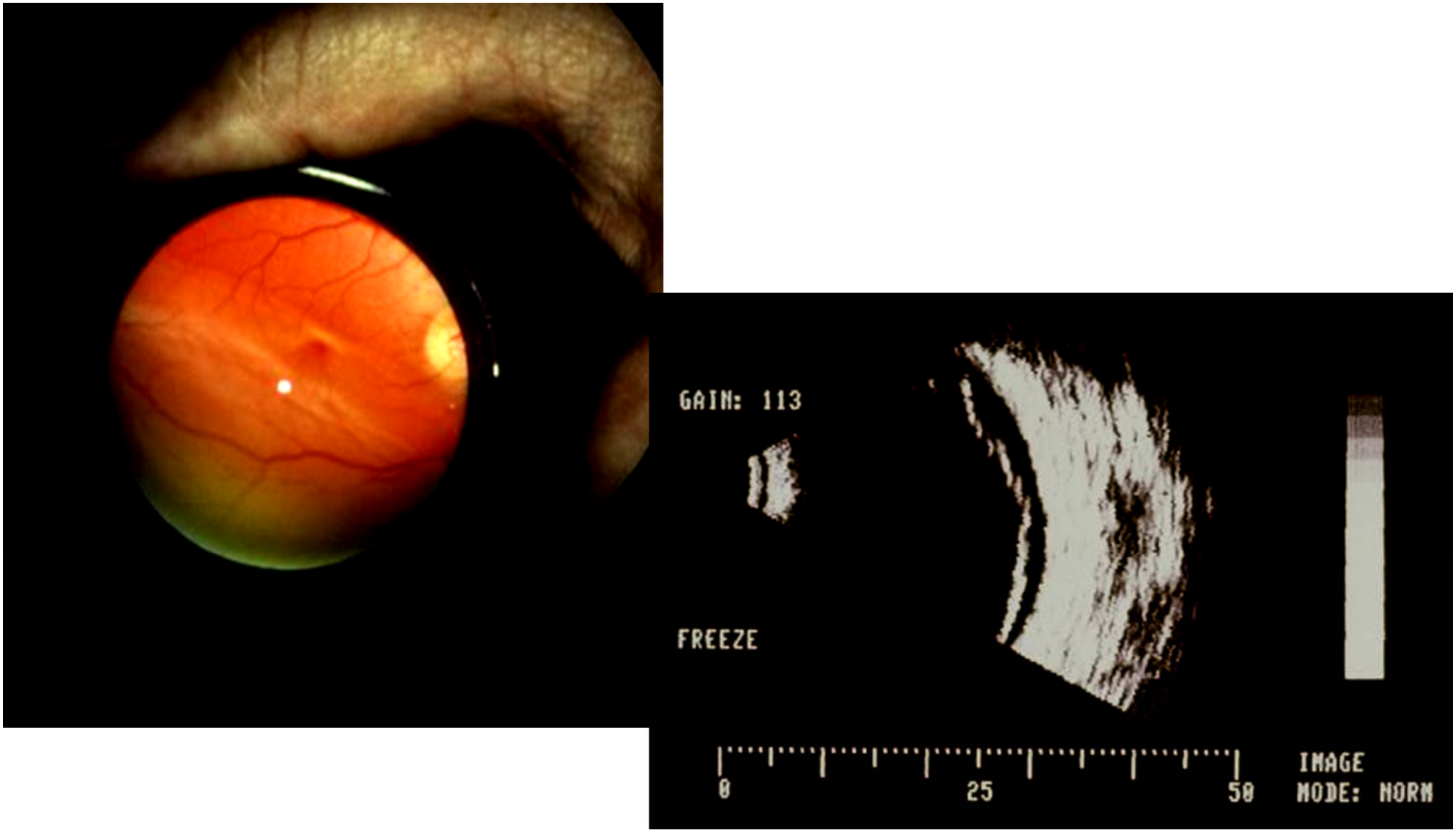
Retinal Detachment



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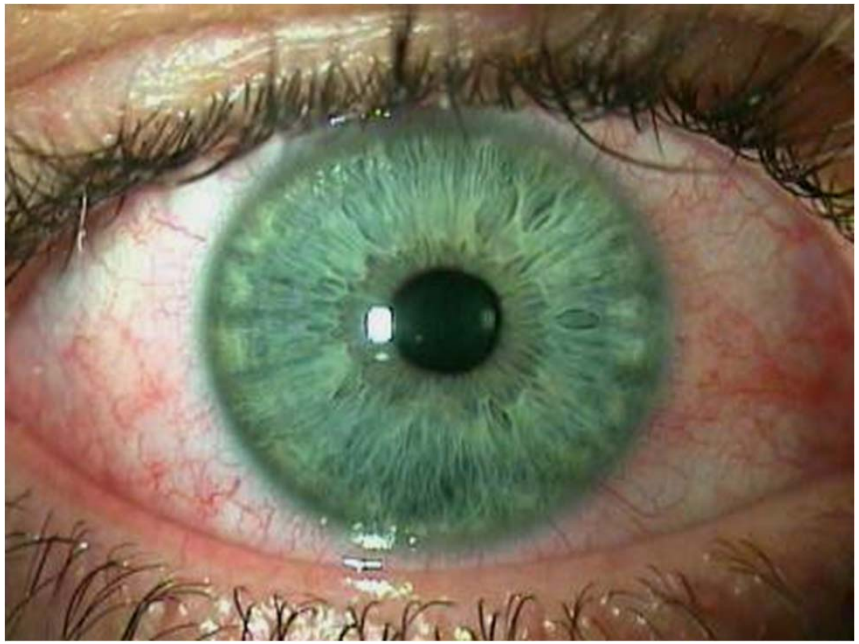
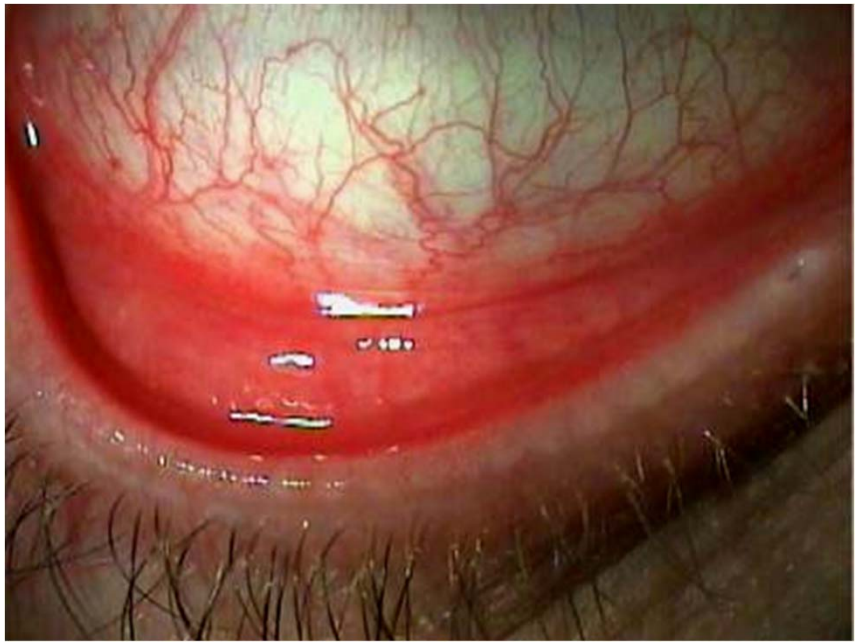
Acute Bacterial Conjunctivitis





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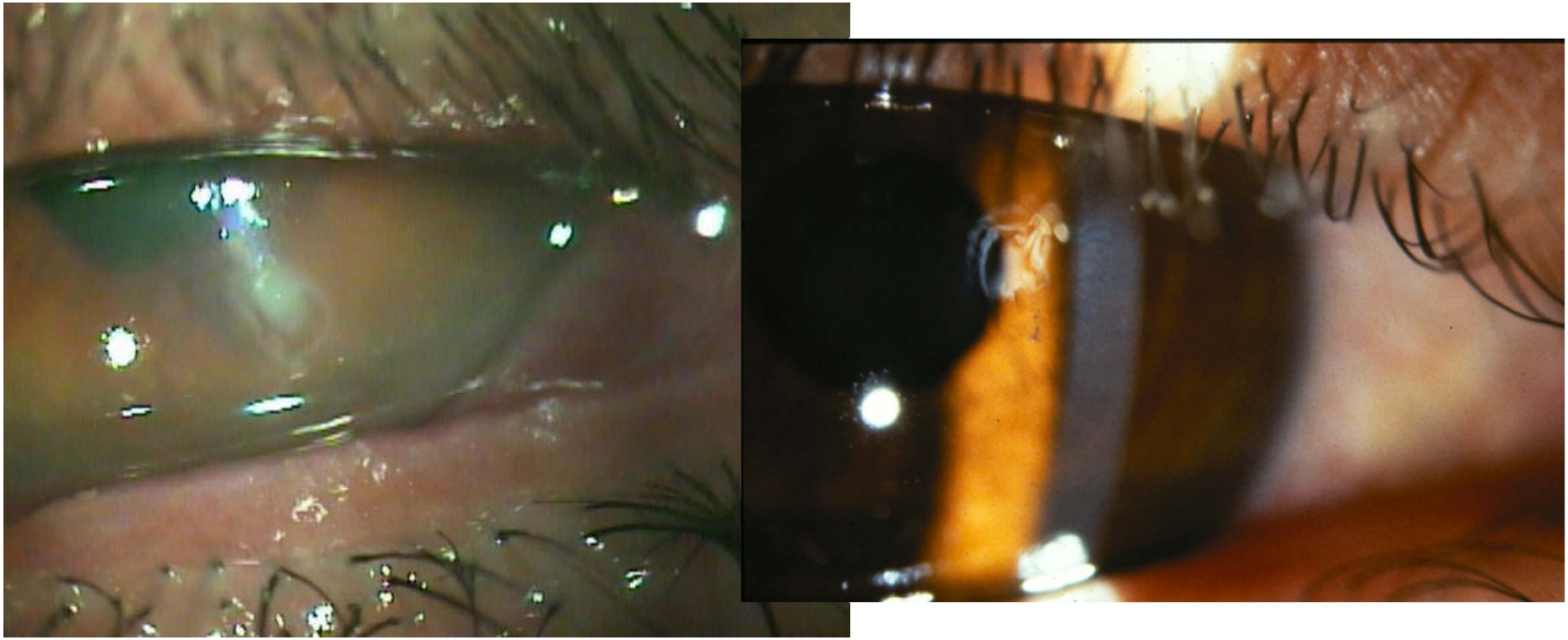
Bacterial Corneal Ulcer and Corneal Abrasion



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Emergency Department Visits

Eye Care in EDs

Of the top 10 most common eye-related, non-injury diagnoses that are seen in EDs, the most prevalent are conjunctivitis, hemorrhagic conjunctivitis, and hordeolum.[1]

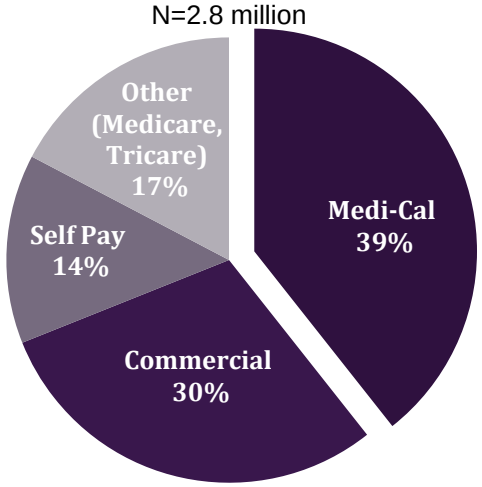
Using data from the California Office of Statewide Planning and Development (OSHPD), we can isolate ED visits associated with these three eye-related, non-injury diagnoses and analyze by payer.

1. Nash EA, Margo CE. Patterns of Emergency Department Visits for Disorders of the Eye and Ocular Adnexa. Arch Ophthalmol.1998;116(9):1222-1226. doi:10.1001/archopht.116.9.1222

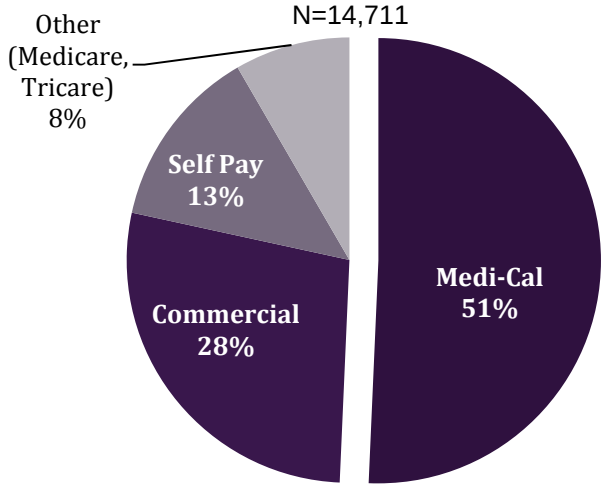
Emergency Department Visits

Los Angeles – All Diagnoses vs. Only Conjunctivitis

LA - All ED Diagnoses



LA - Conjunctivitis Only



Take Away:

When analyzing the diagnosis of conjunctivitis in EDs, the proportion of Medi-Cal increases drastically. Regardless of why this is occurs, there may be cost-savings from redirecting inappropriate eye-related ED visits to Optometrists.

California **H**ealth **P**olicy **S**trategies, LLC

Digital Photos of Retina - courtesy of Optos, Inc

Early signs of disease can be present in the periphery of your retina and remain undetected for a long time when using traditional methods.

The **opto**map ultra-widefield retinal image is a unique technology that captures more than 80% of your retina in one panoramic image while traditional imaging methods typically only show 15% of your retina at one time.

Benefits of an optomap

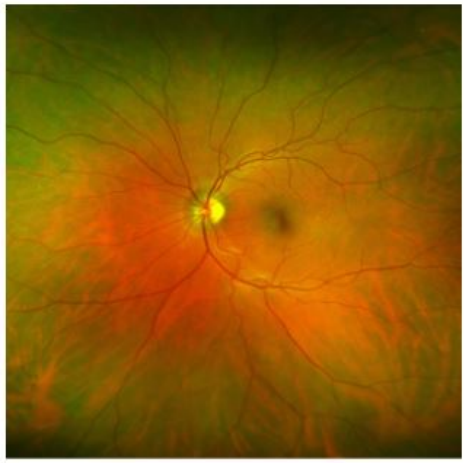
The benefits of having an **opto**map ultra-widefield retinal image taken are:

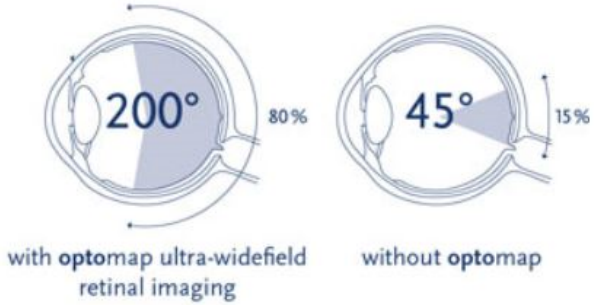
- **opto**map facilitates early protection from vision impairment or blindness

- Early detection of life-threatening diseases like cancer, stroke, and cardiovascular disease

The unique **opto**map ultra-widefield view helps your eye care practitioner detect early signs of retinal disease more effectively and efficiently than with traditional eye exams

Early detection means successful treatments can be administered and reduces the risk to your sight and health.





Optomap image courtesy of Marshall B. Ketchum University

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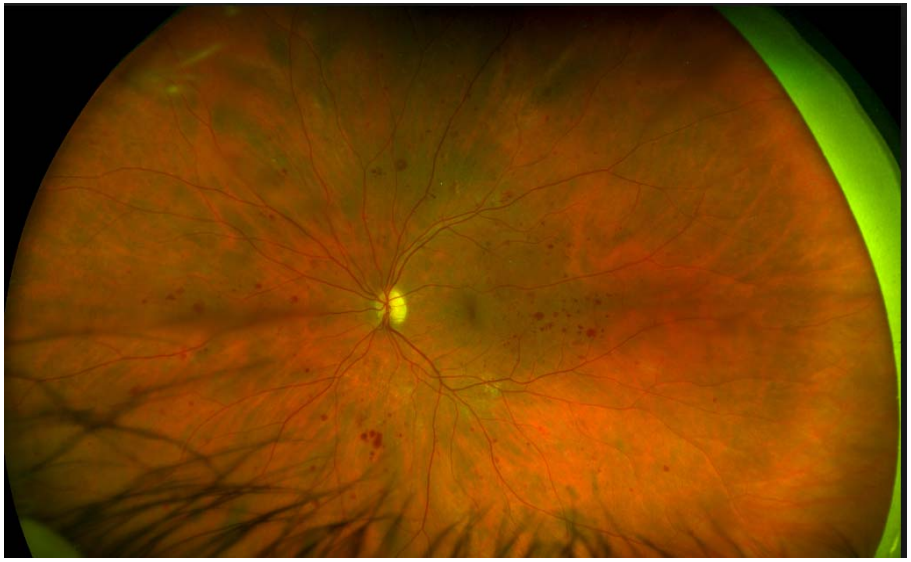
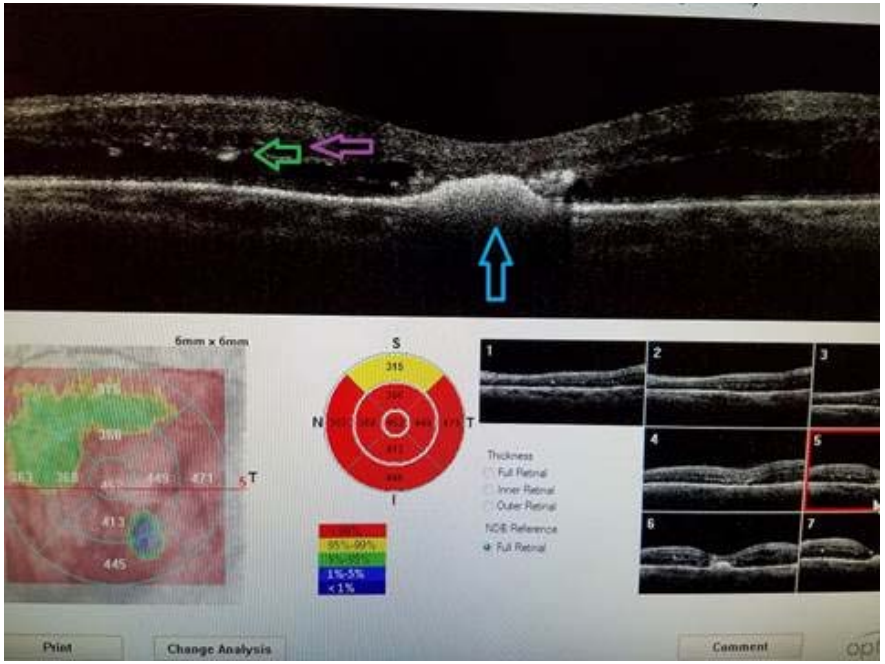
Diabetic Retinopathy –





Optomap image courtesy of Optos, Inc. and Professor Paulo Stanga; OCT image courtesy of Dr. Raman Bhakhri

Challenges

Lack of integration between vision plan and health plan can prevent patients from receiving essential eye care:

- Patient inconvenience
- Lost opportunity for intervention
- Prescription medications not covered
- Lack of data sharing – HEDIS measures impacted

About Marshall B Ketchum University

Regionally and Professionally Accredited, not for profit Health Sciences University

1. Southern California College of Optometry
2. School of Physician Assistant Studies
3. College of Pharmacy

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Ketchum Health – Patient Care Facility

1. Clinic facility in Anaheim, CA
2. 61 examination rooms
3. Open six days a week, including Saturdays and evenings

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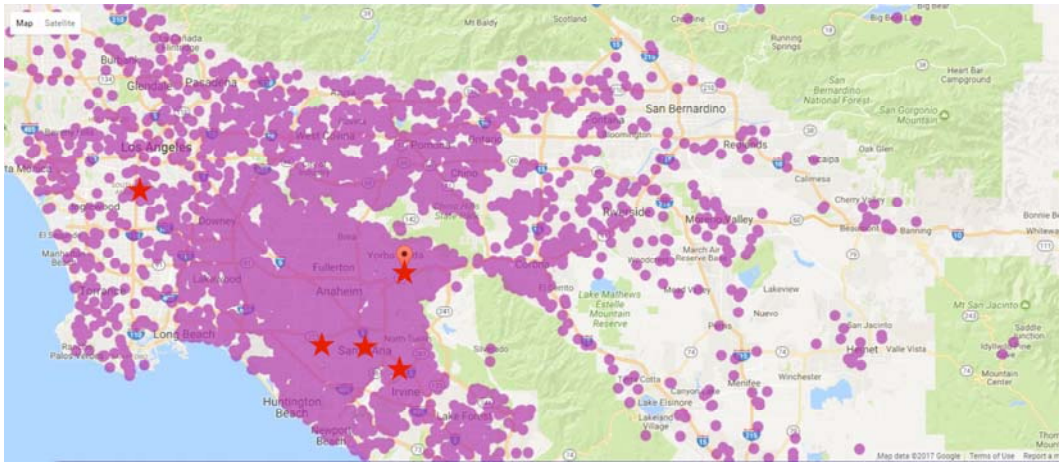
Our Network and Where Do Our Patients Come From?

Ketchum Health - Anaheim, Los Angeles

Boys and Girls Club, Arches Clinic - Garden Grove

Hurtt Family Health Clinic



How Can We Help - Future

Medical care – Interprofessional collaborative practice/medical home

Questions?