



2023

Report to the
Community



From the CEO and CMO

CalOptima Health's 2023 Report to the Community looks back on a busy 2022 and forward to a bright future. Perhaps you noticed our vibrant redesigned logo, experienced the energy of participating in our community events or helped a member access an impactful new benefit. A lot changed in 2022, and it was purposeful and positive.

With our Board of Directors' guidance, we unveiled a new mission, vision and agency name. We are proud of our member-focused mission: "To serve member health with excellence and dignity, respecting the value and needs of each person." Our vision sets the course for five years: "By 2027, remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health." Lastly, adding "Health" to CalOptima's name is an important step in building the community's recognition of our essential role in serving nearly 940,000 Orange County residents.

You will see in these pages how CalOptima Health is bringing these ideals to life. Inspiring stories from members, providers and partners blend with program information and highlights from our first year of California Advancing and Innovating Medi-Cal (CalAIM) operations. Focused on action and improvement, our leadership team is making progress and moving ahead to what's next. Read about our upcoming technology transformation, expanded CalAIM benefits, and increased effort on health care disparities, food insecurity and much more.

Of course, CalOptima Health doesn't do this work alone. This report is a testament to collaboration with you and other leaders and organizations across the county. We sincerely appreciate your ongoing partnership in achieving our shared goal of members' access to timely, quality health care. We are truly "Better. Together."



Michael Hunn

Michael Hunn
Chief Executive Officer



Richard T. Pitts, D.O., Ph.D.

Richard Pitts, D.O., Ph.D.
Chief Medical Officer



CalOptima Health members Daniel Martin and his daughter, Julieta, enjoy snacks at a CalFresh event.

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Mission Accomplished

A glimpse at successful examples of our member-first mission



Membership grew almost 10% in 2022 to nearly 940,000 members as of November. With so many to serve, CalOptima Health focused on implementing member programs that matter.

CalOptima Health's mission was updated in March 2022: "To serve member health with excellence and dignity, respecting the value and needs of each person." Here are a few ways we brought it to life this year.

CalAIM Launch

CalOptima Health began our California Advancing and Innovating Medi-Cal (CalAIM) programs in January 2022, embracing the opportunity to provide a range of transformative services to members most in need. For example, nine new Community Supports benefits cover first-of-a-kind housing services and so much more. Through November, CalOptima Health has provided services to more than 5,000 members — and we're just getting started.

Extended Postpartum Care

Studies show that more than half of pregnancy-related mortality is preventable during the postpartum period. To address this alarming statistic, the Department of Health Care Services extended the postpartum care coverage period that previously expired at 60 days to a full year. So since April 2022, CalOptima Health is now able to provide our Bright Steps program and its crucial postnatal care to members for 12 months.

Member Scholarship

For the fifth year in a row, generous donations from employees funded CalOptima Health's largest member scholarship essay contest ever. We honored six students planning careers in health care or social services with \$1,500 or \$2,500 awards. Our top winner, Marina Esquivel Cisneros, an aspiring nurse, went on to win \$5,000 in the national scholarship contest sponsored by the Association for Community Affiliated Plans, based in Washington, D.C.

COVID-19 Vaccine Success

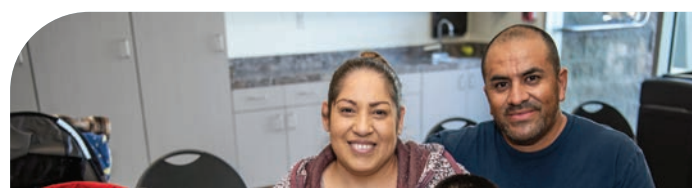
To help our members and the community stay healthy and safe during the pandemic, CalOptima Health has held 23 vaccine clinics, distributed more than one million \$25 Member Health Rewards and partnered with community-based organizations to reach vulnerable members. As of November, more than 555,000 members have received protection against COVID-19. "We may be tired of COVID, but COVID isn't tired of us, so we continue to advocate for vaccination," says Richard Pitts, D.O., Ph.D., Chief Medical Officer.

Health and Wellness

CalOptima Health's Population Health Management team delivers health and wellness services to improve health outcomes for our members. Health coaches, educators and registered dietitians connect with thousands of members, offering guidance, support and incentives to encourage healthy behaviors. In 2022, Population Health Management supported 5,944 members with coaching and education on healthy pregnancies, diabetes, asthma, congestive heart failure and other health conditions.

Newly Eligible Members

Older Adult Expansion began May 2022, so CalOptima Health's Medi-Cal plan now covers the health care needs of an additional 17,000 Orange County residents. The expansion extends access to adults age 50 years and older who meet Medi-Cal eligibility criteria, regardless of immigration status. These additional members are in a vulnerable age bracket for life-altering health conditions so comprehensive care is critical.





Loving Lifeline

Program of All-Inclusive Care for the Elderly helps Mari Mar Martinez live a better life

Steps to Health

Maria “Mari Mar” Martinez considers CalOptima Health’s Program of All-Inclusive Care for the Elderly (PACE) a lifeline of support during some of her most challenging times. Mari Mar has been a PACE participant for the past four years and typically visits the center twice a week for comprehensive care, physical therapy and social activities.

In 1995, Mari Mar had surgery on seven discs in her spine. But ever since the surgery, she has experienced a great deal of pain, which makes it difficult for her to maintain her balance. Complicating her ongoing back issues, she suffered a stroke in 2012 and lives with the effects of diabetes and arthritis.

Because Mari Mar’s complex medical conditions require coordinated medical management, her care team at PACE developed a personal exercise and stretching routine to help her manage pain and gain more mobility. PACE



PACE therapists Nai Kinsbursky (left) and Gizelle Bachawati (right) help Mari Mar strengthen her mobility.

“I would tell everyone to sign up for PACE. My life is so much better.”

Mari Mar Martinez

Complex health challenges don’t dampen Mari Mar’s positive spirit. She enjoys spending time with the caring PACE staff, and her favorite activities are painting, arts and crafts, and dancing with friends.

also arranges for a home caregiver and home delivery of prescriptions, provides nutrition coaching and healthy diet recommendations, and assists with transportation to and from her medical appointments.

“At PACE, someone will wait for me while I am at my doctor’s appointment and help care for me. It’s so easy!” Mari Mar says. “The team is so wonderful, and I love everyone. They care about my health. They’re not just friends — they’re family.”

Mari Mar looks forward to her visits at PACE each week and enjoys spending time with the caring staff. Her favorite

activities are painting, arts and crafts, and dancing with her friends. Indeed, she is quick to say how much the program has improved her quality of life. Mari Mar started her journey at PACE with physical limitations, including using a wheelchair and being dependent on her son for self-care activities due to her pain and weakness. Yet by working with occupational therapist Nai Kinsbursky and physical therapist assistant Gizelle Bachawati, her progress has been remarkable. “Today, Mari Mar is dancing merengue and walking more than 250 feet using a walker with supervision,” Kinsbursky says. “She continues to have a positive spirit.”

PACE also offers Mari Mar a way to soothe her spirit. She often spends time meditating and relaxing in the quiet room at PACE. Mari Mar credits this practice with helping control her pain. Reflecting on her overall experience, she says: “I would tell everyone to sign up for PACE. My life is so much better. To my PACE team who sing with me and make me laugh, and to the doctors and nurses who work to keep me healthy, thank you for being there for me.”

Focus: Homeless Health

We leaped forward this year in serving members experiencing homelessness with Medi-Cal benefits from CalAIM. And we allocated the remaining funds in the \$100 million homeless health reserve. Transformative care for the vulnerable is underway.

2022 Investments and Activities

Housing is health, and improving care for members experiencing homelessness is a strategic priority. In 2022, CalOptima Health established or expanded funding for the following initiatives.

Street Medicine \$8 Million

Meeting members experiencing homelessness where they are, building relationships and delivering urgent care



Housing and Homelessness Incentive Program Up to \$83.8 Million

Deploying incentive funding from the state to build a more robust and coordinated system of care



Homeless Health Initiative Investment Plan \$40.1 Million

Committing a significant portion of CalOptima Health's homeless reserve dollars to advance new projects

Homeless Clinic Access Program Increased by \$2.7 Million

Improving access to care at Orange County homeless shelters and hotspots

Outreach and Engagement Expansion \$7 Million

Building greater capacity to support treatment referrals and enrollment, in partnership with Orange County

What's Next

CalOptima Health members are at the center of efforts to continually expand and improve our service. On the horizon are plans to implement advanced technology, ensure continuity of coverage and add benefits.



Technology Transformation

Over the next three years, CalOptima Health will invest \$100 million in a complete digital transformation. Members will receive enhanced care through annual assessments of social determinants of health and enjoy improved service through a more robust Member Portal. "This is a game changer for the future of health care in Orange County," says Wael Younan, Chief Information Officer/Chief Information Security Officer.



OneCare Growth

OneCare Connect ends in 2022, and members will automatically transition to OneCare on January 1, 2023. OneCare combines Medi-Cal and Medicare benefits into one single plan that provides additional support, care coordination and a strong health network of more than 7,000 providers. CalOptima Health describes the plan as "One Solution. Zero Hassles." — the tagline for a dynamic, new marketing and advertising campaign.



Medi-Cal Redetermination

During the COVID-19 Public Health Emergency, all members remained in Medi-Cal. When the emergency ends, likely in April 2023, all Medi-Cal members will go through a process called redetermination to review whether they remain eligible. CalOptima Health, the County of Orange Social Services Agency and other stakeholders will launch a comprehensive campaign to raise members' awareness about maintaining coverage.



New Community Supports

CalOptima Health will debut five new Medi-Cal Community Supports beginning January 1, 2023. For the first time, members will have access to covered benefits for home modifications for safety, asthma remediation, respite services for caregivers, transition services to move from nursing facilities to home, and services to avoid nursing home placement. These services are part of CalAIM's whole-person care approach.



Our health care delivery system has nearly 11,500 essential contributors — primary care providers, specialists, community health centers, hospitals, pharmacies, long-term care facilities and others.



Caring Partnership

A look at efforts in support of provider collaboration

CalOptima Health is fortunate to have thousands of provider partners dedicated to serving vulnerable residents. Our priority this year was building more productive relationships, improving funding and better recognizing their contributions.

\$103.2 Million Supplemental COVID-19 Funding

Recognizing the challenges of this era, CalOptima Health's Board of Directors approved \$103.2 million to help providers care for members during the ongoing COVID-19 pandemic. Effective January 2022, the Board authorized \$45 million in supplemental support payments, with an additional \$58.2 million approved in June 2022. The extra funding is for COVID-19 testing, treatment, and vaccine promotion and administration.

New Medical Leadership

Bringing fresh energy and a commitment to provider relations, CalOptima Health's new medical leadership team had immediate impact this year. Richard Pitts, D.O., Ph.D., is Chief Medical Officer, and Zeinab Dabbah, M.D., J.D., is Deputy Chief Medical Officer. They are joined by Kelly Giardina as Executive Director of Clinical Operations. Combined they have more than 90 years of medical and managed care expertise.

Collaborative Meetings

This year, CalOptima Health enhanced communication with contracted health networks and hospitals through Joint Operations Meetings (JOMs) and coordination meetings. Each quarterly JOM is tailored to a specific health network or hospital as a forum to share information, discuss operations and address any issues. Coordination meetings are held as needed to talk about individual cases and how to connect members with the right provider for the right treatment. Together, these meetings ensure CalOptima Health and our partners are collaborating for the best outcomes for members.

Improved Provider Portal

Provider Portal upgrades in 2022 included auto-authorizations for certain treatments that are always approved. In October 2021, only 3% of authorization requests were automatically approved, and by October 2022, the auto-approval rate climbed to 48%. Other Provider Portal improvements now enable various important efficiencies, such as hourly processing for urgent and pharmacy authorizations; a way to download and print referrals, claims details and patient reports; and the ability to submit urgent referrals or view referrals that have been changed or denied.

Better Communications

Providers now receive important news from CalOptima Health in an updated, modern format. During the past year, the agency transitioned to an email template for sending out monthly and urgent notices of regulatory changes, Medi-Cal updates and other provider-focused announcements. Previously, this information was being sent via fax. In August, a provider survey found an 82% satisfaction rate with current communications.

Increased Mental Health Rates

The focus on behavioral and mental health has never been as sharp as it is now, and CalOptima Health boosted support for these providers this year. In August, Applied Behavior Analysis providers received a reimbursement rate increase that totals about \$20 million annually. A separate Board action in October awarded Medi-Cal providers delivering mental health outpatient assessment and counseling services an average rate increase of 22.9%, a sum of about \$4.3 million more each year.



Meaningful Service

Celebrating Life Community Health Center uplifts South Orange County

Health Care With Heart

Sergey Sergeev will tell you that Celebrating Life Community Health Center is all about healing — and not just for the patients.

Sergeev, Celebrating Life's CEO, started the center in late 2018 in memory of his 24-year-old daughter, Kristin. Kristin was working as a referral coordinator at a health clinic when she died suddenly. That's when Sergeev decided to call upon his more than two decades of experience in county health centers as a tribute to her.

"The grieving journey is a lonely journey," he says. "We found a sanctuary island in that journey that we call Celebrating Life Community Health Center." And that island has grown rapidly

"We took a leap of faith, but with the intent to provide the care our community needed."

Sergey Sergeev

Sergeev is CEO of Celebrating Life Community Health Center, a Federally Qualified Health Center in Mission Viejo that serves a diverse population of CalOptima Health members and others in need. He founded the center in response to his experience as a refugee and in memory of his daughter.

to include medical, dental and behavioral health services in a state-of-the-art facility in Mission Viejo. In less than four years, the clinic blossomed from having one employee — Sergeev — and literally no operating budget to employing a staff of 53 doctors, nurse practitioners, social workers and administrators with a budget of \$10 million. In 2022, the center is on track to serve more than 5,000 patients.

From the first day, the center has prioritized providing high-quality care by optimizing electronic health and dental records, which is why the Health Resources & Services Administration honored Celebrating Life with its Advancing Health Information Technology for Quality designation this year.



Pediatric Nurse Practitioner Claudine Yamaoka examines a patient at Celebrating Life Community Health Center, which will serve more than 5,000 people in 2022.

The growth has surprised even Sergeev, who had to rely on the support of local stakeholders to start the center. "We took a leap of faith, but with the intent to provide the care our community needed," he says. And that community includes CalOptima Health's Medi-Cal members as well as the underinsured and uninsured — another passion of Sergeev and his family.

Originally from Russia, they emigrated to America in January 1996 as refugees. As part of the intake process, they were taken for a health care check. Sergeev and his wife, a trained physician, were dismayed by the condition of the facilities they experienced. "We knew at that moment that we couldn't change global health care, but we could do something for people like us," Sergeev says.

So, Celebrating Life was designed to be welcoming. Staff members speak 15 languages, spiritual counseling is available upon request, and if a patient doesn't have a smart device to view their electronic records, they are provided an internet-connected iPad to use while in the center.

Sergeev hopes the clinic is a place patients can find the healing that Celebrating Life has given his family. He says, "Grief reveals a person, who they are, and I think that's what happened with us."

Focus: Health Networks

Members' choice of their own providers makes a difference in engagement and outcomes, so CalOptima Health offers literally thousands of options across Orange County. Who, what and where matters, and reliable access is everything.

1,497
primary care providers

9,184
specialists

569
pharmacies

45
acute and rehab hospitals

34
community health centers

99
long-term care facilities

Health Networks	Medi-Cal Members
AltaMed Health Services	64,633
AMVI Care Health Network	29,158
CalOptima Health Community Network	126,140
CalOptima Health Direct	117,038
CHOC Health Alliance	162,091
Family Choice Health Network	48,248
Heritage-Regal Medical Group	8,725
Kaiser Permanente	58,410
Noble Mid-Orange County	22,171
Optum Care Network - Arta Western	66,167
Optum Care Network - Monarch	103,921
Optum Care Network - Talbert	32,658
Prospect Medical Group	43,734
United Care Medical Network	44,619
Total	927,713

Data as of November 1, 2022

What's Next

CalOptima Health is looking forward to more activities that will make it easier for providers to do business with us, whether through quicker claims payments, increased education or expanded opportunities.



Efficient Technology

CalOptima Health's new vision prioritizes same-day treatment authorizations and real-time claims payments, thanks to a \$100 million technology investment approved by the Board in March. Efficiencies in treatment authorization processing have already brought routine approvals down to 1.35 days, and we are still making improvements. Our agency is aiming to become the first Medi-Cal plan in the state to implement real-time claims processing.



OneCare Field Marketing

For 2023 and beyond, OneCare providers will have help in building their business with CalOptima Health's addition of three field marketing organizations: iPros Insurance Professionals, JAR Insurance Services and Applied General Agency. For the first time, independent insurance agents will meet with providers to talk about OneCare's benefits for their patients and practices. The goal is to promote OneCare and boost enrollment of dual-eligible members.



Education and Engagement

When it comes to education and engagement, the work is never done. Provider Relations teams serve both directly contracted providers and contracted health networks, conducting individual training sessions, quarterly webinars on regulatory and operational topics, and monthly Health Network Forums. With the pace of change, interest in these educational offerings is growing. We plan to amplify our information-sharing efforts so partners stay in the know.



Access and Availability

As membership will grow so too will our provider network. CalOptima Health is focused on a future that continues to deliver access to and availability of services. So this means engaging more providers. For example, we are pursuing relationships for expanded specialty care for pediatrics, cancer and transplants. Plus, we are building our CalAIM services network by making it easier for community-based organizations to contract with us.



Getting Results

A summary of strategies that move the needle on quality

As a community-based plan, CalOptima Health is accountable to stakeholders for continually improving health outcomes. Among other efforts this year, we aimed to reverse the impacts of the pandemic.



NCQA Achievement

For the eighth year in a row, CalOptima Health is a top Medi-Cal plan in California, receiving a rating of 4 out of 5 in the National Committee for Quality Assurance (NCQA) Medicaid Health Plan Ratings 2022. No other Medi-Cal plan in the state earned higher than 4 out of 5. CEO Michael Hunn says: "Our provider partners have sustained their commitment to quality care for a remarkable eight years, and our community is healthier because of their dedication to members."

Preventive Care Campaign

Raising awareness about the importance of preventive care, CalOptima Health launched a multilanguage and data-driven campaign. Using text messages, direct mail, print advertising, social media and more, the campaign aimed to reach members with low rates of quality health behaviors, such as cancer screenings and well visits. "Our widespread campaign highlighted how to stay healthy not only for members but for all of Orange County," says Marie Jeannis, RN, MSN, CCM, Executive Director of Quality and Population Health Management.



By participating in national quality measures and addressing health disparities with data-driven initiatives, CalOptima Health delivers personalized prevention and treatment to populations that need it most.

Quality Texting Program

CalOptima Health received the mPulse Activate 2022 Award for Most Improved Consumer Experience for our CalFresh texting campaign. The multilingual, two-way SMS texting program addressed language barriers around food security. The program educated members on the availability and benefits of CalFresh, encouraging eligible members to apply through a direct link. The innovative program in seven languages allowed members to respond in their native language.

Mobile Mammography

This year, CalOptima Health brought the convenience of mobile mammography directly to members who were less likely to obtain breast cancer screenings due to cultural or ethnic disparities. CalOptima Health partnered with Alinea Medical Imaging for a series of events that made no-cost screenings available to CalOptima Health Community Network members, with special outreach to Chinese and Korean women and service in the geographic areas where they live.

PACE Innovation

To maintain quality care during the pandemic, CalOptima Health's Program of All-Inclusive Care for the Elderly (PACE) shifted to a PACE Without Walls model of care, using telehealth services and drive-thru health and wellness events to continue serving participants while keeping them safe. As of November, 98% of participants are vaccinated against COVID-19, and the program has welcomed back participants for in-person services. This year's PACE participant overall satisfaction score is an industry-leading 91%.

Immunization Events

COVID-19 has decreased vaccination rates among children and adolescents, exacerbating health inequities for our members. In response, CalOptima Health coordinated seven back-to-school vaccination and wellness events using geo-targeting data to reach the most impacted communities. By working with trusted and established community partners and school districts, CalOptima Health brought convenient services to more than 1,200 community members ages 5 to 18 just in time for a strong start to the 2022-23 school year.





Complete Care

Whole-Child Model helps meet Matthew Lear's complex medical needs

Family-Centered Quality

Matthew Lear had a typical birth and was on track with all his developmental milestones. But in 2008, everything changed when he was diagnosed with epilepsy just before his sixth birthday. Matthew's development remained on track until the second grade. Then he stopped talking.

Mom Kathleen Lear says this started a difficult journey of ups and downs with treatments that often had their own complications and put Matthew "through the ringer," as she describes it. Special diets and medications temporarily stopped his seizures, but after they started again — hundreds each day — he had his first brain surgery in 2012 at 10 years old. This resulted in a six-week hospital stay and required him to relearn how to walk, talk and do just about everything else. After overcoming a surgery-related infection, he enjoyed two years of freedom from seizures.



Kathleen and Matthew Lear enjoy time together and fresh air at a park near their home in Los Alamitos.

When Matthew was younger, CalOptima Health covered Applied Behavior Analysis services to help teach basic life skills like dressing, showering and getting snacks. CalOptima Health continues to provide secondary insurance coverage for out-of-pocket costs for expensive medications and hospital stays. "Knowing co-payments are covered is a weight off our shoulders," Kathleen says. "I'm so thankful they provide this service to our family and others with special needs."

Determined to learn more and help others, Kathleen joined CalOptima Health's WCM Family Advisory Committee about four years ago and currently serves as vice chair. She is also a member of a CHOC family advisory council to help educate families affected by epilepsy. "I didn't realize the scope of all the people CalOptima Health serves. It's been eye-opening to have a greater understanding of the system and to be able to pass the information along."

Kathleen appreciates CalOptima Health's leadership and their respect for members' opinions. "They take them to heart and want to make things easier to navigate. I also want to give kudos to Customer Service because the representatives are always friendly and helpful." This matches her son's demeanor. "I'm most grateful to have Matthew with us and for his attitude. He's now 20 and so sweet and kind. His innocence is just wonderful."

Kathleen and Matthew Lear

A CalOptima Health member since 2015, Matthew receives supportive care and coverage related to his epilepsy and its impacts. Kathleen advocates for her son and other children with complex medical conditions as vice chair of the Whole-Child Model Family Advisory Committee.

"I didn't realize the scope of all the people CalOptima Health serves. It's been eye-opening."

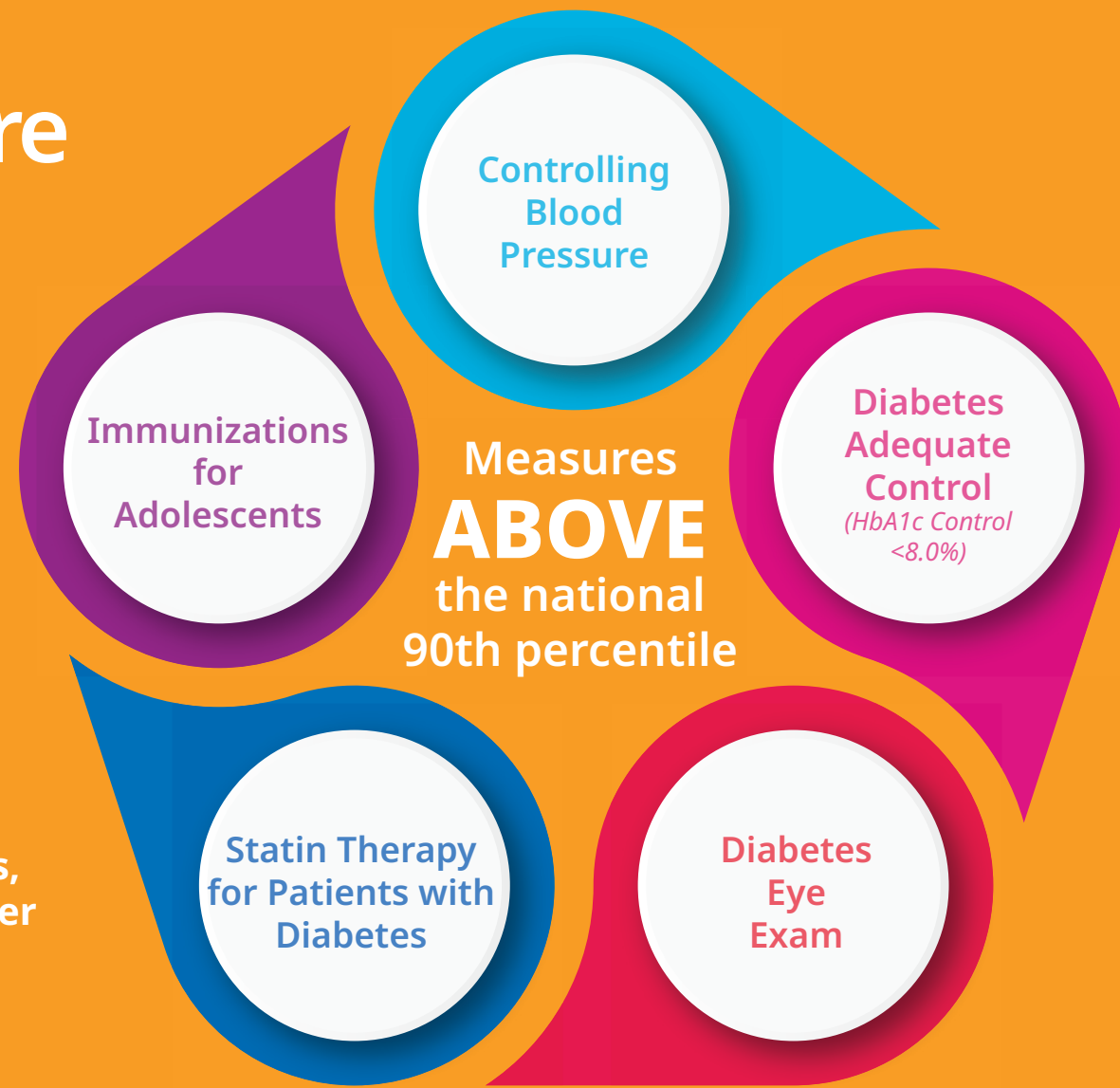
Through it all, Kathleen navigated the medical system, coordinated care for her son and was grateful she could provide for his needs with private insurance. She had no idea public resources were available to offer supportive services like respite care until 2014, when she learned her son could access the Regional Center of Orange County, which serves people with developmental disabilities. Soon after she also found that Matthew qualified for California Children's Services, which is now part of CalOptima Health's Whole-Child Model (WCM) program for children with complex medical conditions.

Focus: Quality Measures

Healthcare Effectiveness Data and Information Set (HEDIS) measures are the gold standards for assessing quality. CalOptima Health is proud to have five measures that reflect top-quality care for adolescents and people with chronic illnesses.

Standout Care

Based on our NCQA rating as a top Medi-Cal plan in California, CalOptima Health delivers quality care across the board, yet some areas just stand out. For Measurement Year 2021, five measures achieved the highest quality level — performance above the national 90th percentile. The results were driven by engaging members through community events, health network and provider collaborations, targeted mailings, texting, social media ad campaigns and health coaching.



Medi-Cal Measurement Year 2021

What's Next

Ready to push beyond our rating as a top Medi-Cal plan, CalOptima Health looks to make future quality gains through new specialty care programs, financial incentives, research and advocacy.



Transplant Care

Better care for members receiving organ transplants is the goal of a program being developed by CalOptima Health Medical Director Richard Lopez, M.D., a recognized leader in transplant surgery for more than three decades. We are working to contract with centers of excellence to strengthen not only surgical services but post-operative follow-up, which can make all the difference in successful outcomes for the 100 to 150 members who receive transplants each year.



Health Disparities

The ongoing pandemic made longstanding health disparities more evident, with different vaccination and mortality rates based on ethnicity. That reality intensified CalOptima Health's commitment to tackle inequity as part of our 2023–2025 Strategic Plan. Key tactical priorities aimed at overcoming health disparities include advocacy efforts, collaborations with other agencies and community-based organizations, and technology enhancements — and that's just the beginning.



Needs Assessment

In 2023, CalOptima Health will engage a research consultant to conduct a Member Health Needs Assessment, which was last done five years ago. The assessment will be expanded to survey at least 10% of our membership to ensure we have the clearest picture possible of members' needs, barriers to accessing care, gaps in services and health disparities. Results will drive future quality initiatives and sharpen our focus on social determinants of health.



Pay for Value Programs

To encourage outstanding performance and quality improvement, CalOptima Health proposed an updated Pay for Value (P4V) program for Medi-Cal and OneCare's first P4V program for measurement year January 1–December 31, 2023. The P4V programs will reward excellence in clinical care and member experience, offering increased incentives totaling up to \$64.5 million across both programs. Medi-Cal P4V targets behavioral health integration and children's preventive services.



CalOptima Health was created by and for the community. We take that to heart by embracing our responsibility to actively educate, lead and advocate for the vulnerable populations we serve.



Local Ties

A review of our connections to Orange County leaders and programs

Collaboration is a CalOptima Health specialty. We accomplish more by working with diverse community partners. This year we expressed our commitment to being “Better. Together.” by building relationships and investing wisely.

Partnership Award

In November, CalOptima Health received a Turning Red Tape Into Red Carpet Award from the Orange County Business Council for our unique public-private partnership with the Orange County Health Care Agency and Mind OC to create the Be Well OC Orange campus, a first-of-a-kind integrated behavioral health system. Opened in 2021, the campus helps anyone in need — regardless of health coverage — to navigate the full mental health continuum of care. More than 2,500 CalOptima Health members have received services thus far.

Strong Safety Net

To strengthen the health care safety net, CalOptima Health awarded a \$50 million grant, funded over five years, to the Coalition of Orange County Community Health Centers, representing 26 organizations. The grant was approved in April, and Isabel Becerra, Coalition President and CEO, says: “Community health centers are frontline providers for the underserved, especially those experiencing homelessness. This will transform the infrastructure of our safety net, enhancing access to care and improving quality outcomes for vulnerable populations.”

Accessible Education

We support member health by staying actively engaged in the community and sharing health education widely. In partnership with local agencies, CalOptima Health hosts regular workshops at our satellite office at the County Community Service Center in Westminster. This year’s sessions offered information in multiple languages and covered a variety of topics ranging from transportation services to cancer prevention.

Leadership in Advocacy

CalOptima Health’s nominee, Mary Anne Foo, won a national honor in February for Leadership in Advocacy from the Association for Community Affiliated Plans. She is the Founder and Executive Director of the Orange County Asian and Pacific Islander Community Alliance. “Orange County has one of the most diverse populations in the nation with Latinos and Asians representing more than 60% of the county,” Foo says. “Partnering with CalOptima Health to ensure the integration of health equity strategies has helped our communities access needed care and improve their health outcomes.”

Government Affairs

Engagement with local, state and federal elected officials was a priority in 2022. CalOptima Health increased communication to ensure awareness of how we serve their constituents while advocating for support of legislation that benefits our shared community. As a result, we secured Congressional sponsors for Fiscal Year 2023 federal funding requests. U.S. Sen. Alex Padilla requested \$5 million for our Street Medicine program, and U.S. Reps. Lou Correa and Young Kim requested \$5 million and \$2 million, respectively, for our Care Traffic Control initiative.

Community Resource

After almost two years of virtual engagement, CalOptima Health’s Community Relations team was happy to return to participating in many in-person events this year. They are constantly on the move, crisscrossing the county to attend or host community meetings, health fairs and more. In 2022, they will complete nearly 400 engagements — all to ensure that CalOptima Health is a visible and available community resource.



Secure Surroundings

American Family Housing helps Medi-Cal members stay healthy and housed

Community Supports

“We are a one-stop shop when it comes to the philosophy of doing whatever it takes, for as long as it takes, to get someone housed,” says Milo Peinemann, Chief Executive Officer of American Family Housing (AFH), a nonprofit organization bringing housing and supportive services together to assist low-income families and individuals experiencing homelessness.

AFH leverages in-house property management and in-house supportive services to secure stable homes for Orange County’s vulnerable population. Founded in 1985, the organization has long sought to address housing as a key social determinant of health and now offers new housing benefits, known as Community Supports, funded by



The Casa Paloma residential community provides a mix of both supportive housing and affordable housing.

During that time, she lost her job and home, and she was living in her car and motel rooms. AFH connected her with Medi-Cal benefits and a housing rental subsidy as well as helped her find an apartment in Anaheim. Nearly a year later, Sharon remains living in that apartment and enjoys volunteering at a local animal shelter.

This year, AFH will serve more than 2,300 people, finding that homelessness increasingly affects seniors — more than half of AFH clients are at least 55 years old — and disproportionately affects the Black population at a rate four times higher than Orange County’s general Black population. Many AFH clients come from vulnerable situations, where nearly one third have experienced domestic violence. Most face health challenges, and many are considered “high-volume utilizers” of health care, which is why partnering with CalOptima Health is essential.

“We need to think outside of the box,” says Peinemann, explaining that more innovation is necessary to tackle homelessness. For example, AFH is using prefabricated modular units and recycled shipping containers in many of the 275 units the nonprofit will open by year end. AFH is preparing to open another 130 units in 2023 and will also integrate health care into housing. “If you give someone a reasonable starting point — a home, access to food and community — they will amaze you with what they can achieve.”

“We work with a lot of people who are homeless because a major health condition turned their lives upside down.”

CalOptima Health through the California Advancing and Innovating Medi-Cal (CalAIM) initiative.

“We work with a lot of people who are homeless because a major health condition turned their lives upside down,” Peinemann says. “By tackling homelessness with a focus on reducing high health care costs, the number of families, individuals, children and veterans we’re able to help has increased sharply.”

One community member who benefited is Sharon, 29, who was hospitalized for six months after suffering heart failure.

Milo Peinemann

CEO Milo Peinemann is at Casa Paloma, which received \$6 million from the Housing for a Healthy California program based on a partnership with CalOptima Health. Nearly all of the 71 units in Midway City house Medi-Cal members.

Focus: CalFresh

Hundreds of thousands of CalOptima Health members may be eligible for CalFresh but aren't enrolled, so we launched a major awareness campaign to promote the program that boosts food budgets and health at the same time.

In April, CalOptima Health began working with the County of Orange Social Services Agency on a \$2 million effort to encourage enrollment in CalFresh, California's program formerly known as food stamps. Mailers, phone calls, text messages, advertising, media outreach, events and more tout the sizable benefits — up to \$281 a month for an individual and up to \$939 for a family of four. Given the impact of food security on nutrition, CalOptima Health is driving even more activity in 2023.

Making Progress

29,748

Members newly enrolled in CalFresh

5

CalFresh enrollment events hosted

7,500+

Attendees at CalFresh events

32

Community partners participating at CalFresh events

Data as of October 31, 2022

What's Next

CalOptima Health intends to spend the near future strengthening mental health services and deepening community connections by working with new and different partners.



School-Based Mental Health

To address the mental health crisis among children and teens, CalOptima Health and school districts across Orange County are working together to boost behavioral health access for K-12 students. All 29 local districts are participating in the statewide Student Behavioral Health Incentive Program, which continues through 2024. CalOptima Health will administer up to \$25 million in incentives for significant new resources at schools.



Community Providers

Demand for the Community Supports services that are part of California Advancing and Innovating Medi-Cal (CalAIM) will grow in 2023, so CalOptima Health is building our network of specialized organizations. Without diminishing quality, we modified contracting requirements to attract more partners. "Our future Community Supports network will be among the strongest in the state," says Kelly Bruno-Nelson, Executive Director of Medi-Cal/CalAIM.



Community Living Center

Orange County's 2022 Point In Time Count found more than 700 seniors experiencing homelessness. CalOptima Health is working on a new facility in Tustin that will provide unhoused older adults with comprehensive health care services. The proposed Community Living Center will combine CalAIM benefits of Recuperative Care and Post-Hospitalization Housing along with a PACE program. City officials are currently reviewing the plans for this first-of-a-kind facility.



Be Well Expansion

In August, CalOptima Health's Board approved a \$15 million grant to Mind OC for a new Be Well campus in Irvine, planned for late 2024. "Access to mental health care continues to be a major challenge," says Carmen Katsarov, Executive Director of Behavioral Health Integration. "With this grant, we are excited to take a major step toward making quality behavioral health services more accessible in South Orange County."

Upholding Fiscal Responsibility in Service of Member Health

As the single largest health plan in Orange County, serving one in four residents, CalOptima Health takes our enormous fiscal responsibility seriously. Every financial decision is made with members in mind. Our sense of duty to those we serve ensures that we spend wisely and save for the future, so we can realize our vision of eliminating barriers to health care access for our community.

CalOptima Health Membership

	FY 2021	FY 2022	FY 2023 Budgeted
Medi-Cal	825,076	897,134	877,908
OneCare Connect	14,833	14,415	—
OneCare	1,934	2,668	16,737
PACE	398	429	508
Total Membership	842,241	914,646	895,153

Operating Ratios

	FY 2021	FY 2022	FY 2023 Budgeted
Medical Loss Ratio	90.0%	93.4%	94.0%
Administrative Loss Ratio	3.4%	3.6%	5.0%
Operating Margin	6.6%	3.0%	1.0%
Current Ratio	1.6	1.5	1.5*

Note: CalOptima Health operates on a Fiscal Year (FY) budget cycle from July 1 to June 30
*Estimated based on FY 2022 ratio

Medical Expenses Distribution by Category (in Millions)

	FY 2021	FY 2022
Physician and Hospital Capitation	\$1,341.6	\$1,412.2
Hospital Fee-for-Service Claims	\$687.2	\$733.8
Prescription Drugs	\$706.8	\$436.6
Long-Term Services and Supports	\$307.4	\$525.9
Physician Fee-for-Service Claims	\$391.4	\$442.4
Medical Management and Other	\$295.1	\$394.8
Total Medical Expenses	\$3.7 billion	\$3.9 billion

Administrative Expenses Distribution by Category (in Millions)

	FY 2021	FY 2022
Salaries, Wages and Benefits	\$97.3	\$95.9
Supplies, Occupancy, Insurance and Other	\$25.6	\$30.7
Purchased Services	\$11.9	\$14.6
Depreciation and Amortization	\$4.1	\$4.5
Professional Fees	\$2.3	\$4.8
Total Administrative Expenses	\$141.2 million	\$150.5 million



Advancing CalOptima Health's Mission and Vision

Our community's interests are our Board of Directors' interests. Board members draw on their extensive and diverse experience — from serving in local government and health care organizations to being provider and member advocates — to advance CalOptima Health's mission and vision. Representing the many facets of the community, our Board is uniquely able to consider all sides of an issue, ensuring decisions are made for the greatest benefit of those we serve.

Board of Directors

Andrew Do (Chair) Orange County Board of Supervisors Supervisor, First District	Clayton Chau, M.D., Ph.D. Director, Orange County Health Care Agency	Nancy Shivers, RN, MSN, CCM Member Representative
Clayton M. Corwin (Vice Chair) President, StoneCreek Company	Blair Contratto President and CEO, Mount Carmel Health Ministries	Trieu Tran, M.D. Orthopedic Surgeon
Isabel Becerra President and CEO, Coalition of Orange County Community Health Centers	José Mayorga, M.D. Executive Director, Executive Medical Director, UCI Health	Katrina Foley (Alternate) Orange County Board of Supervisors Supervisor, Second District
Doug Chaffee Orange County Board of Supervisors Supervisor, Fourth District	J. Scott Schoeffel Attorney	

Shaping Health Care in Orange County

The CalOptima Health executive team leverages years of experience as leaders in their respective fields to drive our member-focused mission forward while achieving excellence and greater access to care. Their trusted expertise and tireless resolve make CalOptima Health an influential force dedicated to improving health outcomes for vulnerable populations. Together with our community partners, our executives and their staff are shaping the health care landscape in Orange County.

Executive Leadership

Michael Hunn Chief Executive Officer	Wael Younan Chief Information Officer/Chief Information Security Officer	Carmen Katsarov, LPCC, CCM Executive Director, Behavioral Health Integration
Veronica Carpenter Chief of Staff	Zeinab Dabbah, M.D., J.D. Deputy Chief Medical Officer	Ladan Khamseh Executive Director, Operations
Brigitte Hoey Chief Human Resources Officer	Kelly Bruno-Nelson Executive Director, Medi-Cal/CalAIM	Linda Lee Executive Director, Medicare Programs
Nancy Huang Chief Financial Officer	Kelly Giardina Executive Director, Clinical Operations	Eric Rustad Executive Director, Finance
Yunkyung Kim Chief Operating Officer	Michael Gomez Executive Director, Network Operations	Rachel Selleck Executive Director, Government Affairs and Strategic Development
Richard Pitts, D.O., Ph.D. Chief Medical Officer	Marie Jeannis, RN, MSN, CCM Executive Director, Quality and Population Health Management	Deanne Thompson Executive Director, Marketing and Communications
John Tanner Chief Compliance Officer		

Reflecting Our Community in Decision-Making

CalOptima Health thrives on the diversity, collaboration and input of our community and stakeholders. That is why our Board created five unique advisory committees, representing a spectrum of interests and ideas to help guide our programs and priorities. Committee members are knowledgeable advocates for the communities they represent. Together with the Board, the committees shape decisions that are in the best interest of members, providers and the community.

Member Advisory Committee

Maura Byron (Chair) Executive Director, Family Support Network <i>Family Support Representative</i>	Hai Hoang Chief Operating Officer, Illumination Institute <i>Persons with Disabilities Representative</i>
Christine Tolbert (Vice Chair) Advocate, State Council on Developmental Disabilities <i>Persons with Special Needs Representative</i>	Sara Lee Supervising Attorney, Community Legal Aid SoCal <i>Member Advocate</i>
Linda C. Adair <i>Medi-Cal Beneficiaries Representative</i>	Lee Lombardo, LCSW Associate Director, YMCA Community Services <i>Children Representative</i>
Meredith Chillemi, MSG/MHA Director, Regulatory Affairs, LeadingAge California <i>Seniors Representative</i>	Kate Polezhaev <i>Consumer Representative</i>
Sandra Finestone Executive Director, Association of Cancer Patient Educators <i>Adult Beneficiaries Representative</i>	Iliana Soto Welty Community Partnership Consultant, Mind OC <i>Behavioral/Mental Health Representative</i>
Connie Gonzalez <i>County of Orange Social Services Agency Representative</i>	Alyssa Vandenberg Senior Social Worker, County of Orange Social Services Agency Children and Family Services <i>Foster Children Representative</i>
Jacqueline Gonzalez Social Services Supervisor II, County of Orange Social Services Agency <i>Recipients of CalWORKs Representative</i>	Vacant Seats <i>OneCare Member/Family Member (two seats)</i>

Provider Advisory Committee

Jena Jensen (Chair) Chief Government Relations Officer, Children's Health of Orange County (CHOC) <i>Hospital Representative</i>	Timothy Korber, M.D. Medical Director, Emergency Room, Fountain Valley Regional Hospital <i>Physician Representative</i>
Junie Lazo-Pearson, Ph.D., BCBA-D (Vice Chair) Executive Director, Advanced Behavioral Health <i>Behavioral/Mental Health Representative</i>	Patty Mouton Vice President, Outreach & Advocacy, Alzheimer's Orange County <i>Seniors Representative</i>
Alpesh Amin, M.D., MBA, MACP, SFHM, FACC, FRCP (London) UC Irvine <i>Physician Representative</i>	John Nishimoto, O.D., MBA, FAAO Ketchum University <i>Allied Health Representative</i>
Tina Bloomer, WHNP, FNP, MSN UC Irvine Family Health Center <i>Nurse Representative</i>	Mary Pham, Pharm.D. All Care Specialty Pharmacy <i>Pharmacy Representative</i>
Ji Ei Choi, L.Ac Cornerstone Acupuncture <i>Non-Physician Medical Practitioner</i>	Alexander Rossel Families Together Orange County <i>Safety Net Representative</i>
Gio Corzo Vice President, Home & Care Services, Meals on Wheels Orange County <i>Allied Health Representative</i>	Jacob Sweidan, M.D., FAAP Pediatrician and Neonatologist, Medical Group of Orange County Inc. <i>Health Network Representative</i>
Andrew Inglis, M.D. <i>Orange County Health Care Agency Representative</i>	Christy Ward Chief Executive Officer, Share Our Selves <i>Community Health Centers Representative</i>
	Vacant Seat <i>Physician Representative</i>

OneCare Connect Member Advisory Committee

(Committee sunsets when OneCare Connect ends December 31, 2022)

Patty Mouton (Chair) Vice President, Outreach & Advocacy, Alzheimer's Orange County <i>Seniors Representative</i>	Sandra Finestone Executive Director, Association of Cancer Patient Educators <i>Members with Disabilities Representative</i>
Keiko Gamez (Vice Chair) <i>OneCare Connect Member/Family Member Representative</i>	Eleni Haillemariam, M.D. <i>Orange County Health Care Agency Representative</i>
Meredith Chillemi, MSG/MHA Director, Regulatory Affairs, LeadingAge California <i>Long-Term Care Facility Representative</i>	Sara Lee Supervising Attorney, Community Legal Aid SoCal <i>Representing Members from Ethnic or Cultural Community</i>
Gio Corzo Vice President, Home & Care Services, Meals on Wheels Orange County <i>Community-Based Adult Services Provider Representative</i>	Nury Melara <i>In-Home Supportive Services or Union Provider Representative</i>
Josefina Diaz <i>OneCare Connect Member/Family Member Representative</i>	

Whole-Child Model Family Advisory Committee

Kristen Rogers (Chair) <i>Authorized Family Member Representative</i>	Monica Maier <i>Authorized Family Member Representative</i>
Kathleen Lear (Vice Chair) <i>Authorized Family Member Representative</i>	Jessica Putterman <i>Authorized Family Member Representative</i>
Maura Byron Executive Director, Family Support Network <i>Community-Based Organization Representative</i>	Lori Sato <i>Authorized Family Member Representative</i>
Sandra Cortez-Schultz Executive Director, Patient and Family Experience, Children's Health of Orange County (CHOC) <i>Community-Based Organization Representative</i>	Malissa Watson <i>Consumer Advocate</i>
Erika Jewell Manager, Case Management & Social Work, CHOC <i>Consumer Advocate</i>	Vacant Seats <i>Authorized Family Member Representative (two seats)</i>

Investment Advisory Committee

Rodney Johnson (Chair) Senior Director, Finance — Treasury Los Angeles County Metropolitan Transportation	James P. Meehan Independent Investment Committee Member/Advisor PG&E Former Partner/Managing Director PAAMCO-Prisma
Colleen Clark, CPA Finance Director, Retired County of Orange	Annie Tran, CFA Portfolio Manager Charles Fish Investments Inc.
Nancy Huang Chief Financial Officer and Treasurer CalOptima Health	David Young, CFA Founder and CEO Anfield Capital Management
David Hutchinson Partner/Portfolio Manager Triad Investment Management LLC	

All committee membership as of December 1, 2022

Welcome to  CalOptima Health



2023

Report to the
Community



CalOptima Health

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision by 2027

To remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.