

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

**THURSDAY, MAY 9, 2019
2:30 P.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 March 14, 2019 Regular Meeting of the CalOptima Board of Directors' Member Advisory Committee (MAC)

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 Member Advisory Committee. 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. REPORT

A. Consider Approval of FY 2019-2020 MAC Meeting Schedule

VI. CEO AND MANAGEMENT REPORTS

- A. [Chief Executive Officer \(CEO\) Update](#)
- B. Chief Operating Officer (CMO) Update
- C. Chief Medical Officer (COO) Update

VII. INFORMATION ITEMS

- A. MAC Member Updates
- B. Early Identification and Intervention in Pediatric Primary Care
- C. Member Portal Demonstration
- D. CalOptima Health Network Quality Performance Report Card

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

March 14, 2019

A Regular Meeting of the CalOptima Board of Directors' Member Advisory Committee (MAC) was held on March 14, 2019, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER

Chair Molnar called the meeting to order at 2:35 p.m. and led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Sally Molnar, Chair; Patty Mouton, Vice Chair; Sandra Finestone; Diana Cruz-Toro; Connie Gonzalez; Jaime Munoz; Ilia Rolon; Sr. Mary Therese Sweeney; Christine Tolbert

Members Absent: Mallory Vega; Jacquelyn Ruddy;

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Dr. David Ramirez, Chief Medical Officer; Candice Gomez, Executive Director, Program Implementation; Sessa Mudunuri, Executive Director, Operations; Betsy Ha, Executive Director, Quality Analytics, Tracy Hitzeman, Executive Director Clinical Operations; Dr. Donald Sharps, Medical Director, Behavioral Health; Belinda Abeyta, Director, Customer Service; Mauricio Flores, Manager Customer Service; Cheryl Simmons, Staff to the Advisory Committees, Customer Service; Samantha Fontenot, Program Specialist, Customer Service

MINUTES

Approve the Minutes of the January 10, 2019 Regular Meeting of the CalOptima Board of Directors' Member Advisory Committee

Action: On motion of Member Sandra Finestone, seconded and carried, the MAC approved the minutes as submitted. (9-0-0, Ruddy and Vega absent)

PUBLIC COMMENT

Brenda Deeley, In Representation of a Family Member, Oral re: Behavioral Health

REPORTS

Consider Recommendation of Member Advisory Candidate for Children Representative and Long-Term Services and Supports Representative

At the January 10, 2019 meeting, Chair Molnar formed a Nominations Ad Hoc Committee (Ad Hoc) comprised of herself and Members Finestone and Tolbert to review applicants for the Children Representative and the Long-Term Services and Supports (LTSS) open seats. On February 20,

2019, the Ad Hoc committee met via conference call to review and score the applicants. On behalf of the Ad Hoc, Chair Molnar reviewed the open seats and noted that the Children Representative had received two applicants and the LTSS Representative had one applicant. The Ad Hoc was unanimous in their recommendation of Pamela Pimentel to fulfill the term remaining through June 30, 2020 upon Board approval. The Ad Hoc also recommended that the MAC continue the recruiting efforts for the LTSS Representative.

Action: On motion of Member Sr. Mary Therese Sweeney, seconded and carried, the MAC approved the Recommendation of Pamela Pimentel for the Children Representative seat. Recommendation will be forwarded to the CalOptima Board of Directors for consideration at the May 2, 2019 meeting. (9-0-0, Ruddy and Vega absent)

Chair Molnar having been advised that the Provider Advisory Committee (PAC) would be forming an Ad Hoc Committee to review the candidate application process prior to the next annual recruitment in 2020 suggest that MAC would also be interested in joining the PAC in this endeavor.

CEO AND MANAGEMENT REPORTS

Chief Operating Officer (COO) Update

Ladan Khamseh, Chief Operating Officer (COO), provided a verbal update to the committee on the open nomination process for MAC and PAC and requested that the MAC members assist with recruitment for the open positions in both advisory committees. In addition, Ms. Khamseh provided an update on the Qualified Medical Beneficiaries (QMB) annual project. She also noted that the Health Homes launch was deferred from July 1, 2019 to January 1, 2020 at the request of CalOptima.

Chief Medical Officer (CMO) Update

Dr. David Ramirez, CMO, provided a verbal update on access to care and obtaining necessary care. He noted CalOptima is changing the member survey methodology and what the solutions are that are being implemented.

INFORMATION ITEMS

Chair Molnar rearranged the agenda to hear VII.B before continuing with the agenda

Healthy Smiles for Kids of Orange County Presentation

Harvey Lee, DDS, Chief Dental Officer and Ligia Hallstrom, Vice President of Field Operations provided a comprehensive presentation on Healthy Smiles for Kids of Orange County. Dr. Lee and Ms. Hallstrom noted that one in three children suffer from tooth decay in Orange County. They explained their mission was to improve the oral health of children in Orange County through collaborative programs directed at prevention, outreach and education, access to treatment and advocacy. They also estimated that over 100,000 children and parents are treated each year and that their goal is to have treated one million children by the year 2020.

MAC Member Updates

Chair Molnar noted the following seats expire on June 30, 2019: Medi-Cal Beneficiaries Representative, Adult Beneficiaries Representative, Family Support Representative, Persons with Disabilities, Recipients of CalWORKs Representative, and Seniors Representative. Members must reapply for their seat to be considered for reappointment. The Chair and Vice Chair positions are also up for nominations. In response to the annual recruitment, Chair Molnar formed a Nominations Ad Hoc Committee to meet before May 9, 2019 to evaluate and score applications. Members Gonzalez and Tolbert agreed to participate on the Ad Hoc.

Homeless Health Update

Michael Schrader, Chief Executive Officer, provided a verbal report on the Homeless Health Initiative by providing a summary of the issues that have currently been identified and the steps that are being developed to address them. He noted that CalOptima is working closely with five to six Federally Qualified Health Centers (FQHCs) to support clinical field teams. CalOptima is also seeking legal opinions on the use of Intergovernmental Transfer (IGT) Funds for non-Medi-Cal services. He also mentioned there are two paths to support housing initiatives: 1) build housing and rent assistance. CalOptima is waiting for guidance from the DHCS on this initiative and 2) offer case management to help coordinate and refer homeless people to housing services.

Opioid Crisis Presentation

Dr. Ramirez, CMO, presented an update on the opioid crisis in Orange County. He noted that CalOptima had instituted formulary restriction that required prior authorization for drugs with the highest risk of overdose such as, Methadone and extended-release high-dose morphine as well as require a prior authorization for short-acting opioid analgesic combinations exceeding formulary quantity limits. Dr. Ramirez noted that CalOptima's pharmacy management team currently works with members who have been prescribed opioids and the physicians who are prescribing them by providing member and physician education.

Behavioral Health Presentation

Donald Sharps, M.D., Medical Director, Behavioral Health, presented a Behavioral Health update on the 2018 transition of the Medi-Cal behavioral health management from Magellan to CalOptima. He noted that Magellan continues to manage OneCare and OneCare Connect (OC/OCC) mental health.

State Budget Presentation

Arif Shaikh, Director, Government Affairs, provided an update on newly elected Governor Newsom's budget proposals. He noted that the proposed budget would carve-out pharmacy services and return it to fee-for-service no sooner than July 1, 2021, in an effort to control drug costs. Mr. Shaikh also discussed the Managed Care Organization (MCO) Tax, which is due to end on June 30, 2019. He noted that there is interest in extending the MCO tax, which brings in approximately \$1B per year for Medi-Cal. Mr. Shaikh also discussed the State's intent to expand full scope Medi-Cal to undocumented individuals up to age 25.

Dental Initiatives Presentation

Mr. Shaikh, Director, Government Affairs, presented an update on the Denti-Cal Initiative. Mr. Shaikh noted that at the November 1, 2018 Board of Directors meeting, the Board authorized CalOptima to explore policy opportunities to carve-in dental benefits for Orange County Medi-Cal members. He noted that CalOptima will start to engage local stakeholders, regulators and statewide advocacy organizations, including DHCS and the California Dental Association, to determine their level of support. CalOptima is seeking letters of support from organizations that share CalOptima's interest in the integration of the dental program into Medi-Cal.

ADJOURNMENT

Chair Molnar announced that the next MAC meeting is scheduled for Thursday, May 9, 2019 at 2:30 p.m.

Hearing no further business, Chair Molnar adjourned the meeting at 5:00 p.m.

Cheryl Simmons
Staff to the Advisory Committees

Member Advisory Committee FY 2019-2020 Meeting Schedule

August

Thursday, August 8, 2019

October

Thursday, October 10, 2019

December

Thursday, December 12, 2019

February

Thursday, February 13, 2020

April

Thursday, April 9, 2020

June

Thursday, June 11, 2020

Regular Meeting Location and Time

CalOptima
www.caloptima.org
505 City Parkway West, 1st Floor
Orange, CA 92868
Conference Room 109-N
2:30 p.m. – 5:00 p.m.

All meetings are open to the public. Interested parties are encouraged to attend.

MEMORANDUM

DATE: May 2, 2019
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; and Whole-Child Model Family Advisory Committee

Homeless Health Initiatives Underway; Clinical Field Teams Launched in April

CalOptima moved our \$100 million commitment to homeless health from concept into action this past month in several ways, most notably with the launch of clinical field teams. Guided by your Board's ad hoc committee, which is meeting weekly to spearhead the effort, selected initiatives are summarized below.

- **Clinical Field Teams:** Launched on time on April 10, CalOptima's first clinical field team conducted its first medical visit with a member at a Santa Ana park. Following a newly established process, the Orange County Health Care Agency's Outreach and Engagement team contacted our internal Homeless Response Team, which then dispatched a Central City Community Health Center (CCCHC) field team, consisting of a physician assistant and medical assistant. The field team treated a member needing care for a sizable open wound. CalOptima and CCCHC agree the initial experience was successful and instructive. Since that time, three other Federally Qualified Health Center (FQHC) partners have begun their programs, including Korean Community Services on April 17, Hurtt Family Health Clinic on April 18 and Serve the People on April 23. We are communicating with other FQHCs, directly and through the Coalition of Orange County Community Health Centers, about their potential participation in the clinical field team program. As we develop a better understanding of the population, its needs and the best methods for serving them, we will continue expanding our coverage.
- **Anaheim Encampment:** Reflecting our emerging leadership role, CalOptima was called upon to participate in a collaborative effort to clear a homeless encampment of approximately 70 people in 40 tents along a stretch of Anaheim railroad tracks. The group included the Anaheim Police Department, the county Outreach and Engagement team, public health nurses and other service providers. CalOptima arranged FQHC mobile clinics to work alongside the group to address any medical needs of the homeless. In addition, CalOptima had a case manager on site to make referrals.
- **Use of Funds:** Approximately \$60 million of CalOptima's homeless health commitment is for new initiatives not yet identified. CalOptima must follow statutory guidelines in determining the type of initiatives that are permissible. To that end, CalOptima has publicly shared the "Use of CalOptima Funds" document that follows this report. The information about the agency's framework and allowable use of funds will ensure the community is aware of the principles guiding your Board's decision making regarding homeless health.

- **Stakeholder Input:** The Board ad hoc committee will be seeking additional input to our homeless health initiatives through meetings with stakeholders. CalOptima is in the process of identifying people and/or organizations to engage and will begin setting up those meetings. Recently, the committee met with Former Santa Ana City Councilwoman Michele Martinez, Illumination Foundation CEO Paul Leon and Pastor Donald Dermit, from The Rock Church in Anaheim.
- **State Programs and Legislation:** Efforts to end the homeless crisis are ongoing statewide, and CalOptima is tracking a variety of bills and programs that have potential to positively impact Orange County. One example is the Housing for a Healthy California Program, which is a new source of funds for supportive housing through the Department of Housing and Community Development (DHCD). The program provides supportive housing for Medi-Cal members to reduce financial burdens related to medical and public services overutilization. DHCD is expected to open applications to supportive housing owners and developers for grants that total \$36 million statewide. Orange County Health Care Agency intends to work with owners and developers to explore this funding opportunity. Separately, Assembly Bill 563 is state legislation that would grant the North Orange County Public Safety Task Force \$16 million in funding to set up comprehensive crisis intervention infrastructure. The aim is to mitigate the local mental health and homeless crisis by expanding and coordinating the many available services, potentially through the Be Well OC Regional Mental Health and Wellness Campus. The bill is currently in the early stages of the legislative process.

Impact of New Knox-Keene Licensure Regulation Will Be Mitigated by Exemptions

With an effective date of July 1, 2019, a new Department of Managed Health Care (DMHC) global risk regulation will substantially expand the number of health care organizations required to have a Knox-Keene license. Fortunately, CalOptima was able to mitigate local concerns that the rule applied to our delegated health networks, which operate under three models — Health Maintenance Organizations (HMOs), Physician-Hospital Consortia (PHCs) and Shared-Risk Groups (SRGs). DMHC has now confirmed that CalOptima’s limited Knox-Keene licensed HMO health networks may continue their current contractual arrangements with CalOptima, and the regulator has reached out to our partners to update their licenses. With regard to PHCs and SRGs, the DMHC has reviewed CalOptima’s template contracts and believes that these limited risk-sharing arrangements will qualify for exemptions from the new licensure requirement. Contracts that renew or are amended after July 1, 2019, will need to be submitted to the DMHC for a review and exemption process that is anticipated to take no longer than 30 days. CalOptima staff has informed our health network partners about this latest positive development.

California Children’s Services (CCS) Advisory Group Meeting Focuses on CalOptima Readiness for Transition

Implementation of the Whole-Child Model (WCM) for CCS in Orange County is now only two months away. Given our impending transition, CalOptima was the focus of an April 10 meeting of the CCS Advisory Group, a highly engaged Department of Health Care Services (DHCS)-appointed panel of medical experts and member advocates who are dedicated to ensuring the WCM effectively serves children with complex CCS conditions. CalOptima Chief Medical Officer David Ramirez, M.D., Executive Director of Clinical Operations Tracy Hitzeman and Thanh-Tam Nguyen, M.D., our medical director for WCM, shared detailed information about our authorization process, provider panel, delegated delivery system and more, all from the

member's perspective. Our WCM Family Advisory Committee Representative Kristen Rogers also spoke. The meeting was an important opportunity to instill confidence about our ability to effectively integrate the CCS program, and we successfully demonstrated CalOptima's careful preparations for WCM. Feedback from the advisory group and DHCS leaders was supportive.

Future Medi-Cal Expansion (MCE) Rates Face Likely Reduction as State Regulator Examines CalOptima Reimbursement

Following a trend established across the past few years, DHCS is signaling a likely reduction in CalOptima's MCE capitation rates for FY 2019–20. Staff was notified in April that a significant adjustment may be ahead, based on the fact that CalOptima's reimbursement for the MCE population is a noticeable outlier. Specifically, DHCS identified that CalOptima's provider capitation and risk pool incentive payouts are significantly higher than those paid by other managed care plans in California. Staff has been in close communication with state officials who will soon share our draft rates. Importantly, we have also provided advance notice to our delegated health networks so they can plan ahead for a possible reduction. As more information becomes available, I will look to your Board's Finance and Audit Committee for guidance on any adjustments to provider reimbursement.

CalOptima Welcomes New Executive Director, Human Resources

This past month, Brigitte Gibb joined CalOptima as Executive Director, Human Resources. She has more than 35 years of public-sector experience. Most recently, Ms. Gibb worked as the human resources director for the Orange County Fire Authority (OCFA), where she led and directed the administration, coordination and evaluation of all human resources and risk management functions. She has established and maintained effective working relationships with the OCFA Board of Directors, city managers, executive team members and labor group representatives. She holds a master's degree in public administration, with a concentration in human resources, from California State University, Fullerton.