

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

**THURSDAY, JUNE 13, 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](http://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](#)

**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. REPORTS**

[A. Consider Approval of FY 2019-2020 Member Advisory Committee Meeting Schedule](#)

[B. Consider Approval of FY 2018-19 MAC Accomplishments](#)

C. Consider Recommendation of Member Advisory Committee Slate of Candidates

**VI. MANAGEMENT REPORTS**

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

**VII. INFORMATION ITEMS**

- A. Whole-Child Model Update
- B. Case Management Presentation
- C. Member Portal Demonstration
- D. Federal and State Legislative Update
- E. Member Advisory Committee Member Updates

**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](http://www.caloptima.org)  
505 City Parkway West, 1<sup>st</sup> 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.

## **Member Advisory Committee FY 2018-2019 Accomplishments**

During FY 2018-19, the Member Advisory Committee (MAC) of the CalOptima Board of Directors provided input on member issues to ensure that CalOptima members receive high quality health care services. The following list highlights the accomplishments:

- § MAC members wrote letters of support to for the Denti-Cal Initiative to the Department of Health Care Services
- § MAC members reviewed the intergovernmental transfer (IGT) projects and supported the funding of the proposed programs, as well as the proposed recommendations for the use of the remaining IGT funds.
- § MAC Members at the request of the Board gave input into the Delivery System and the Auto Assisgnment. MAC came together with the Provider Advisory Committee (PAC) to review the items and listen to public comment before providing the Board with the requested recommendation.
- § MAC participated in two joint advisory committee meetings during FY 2018-19. The first joint meeting was a Special MAC/ Provider Advisory Committee (PAC) on October 11, 2018 and the second was a MAC/OneCare Connect MAC (OCC MAC)/PAC and Whole-Child Model Family Advisory Committee (WCM FAC) on November 8, 2019. MAC hopes to continue to participate in joint advisory committee meetings on a yearly basis.
- § MAC's Seniors' representative continues to participate on the PACE Advisory Committee to provide input and reports to the Quality Assurance Committee of the Board regarding the PACE Center.
- § MAC held a special recruitment to identify candidates for several vacant positions. The MAC convened a special ad hoc committee to review the candidates for the vacant positions and submitted their recommendation at the May 2019 Board meeting.
- § A MAC Nomination Ad Hoc Subcommittee convened to select the proposed slate of candidates, Chair and Vice Chair for the positions due to expire on June 30, 2019. The MAC reviewed the proposed candidates at its special June 13, 2019 meeting and forwarded their recommendations to the Board for consideration and approval at its August 1, 2019 meeting.

- § MAC members and individuals from the community gave informative presentations at MAC meetings to help MAC stay connected to those they represent. Topics included: Healthy Smiles, Early Identification and Intervention within Pediatric Primary Care and Optometry's Role in Patient Care.
- § Several MAC members attended CalOptima sponsored community education events, such as Community Alliance Forums and Awareness and Education Seminars.
- § Several MAC members attend the Whole-Child Model Family Advisory Committee in support of CalOptima's newest advisory committee.
- § All MAC members completed the annual Compliance Training.
- § MAC Chair or Vice Chair presented a bi-monthly MAC Report at CalOptima Board of Directors' meetings to provide the Board with input and updates on the MAC's activities.
- § MAC members contributed at least 216 "official" hours to CalOptima during FY 2018-19, including MAC meetings, ad hoc meetings, and Board meetings which is equivalent to 27 days per year. These hours do not account for the innumerable hours that MAC members dedicate to members on a day-to-day basis.
- § MAC members shared the news with their constituencies and professional organizations regarding CalOptima's ranking as California's top-ranked Medi-Cal health plan, according to the National Committee for Quality Assurance's (NCQA's) Medicaid Health Insurance Plan Rankings for 2018–19.

The MAC thanks the CalOptima Board for the opportunity to provide updates on the MAC's activities. The MAC welcomes direction or assignment from the Board on any issues or items requiring study, research, and input.

---

## MEMORANDUM

---

**DATE:** June 6, 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 on Track; Clinical Field Teams Available Six Days a Week**

CalOptima's \$100 million commitment to homeless health was solidified in the past month, as clinical field teams expanded their availability and additional stakeholders provided feedback. Guided by your Board's ad hoc committee, which is meeting regularly to spearhead the effort, selected activities are summarized below.

- **Clinical Field Team Coverage:** In the time since launching on April 10, CalOptima's clinical field teams have ramped up their coverage quickly, now available for eight hours a day, six days a week. Coverage for South Orange County was also formalized with our newly contracted partner, Families Together of Orange County, which will launch a team in June.
- **Clinical Field Team Learning Collaborative:** On May 17, CalOptima staff gathered with clinical field team providers, community health center representatives and Orange County Health Care Agency Outreach and Engagement leaders for an interactive session focused on information sharing and clinical updates. The discussion among the group of more than 30 people touched on appropriate clinical services to be delivered in the field, recuperative care, medications, privacy and more. The collaboration among the attendees was valuable, and additional meetings will be planned.
- **Stakeholder Input:** The Board ad hoc committee has engaged with a number of stakeholders in the past month. The committee met with well-known advocates for the homeless: Mike Robbins, David Duran, Joshua Collins and Rebecca Kovacs-Stein. The advocates discussed their activities in support of Orange County's homeless community and shared insights about how CalOptima can build trust with members so as to have more impact. The committee also spoke with United Way's Sue Parks, Kaiser Foundation's Mark Costa and Heather Stratman, an independent consultant for city administration. Additional stakeholder meetings are in the planning stages with Whole-Person Care (WPC) representatives from Orange and San Bernardino Counties.
- **Sacramento Meetings:** Two members of the ad hoc, Paul Yost, M.D., and Ron DiLuigi, and I had productive meetings in Sacramento on May 21 with the following legislators: John Moorlach, Cottie Petrie-Norris, Tom Daly and Sharon Quirk-Silva. We also met with Tom Umburg's staff. All were informed about our efforts in the area of homeless health, and they asked to be kept apprised of our future work.
- **Community Alliances Forum:** On June 18, our Community Alliances Forum will focus on homelessness and the 2019 Orange County Point in Time Count. Our guest speakers are from the county — Susan Price, who will cover the results of the count, and Melissa Tober, who will discuss the WPC program. CalOptima staff will also provide an update regarding our

homeless initiatives. Given the considerable interest in Orange County's homeless crisis, the program is expected to attract a large number of attendees.

### **State Budget Revised Upward; Money Earmarked for Homeless Interventions**

Gov. Gavin Newsom released on May 9 a revised \$213.5 billion budget for FY 2019–20, known as the May Revise. This represents an increase of \$4.4 billion from his January budget proposal. He indicated that the state's revenue forecast continues to be positive and that California should enjoy a large surplus in the coming fiscal year. The governor proposes to spend some of that surplus on the state's response to the homeless crisis. The May Revise includes dedicating \$1 billion to homelessness prevention and response efforts, such as local government support for homeless emergency aid (\$650 million), expanded WPC programs (\$120 million) and mental health system improvements (\$150 million). In line with these efforts, the governor is proposing to direct the state Department of General Services to identify buildings on the Fairview Developmental Center site in Costa Mesa that could be used for homeless supportive housing for up to 200 individuals. The May Revise also contains other proposed changes that impact Medi-Cal, including additional funding for Proposition 56 provider incentive payments (\$70 million) and a lower estimated cost associated with the governor's proposed expansion of full-scope Medi-Cal to undocumented individuals up to age 26 (\$98 million for FY 2019–20). The Department of Health Care Services (DHCS) issued a budget summary [here](#). A final state budget will be enacted this month.

### **CalOptima Operating Budget Contains Both Rate Increases, Decreases**

DHCS released CalOptima's draft Medi-Cal rates for FY 2019–20 on May 16. In general, we received good news, with an unexpected modest rate increase for Medi-Cal Classic and Whole-Child Model and a rate decrease for Medi-Cal Expansion (MCE), as has been the experience for the past few years. The CalOptima Finance and Audit Committee approved an approach to pass along the reductions similar to the one taken two years ago when we reduced MCE rates only for the highest outlying professional and hospital capitation rates. Our June Board meeting focuses your full Board's review of the FY 2019–20 operating budget, which includes these new Medi-Cal rates and proposes an administrative budget trimmed to 4.4 percent.

### **Health Network CEOs Gather for Quarterly Meeting**

This past month, CalOptima held our quarterly health network CEO meeting to discuss three key topics: the Department of Managed Health Care's Knox-Keene regulations, the proposed rate changes in our FY 2019–20 budget and DHCS' new quality requirements stemming in part from an audit that showed deficiencies in Medi-Cal services for children. Of these issues, the first two are familiar to the networks, but more work is ahead for both CalOptima and the networks to grapple with the new quality standards. DHCS has increased the number of measures, raised the bar and made the standards effective for this calendar year, which prevents planning and may lead to sanctions if performance is inadequate. Currently and thankfully, CalOptima and our health networks largely meet the new standards, but we are working with the regulators through our associations on a smoother path to implementation and possible incentives for quality instead of penalties.

### **Intergovernmental Transfer (IGT) Ad Hoc Considers Grants Totaling \$17.7 Million**

CalOptima is moving toward awarding community grants using \$17.7 million in funds received from IGT 6/7. An ad hoc committee, which includes Supervisor Andrew Do and Ron DiLuigi,

met to consider staff's recommended eight recipients from among a total of 54 responses received. The priority areas are Children's Mental Health, Opioid and Other Substance Overuse, and Other Needs Identified by the Member Health Needs Assessment. As a next step, the ad hoc advised staff to engage county for additional feedback to ensure that the grants will go to unduplicated services not already being funded by the county and to explore opportunities to coordinate with other county programs. The ad hoc is targeting final selections for August.

### **Health Plan Associations Take Action Against Governor's Pharmacy Carve-Out Plan**

A coalition of associations, including Local Health Plans of California (LHPC), California Association of Health Plans, California Association of Public Hospitals, California Hospital Association and California Primary Care Association, proposed trailer bill language that puts parameters around the governor's Medi-Cal pharmacy benefit carve-out, including requirements that DHCS develop a detailed fiscal impact estimate and convene an advisory group to discuss all aspects of the change. Further, LHPC took the lead in commissioning a recent report by the Menges Group that resulted in three key findings: 1) a Medi-Cal pharmacy carve-out is likely to increase net pharmacy expenditures, 2) pharmacy benefit carve-in states outperform carve-out states, and 3) a Medi-Cal pharmacy carve-out would be detrimental to clinical integration and health outcomes. Associations and health plans, including CalOptima, are continuing to work with DHCS, the governor's office and the legislature to find an alternate way to achieve the desired pharmacy cost savings without negatively impacting care coordination and quality for millions of Medi-Cal members across the state.

### **Exploration of Dental Carve-In Continues; Dental Society Meeting Planned for July**

This past fall, your Board authorized staff to explore policy opportunities to carve in dental benefits for CalOptima's Medi-Cal members in Orange County. CalOptima staff have made significant progress in conducting outreach to local stakeholder groups to gauge their support for this potential change. More than 40 letters of support from stakeholders have been received, including from Congressman Lou Correa and State Sen. Pat Bates as well as the Orange County Health Care Agency. Staff has also been engaged in an ongoing dialogue with the Orange County Dental Society (OCDS). Although OCDS leadership is interested in the concept of dental integration, they had many follow-up questions about how such an effort would be implemented. Their primary issue relates to understanding the dental integration model being rolled out in San Mateo County by Health Plan of San Mateo compared with the Dental Managed Care program implemented in Los Angeles and Sacramento. Staff is working to clarify these approaches so as to address OCDS' concerns while also keeping CalOptima's policy options open with respect to delivery system design and implementation. Staff will make a presentation at the July OCDS Board meeting in support of the dental carve-in initiative.

### **CalOptima Employees Gather for All Hands Meeting to Recognize Accomplishments**

On May 22, employees attended our quarterly All Hands meeting. It is an important tool in solidifying our culture and demonstrating commitment to our mission. I spoke about our transformative work in children's health with the Whole-Child Model, mental health with Be Well OC and homeless health as described above. Other executive leaders gave updates about their departments as well. In one of the most inspiring segments of the meeting, we celebrated employment anniversaries, including one individual for 20 years and two for 15 years.