

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

**THURSDAY, MARCH 14, 2019
8:00 A.M.**

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

AGENDA

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

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

I. CALL TO ORDER

Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES

A. Approve Minutes of the February 14, 2019 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

IV. PUBLIC COMMENT

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

V. REPORTS

- A. Consider Recommendation of Provider Advisory Committee Hospital Representative Candidate

VI. CEO AND MANAGEMENT REPORTS

- A. [Chief Executive Officer Update](#)
- B. Chief Operating Officer Update
- C. Chief Medical Officer Update
- D. Chief Financial Officer Update
- E. Network Operations Update
- F. Federal and State Legislative Update

VII. INFORMATION ITEMS

- A. Homeless Health Update
- B. Behavioral Health Update
- C. Proposed Health Network Quality Performance Rating Methodology
- D. PAC Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

February 14, 2019

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, February 14, 2019, at the CalOptima offices located at 505 City Parkway West, Orange, California.

John Nishimoto, O.D., PAC Chair, reordered the agenda to hear CEO and Management Reports until a quorum was reached.

PUBLIC COMMENTS

Pamela Pimentel, MOM's of Orange County, Oral re: Agenda Item VII. D., Update on Dental Initiatives

CEO AND MANAGEMENT REPORTS

Chief Operating Officer Update

Ladan Khamseh, Chief Operating Officer (COO), presented an update on the Whole-Child Model (WCM) contracting initiative and noted that CalOptima will be providing the Department of Health Care Services (DHCS) with copies of signed provider contracts before March 1, 2019. She noted that member noticing is still required, and members will receive both a 90-day and a 60-day letter as well as outreach calls. Ms. Khamseh also updated the PAC on the Health Homes Program and noted that CalOptima is working with the DHCS to see if there is flexibility in pushing out the roll out of this program to January 1, 2020. Ms. Khamseh also updated the PAC on the Board approved process for considering requests for letters of support from organizations seeking to offer Program of All-Inclusive Care for the Elderly (PACE) services in the Orange County area and noted that there were two letters of support being reviewed as per the Board's directive at the September 2018 meeting.

Chief Medical Officer Update

David Ramirez, M.D., Chief Medical Officer (CMO), provided an update on medical management and pharmacy management's plan to reduce barriers for the WCM families and members to receive care. He noted that these departments are working diligently to ensure that the roll out on July 1, 2019 goes smoothly. Dr. Ramirez also discussed Homeless Health and ways CalOptima could help support members who are homeless by trying to identify gaps in care with the homeless population. He also updated the PAC on the Be Well OC Center and how the Center could assist members in such areas as dementia and eating disorders.

Network Operations Update

Michelle Laughlin, Executive Director, Network Operations, noted that the DHCS is slated to certify the provider network for the WCM by March 15, 2019. She noted that ten networks were using Children's Hospital of Orange County (CHOC) to create their WCM network. Ms. Laughlin also noted that physicians who had applied for their Medi-Cal enrollment were being notified by DHCS of their acceptance into the Medi-Cal program.

CALL TO ORDER

John Nishimoto, O.D., PAC Chair, called the meeting to order at 8:20 a.m. Vice Chair Miranti led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: John Nishimoto, O.D., Chair; Teri Miranti, Vice Chair; Anjan Batra, M.D. (at 8:20 a.m.); Donald Bruhns; Theodore Caliendo, M.D.; Steve Flood; Jena Jensen; Junie Lazo-Pearson, Ph.D.; Craig Myers; Mary Pham, Pharm.D., CHC; Jacob Sweidan, M.D.

Members Absent: Theodore Caliendo, M.D., Junie Lazo-Pearson, Ph.D., Brian Lee, Ph.D. and Jacob Sweidan, M.D.

Others Present: Ladan Khamseh, Chief Operating Officer; David Ramirez, M.D., Chief Medical Officer Candice Gomez, Executive Director, Program Implementation; Michelle Laughlin, Executive Director, Network Operations; Arif Shaikh, Director, Government Affairs; Cheryl Simmons, Staff to the PAC

MINUTES

Approve the Minutes of the December 13, 2018 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

Action: On motion of Vice Chair Miranti, seconded and carried, the Committee approved the minutes of the December 13, 2018 meeting. (Motion carried 8-0-0; Members Caliendo, Lazo-Pearson, Lee and Sweidan absent)

INFORMATION ITEMS

Opioid Crisis Update

Dr. Ramirez presented an update on the opioid crisis in Orange County. He noted that CalOptima had instituted some 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.

Health Homes Program Update

Candice Gomez, Executive Director, Program Implementation, provided an update on the Health Homes Program (HHP) and noted that the required DHCS readiness documents and deliverables have been submitted to DHCS for review and approval. Ms. Gomez informed the committee that CalOptima has requested the HHP be effective January 1, 2020 not July 1, 2019. DHCS has not yet responded to the request.

State Budget Update

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. The Senate Budget Committee is holding an informational hearing on February 14, 2019. Mr. Shaikh also discussed the Managed Care Organization (MCO) Tax, which is due to end on June 20, 2019. He noted that there is interest in extending the MCO tax, which brings in approximately \$1 billion/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.

Update on Dental Initiatives

Mr. Shaikh presented an update on the Denti-Cal Initiative and provided the PAC with a brief background on the program. Mr. Shaikh noted that at the November 1, 2019 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. Letters of support are due by March 1, 2019.

PAC Member Updates

On behalf of the PAC, Chair Nishimoto recognized former member Pamela Pimentel for her nine years of service on the PAC. Ms. Pimentel thanked the PAC members, CalOptima leadership and staff for their support during her tenure.

Chair Nishimoto noted that the recruitment for the hospital and nurse representatives will close on Friday, February 15, 2019. Chair Nishimoto requested volunteers for a Recruitment Ad Hoc Committee to review the applicants for the hospital and nurse representatives' seats, and Vice Chair Miranti and Members Myers and Sweidan volunteered to serve. The ad hoc will present recommendations for consideration at the March 14, 2019 meeting.

ADJOURNMENT

There being no further business, Chair Nishimoto adjourned the meeting at 9:38 a.m.

Cheryl Simmons
Staff to the Advisory Committees

MEMORANDUM

DATE: March 7, 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

Special Board Meeting Approves Immediate Action on Homeless Health Initiatives

In response to your Board’s special meeting on February 22, I will be presenting an Information Item at the March 7 meeting to summarize Board-authorized actions related to homeless health, including our clinical field team pilot program and CalOptima Homeless Response Team, as well as follow up on additional initiatives proposed by Supervisor Andrew Do and county representatives. These include ideas that address both physical health improvements and Whole-Person Care/housing.

CalOptima Focuses Advocacy Efforts on Detrimental Licensure Proposal

On February 13, CalOptima helped arrange meetings with the governor’s office and legislators to express concern about the Department of Managed Health Care (DMHC) General Licensure proposed regulation. A group of leaders representing the California Medical Association, California Hospital Association, California Association of Health Plans, Local Health Plans of California and America’s Physician Groups came together to respond to the proposal, which says that any entity that takes “global risk” (i.e., risk for both physician and hospital services) from a full-service health plan would be required to obtain a Knox-Keene license or seek an exemption. During our meeting with the governor’s Deputy Cabinet Secretary Richard Figueroa, the coalition questioned the broad definition of global risk and the undefined criteria for obtaining an exemption. With a collective voice, we asked that the governor pull back the proposed regulation and initiate a stakeholder process so concerns can be addressed. To extend the impact of the governor’s office meeting, I met with five members of our Orange County delegation, including Assemblywoman Sharon Quirk-Silva, Assemblyman Phillip Chen, Assemblyman Tyler Diep, Sen. John Moorlach and Sen. Tom Umberg. I briefed them on the concerns with the DMHC proposed rule.

More recently, the California Hospital Association worked with Sen. Umberg to introduce SB 714, a bill that may address the concerns with the proposed regulation. The bill will be considered next by the Senate Health Committee.

Meetings With State Officials Address Proposed Change to Pharmacy Benefits

In January, Gov. Gavin Newsom issued an executive order calling for the transition of Medi-Cal pharmacy benefits from managed care to fee-for-service (FFS). To raise awareness about the member impact of a FFS pharmacy program, CalOptima, L.A. Care and Inland Empire Health Plan leaders participated in a series of Sacramento meetings on February 26 arranged by Local

Health Plans of California and California Association of Health Plans. The group met representatives from the Assembly Republican Caucus, Senate Budget Committee, Senate Republican Caucus and the governor's office to make suggestions about alternate ways to achieve reduced pharmacy costs without affecting the managed care system already in place for more than 10 million Medi-Cal members statewide.

Programs Supporting Quality Care Are Ready for New Fiscal Year

Quality care for members is central to our mission. This month, your Board is considering two items that set quality priorities for Fiscal Year 2019–20. These programs were thoroughly reviewed and approved in advance by your Quality Assurance Committee on February 20. The 2019 Quality Improvement Program and Work Plan incorporates new initiatives, including Whole-Person Care, Whole-Child Model, Health Homes and population health management. The overall goal is to improve our National Committee for Quality Assurance rating from 4.0 to 4.5 by 2021, with special attention on bettering our member experience scores. Also before your Board is the Program of All-Inclusive Care for the Elderly (PACE) Quality Assurance and Performance Improvement Plan. New elements of the PACE plan focus on comprehensive diabetes care, reduced use of high-dose opioids, decreased day center falls, increased satisfaction with center meals and more.

CalOptima Successfully Completes Transition to Single Retirement Plan Vendor

To streamline and enhance retirement plan options for employees, CalOptima recently transitioned from two 457(b) deferred compensation plan vendors to a single vendor, Empower Retirement. More than 460 employees participate in the plan, which is the public agency equivalent of a 401(k) program at a private business. Selected through a competitive process, Empower is one of the nation's largest retirement product companies. CalOptima does not contribute to 457(b) plans on behalf of employees; all employee contributions are voluntary.