

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

**THURSDAY, MAY 9, 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](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 April 11, 2019 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee \(PAC\)](#)

**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 Approval of Fiscal Year \(FY\) 2019-20 PAC Meeting Schedule](#)
- B. Consider Recommendation of PAC Slate of Candidates, and Chair and Vice Chair for FY 2019-20

**VI. CEO AND MANAGEMENT REPORTS**

- A. [Chief Executive Officer \(CEO\) Update](#)
- B. Chief Operating Officer (COO) Update
- C. Chief Financial Officer (CFO) Update
- D. Chief Medical Officer (CMO) Update
- E. Network Operations Update

**VII. INFORMATION ITEMS**

- A. Member Portal Demonstration
- B. OneCare Connect Benefits Overview
- C. PAC Member Updates

**VIII. COMMITTEE MEMBER COMMENTS**

**IX. ADJOURNMENT**

# MINUTES

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

April 11, 2019

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, April 11, 2019, at the CalOptima offices located at 505 City Parkway West, Orange, California.

### CALL TO ORDER

John Nishimoto, O.D., PAC Chair, called the meeting to order at 8:08 a.m. Donald Bruhns led the Pledge of Allegiance.

### ESTABLISH QUORUM

Members Present: John Nishimoto, O.D., Chair; Teri Miranti, Vice Chair; Donald Bruhns; Theodore Caliendo, M.D.; Steve Flood; Jena Jensen (8:25am); Junie Lazo-Pearson, Ph.D.; Craig Myers; Mary Pham, Pharm.D., CHC; Jacob Sweidan, M.D.

Members Absent: Brian Lee, Ph.D.; Anjan Batra, M.D.

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Michelle Laughlin, Executive Director, Network Operations; Candice Gomez, Executive Director Program Implementation; Betsy Ha, Executive Director Quality & Population Health; Tracy Hitzeman, Executive Director, Clinical Operations; Cheryl Simmons, Staff to the Advisory Committees, Customer Service; Samantha Fontenot; Program Specialist, Customer Service

### MINUTES

#### Approve the Minutes of the March 14, 2018 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

*Action: On motion of Member Dr. Sweidan, seconded and carried, the Committee approved the minutes of the March 14, 2019 meeting. (Motion carried 9-0-0; Members Lee and Batra absent)*

### PUBLIC COMMENTS

There were no requests for public comment

## **CEO & MANAGEMENT REPORTS**

### **Chief Operating Officer Update**

Ladan Khamseh, Chief Operating Officer, (COO), provided an update on CalOptima's annual Qualified Medicare Beneficiary (QMB) project. The Department of Health Care Services (DHCS) approved both CalOptima's Whole-Child Model (WCM) 90-day and 60-day member notification letters regarding the transition of California Children's Services (CCS) members to CalOptima's WCM program. The 90-day letter was mailed to impacted members on March 29, 2019 and the 60-day letter will be mailed in April. She noted that instead of the normal 30-day notice, the case management team will instead begin telephone outreach to all members in mid-May in order to conduct a Health Needs Assessment and assist the members with transitioning services from CCS to CalOptima. Ms. Khamseh also noted the clinical field teams began providing services to the homeless effective on April 10, 2019, with additional teams to be available in phases from the Federally Qualified Health Center (FQHC) partnering with CalOptima on this initiative. Ms. Khamseh also announced the extension of the Member Advisory Committee (MAC) recruitment to allow more time for applicants to apply for the open seats and asked PAC to share with their constituents the open seats on the MAC.

### **Network Operations Update**

Candice Gomez, Executive Director, Program Implementation, on behalf of Michelle Laughlin, Executive Director, Operations, provided an update on the WCM initiative, noting that CalOptima is working closely with the health networks and there are scheduled project management meetings, operational management meetings and a separate clinical focus meeting to review the integrations from the CCS program into the Whole-Child Model program. CalOptima is requesting that all health networks provide copies of their policies and procedures by the end of April that show how they will be incorporating CCS into their operations. Additionally, Ms. Gomez provided a Proposition 56 (Tobacco Tax) update and noted that CalOptima had begun to receive revenue for FY 2019 services and upon release from the state through an All Plan Letter (APL) CalOptima will be going to the CalOptima Board of Directors' for the approval to disburse the funds.

## **INFORMATION ITEMS**

### **Behavioral Health Update**

Donald Sharps, M.D., Medical Director, Behavioral Health, presented an update on the transition of the Medi-Cal Behavioral Health management from Magellan to CalOptima in FY 2018. Dr. Sharps reviewed the statistics on the mild to moderate outpatient members who received treatment through CalOptima, noting that there was an average of 18,050 encounters per month. He also noted that the top diagnoses included generalized anxiety disorder, major depressive disorder, Dysthymia and Bipolar disorders. Dr. Sharps also reviewed the statistics for OneCare and OneCare Connect as well as the statistics for the Drug Medi-Cal Organized Delivery system.

### **Community Clinics Presentation**

Isabel Becerra, President and Chief Executive Officer of the Coalition of Orange County Community Health Centers, provided a comprehensive presentation on the Coalition. She noted several key components that define a Community Health Center (CHC) and also provided a detailed history of CHCs in Orange County and highlighted the CHCs' important role in ensuring that CalOptima members receive the health care services they need. She also provided information on other CHC programs including Quality Management, Health Center Controlled Network (HCCN), and Patient Center Medical Home (PCMH).

*Chair Nishimoto reordered the agenda to hear the Chief Executive Officer Report before continuing on with Information Items.*

### **Chief Executive Officer Update**

Michael Schrader, Chief Executive Officer (CEO), provided an update on the Homeless Health program and noted that the clinical field teams had begun treatment of the homeless on April 10, 2019. Mr. Schrader also noted that CalOptima has met with the Orange County Health Care Agency (OCHCA), the City of Anaheim, and City Net to devise a plan to assist the homeless individuals from a newly discovered encampment. He also noted that the Board had made a \$100 million commitment to meet the unique health care needs of homeless CalOptima members, \$40 million of which has already been allocated.

### **PAC Goals and Objectives**

Chair Nishimoto noted that there was a handout on draft PAC Goals and Objectives for the coming year in the meeting folders for the committee to review. He requested that Committee Members submit any changes to CalOptima's Staff to the Advisory Committees.

### **PAC Member Updates**

Chair Nishimoto announced that the recruitment ad hoc will be meeting after the PAC meeting to review the applications received for the open seats.

### **ADJOURNMENT**

There being no further business, Chair Nishimoto adjourned the meeting at 9:54 a.m.

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Cheryl Simmons  
Staff to the Advisory Committees

## **Provider Advisory Committee FY 2019-2020 Meeting Schedule**

### **July**

Thursday, July 11, 2019

**No Meeting**

### **August**

Thursday, August 8, 2019

### **September**

Thursday, September 12, 2019

### **October**

Thursday, October 10, 2019

### **November**

Thursday, November 14, 2019

### **December**

Thursday, December 12, 2019

### **January**

Thursday, January 9, 2019

**No Meeting**

### **February**

Thursday, February 13, 2020

### **March**

Thursday, March 13, 2020

### **April**

Thursday, April 9, 2020

### **May**

Thursday, May 14, 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  
8:00 a.m. – 10:00 a.m.

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

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## MEMORANDUM

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**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

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### **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, Brigette 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.