

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

**THURSDAY, JUNE 13, 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 May 9, 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 FY 2018-19 PAC Accomplishments](#)

VI. MANAGEMENT REPORTS

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

VII. INFORMATION ITEMS

- A. Healthy Smiles Presentation
- B. Whole-Child Model Update
- C. Case Management Presentation
- D. Federal and State Legislative Update
- E. PAC Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

May 9, 2019

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, May 9, 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 8:04 a.m. Craig Myers 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; Junie Lazo-Pearson, Ph.D.; Craig Myers; Mary Pham, Pharm.D., CHC; Jacob Sweidan, M.D.; Pat Patton.

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

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; David Ramirez, M.D., Chief Medical Officer; Nancy Huang, Interim Chief Financial Officer; Gary Crockett, Chief Counsel; Michelle Laughlin, Executive Director, Network Operations; Betsy Ha, Executive Director, Quality & Population Health; Tracy Hitzeman, Executive Director, Clinical Operations; Cheryl Simmons, Staff to the Advisory Committees; Samantha Fontenot, Program Assistant.

MINUTES

Approve the Minutes of the April 11, 2019 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

Action: On motion of Member Sweidan, seconded and carried, the Committee approved the minutes of the April 11, 2019 meeting. (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)

PUBLIC COMMENTS

There were no requests for public comment.

REPORTS

Consider Approval of FY 2019-2020 Meeting Schedule

PAC members reviewed the proposed FY 2019-20 meeting schedule. As proposed, the PAC will meet on a monthly basis on the second Thursday of the month except during the months of July 2019 and January 2020 when no meetings are scheduled.

Action: On motion of Member Sweidan, seconded and carried, the Committee approved the FY 2019-2020 Meeting Schedule. (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)

Consider Recommendation of PAC Slate of Candidates, PAC Chair and Vice Chair

Member Pham summarized the recommendations of the PAC Nominations Ad Hoc Subcommittee, which consisted of Members Myers, Pham and Sweidan. The ad hoc met on April 11, 2019 to review the applications to fill six expiring seats and one vacant Nurse Representative seat. The six seats expiring are two Long-Term Services and Supports Representative seats, one Non-Physician Medical Practitioner seat, one Pharmacy Representative seat, and two Physician Representative seats.

The ad hoc reviewed 15 applications: three for the Long-Term Services and Support Representative seats; one for the Non-Physician Medical Practitioner Seat; three for the Pharmacy Representative seat; six for the Physician Representative seats and two for the Nurse Representative seat.

The ad hoc subcommittee recommended the following candidates for the six expiring seats: Donald Bruhns (reappointment) for one of the Long-Term Services and Supports seat and Patty Mouton (new appointment) for the second Long-Term Services and Supports seat; John Nishimoto, O.D. (reappointment) for the Non-Physician Medical Practitioner seat; Loc Tran, Pharm.D. (new appointment) for the Pharmacy seat; and Anjan Batra (reappointment) for one of the Physician Representative and John P. Kelly, M.D. (new appointment) as the second Physician Representative.

Action: On motion of Member Sweidan, seconded and carried, the Committee approved the Recommended PAC Slate of Candidates (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)

The ad hoc subcommittee recommended Tina Bloomer, WHNP, FNP, MSN (new appointment) to fulfill the remaining term for the Nurse Representative effective immediately upon Board approval, with the term expiring on June 30, 2021.

Action: On motion of Member Sweidan, seconded and carried, the Committee approved the recommendation of Tina Bloomer, WHNP, FNP, MSN to fulfill the term for the Nurse Representative (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)

Member Pham reported that John Nishimoto, O.D., Non-Physician Medical Practitioner Representative was the only applicant for the PAC Chair position.

Action: *On motion of Member Sweidan, seconded and carried, the Committee approved John Nishimoto, O.D. to fulfill a second term as PAC Chair. (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)*

Member Pham also reported that the current Vice Chair, Teri Miranti was the only applicant for the Vice Chair position and requested a motion to approve.

Action: *On motion of Member Sweidan, seconded and carried, the Committee approved Teri Miranti to fulfill a second term as the PAC Vice Chair. (Motion carried 10-0-0; Members Batra, Jensen, and Lee absent)*

CEO & MANAGEMENT REPORTS

Chief Executive Officer Update

Michael Shrader, Chief Executive Officer, 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 City of Anaheim, the Orange County Health Care Agency (OCHCA), and City Net to assist the homeless individuals at a newly discovered encampment. He also noted the Board's approval on a \$100M commitment to the homeless initiative of which \$40M has already been allocated. At the conclusion of Mr. Schrader's report, PAC members requested that he update them on homeless health on an ongoing basis as part of his report.

Chief Operating Officer Update

Ladan Khamseh, Chief Operating Officer, provided an update on Proposition 56 (Tobacco Tax) rates and noted that the Department of Health Care Services (DHCS) had released the 2018-19 rates and that CalOptima was still waiting on the All Plan Letter (APL) for guidance. She noted that payments to providers must take place no later than June 12, 2019. Ms. Khamseh also discussed the Medical Respite Program for those members in recuperative care who need care for more than 90-days and noted that the Board had approved this item at their May 2, 2019 meeting.

She also noted that the consultant who is preparing the 2020-22 Strategic Plan had asked to meet with the advisory committees and a tentative date to hold a joint meeting for all committees in October 2019 was discussed.

Ms. Khamseh also discussed the Whole-Child Model noting that the 60-day notices had been sent and that the 30-day notice would be by phone call to each member transitioning to CalOptima.

Chief Financial Officer Update

Nancy Huang, Interim Chief Financial Officer, provided a verbal FY 2019-20 budget update and noted that there was a delay in receiving the rates from DHCS. She also noted that the new budget was being prepared on estimates/assumptions until the rates are released.

Chief Medical Officer Update

David Ramirez, M.D. Chief Medical Officer announce that beginning January 1, 2020, CalOptima would manage the OneCare and OneCare Connect Behavioral Health that is currently being managed by Magellan Health.

Dr. Ramirez also notified the Members that DHCS would be looking at the quality measures and new recommendations would be forthcoming and that DHCS was looking at the measure sets changing. He noted that some of the minimum requirements per quartile would be moved from 25% to 50% and that these measure would be retroactive to January 1, 2019.

Dr. Ramirez also discussed how DHCS was finalizing the guidance for Telehealth.

Network Operations Update

Michelle Laughlin, Executive Director, Network Operations provide an update on the re-contracting efforts for over 8,00 providers who contracts will expire on July 1, 2019.

She also notified the members that the Board had extended the deadline for Medi-Cal enrollment to the end of the year for providers who had submitted their applications to DHCS before January 1, 2019.

INFORMATION ITEMS

Member Portal Demonstration

Acecy Buensueso, IS Sr. Project Specialist, gave an interactive presentation on the new member portal that has been added to the CalOptima website. She noted that without having advertised the availability of the member portal that approximately 150 members had already signed up to use it.

PAC Member Updates

Chair Nishimoto asked the PAC members to submit any accomplishments that they wanted to add to the PAC accomplishments to send it in to the Staff to the Advisory Committees for inclusion in the report. This report will be brought to the June PAC meeting.

ADJOURNMENT

There being no further business, Chair Nishimoto adjourned the meeting at 9:56 a.m.

Cheryl Simmons
Staff to the Advisory Committees



Provider Advisory Committee FY 2018 - 2019 Accomplishments

During FY 2018-19 the Provider Advisory Committee (PAC) of the CalOptima Board of Directors provided input on provider issues to ensure that CalOptima members continue to receive high quality health care services. The following list highlights their accomplishments:

- § PAC 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.
- § One of the three PAC Physician Representatives (Dr. Sweidan) serves on the CalOptima's Quality Improvement Committee (QIC). This committee provides overall direction for the continuous improvement process and oversees activities that are consistent with CalOptima's strategic goals and priorities; promotes an interdisciplinary approach to driving continuous improvement and makes certain that adequate resources are committed to the program; supports compliance with regulatory and licensing requirements and accreditation standards related to quality improvement projects, activities and initiatives; also monitors and evaluates the care and services members are provided to promote quality of care.
- § PAC Long-Term Services and Supports (LTSS) Representative continues to participate in the Long-Term Services and Supports Quality Subcommittee (LTSS QISC). His role is to provide input in CalOptima LTSS Quality Program. This has resulted in improvements to the quality metrics used to measure LTSS providers and the educational programs used to improve knowledge and services at the provider level.
- § The PAC Health Network Representative shared information with all the health networks at the monthly Health Network Forum. She continues to gather feedback from them on topics to bring forward to the PAC for discussion. Topics included: rate discussions, IGT funding, difficult to access providers, transgender services, Proposition 56 (Tobacco Tax) and the Opioid Epidemic.
- § PAC's Behavioral Health Representative (a CalOptima provider) participated in a legislative training day with the California Association for Behavior Analysis. The day was spent meeting with legislators to garner their support for Assembly Bill 189 in February 2019. Until this bill, there was no legislation that specifically identified behavioral health providers as mandated reporters. In addition, the day was spent educating legislators on behavioral health treatment for autism and other developmental disabilities. She shared this information with the constituents she represents on the PAC.

- § All PAC members completed the annual Compliance Training for 2018/19 by the deadline.
- § PAC attended two joint meetings during FY 2018-2019. The first meeting was a Member Advisory Committee (MAC)/PAC meeting that was held on October 11, 2018 to discuss the Board's directive to provide feedback on the CalOptima Delivery System and Auto Assignment. The second joint meeting was held November 8, 2018 with the MAC, OneCare Connect Member Advisory Committee (OCC MAC) and the Whole-Child Model Family Advisory Committee (WCM FAC). PAC hopes to continue to share feedback with the other advisory committees on a yearly basis.
- § 2019 PAC Nomination Ad Hoc subcommittee met on April 11, 2019, to recommend a slate of candidates for the six PAC vacancies consisting of Long-Term Services and Supports (2 positions), Non-Physician Medical Practitioner, Pharmacy and Physician (2 positions) Representatives. The ad hoc members presented the slate of candidates to the full PAC on May 9, 2019 with their recommendations. PAC also held special nominations and formed an ad hoc for the Hospital and Nurse Representative seats that opened up during the year. PAC members also assisted by reaching out to their constituents to help fill these vacancies. PAC also approved a Chair and Vice Chair for 2019-20.
- § PAC members continued to support the intergovernmental transfer (IGT) projects that are in process, as well as the proposed recommendations for the use of the IGT funds.
- § The PAC Chair or Vice Chair submitted and presented the PAC Report at CalOptima's Board of Directors' monthly meetings to provide the Board with input and updates on the PAC's current activities.
- § The PAC Chair solicited discussion topics/presentations from other PAC members which led to sharing their expertise about cutting edge programs being developed. The Chair and Vice Chair monitored and documented the quarterly PAC Goals and Objectives. The Chair and Vice Chair spent on average three hours a month working with the Staff to the Advisory Committees to formalize the meeting agenda and review and edit PAC's Report to the Board.
- § PAC members attendance equals on average over 73% of members attending each monthly meeting. Currently there are 11 out of 15 members attending each meeting.
- § Four PAC members created and made presentations to the PAC and one PAC member presented to all committees. It is estimated that a total of ten (10) hours were spent on preparation for these presentations.
- § In addition to meeting monthly during FY 2018-19, PAC members have participated in at least four (4) ad hoc subcommittees and dedicated approximately 252 hours or the equivalent of 32 business days. This does not account for the time spent preparing for

meetings, reviewing reports, participating in their professional associations and communicating with CalOptima staff and their respective constituencies.

- § PAC members attended several Whole-Child Model Family Advisory Committees in support of this new advisory committee.
- § Once again, the PAC appreciates and thanks the CalOptima Board for the opportunity to present input and updates on the PAC's activities during the monthly Board Meetings. In addition, the PAC 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.