



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

**THURSDAY, SEPTEMBER 10, 2020
8:00 A.M.**

**CALOPTIMA
505 CITY PARKWAY WEST, SUITE 107-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.

To ensure public safety and compliance with emergency declarations and orders related to the COVID-19 pandemic, individuals are encouraged not to attend the meeting in person. As an alternative, members of the public may:

- 1) Listen to the live audio at +1 (941) 614-3221 - Access Code: 315-743-794 or**
- 2) Participate via Webinar at: rather than attending in person. Webinar instructions are provided below. <https://attendee.gotowebinar.com/register/3939219618570421517>**

I. CALL TO ORDER

Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES

- A. [Approve Minutes of the August 13, 2020 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 Provider Advisory Committee on matters not appearing on the agenda, but within the subject matter jurisdiction of the Committee. Speakers will be limited to three (3) minutes.

V. MANAGEMENT REPORTS

- A. [Chief Executive Officer Update](#)
- B. Chief Operating Officer Update
- C. Chief Medical Officer Update
- D. Network Operations Update

VII. INFORMATION ITEMS

- A. Intergovernmental Transfer Funds (IGT) Update
- B. Annual Healthcare Effectiveness Data and Information Set (HEDIS) Report
- C. Federal and State Legislative Update
- D. Member Advisory Committee Update
- E. Provider Advisory Committee Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

Webinar Instructions

1. Please register for the Provider Advisory Committee Meeting on September 10, 2020 at 8:00 AM PDT at: <https://attendee.gotowebinar.com/register/3939219618570421517>
2. After registering, you will receive a confirmation email containing a link to join the webinar at the specified time and date.

Note: This link should not be shared with others; it is unique to you.

Before joining, be sure to [check system requirements](#) to avoid any connection issues.

3. Choose one of the following audio options:

TO USE YOUR COMPUTER'S AUDIO:

When the webinar begins, you will be connected to audio using your computer's microphone and speakers (VoIP). A headset is recommended.

--OR--

TO USE YOUR TELEPHONE:

If you prefer to use your phone, you must select "Use Telephone" after joining the webinar and call in using the numbers below.

United States: **+1 (941) 614-3221** Access Code: **315-743-794**

Audio PIN: Shown after joining the webinar

MINUTES

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

August 13, 2020

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, August 13, 2020 via teleconference using GoTo Webinar technology 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 8:02 a.m. and Teri Miranti, PAC Vice Chair led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: John Nishimoto, O.D., Chair; Teri Miranti, Vice Chair; Amin Alpesh, M.D.; Anjan Batra, M.D.; Jennifer Birdsall; Tina Bloomer, MHNP; Donald Bruhns; Andrew Inglis, M.D.; Jena Jensen; Peter Korchin; Junie Lazo-Pearson, Ph.D.; Alexander Rossel; Loc Tran, PharmD.; Christy Ward

Members Absent: John Kelly, M.D.

Others Present: Richard Sanchez, Interim Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; David Ramirez, M.D., Chief Medical Officer; Gary Crockett, Chief Counsel; Nancy Huang, Chief Financial Officer; Candice Gomez, Executive Director, Program Implementation; Betsy Ha, Executive Director, Quality and Population Health Population Management; Michelle Laughlin, Executive Director, Network Operations; TC Roady, Director Regulatory Affairs; Cheryl Simmons, Staff to the Advisory Committees; Samantha Fontenot, Program Assistant.

Chair Nishimoto welcomed the new PAC members Alpesh Amin, M.D., Alex Rossel and Christy Ward to the Committee. The new members were appointed at the June 4, 2020 Board and began their terms on July 1, 2020.

MINUTES

Approve the Minutes of the June 11, 2020 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee.

Action: On motion of Member Batra, seconded and carried, the Committee approved the minutes of the June 11, 2020 regular meeting. (Motion carried 14-0-0; Member Kelly absent)

PUBLIC COMMENTS

There were no public comments.

REPORTS

Consider Recommendation of PAC Chair and Vice Chair

PAC received a letter of interest from Junie Lazo-Pearson, Ph.D., Behavioral Health Representative, for the Chair position. After receiving no nominations from the floor, Vice Chair Miranti requested a motion to recommend Dr. Lazo-Pearson as the PAC Chair for FY 2020-22.

Action: On motion of Member Ward, seconded and carried, the Committee approved the recommendation of the PAC Chair (Motion carried 13-0-1; Member Lazo-Pearson abstained; Member Kelly Absent)

PAC also received a letter of interest from current PAC Chair John Nishimoto, O.D. the Non Physician Medical Practitioner Representative, for the Vice Chair position. There were no nominations from the floor. Vice Chair Miranti asked for a motion to recommend current Chair Nishimoto as PAC Vice Chair for 2020-22.

Action: On motion of Member Batra, seconded and carried, the Committee approved the recommendation of the PAC Vice Chair (Motion carried 13-0-1; Chair Nishimoto abstained; Member Kelly absent)

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Update

Richard Sanchez, Interim Chief Executive Officer (CEO), discussed the Department of Health Care Services (DHCS) Medi-Cal expansion rate reductions which may be implemented as soon as January 1, 2021, which elicited much discussion from the members. He noted that more information will be forthcoming from DHCS and that he would keep the PAC updated.

Chief Operating Officer Update

Ladan Khamseh, Chief Operating Officer, welcomed the new PAC members to the Committee and provided a verbal update on the annual Qualified Medicare Beneficiary (QMB) outreach program and noted that letters had been sent out to members who have Part B Medicare but also qualify for Part A. Ms. Khamseh also mentioned that all Medi-Cal Managed Care Plans including CalOptima would need to apply for the Annual Health Network Certification by March 2021, which would become effective July 2021. Ms. Khamseh introduced Michelle Laughlin, Executive Director, Network Operations, who provided a brief report on CalOptima's plan for network certification.

Chief Medical Officer Update

David Ramirez, M.D., Chief Medical Officer, reviewed the COVID-19 numbers for Orange County. He noted that testing capabilities have increased and that new testing sites have opened throughout the County, with a high volume site at the Anaheim Convention Center. Dr. Ramirez

also provided an update on the Health Home Program Phase 2, which became effective July 1, 2020 and the Hospital Data Exchange Program. Dr. Ramirez updated the committee on the status of the virtual care or telehealth options that are available to CalOptima and its members. He noted that over 200,000 members have used this option. Members Alpesh and Batra both offered their assistance to CalOptima with the virtual care/telehealth implementation based on their related experience at the University of California Irvine Medical Center (UCI) and agreed to provide information to Dr. Ramirez on this initiative.

INFORMATION ITEMS

Homeless Health Initiative Update

Dr. Ramirez and Candice Gomez, Executive Director, Program Implementation, presented on the Homeless Health Initiative. Ms. Gomez discussed the Homeless Health program goals, the Clinical Field Teams (CFT) pilot design, the CFT's structure, scheduled services at shelters, hotspots and the referral source role. Dr. Ramirez provided an overview of the roles of CalOptima and the health networks. He also provided CFT details including number of calls dispatched, number of patients treated, on-call visit locations, and referral sources.

Federal and State Legislative Update

TC Roady, Director, Regulatory Affairs, provided a verbal update on the California State Budget for the 2020-21 fiscal year. Mr. Roady noted that the COVID-19 pandemic has contributed significantly to this year's budget deficit as well as to the anticipated growth in Medi-Cal enrollment. Mr. Roady also mentioned the Pharmacy carve out, which is slated to become effective January 1, 2021.

PAC Member Updates

Chair Nishimoto reminded the members about the upcoming October 8, 2020 Joint Advisory Committee Meeting and noted that the chairs and vice chairs from each committee would be meeting via conference call to review possible agenda items. Chair Nishimoto also thanked the members for their support during the last two years and noted that this was his final meeting as the PAC Chair.

ADJOURNMENT

Chair Nishimoto announced that the next PAC meeting is scheduled for Thursday, September 10, 2020 at 8:00 a.m.

Hearing no further business, Chair Nishimoto adjourned the meeting at 10:05 a.m.

Cheryl Simmons
Staff to the Advisory Committees

MEMORANDUM

DATE: August 26, 2020
TO: CalOptima Board of Directors
FROM: Richard Sanchez, Interim CEO
SUBJECT: CEO Report — September 3, 2020, Board of Directors Meeting
COPY: Sharon Dwiers, Clerk of the Board; Member Advisory Committee; Provider Advisory Committee; OneCare Connect Member Advisory Committee; and Whole-Child Model Family Advisory Committee

CalOptima Responding to Possible Medi-Cal Expansion (MCE) Rate Adjustment

At the August Board meeting, I shared that the Department of Health Care Services (DHCS) and its actuarial consultant, Mercer, contacted CalOptima at the end of July to discuss the MCE rate for the upcoming calendar year. DHCS presented an initial analysis showing that the rates CalOptima pays providers for the MCE population are substantially higher than the costs reported by other County Organized Health Systems. Therefore, DHCS is considering implementing a significant reduction, effective January 1, 2021. CalOptima has formally requested a glidepath on this rate reduction and is seeking additional information before the draft rate release by DHCS. As of August 26, CalOptima had not received details about the final cut in terms of a percentage or dollars. CalOptima had already built in a total 10% capitation rate reduction for health networks for MCE members in our FY 2020–21 budget. Staff is currently evaluating the potential budget impact in addition to what was already included in this year's budget. If the final rate cut is substantially higher than what is anticipated in the current budget, we are considering options to mitigate additional financial impact to health networks and providers and will bring the options to the Board later this year. CalOptima has been communicating about this issue as transparently as possible, including at the August 11 Health Network CEO Meeting and August 20 Health Network Forum.

State Ends Pursuit of New Long-Term Care at Home Medi-Cal Benefit

On August 24, DHCS announced that it will not pursue the Long-Term Care at Home Medi-Cal benefit that was originally proposed in May. The intent of the benefit was to reduce the nursing home population amid the pandemic by offering a coordinated and bundled set of medical and home- and community-based services. However, Gov. Newsom's administration and the Legislature were unable to agree on a process to develop and implement the benefit at this time. In making the announcement, DHCS acknowledged and thanked Medi-Cal plans for their work and collaboration over the past few months.

Medi-Cal 2020 Waiver Extension Request Nearing Submission

DHCS is pursuing CMS approval of a 12-month [extension](#) of the federal waiver under which the majority of Medi-Cal operates. California's Section 1115 Medicaid waiver, known as Medi-Cal 2020, is effective through December 31, 2020. DHCS' extension request was released July 22, and the 30-day comment period closed August 21. After reviewing stakeholder comments and updating the extension request accordingly, the state plans to submit it to CMS by September 15.

Orange County Removed From COVID-19 Watchlist, CalOptima Response Continues

On August 23, Orange County was removed from the California watchlist based on improvement in certain COVID-19 measures. However, CalOptima continues to address the needs of members and providers still grappling with the ongoing pandemic. From our first case until August 24, CalOptima has reported 2,790 positive cases, 1,463 hospitalizations and 212 deaths. Below are updates in several areas of pandemic response.

- *Electronic Resources:* CalOptima regularly updates our COVID-19 web pages for [members](#), [providers](#) and the [community](#) to ensure availability of the latest information. Further, each Wednesday, CalOptima distributes an email newsletter containing a wide variety of resources to more than 2,500 individuals from community-based organizations. Past issues are available at the community page link above.
- *New All-Plan Letter (APL):* On August 19, DHCS released an APL with updated emergency guidance for Medi-Cal managed care plans in response to COVID-19. The changes affect several areas, including COVID-19 testing requirements and reimbursement, suicide prevention practices for providers, long-term care reimbursement, encounter data collection and submission, and pharmacy services. CalOptima's Regulatory Affairs and Compliance team analyzes APLs and ensures that the affected departments are aware of the changes.
- *Federal Waiver Approval:* On August 19, the Centers for Medicare & Medicaid Services (CMS) approved DHCS' request for program flexibility related to provision of telehealth services by clinics, retroactive to March 1 and for the duration of the public health emergency. On August 20, CMS also issued additional blanket regulatory waivers that affect providers nationwide. The full list of waivers is on CMS' website [here](#).
- *Infection Prevention:* UC Irvine, the Orange County Health Care Agency and CalOptima jointly launched the Orange County Nursing Home COVID-19 Infection Prevention Program on June 1, and adoption has been strong. The program offers either intensive, in-person training or access to an online toolkit. Intensive intervention is available for a maximum of 12 nursing homes, and 11 have signed on. This group is receiving weekly in-person visits with leaders and training sessions with staff to review toolkit materials and video feedback. Separately, more than 70 nursing home leaders attended a CalOptima-hosted webinar on July 9 to debut the online toolkit (www.ucihealth.org/stopcovid), which is ahead of schedule. Seven of the 12 sections are complete, with 30+ documents and 20 videos. The impact of the coaching has been immediate, as participating facilities report staff enthusiasm and adherence to proper infection protocols because personal safety, in addition to patient safety, is emphasized. The goal is to hardwire infection prevention techniques in staff, which will be invaluable in the expected viral resurgence this fall.
- *Mental Health:* CalOptima's Communications department routinely works to elevate the agency's profile as a top source of health information in the community. This month, Parenting OC Magazine ran an "Ask the Experts" [piece](#) on kids' mental health during COVID-19, with a byline from Dr. Edwin Poon, director of behavioral health integration.

Preparation Continues for January 2021 Transition to Medi-Cal Rx

On August 5, DHCS held another webinar to update managed care plans regarding the upcoming transition to Medi-Cal Rx, the state-managed pharmacy benefit program operated by Magellan. Officials stated that two All Plan Letters to clarify the roles and responsibilities of managed care plans are nearing release. Magellan completed a first round of data exchange testing with managed care plans and started a second cycle of test files on August 6. Regarding communications, member notices are in final review, and the 90- and 60-day notices from the

state will be identical. CalOptima will send a customized 30-day notice to members. The state is currently working on a provider bulletin to provide guidance on how to access the portal and obtain training. Staff will present information about the Medi-Cal Rx transition at the September 3 Board meeting.

Annual Network Certification Project Underway in Preparation for July 2021 Start

Under new DHCS rules, all managed care plans are required to file Annual Network Certifications to ensure each of their delegated health networks meets specific requirements in the following areas:

- Maintaining the required number and mix of primary and specialty providers
- Meeting all time and distance standards for providers throughout their service area
- Complying with service availability, physical accessibility, out-of-network access, timely access, continuity of care and 24/7 language assistance requirements

In collaboration with our networks, CalOptima began this major effort earlier this year by conducting analysis, identifying barriers and opportunities for health networks, and examining alternative strategies for addressing potential deficiencies. These alternatives may include defined service areas for health networks that do not meet time and distance standards. CalOptima recently received DHCS approval of our plan to implement the new requirements for Annual Network Certification. The certifications must be submitted to DHCS by March 2021 and implemented by July 1, 2021. CalOptima is working to ensure that all health networks, including CalOptima Community Network, meet state standards.

New Prop 56 Directed Payment Programs Support Family Planning, Value-Based Payment

The Legislature has appropriated Prop 56 tax dollars to DHCS directed payment programs through FY 2021, including two recently released programs impacting family planning services and value-based payment. CalOptima and our health networks will make these add-on payments according to regulatory guidance for dates of service on or after July 1, 2019. Health networks will be reimbursed for the add-on payments according to CalOptima policy, and the impacted policies will be updated and presented to the Board for approval. One program aims to improve quality of care by ensuring that providers receive enhanced payment for delivery of several types of family planning services. The other program offers value-based payments to eligible providers who meet specific performance measures in the areas of prenatal/postpartum care, early childhood care, chronic disease management and behavioral health integration.

Decrease in Whole-Child Model (WCM) Population Noted and Being Addressed

For my August CEO Report, staff inadvertently provided incorrect data regarding WCM enrollment due to an ad hoc reporting logic error. See below for corrected data that is consistent with our reporting to DHCS:

Report Date	Incorrectly Reported	Corrected Reporting
July 1, 2019	12,317	11,874
July 1, 2020	14,652	10,280

In the future, all ad hoc reports will have a second point of validation from a separate business area familiar with the data set. While the overall number of eligible California Children's Services (CCS) members decreased this past year, CalOptima and the Orange County CCS program are working closely to streamline the eligibility process and ensure that members are appropriately referred for CCS eligibility determination. Since March 2020, coinciding with the

COVID-19 public health emergency, CalOptima has observed a decrease in new CCS eligibility. The average number of new CCS-eligible members from July 1, 2019–February 29, 2020, was 238 per month, compared with 140 per month from March 1, 2020, to present. We will continue to monitor CCS eligibility trends and work with the county to provide access to needed health care services for members regardless of CCS-eligibility status.