



KERN HEALTH SYSTEMS

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

**Thursday, May 23, 2024
at
8:30 a.m.**

**Kern Health Systems
2900 Buck Owens Blvd.
4th floor – Kern River Room
Bakersfield, CA 93308**

For more information, call (661) 664-5000

AGENDA

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Thursday, May 23, 2024

8:30 A.M.

All agenda item supporting documentation is available for public review on the Kern Health Systems website: <https://www.kernfamilyhealthcare.com/about-us/governing-board/>
Following the posting of the agenda, any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available on the KHS website.

PLEASE SILENT CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING

COMMITTEE TO RECONVENE

Members: Acharya, Hoffmann, Meave, Turnipseed
ROLL CALL:

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 1) Request for Closed Session regarding Audits and Investigation Update (Government Code Section 37624.3 & Health and Safety Code Section 32106)

8:45 A.M.

COMMITTEE TO RECONVENE

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 2) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 3) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
- CA-4) Minutes for Kern Health Systems Governance and Compliance Committee meeting on March 28, 2024 -
APPROVE
- 5) Report on Kern Health Systems Regulatory Audit Summary 2018-2023 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on Kern Health Systems MCAS Audit Summary 2017-2023 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

AGENDA

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- 7) Report on Major Organ Transplant Centers of Excellence (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO THURSDAY, JULY 25, 2024, AT 8:30 A.M.

**AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)**

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the KHS Finance Committee may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

SUMMARY

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Thursday, March 28, 2024

8:30 A.M.

COMMITTEE RECONVENED

Members: Acharya, Hoffmann, Meave, Turnipseed
ROLL CALL: 3 Present; 1 Absent - Acharya

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

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NO ONE HEARD.**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
NO ONE HEARD.
- 3) Report on Kern Health Systems Code of Conduct (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya
- 4) Report on Kern Health Systems Compliance Self-Study Employee Guide (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya
- 5) Report on Kern Health Systems Compliance Awareness Survey (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya
- 6) Report on Kern Health Systems 2023 Department of Health Care Services Draft Audit Report Response (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya
- 7) Report on Kern Health Systems 2023 Department of Managed Health Care Preliminary Audit Report (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya
- 8) Report on Kern Health Systems 2024 Compliance Work Plan Q1 Update (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Turnipseed-Meave: 3 Ayes; 1 Absent – Acharya

ADJOURN TO THURSDAY, MAY 23, 2024, AT 8:30 A.M.



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Regulatory Audit Summary 2018-2023
DATE: May 23, 2024

BACKGROUND

As authorized by Health and Safety Code section 1380 and Title 28, California Code of Regulations section 1300.80, the Department of Managed Health Care (DMHC) conducts routine audit surveys of Kern Health Systems (KHS) to determine KHS's compliance with the Knox Keene licensure requirements.

Additionally, the Department of Health Care Services (DHCS) has the authority to review confidential material as contained in Title 45, Code of Federal Regulations, Subpart E, Section 164.512(d), states in part that a covered entity may disclose protected health information to a health oversight agency for audits, inspections and other activities necessary for appropriate oversight of government benefit programs under the contractual agreement with KHS.

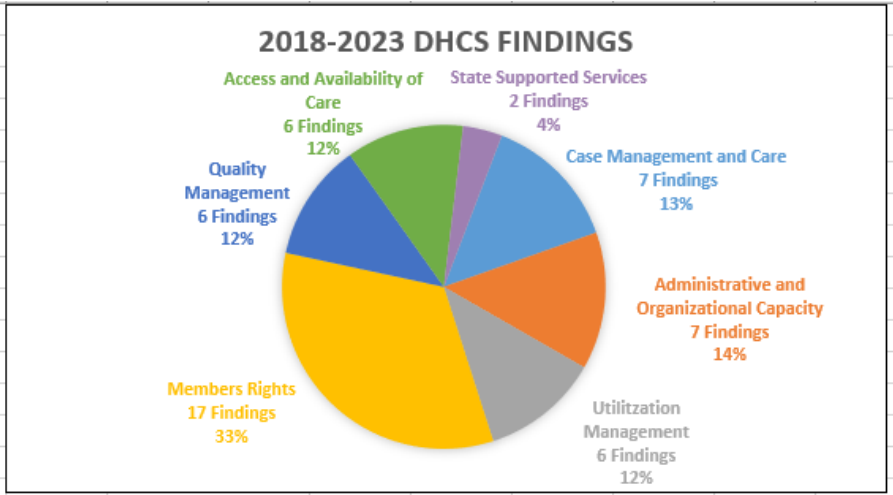
Quality assurance and process improvements are vital to ensuring KHS addresses variances in processes as part of our oversight to all contractual and license requirements. KHS participates in Corrective Action activities with the regulators to correct any findings identified in our audits. Additional focus is also placed on operational activities that are identified through trending analyses for repeat findings or aberrancies in the number of findings across each functional department.

The report outlines the historical audits findings for DMHC and DHCS for years 2018-2023.

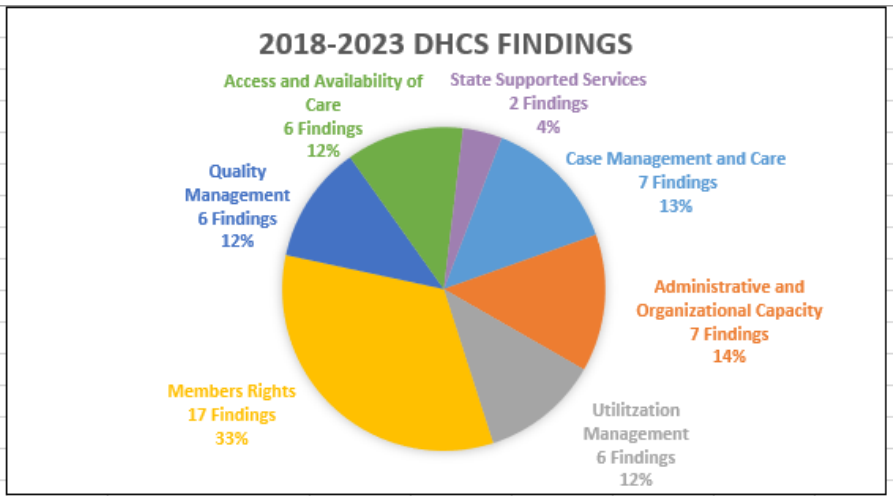
REQUESTED ACTION

Review and refer the Regulatory Audit Summary 2018-2023 to the KHS Board of Directors for approval.

Category	# of Findings
Case Management and Care	7
Administrative and Organizational Capacity	7
Utilization Management	6
Members Rights	17
Quality Management	6
Access and Availability of Care	6
State Supported Services	2



Category	# of Findings
Case Management and Care	7
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Members Rights	17
Quality Management	6
Access and Availability of Care	6
State Supported Services	2





MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Managed Care Accountability Set (MCAS) Summary 2017-2023
DATE: May 23, 2024

BACKGROUND

The Department of Health Care Services (DHCS) requires Medi-Cal Managed Care Plans (MCPs) to report annually on a set of quality measures, the Managed Care Accountability Set (MCAS), which is comprised of various health related outcomes to include measures that represent children's and reproductive health preventive services, and chronic medical and behavioral health conditions.

KHS experienced variances year over year in meeting the Minimum Performance Levels (MPL) defined by the Department of Health Care Services (DHCS) for the measures applicable to each measurement year (MY). In parallel, KHS also experienced tremendous and rapid growth in membership, from 242, 000 in 2017 to 346,000 in 2023. During this time period, the COVID-19 pandemic impacted the MCAS rates, where provider access and member's willingness to seek services were reduced.

To improve preventative services outcomes and mitigate chronic condition exacerbations, KHS developed a Quality Action Strategy that targets specific activities to support members and providers towards closing gaps in care.

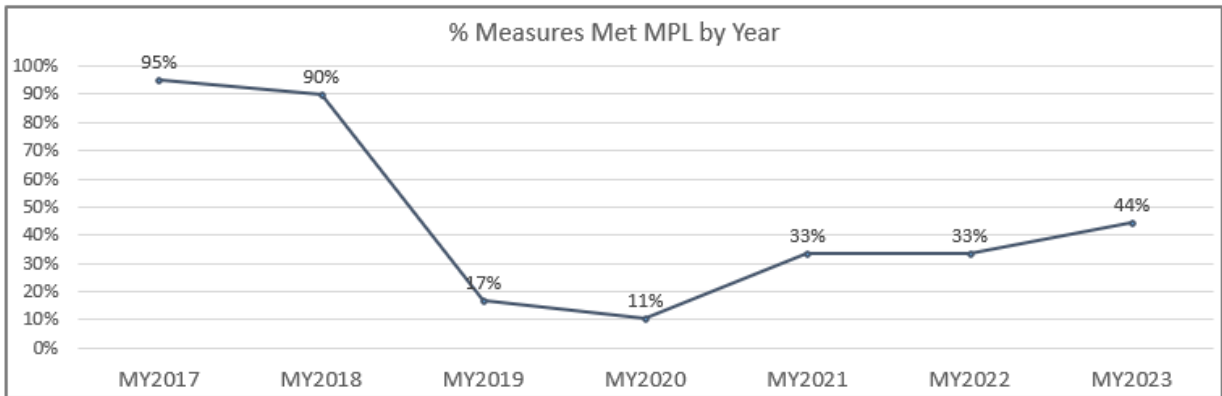
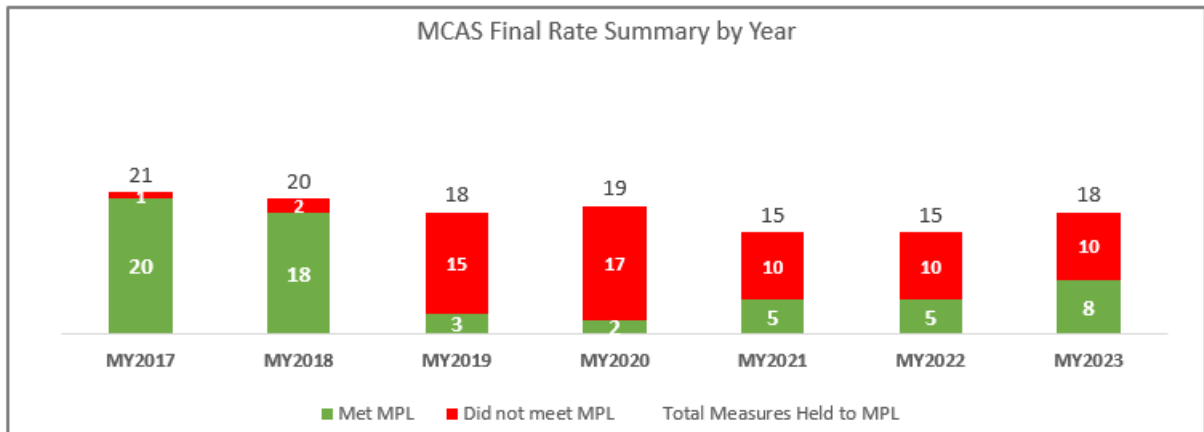
The following report is a summary of the MCAS rates, measurement variance, and membership used to development ongoing process improvement.

REQUESTED ACTION

Review and refer the Regulatory Audit Summary 2018-2023 to the KHS Board of Directors for approval.

KHS MCAS Rates MY2017-MY2023

		MY2017	MY2018	MY2019	MY2020	MY2021	MY2022	MY2023 (Preliminary)
KHS Membership		242,265	246,564	251,280	277,616	299,864	330,678	346,049
Measure		MPL	MPL	MPL	MPL	MPL	MPL	MPL
		25th Percentile	25th Percentile	50th Percentile	50th Percentile	50th Percentile	50th Percentile	50th Percentile
Summary	Total Measures Held to MPL	21	20	18	19	15	15	18
	Met MPL	20	18	3	2	5	5	8
	Did not meet MPL	1	2	15	17	10	10	10
	% Measures Met MPL	95%	90%	17%	11%	33%	33%	44%





MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Major Organ Transplant Center of Excellence Corrective Action Plan Update
DATE: May 23, 2024

BACKGROUND

Historically, Kern Health Systems was responsible for the provision of kidney transplants for the Medi-Cal membership. All other major organ transplants required the member to be disenrolled and receive all transplant services through Fee for service Medi-Cal, and not under the KHS benefit package.

On October 18, 2021, the Department of Health Care Services (DHCS) released All Plan Letter (APL) 21-015 providing guidance on changes to the Major Organ Transplant benefit. Effective January 1, 2022, KHS would be required to cover all Major Organ Transplant (MOT) benefit for adult and pediatric transplant recipients and donors, including related services such as organ procurement and living donor care. Additionally, KHS would need to demonstrate network adequacy to DHCS for all required transplanted organs, e.g., bone marrow, heart, intestine, liver, lung, and simultaneous kidney-pancreas.

Contracting with Centers of Excellence was initiated immediately to ensure KHS's membership had access to all the transplanted services. KHS successfully contracted with tertiary hospitals designated as Center of Excellence to perform the transplant services for all transplants with the exception of simultaneous kidney-pancreas. As such, KHS was placed on a Corrective Action Plan (CAP) that required monthly outreach and contracting efforts to secure facility to provide these highly specialized transplant services.

KHS was required to submit monthly MOT CAP reports defining contracting efforts for the Simultaneous Kidney-Pancreas (SKP) transplants. Due to the limited number of SKP COEs, DHCS decided to manage SKP transplants similarly to intestinal transplants. Therefore, KHS is no longer obligated to contract for SKP, and the CAP will be closed.

REQUESTED ACTION

Review and refer the Major Organ Transplant Center of Excellence Corrective Action Plan Update to the KHS Board of Directors for approval.

