Santa Clara Family Health Plan
The Spirit of Care

www.scfhp.com

Regular Meeting of the
Santa Clara County Health Authority
Governing Board

Thursday, June 28, 2018
2:30 PM – 5:00 PM
210 E. Hacienda Avenue
Campbell, CA 95008
Board Room

Via Teleconference
Residence
1985 Cowper Street
Palo Alto, CA 94301

Via Teleconference
Business
4000 Moorpark Avenue, Suite 200
San Jose, CA 95117

Agenda

1.	**Roll Call**	Mr. Brownstein	2:30	5 min
2.	**Public Comment** Members of the public may speak to any item not on the agenda, two minutes per speaker. The Board reserves the right to limit the duration of public comment period to 30 minutes. **Announcement Prior to Recessing into Closed Session** Announcement that the Governing Board will recess into closed session to discuss Item No. 3(a), (b), (c), & (d) below.	Mr. Brownstein	2:35	5 min
3.	**Adjourn to Closed Session**		2:40	
	a. **Existing Litigation** (Government Code Section 54956.9(d)(1)): It is the intention of the Governing Board to meet in Closed Session to confer with Legal Counsel regarding case: Board Administration of the California Public Employees' Retirement System: In the Matter of the Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Craig W. Walsh (Respondent) Case Number: CalPERS Case No. 2017-1114; OAH No. 2018051223.			

b. **Existing Litigation** (Government Code Section 54956.9(d)(1)):
It is the intention of the Governing Board to meet in Closed Session to confer with Legal Counsel regarding case: Board of Administration of the California Public Employees' Retirement System: In the Matter of Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Melodie U. Gellman (Respondent) Case Number: CalPERS Case No. 2017-1115; OAH Case No. 2018051029

c. **Anticipated Litigation** (Government Code Section 54956.9(d)(2)):
It is the intention of the Governing Board to meet in Closed Session to confer with Legal Counsel regarding case: Significant Exposure to Litigation: One potential case.

d. **Conference with Labor Negotiators** (Government Code Section 54957.6):
It is the intention of the Governing Board to meet in Closed Session to confer with its management representatives regarding negotiations with SEIU Local 521.
- Santa Clara County Health Authority Designated Representatives: Christine Tomcala, Dave Cameron, Sharon Valdez, and Richard Noack
- Employee Organization: SEIU Local 521

4.	**Report from Closed Session**	Mr. Brownstein	2:55	5 min
5.	**Agreement with SEIU Local 521** **Possible Action:** Approve Agreement with SEIU Local 521	Mr. Brownstein	3:00	5 min
6.	**Approve Consent Calendar and Changes to the Agenda** Items removed from the Consent Calendar will be considered as regular agenda items. **Possible Action:** Approve Consent Calendar	Mr. Brownstein	3:05	5 min

a. Approve minutes of the March 22, 2018 **Regular Board** Meeting

b. Accept minutes of the April 26, 2018 **Executive/Finance Committee** Meeting
- Ratify approval of the February 2018 Financial Statements
- Ratify approval of the Annual Investment Activity and Policy Review

c. Accept minutes of the May 24, 2018 **Executive/Finance Committee** Meeting
- Ratify approval of the March 2018 Financial Statements
- Ratify acceptance of the Fiscal Year 2017-2018 Donations and Sponsorships Annual Report
- Ratify approval of the Funding for Community Clinic PCMH Certification
- Ratify acceptance of the Network Detection and Prevention Report

d. Accept minutes of the May 9, 2018 **Quality Improvement Committee** Meeting

e. Accept minutes of the June 6, 2018 **Quality Improvement Committee** Meeting
- Ratify approval of the QI Work plan
- Ratify approval of the QI Program Evaluation
- Ratify approval of the Population Health Management Description
- Ratify approval of the Case Management Program Evaluation
- Ratify approval of the Health Education Work plan
- Ratify approval Health Education Program Evaluation
- Ratify approval of the Quality Improvement Policies
    - Q1.01 Conflict of Interest
    - Q1.02 Clinical Practice Guidelines
    - Q1.03 Distribution of Quality Improvement Information
    - Q1.04 Peer Review Process
    - Q1.05 Potential Quality of Care Issues
    - Q1.06 Quality Improvement Study Design/Performance Improvement Program Reporting
    - Q1.07 Physical Access Compliance
    - Q1.08 Cultural and Linguistically Competent Services
    - Q1.09 Health Education Program and Delivery System Policy
    - Q1.10 IHA and HEBA Assessments Policy
    - Q1.11 Member Non-Monetary Incentives
    - Q1.12 SBIRT
    - Q1.13 Comprehensive Case Management
    - Q1.14 Disease Management
    - Q1.15 Transitions of Care
    - Q1.17 BH Care Coordination
    - Q1.18 Sensitive Services, Confidentiality, Rights of Adults and Minors
    - Q1.19 Care Coordination Staff Training
    - Q1.20 Information Sharing with SARC
    - Q1.21 Information Exchange Between Santa Clara Family Health Plan and the County of Santa Clara Behavioral Services Department
    - Q1.22 Early Start Program (Early Intervention Services)
- Ratify acceptance of Committee Reports
    - Credentialing Committee – February 7, 2018 & April 4, 2018
    - Pharmacy & Therapeutics Committee- December 14, 2017
    - Utilization Management Committee- October 26, 2017 & January 17, 2018

f. Accept minutes of the May 3, 2018 **Provider Advisory Council** Meeting

g. Accept minutes of the June 12, 2018 **Consumer Advisory Committee** Meeting

h. Accept minutes of the May 29, 2018 **Board Discretionary Fund Ad Hoc Committee**

7.	**CEO Update** Discuss status of current topics and initiatives. **Possible Action:** Accept CEO Update	Ms. Tomcala	3:10	5 min
8.	**Compliance Report** Review and discuss quarterly compliance activities and notifications. **Possible Action:** Accept Compliance Report	Ms. Larmer	3:15	5 min
9.	**April 2018 Financial Statements** Review recent organizational financial performance. **Possible Action:** Approve March 2018 Financial Statements	Mr. Cameron	3:20	10 min
10.	**Fiscal Year 2018-2019 Budget** Review proposed budget for FY'19. **Possible Action:** Approve FY'19 Budget	Mr. Cameron	3:30	20 min
11.	**Board Discretionary Fund** Consider development of a Special Project Board Discretionary Fund. **Possible Action:** Approve establishment, funding, and administration of a Special Project Board Discretionary Fund, as outlined in proposed policy.	Ms. Tomcala	3:50	10 min
12.	**Enterprise Data Warehouse (EDW)** Consider continuation of contract for EDW development. **Possible Action:** Authorize CEO to amend the contract with FluidEdge for Phase II development of an Enterprise Data Warehouse in collaboration with Kern Family Health Care	Mr. Tamayo	4:00	5 min
13.	**Preliminary Fiscal Year 2017-2018 Year in Review** Review preliminary performance on FY'18 Plan Objectives. **Possible Action:** Accept Preliminary FY'18 Year in Review	Ms. Tomcala	4:05	10 min
14.	**Fiscal Year 2018-2019 Plan Objectives** Review draft FY'19 Plan Objectives. **Possible Action:** Approve FY'19 Plan Objectives	Ms. Tomcala	4:15	10 min
15.	**Fiscal Year 2018-2019 Team Incentive Compensation** Consider proposed team incentive compensation program. **Possible Action:** Approve FY'19 Team Incentive Compensation Program	Ms. Tomcala	4:25	5 min
16.	**Employee Satisfaction Survey Report** Review highlights and summary data from the 2018 Employee Satisfaction Survey. **Possible Action:** Accept Employee Satisfaction Survey Report	Ms. Tomcala	4:30	5 min
17.	**Publicly Available Salary Schedule Ranges** Consider changes to the Publicly Available Salary Schedule. **Possible Action:** Approve Publicly Available Salary Schedule	Ms. Valdez	4:35	5 min

18. Annual CEO Evaluation Process Discuss appointment of a subcommittee to lead the annual evaluation process for the CEO. **Possible Action:** Appoint a temporary, ad hoc subcommittee to conduct the annual evaluation of the CEO	Mr. Brownstein	4:40	5 min
19. Recognition of Board Member Thank Michele Lew for her years of service on the SCCHA Governing Board.	Mr. Brownstein Ms. Tomcala	4:45	5 min
20. Election of Vice-Chairperson Consider nomination for the office of Vice-Chairperson **Possible Action:** Elect nominee for the office of Vice-Chairperson to serve the balance of the term	Mr. Brownstein	4:50	5 min
21. Election of Officers Consider action to appoint officers, last elected for a two-year term in September 2016 **Possible Action:** Appoint a temporary, ad hoc Nominating Committee, if needed **Possible Action:** Elect nominees for the offices of Chairperson, Vice-Chairperson, Treasurer, and Secretary	Mr. Brownstein	4:55	5 min
22. Adjournment	Mr. Brownstein	5:00	

Notice to the Public—Meeting Procedures

Persons wishing to address the Governing Board on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.

The Governing Board may take other actions relating to the issues, as may be determined following consideration of the matter and discussion of the possible action.

In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Rita Zambrano 48 hours prior to the meeting at 408-874-1842.

To obtain a copy of any supporting document that is available, contact Rita Zambrano at 408-874-1842. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 210 E. Hacienda Avenue, Campbell.

This agenda and meeting documents are available at

Santa Clara
Family Health Plan
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Regular Meeting of the
Santa Clara County Health Authority
Governing Board

Thursday, March 22, 2018
210 E. Hacienda Avenue
Campbell, CA 95008
Board Room

Board Members Present
Michele Lew, Vice-Chair
Dolores Alvarado
Brian Darrow
Chris Dawes
Kathleen King
Liz Kniss
Paul Murphy
Ria Paul, M.D.
Brenda Taussig
Linda Williams

Board Members Absent
Bob Brownstein, Chair
Darrell Evora
Jolene Smith

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Chris Turner, Chief Operating Officer
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Jonathan Tamayo, Chief Information Officer
Jeff Robertson, Chief Medical Officer
Sharon Valdez, VP of Human Resources
Neal Jarecki, Controller
Beth Paige, Compliance Officer
Rita Zambrano, Executive Assistant

Others Present
Janet Cory Sommer, Burke, Williams & Sorensen LLP

Minutes – DRAFT

1. **Roll Call & Introduction of Board Member**

   Michele Lew, Chair, called the meeting to order @ 2:35pm. Roll call was taken and a quorum was established. Ms. Lew welcomed Dr. Ria Paul as a new member of the Santa Clara County Governing Board. She also congratulated Christopher Dawes, Board Member, on his retirement from Lucile Packard Children's Hospital after 29 years of service, and thanked Mr. Dawes for agreeing to continue his service on the SCCHA Governing Board.

2. **Public Comment**

   There were no public comments.

Brian Darrow joined the meeting at 2:40 pm.

3. **Adjourn to Closed Session**
   a. **Anticipated Litigation**
      The Governing Board met in Closed Session to confer with Legal Counsel regarding significant exposure to litigation in five potential cases.

Kathleen King joined the meeting at 3:00 pm

b. <u>Conference with Labor Negotiators</u>

The Governing Board met in Closed Session to confer with its Designated Representatives: Dolores Alvarado, Liz Kniss, Michele Lew, and Linda Williams, and Unrepresented Employee: Chief Executive Officer.

4. Report from Closed Session

Ms. Lew reported that the Board met in Closed Session to confer with its Designated Representatives regarding item 3(a). The Governing Board voted unanimously to delegate authority to the Executive/Finance Committee to approve settlement terms consistent with the direction provided.

5. Annual CEO Compensation Review

Ms. Lew reported on the 2016-17 annual performance and compensation review of the CEO. She indicated that the ad hoc CEO Evaluation Subcommittee recommended that the CEO receive a 4% annual salary increase and a 9% incentive bonus based on the favorable evaluation.

It was moved, seconded, and the recommended annual salary increase and incentive bonus for the CEO was **unanimously approved.**

Liz Kniss joined the meeting at 3:15 pm.

6. Approve Consent Calendar and Changes to the Agenda

Ms. Lew presented the Consent Calendar and indicated all items would be approved in one motion. Christine Tomcala, Chief Executive Officer, noted that the Provider Advisory Council meeting minutes were not sent in advance of the meeting, but are included in the Consent Calendar. Ms. Tomcala further requested that the Tentative Agreement with SEIU in Item 6(b) be separately discussed.

a. Approve minutes of the December 14, 2017 **Regular Board** Meeting

b. Accept minutes of the January 25, 2018 **Executive/Finance Committee** Meeting and:

- Ratify approval of Tentative Agreement with SEIU Local 521
- Ratify approval of the November 2017 Financial Statements
- Ratify approval to authorize the CEO to negotiate and execute contract with General Contractor consistent with material terms as described to the Committee

c. Accept minutes of the February 22, 2018 **Executive/Finance Committee** Meeting and:

- Ratify approval of the December 2017 Financial Statements

d. Accept minutes of the February 22, 2018 **Compliance Committee** Meeting and:

- Ratify Compliance Report & CMC and Medi-Cal Compliance Monitoring
- Ratify Audits and Corrective Action Plans (CAP)
- Ratify Fraud, Waste, and Abuse Report

e. Accept minutes of the February 21, 2018 **Quality Improvement Committee** Meeting and:

- Ratify Clinical, Behavioral, and Medical Prevention Practice Guidelines
- Ratify QI Program Description
- Ratify Case Management Strategy Description
- Ratify Health Education Program Description
- Ratify Cultural and Linguistics Program Description and Evaluation
- Behavioral Health Policies for Approval
- QI.23 Alcohol Misuse Screening and Behavioral Counseling Intervention in Primary Care
- QI.24 Outpatient Mental Health Services
- Palliative Care Policies for approval

- QI.25 Intensive Outpatient Palliative Care
- LTSS Policies for approval
- QI.26 MLTSS Care Coordination
- Ratify acceptance of Committee Reports:
    - Credentialing Committee – October 4 & December 6, 2017
    - Pharmacy & Therapeutics Committee – September 21, 2017
    - Utilization Management Committee – October 18, 2017
    - Quality Dashboard
    - Compliance Report
    - Consumer Advisory Board

f. Accept minutes of the February 1, 2018 Provider Advisory Council Meeting

g. Accept minutes of the March 1, 2018 Consumer Advisory Committee Meeting

It was moved, seconded, and the Consent Calendar, excluding the Tentative Agreement with SEIU [Item 6(b)], was **unanimously approved.**

With respect to the Tentative Agreement with SEIU, Ms. Tomcala reported that at the January 25, 2018 Executive/Finance Committee meeting, the Committee passed a motion to (1) approve, and recommend that the Board approve, the Tentative Agreement with SEIU; and (2) authorize executive staff to implement the salary adjustments in advance of Board approval.

Ms. Tomcala and Sharon Valdez, VP of Human Resources, discussed key components of the Tentative Agreement with SEIU Local 521, dated January 9, 2018.

It was moved, seconded, and unanimously approved to ratify approval of the Tentative Agreement with SEIU Local 521.

7. CEO Update

Ms. Tomcala presented an update on Healthy Kids enrollment. CCHIP enrollment increased from November through January due to Covered California open enrollment. She also noted that the Federal CHIP legislation was signed. States currently offering CHIP (Medi-Cal) or CCHIP (Healthy Kids) are required to continue providing these programs through September 2027.

SCFHP has been working with VHP and SCVHHS on transitioning the non-CCHIP Healthy Kids enrollees to Valley Kids, per direction from the County Board of Supervisors. Valley Health Plan is now developing a program for low-income family coverage, with a plan to move the non-CCHIP kids to that product.

Ms. Tomcala also provided an update on Whole Person Care, noting the County has approved a contract with Institute on Aging to provide Community Living Connection: Nursing Home Transitions, Diversions, and Care Coordination Services.

It was moved, seconded, and unanimously approved to accept the CEO Update.

8. Funding for Enrollment Assistance

Michele Lew recused herself from discussion on this agenda item.

Ms. Tomcala noted The Health Trust is proposing a partnership with SCFHP to engage and enroll low-income residents in health insurance. The Health Trust is losing funding for this service and has requested financial support of $160,000 to help support three activities over the next 14 months: (1) health insurance enrollment, (2) shared space with SCFHP at The Health Trust's site in East San Jose, and (3) planning efforts to pursue longer-term co-location of staff and collaboration between the two organizations.

The Health Trust is certified by the State of California to enroll Santa Clara County residents in Medi-Cal and other insurance plans. In addition, they also assist individuals in navigating the network of preventive services available within their coverage.

It was moved, seconded, and unanimously approved to support The Health Trust with $160,000 in funding to provide enrollment assistance through June 2019.

9. Compliance Report

Robin Larmer, Chief Compliance & Regulatory Affairs Officer, presented the February 2018 Compliance Report.

Ms. Larmer provided an update on the progress toward completion of the Core 2.1 Performance Improvement Plan (PIP). Monthly reporting to CMT continues and initial HRA completion rates remain at 100%.

SCFHP prepared and submitted a CAP to DHCS responding to deficiencies identified in the 2017 audit report, and DHCS issued an audit closing letter. The Plan has been notified that its DHCS 2018 audit will be conducted on April 9-20, 2018.

The Plan has prepared a response to DMHC network adequacy inquiries regarding its measurement year 2016 Timely Access Filing. SCFHP's measurement year 2017, Timely Access filing is due March 31, 2018.

Ms. Larmer provided an update on other CMS Compliance issues. A Warning Letter was received in December 2017 for late submission of two reports. The Plan's internal CAP for the 2017 Medicare Data Validation Audit is at approximately 95% completion. The 2018 Medicare Data Validation Audit is underway, with a final report anticipated in late June 2018.

Regarding Medi-Cal compliance, Ms. Larmer noted that DHCS created an annual network certification filing similar to DMHC's Timely Access Filing that evaluates the time and distance standards and includes a review of policies and procedures. DHCS continues to work on implementation of the Medicaid Health Homes Program.

It was moved, seconded, and the Compliance Report was **unanimously approved.**

10. January 2018 Financial Statements

Mr. Cameron presented the January 2018 financial statements, which reflected a net surplus of $0.5 million ($1.0 million unfavorable to budget) and a fiscal year to date (YTD) net surplus of $16.1 million surplus ($11.5 million favorable to budget). The unfavorable current month variance is primarily due to a catch up of Long-Term Care (LTC) retroactive claims rate adjustments.

January 2018 enrollment reflected an unfavorable budget variance of 8,618 members (-3.2%) while YTD member months were unfavorable to budget by 31,877 (-1.7%) and 3.7% lower than YTD last year. While Medi-Cal membership has continually declined since November 2016, Cal Medi-Connect (CMC) membership has stabilized, reflecting the Plan's additional outreach efforts.

Revenue reflected a favorable current month budget variance of $0.9 million (1.1%) and a favorable YTD budget variance of $2.2 million (+0.3%). The current month variance was primarily attributable to increased Long Term Care (LTC) and Behavioral Health Treatment (BHT) member months and rates.

Medical expenses reflected an unfavorable current month budget variance of $2.0 million (-2.5%) and a favorable YTD budget variance of $8.1 million (1.3%). As noted above, the current month variance was primarily due to a catch up of Long-Term Care (LTC) retroactive claims rate adjustments and unfavorable inpatient expenses vs. budget. The current month overall medical loss ratio (MLR) of 94.3% is unfavorable to the budgeted MLR of 93.0% while the YTD MLR of 93.4% is favorable to the budgeted MLR of 94.9%.

Administrative expenses reflected an unfavorable current month budget variance of $0.2 million (-4.0%) and a favorable YTD budget variance of $0.3 million (+1.0%). Much of the current month variance was attributable to increased usage of consultants and temporary staff. Administrative expenses represent 5.3% and 4.3% of revenue, for the current month and YTD, respectively. The increase in the administrative ratio reflects the phase-out of IHSS from managed care effective January 1, 2018.

The balance sheet continues to reflect significant receivables from, and payables to, the Department of Health Care Services (DHCS). The Plan is actively seeking reconciliation and finalization of prior year Coordinated Care Initiative (CCI) amounts with DHCS. Additionally, DHCS continues to recoup prior year MCE rate overpayments of approximately $18 million per month. The Plan anticipates completion of these MCE rate recoupments by April 2018. The current ratio of 1.3 exceeds the DMHC-required minimum of 1.0.

Tangible Net Equity (TNE) was $174.4 million or 493% of the minimum TNE of $35.3 required by the Department of Managed Care (DMHC).

Capital investments YTD of $10.5 million versus $17.3 million per annual budget are largely due to the purchase of a new building located at 50 Great Oaks Blvd., San Jose, California.

It was moved, seconded, and the January 2018 Financial Statements were **unanimously approved.**

11. Grievance & Appeals Software

Chris Turner, Chief Operating Officer, noted that SCFHP evaluated various systems to support the Grievance and Appeals (G&A) process and extensive regulatory reporting. The FY 2017-18 budget includes $360,000 for a new G&A system.

The Plan would like to move forward with Beacon and believes its system attributes will increase productivity, decrease errors, and improve reporting and audit readiness. PDRs can also be handled in the system.

Pricing will be finalized following a Statement of Work (SOW) scope meeting. Initial pricing estimates are expected to be below budget and compare favorably to other systems. Implementation is expected to be 12-16 weeks.

It was moved, seconded, and unanimously approved to authorize the CEO to negotiate, execute, amend, and terminate a contract with the selected vendor to provide a Grievance & Appeals system solution.

12. New Building Update

Mr. Cameron and Ms. Tomcala provided the budget for construction and move-in costs for 50 Great Oaks Blvd. The Plan's current lease ends August 31, 2018. For the new building to be ready for occupancy by mid-to-late July 2018, a tight project schedule was developed by the group. A working draft of the construction schedule was shared.

A summary of the preliminary proposed budget was presented. The budget includes all estimated costs charged directly or indirectly to the project (including labor, materials, equipment, and facilities). Until architects develop the final schematics and detailed drawings, the Plan is relying on comparable industry projects to estimate the financial resources needed to complete the project.

The two biggest cost drivers are: (1) the larger square footage from the current space, and (2) rising construction costs in the Bay Area. Also impacting the budget are the 2016 Title 24 Building Energy Efficiency Standards, mandated for any renovation project, which requires among other things all new LED and energy savings systems throughout the building. Because this is a preliminary budget, future updates and progress reports will be provided.

To maintain the project timeline, executive management requests that the Board approve the preliminary budget for completion of the scheduled activities on the attached construction schedule.

It was moved, seconded, and unanimously approved to authorize the CEO to execute contracts to build out the new office building at 50 Great Oaks Blvd. consistent with the preliminary budget.

13. Retiree Health Benefits Resolution

Ms. Valdez presented two resolutions to change the retiree health benefit plan contribution for new hires after May 1, 2018.

It was moved, seconded, and the Resolutions (1) Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants, and (2) Adopting Cafeteria Plan and Health Reimbursement Account Benefits to Supplement the Amount Contributed by the Employer for Employees and Annuitants, under the Public Employees' Medical and Hospital Care Act, were **unanimously approved.**

14. Retirement Benefit Program

Ms. Tomcala and Mr. Cameron presented a proposal to modify the retirement options SCFHP offers to employees to better provide market competitive benefits and encourage greater staff participation in retirement savings opportunities.

It was moved, seconded, and unanimously approved to authorize the CEO to execute all applicable documents to activate the proposed revisions to the retirement benefit programs**.**

15. Publicly Available Salary Schedule Ranges

Ms. Valdez provided an update on the Publicly Available Salary Schedule, noting the positions that were added or removed since the last meeting.

It was moved, seconded, and the Publicly Available Salary Schedule was **unanimously approved.**

16. Adjournment

The meeting was adjourned at 4:47 pm.

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Robert Brownstein, Chairman

Santa Clara
Family Health Plan
The Spirit of Care

Regular Meeting of the
Santa Clara County Health Authority
Executive/Finance Committee

Thursday, April 26, 2018
11:30 AM - 1:00 PM
210 E. Hacienda Avenue
Campbell CA 95008
Cambrian Conference Room

Via Teleconference
Residence
1985 Cowper Street
Palo Alto, CA 94301

Minutes – DRAFT

Members Present
Michele Lew, Chair
Bob Brownstein
Liz Kniss (via telephone)

Members Absent
Dolores Alvarado
Linda Williams

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Neal Jarecki, Controller
Caroline Alexander, Administrative Assistant

Others Present
Janet Cory Sommers, Burke, Williams & Sorensen, LLP (via telephone)

1. **Roll Call**

   Michele Lew called the meeting to order at 11:40 am. Roll Call was taken and a quorum was not established.

2. **Adjourn to Closed Session**

   a. **Anticipated Litigation**
   The Committee met in Closed Session to confer with Legal Counsel regarding five potential cases of significant exposure to litigation.

3. **Report from Closed Session**

   Ms. Lew reported the Committee met in Closed Session to confer with legal counsel regarding significant exposure to litigation and no action was taken.

4. Public Comment

There were no public comments.

5. Safety Net Project Proposals

Ms. Tomcala discussed a request received from Community Health Partnership and seven of its community clinics for grant funding in the amount of $2.2 million for each of the next two fiscal years. Ms. Tomcala recommended consideration of the request in conjunction with the Board Discretionary Fund Committee discussion of criteria for funding special projects.

6. New Building Update

Mr. Cameron presented an update on the new building and noted that construction costs are still within the budget approved by the Board. The new move-in date is July 27th. The lease for the current space terminates at the end of August.

Lis Kniss joined *the meeting at 12:10 p.m. via telephone and a quorum was established.*

7. CEO Update

Ms. Tomcala invited Mr. Jarecki to provide an update on Misdirected Claims. For the quarter ended March 31, 2018, the Plan achieved compliance of 99.1%. The Plan expects to close the CAP at June 30, 2018, and will monitor and maintain ongoing compliance.

Ms. Tomcala provided an update on audits. The Health Plan participated in a DHCS audit the weeks of April 9 and April 16, with an exit conference on April 20, 2018. The closing conference will take place sometime in June or July. The auditors acknowledged the substantial improvements the Plan has made since the last audit period, and were complimentary of the team.

The Medicare Data Validation (MDV) audit also is remotely underway.

The DMHC audit is scheduled for June 11-15, 2018. Staff have been submitting information in response to pre-audit requests from DMHC. The focus during the audit will be on Grievance and Appeals, Claims, and Utilization Management CAPS.

Independent financial auditors return for the annual audit in early June.

Ms. Tomcala and Mr. Cameron noted that re-contracting with O'Connor and St. Louise for outpatient services was completed, such that both hospitals now are contracted for all Medi-Cal services. Regional Medical Center has expressed interest in contracting with Santa Clara Family Health Plan as part of Good Samaritan Health System (HCA).

It was moved, seconded, and unanimously approved to accept the CEO Update.

8. Meeting Minutes

The minutes of the February 22, 2018 Executive/Finance Committee were reviewed.

> **It was moved, seconded, and** the February 22, 2018 Executive/Finance Committee Minutes were **unanimously approved** as presented.

9. February 2018 Financial Statements

Mr. Cameron presented the February 2018 financial statements. For the month, the Plan reported a net surplus of $1.4 million, which was $509 thousand unfavorable to budget. For the first eight months of the fiscal year, the Plan reported a net surplus of $17.4 million, which was $11.0 million favorable to budget.

Month-end enrollment of 264,808 members reflected an unfavorable budget variance of 7,665 members (2.8%) and a decline of 953 members from the prior month. Year-to-date member months of 2,150,811 trailed budget by 1.8%. This continues a downward trend in Medi-Cal enrollment that began in November 2016. Specific causes are thought to include member concerns regarding the Federal political climate, an improving economy, and relocations due to the high cost of local housing. While Medi-Cal enrollment continues to decline, enrollment in Cal Medi-Connect has increased slightly, reflecting the Plan's enrollment outreach efforts.

For the month, revenue favorably exceeded budget by $1.4 million (1.6%). For the fiscal year-to-date, revenue favorably exceeded budget by $3.5 million (<1%). The monthly variance resulted from by higher LTC member months and rates versus budget. As of January 2018, IHSS services are no longer included in either revenue or medical expense.

For the month, medical expense reflected an unfavorable budget variance of $2.1 million (2.7%). For the fiscal year-to-date, medical expense reflected a favorable budget variance of $6.1 million (<1%). Monthly results reflect increased prior period medical expense estimates and higher than budgeted inpatient expense partially offset by lower capitation expense reflecting reduced enrollment. For the month, the overall medical loss ratio (MLR) was 93.8% vs. budget of 92.9%. For the fiscal year-to-date, the overall MLR was 93.4% vs. budget of 94.7%.

For the month, administrative expense reflected an unfavorable budget variance of $316 thousand (8.0%). For the fiscal year-to-date, administrative expense reflected an unfavorable budget variance of $22 thousand (0.1%). Unfavorable monthly variances were noted in Consultants and Temp Staff, as the Plan addresses certain special projects while also attempting to hire additional staff. For the month, the administrative loss ratio (ALR) was 5.0% vs. budget of 4.7%. For the fiscal year-to-date, the ALR was 4.4% which equaled budget.

The balance sheet continues to reflect significant receivables and payables with the State of California including several estimates for the Coordinated Care Initiative (CCI). The Plan is actively seeking reconciliation and finalization of prior year CCI amounts due to DHCS. DHCS continues to recoup prior year overpayments by approximately $18 million per month and the Plan anticipates completion of the MCE rate recoupments by approximately April 2018. The current ratio (the ratio of current assets to current liabilities) of 1.3 exceeds the DMHC minimum of 1.0.

Capital assets of $10.6 million have been acquired during the fiscal year-to-date, largely the 50 Great Oaks building. The Capital Budget includes total annual expenditures of $17.3 million.

> **It was moved, seconded and** the February 2018 Financial Statements were **unanimously approved** as presented.

10. Annual Investment Activity and Policy Review

Mr. Cameron noted that Sperry Capital was engaged to conduct an annual review of the Plan's investment policy, as done in previous years. Mr. Jarecki noted that Sperry's report concludes that SCFHP is in compliance with all aspects of its investment policy. Sperry recommended certain enhancements to the policy. These enhancements were all incorporated into the revised investment policy.

It was moved, seconded and the revised Investment Policy was **unanimously approved** as presented.

11. Adjournment

The meeting was adjourned at 12:40 pm.

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Michele Lew, Chair

Santa Clara
Family Health Plan

The Spirit of Care

Unaudited
Financial Statements
For Eight Months Ended February 2018

Agenda

Santa Clara Family Health Plan
The Spirit of Care

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

	MTD		YTD	
Revenue	$85 M		$764 M	
Medical Expense	$79 M		$714 M	
Medical Loss Ratio	93.8%		93.4%	
Administrative Expense (% Rev)	$4.2 M	5.0%	$33.6 M	4.4%
Other Income/Expense	$428,102		$828,177	
Net Surplus (Loss)	**$1,381,339**		**$17,435,004**	
Cash on Hand			$203 M	
Net Cash Available to SCFHP			$185 M	
Receivables			$557 M	
Current Liabilities			$611 M	
Tangible Net Equity			$176 M	
% of DMHC Requirements			**504.3%**	

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

- Net Surplus
  - YTD: Surplus of $17.4M is $11M or 170% favorable to budget of $6.5M.
  - MTD: Surplus of $1.4M is $0.5M or 27% unfavorable to budget of $1.9M.
- Enrollment
  - YTD: Feb 18 membership was 2.2M (39K or -1.8% unfavorable to budget)
  - MTD: Feb 18 membership was 264,808 (-7,665 or -2.9% unfavorable to budget)
- Revenue
  - YTD: Actuals came in at $764.1M ($3.5M or 0.5% favorable to budget)
  - MTD: Actuals came in at $84.5M ($83.1M or 1.6% favorable to budget)
- Medical Expense
  - YTD: Actuals came in at $713.9M ($-6.1M or -0.8% unfavorable to budget)
  - MTD: Actuals came in at $79.3M ($2.1M or 2.7% favorable to budget)
- Administrative Expense
  - YTD: Actuals came in at $33.6M ($22K or 0.1% unfavorable to budget)
  - MTD: Actuals came in at $4.2M ($0.3M or 8.0% unfavorable to budget)
- Tangible Net Equity
  - MTD Actuals came in at $175.8M (504.3% of minimum DMHC requirement of $34.9M)
- Capital Expenditures
  - YTD Capital Investment = $10.6M vs. $17.3 annual budget was primarily due to building purchase/renovation.

Risks & Opportunities

Santa Clara Family Health Plan
The Spirit of Care

- Risks
  - YTD enrollment is below budget. Medi-Cal enrollment has been declining since November 2016.
  - Retroactive provider rate adjustments are still causing volatility in claims payments and in estimation of total monthly medical expenses.
  - Revenue recordation requires significant estimation and accruals, particularly those for the Coordinated Care Initiative (CCI). Much of these funds are expected to be received by the end of the current calendar year.
- Opportunities
  - YTD Net Surplus continues to exceed budge
  - Continued growth in CCI membership.
  - Continue to fill open positions to replace temporary staff and consultant usage.
  - With convergence of claims processing to QNXT, all claims are processed on one system, which allows for increased auto-adjudication rates and better efficiency.
  - Utilization management with in-house staffing for previously outsourced Health Risk Assessments and Individualized Care Management Plans yields better outcomes for members.

Santa Clara
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Details

Enrollment

Santa Clara Family Health Plan
The Spirit of Care

- Medi-Cal membership has declined since November 2016, while CMC membership has stabilized over the past few months.
- As detailed on page 15, much of the Medi-Cal enrollment decline has been in the Medicaid Expansion (MCE), Adult and Child categories of aid.
- FY18 YTD Membership Trends
  - Medi-Cal membership has decreased since the beginning of the fiscal year by 4.3%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 19.0%.
  - CMC membership decreased since the beginning of the fiscal year by 1.7%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of Feb 2018			For Eight Months Ending Feb 28 2018				
	Actual	Budget	Variance	Actual	Budget	Variance	Prior Year Actuals	Δ FY17 vs. FY18
Medi-Cal	254,141	262,173	-(3.2%)	2,070,619	2,107,475	-(1.8%)	1,882,608	9.1%
Healthy Kids	3,250	2,800	13.8%	21,009	22,400	-(6.6%)	21,852	-(4.0%)
Medicare	7,417	7,500	-(1.1%)	59,183	60,000	-(1.4%)	54,499	7.9%
Total	**264,808**	**272,473**	**-(2.9%)**	**2,150,811**	**2,189,875**	**-(1.8%)**	**1,958,959**	**8.9%**

Santa Clara Family Health Plan Enrollment By Network
February 2018

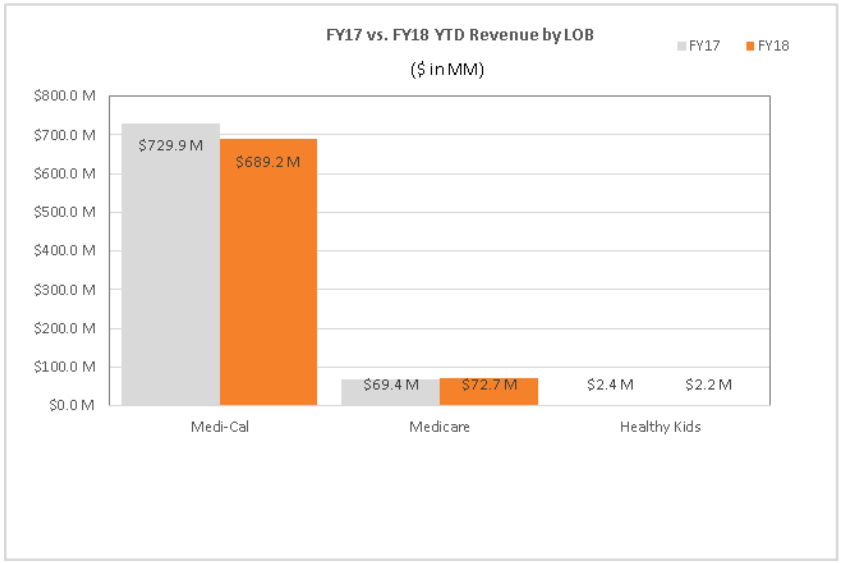
Network	Medi-Cal		Healthy Kids		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	28,788	11%	358	11%	7,417	100%	36,563	14%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	128,971	51%	1,494	46%	-	0%	130,465	49%
Palo Alto Medical Foundation	7,334	3%	90	3%	-	0%	7,424	3%
Physicians Medical Group	47,003	18%	1,080	33%	-	0%	48,083	18%
Premier Care	15,906	6%	228	7%	-	0%	16,134	6%
Kaiser	26,139	10%	-	0%	-	0%	26,139	10%
Total	**254,141**	**100%**	**3,250**	**100%**	**7,417**	**100%**	**264,808**	**100%**
Enrollment at June 30, 2017	267,753		2,732		7,543		276,028	
Net Δ from Beginning of FY18	-5.1%		19.0%		-1.7%		-4.1%	

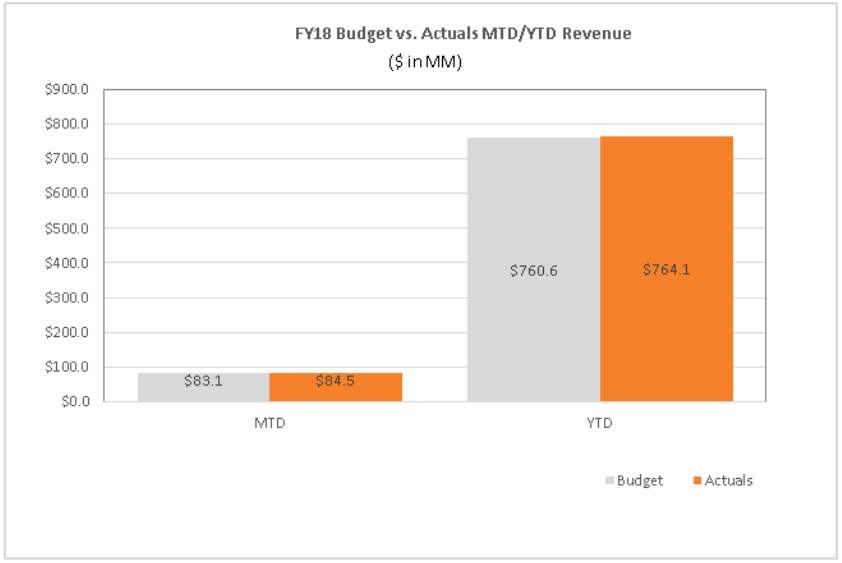
[1] *SCVHHS = Santa Clara Valley Health & Hospital System*

[2] *FQHC = Federally Qualified Health Center*

Revenue

- Current month revenue of $84.5M is $1.4M or 1.6% favorable to budget of $83.1M. YTD revenue of $764.1M is $3.5M or 0.5% favorable to budget of $760.6M.
  - MTD Long Term Care (LTC) revenue was up again from January to $4.3M and favorable to budget by $1.6M due to higher member months and rate differentials.
  - MTD AB-85 Adult Expansion only came in at $385K against a budget of $1.6M which led to an unfavorable variance of -$1.2M (no impact on net surplus)
  - MTD Hep C Revenue came in at $378K against a budget of $1.3M which led to a variance of -$919M or -71%.
  - MTD Adult Expansion revenue ($22.6M) was short of budget ($23.4M) by -$720K or -3%



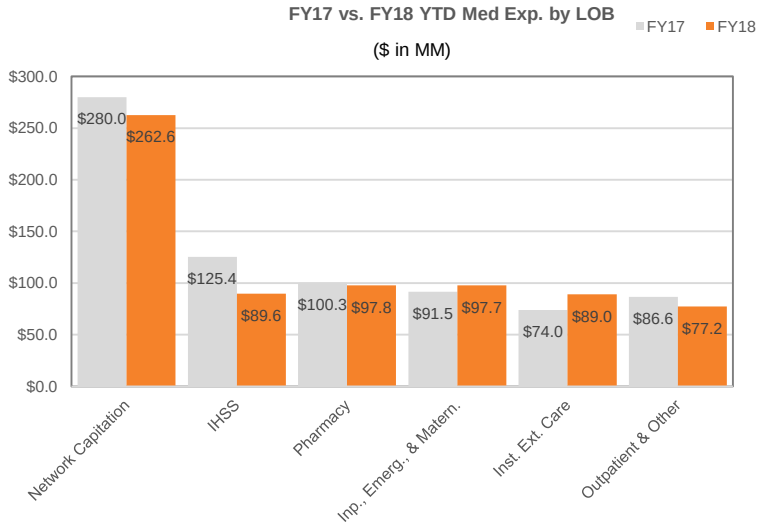


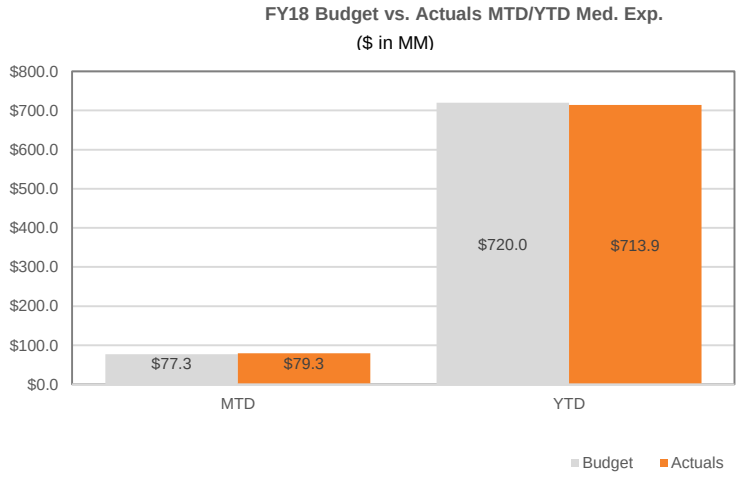
	FY17 vs. FY18 YTD Revenue by LOB			
	FY17	FY18	Variance	
Medi-Cal	$729.9 M	$689.2 M	($40.7 M)	-5.9%
Medicare	$69.4 M	$72.7 M	$3.3 M	4.6%
Healthy Kids	$2.4 M	$2.2 M	($0.2 M)	-9.9%
Total Medical Expenses	**$801.7 M**	**$764.1 M**	**($37.6 M)**	**-4.9%**

	FY18 Budget vs. Actuals MTD/YTD Revenue			
	Budget	Actuals	Variance	
MTD	$83.1	$84.5	$1.4	1.6%
YTD	$760.6	$764.1	$3.5	0.5%

Medical Expense

- Current month medical expense of $79.3M is $2.1M or 2.7% unfavorable to budget of $77.3M. YTD medical expense of $713.9M is $6.1M or 0.8% favorable to budget of $720.0M.
  - MTD IBNR estimates were increased for CMC at $1.0M.
  - MTD Inpatient expenses were unfavorable by $1.7M due to retroactive provider rate adjustments as well as seasonal increase in utilization.
  - MTD network capitation expense was favorable by $1.7M due to fewer member months.
  - MTD AB-85 expense was favorable by $1.2M (no impact on net surplus).



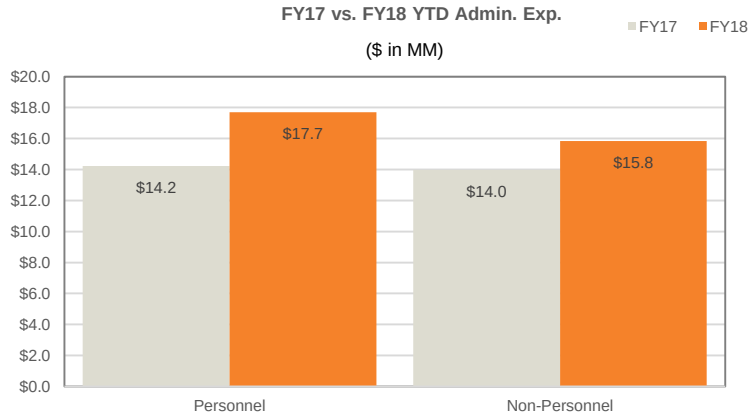


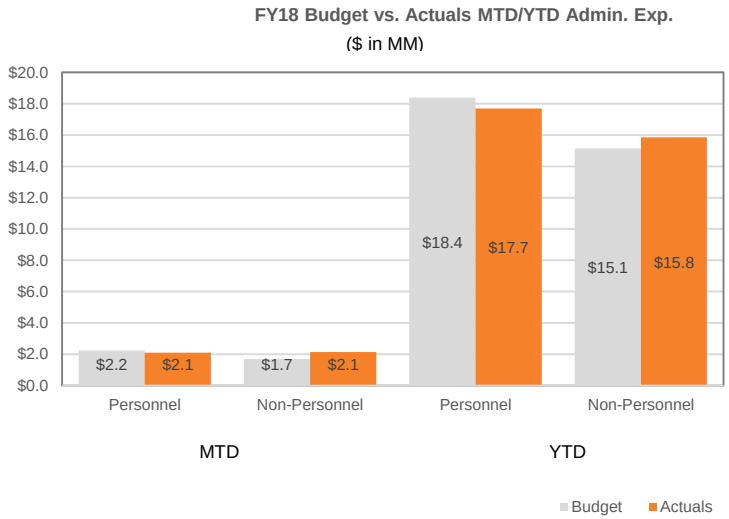
	FY17 vs. FY18 YTD Med Exp. by LOB			
	FY17	FY18	Variance	
Network Capitation	$280.0	$262.6	-$17.4	-6.6%
IHSS	$125.4	$89.6	-$35.8	-40.0%
Pharmacy	$100.3	$97.8	-$2.5	-2.5%
Inp., Emerg., & Matern.	$91.5	$97.7	$6.2	6.3%
Inst. Ext. Care	$74.0	$89.0	$15.0	16.9%
Outpatient & Other	$86.6	$77.2	-$9.4	-12.1%
Total Medical Expenses	**$757.8**	**$713.9**	**-$43.9**	**-6.1%**

	FY18 Budget vs. Actuals MTD/YTD Med. Exp.			
	Budget	Actuals	Variance	
MTD	$77.3	$79.3	-$2.1	-2.7%
YTD	$720.0	$713.9	$6.1	0.8%

Administrative Expense

- Current month administrative expense of $4.2M is $0.3M or 8.0% unfavorable to budget of $3.9M. YTD administrative expense of $33.6M is $22K or 0.1% unfavorable to budget of $33.5M.
  - MTD Consultants were higher than expected due to unforeseen work load issues.
  - Timing differences in printing, translation and postage.





	FY17 vs. FY18 YTD Admin. Exp.			
	FY17	FY18	Variance	
Personnel	$14.2	$17.7	$3.5	19.6%
Non-Personnel	$14.0	$15.8	$1.9	11.8%
Total Admin Expenses	**$28.2**	**$33.6**	**$5.4**	**15.9%**

		FY18 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Budget	Actuals	Variance	
MTD	Personnel	$2.2	$2.1	-$0.1	-6.1%
	Non-Personnel	$1.7	$2.1	$0.5	26.7%
	Total MTD	**$3.9**	**$4.2**	**$0.3**	**8.0%**
YTD	Personnel	$18.4	$17.7	-$0.7	-3.7%
	Non-Personnel	$15.1	$15.8	$0.7	4.7%
	Total YTD	**$33.5**	**$33.6**	**$0.0**	**0.1%**

Balance Sheet

- Current assets totaled $767.4M compared to current liabilities of $611.0M, yielding a current ratio (Current Assets/Current Liabilities) of 1.3 vs. the DMHC minimum requirement of 1.0.
- Working capital (Current Assets Less Current Liabilities) increased by $4.6M for the eight months of the fiscal year.
- Cash as of February 28, 2018 decreased by $161.5M compared to the cash balance as of year-end June 30, 2017. The overall cash position decreased largely due to timing of receipt of revenues, largely paid in arrears.

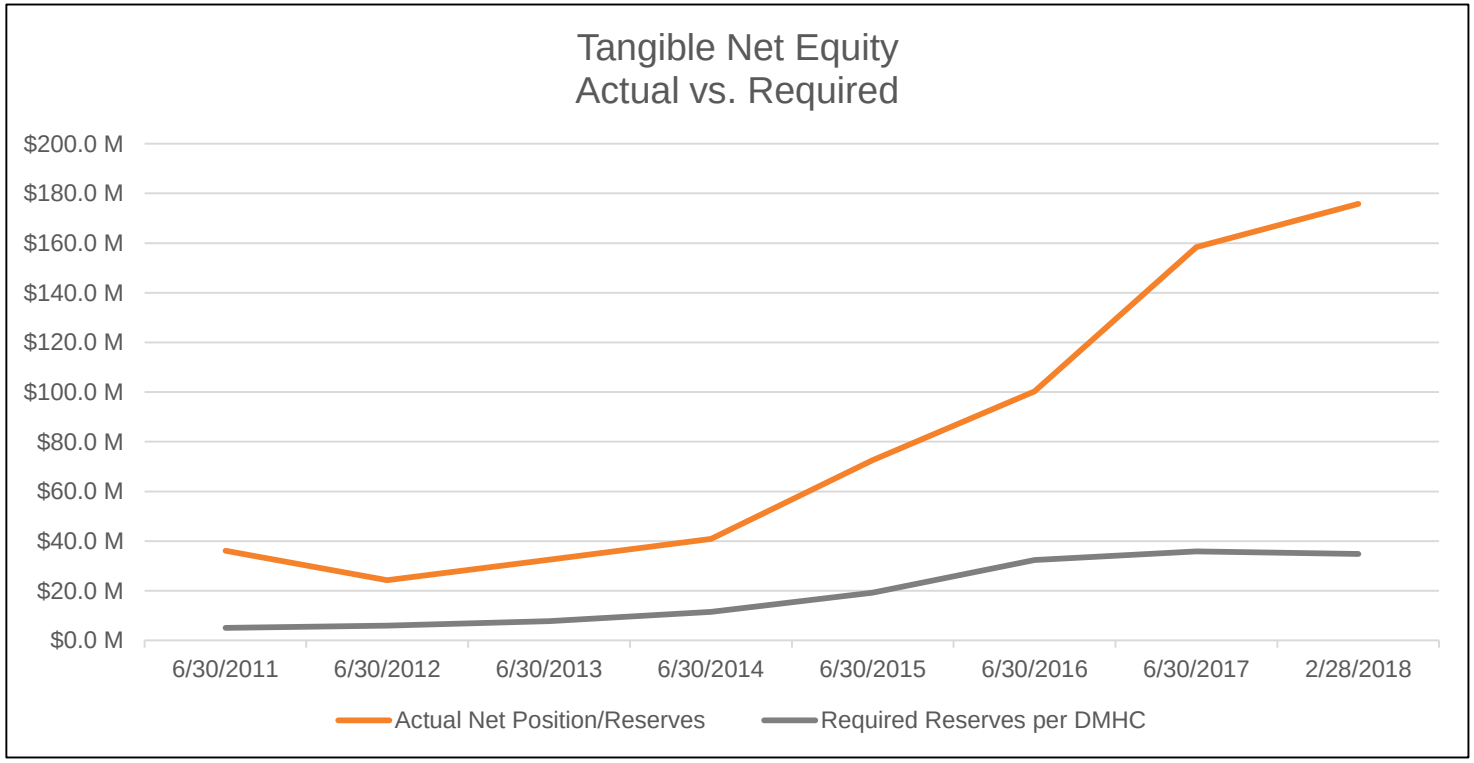
Tangible Net Equity

Santa Clara Family Health Plan
The Spirit of Care

- TNE was $175.8M in February 2018 or 504.3% of the most recent quarterly DMHC minimum requirement of $34.9M. TNE trends for SCFHP are shown below.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of : February 28, 2018

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	2/28/2018
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$175.8 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$34.9 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$69.7 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	504.3%



Reserves Analysis

Santa Clara Family Health Plan
The Spirit of Care

- At the September 2016 Governing Board meeting, a policy was adopted for targeting the organization's capital reserves to include:
  a) An Equity Target of 350-500% of DMHC required TNE percentage and
  b) A Liquidity Target of 45-60 days of total operating expenses in available cash.

SCFHP RESERVES ANALYSIS FEBRUARY 2018

Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	175,815,564
Current Required TNE	34,863,927
Excess TNE	**140,951,637**
Required TNE %	504.3%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	122,023,744
500% of Required TNE (High)	174,319,635
TNE Above/(Below) SCFHP Low Target	**$53,791,820**
TNE Above/(Below) High Target	**$1,495,930**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	203,113,259
Less Pass-Through Liabilities	
Payable to State of CA [1]	-
Other Pass-Through Liabilities	(17,887,160)
Total Pass-Through Liabilities	**($17,887,160)**
Net Cash Available to SCFHP	$185,226,099
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$65,015,165**
Liquidity Above/(Below) High Target	**$24,944,854**

[1] Pass-Through from State of CA (excludes IHSS)	
Receiveables Due to SCFHP	181,802,192
Payables Due to SCFHP	(96,953,588)
Net Receivables/(Payables)	**$84,848,605**

Capital Expenditure

Santa Clara Family Health Plan
The Spirit of Care

- Capital investments of $10.6M were made in the eight months ending February 2018, largely due to the purchase and renovation of a new building (in order to lower the long term occupancy costs in an ever increasing rental rate situation in the current location). YTD capital expenditure includes the following and we expect to incur the bulk of the remaining expenditures later in FY 2018.

Expenditure	YTD Actual	Annual Budget
New Building [(1)]	$9,899,882	$14,300,000
Systems	169,881	1,595,000
Hardware	394,796	611,500
Software	33,036	587,000
Furniture and Fixtures	135,935	173,515
Automobile	0	33,000
Leasehold Improvements	0	10,000
TOTAL	**$10,633,530**	**$17,310,015**

[(1)] Budget includes $4.5 million of renovation expend associated with 50 Great Oaks building Increased to $12M by governing board in March 2018.

Santa Clara
Family Health Plan

The Spirit of Care

Statements

Enrollment By Aid Category

	Category of Aid	2017-02	2017-03	2017-04	2017-05	2017-06	2017-07	2017-08	2017-09	2017-10	2017-11	2017-12	2018-01	2018-02
NON DUAL	Adult (over 19)	30,836	30,479	30,204	29,921	29,651	28,985	29,301	29,051	28,722	28,252	28,072	27,527	27,565
	Adult (under 19)	106,926	106,305	106,181	105,945	106,082	104,658	105,129	104,328	103,793	103,224	103,047	101,198	101,623
	Aged - Medi-Cal Only	10,400	10,400	10,520	10,538	10,674	10,776	10,693	10,722	10,801	10,778	10,782	10,892	10,906
	Disabled - Medi-Cal Only	11,052	11,067	11,083	11,075	10,917	10,904	10,852	10,834	10,841	10,857	10,832	10,813	10,824
	Child (HF conversion)	921	879	845	280	192	74	59	52	57	53	40	25	25
	Adult Expansion	82,715	82,618	82,751	82,420	82,349	80,300	80,741	80,470	79,998	79,232	79,207	76,923	77,302
	Other	38	38	39	35	38	33	35	45	61	82	92	120	137
	Long Term Care	315	318	315	326	338	353	365	377	378	376	366	354	346
	Total Non-Duals	243,203	242,104	241,938	240,540	240,241	236,083	237,175	235,879	234,651	232,854	232,438	227,852	228,728
DUAL	Aged	15,921	16,076	16,208	16,200	16,382	16,309	16,690	16,797	16,819	16,823	16,733	16,743	16,827
	Disabled	6,478	6,506	6,507	6,458	6,518	6,474	6,502	6,522	6,547	6,555	6,552	6,545	6,559
	Other	1,686	1,621	1,427	1,389	1,370	1,271	1,235	1,241	1,233	1,144	1,142	896	853
	Long Term Care	1,177	1,233	1,224	1,231	1,242	1,254	1,269	1,262	1,268	1,257	1,241	1,221	1,174
	Total Duals	25,262	25,436	25,366	25,278	25,512	25,308	25,696	25,822	25,867	25,779	25,668	25,405	25,413
	Total Medi-Cal	268,465	267,540	267,304	265,818	265,753	261,391	262,871	261,701	260,518	258,633	258,106	253,257	254,141
	Healthy Kids	2,780	2,752	2,794	2,757	2,732	2,633	2,618	2,243	2,288	2,321	2,447	3,209	3,250
CMC	CMC Non-Long Term Care	7,301	7,333	7,277	7,256	7,262	7,254	7,141	7,125	7,071	7,096	7,138	7,149	7,183
	CMC - Long Term Care	297	289	290	289	281	271	264	258	255	253	251	240	234
	Total CMC	7,598	7,622	7,567	7,545	7,543	7,525	7,405	7,383	7,326	7,349	7,389	7,389	7,417
	Total Enrollment	**278,843**	**277,914**	**277,665**	**276,120**	**276,028**	**271,549**	**272,894**	**271,327**	**270,132**	**268,303**	**267,942**	**263,855**	**264,808**

Income Statement

Santa Clara County Health Authority
Income Statement for Eight Months Ending February 28, 2018

	For the Month of Feb 2018						For Eight Months Ending Feb 28, 2018					
	Actual	% of Rev	Budget	% of Rev	Variance	% Var	Actual	% of Rev	Budget	% of Rev	Variance	% Var
REVENUES												
MEDI-CAL	$ 75,165,344	88.9%	$ 74,251,670	89.3%	$ 913,675	1.2%	$689,197,565	90.2%	$689,443,905	90.6%	$ (246,340)	0.0%
HEALTHY KIDS	343,624	0.4%	252,000	0.3%	91,624	36.4%	2,174,624	0.3%	2,016,000	0.3%	158,624	7.9%
MEDICARE	9,000,853	10.7%	8,637,957	10.4%	362,896	4.2%	72,726,167	9.5%	69,103,659	9.1%	3,622,507	5.2%
TOTAL REVENUE	**$ 84,509,821**	**100.0%**	**$ 83,141,627**	**100.0%**	**$ 1,368,194**	**1.6%**	**$764,098,356**	**100.0%**	**$760,563,565**	**100.0%**	**$ 3,534,792**	**0.5%**
MEDICAL EXPENSES												
MEDI-CAL	$ 71,556,599	84.7%	$ 68,742,770	82.7%	$ 2,813,830	4.1%	$648,882,211	84.9%	$651,965,824	85.7%	$ (3,083,614)	-0.5%
HEALTHY KIDS	303,636	0.4%	240,242	0.3%	63,395	26.4%	1,967,394	0.3%	1,921,935	0.3%	45,459	2.4%
MEDICARE	7,449,077	8.8%	8,267,243	9.9%	(818,166)	-9.9%	63,090,767	8.3%	66,137,946	8.7%	(3,047,179)	-4.6%
TOTAL MEDICAL EXPENSES	**$ 79,309,313**	**93.8%**	**$ 77,250,255**	**92.9%**	**$ 2,059,059**	**2.7%**	**$713,940,371**	**93.4%**	**$720,025,705**	**94.7%**	**$ (6,085,334)**	**-0.8%**
MEDICAL OPERATING MARGIN												
ADMINISTRATIVE EXPENSES												
SALARIES AND BENEFITS	$ 2,106,014	2.5%	$ 2,241,871	2.7%	$ (135,857)	-6.1%	$ 17,701,788	2.3%	$ 18,390,838	2.4%	$ (689,050)	-3.7%
RENTS AND UTILITIES	108,582	0.1%	109,916	0.1%	(1,334)	-1.2%	1,034,673	0.1%	938,209	0.1%	96,464	10.3%
PRINTING AND ADVERTISING	22,863	0.0%	61,050	0.1%	(38,187)	-62.6%	379,929	0.0%	754,350	0.1%	(374,421)	-49.6%
INFORMATION SYSTEMS	173,756	0.2%	208,714	0.3%	(34,958)	-16.7%	1,323,948	0.2%	1,723,711	0.2%	(399,763)	-23.2%
PROF FEES / CONSULTING / TEMP STAFFING	1,332,136	1.6%	740,179	0.9%	591,957	80.0%	9,275,377	1.2%	6,919,044	0.9%	2,356,333	34.1%
DEPRECIATION / INSURANCE / EQUIPMENT	335,169	0.4%	358,610	0.4%	(23,441)	-6.5%	2,705,774	0.4%	2,799,718	0.4%	(93,943)	-3.4%
OFFICE SUPPLIES / POSTAGE / TELEPHONE	80,481	0.1%	109,411	0.1%	(28,930)	-26.4%	430,806	0.1%	1,137,891	0.1%	(707,085)	-62.1%
MEETINGS / TRAVEL / DUES	79,987	0.1%	99,221	0.1%	(19,234)	-19.4%	638,366	0.1%	759,226	0.1%	(120,860)	-15.9%
OTHER	8,284	0.0%	2,420	0.0%	5,865	242.4%	60,495	0.0%	105,757	0.0%	(45,261)	-42.8%
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,247,271**	**5.0%**	**$ 3,931,391**	**4.7%**	**$ 315,880**	**8.0%**	**$ 33,551,157**	**4.4%**	**$ 33,528,744**	**4.4%**	**$ 22,414**	**0.1%**
OPERATING SURPLUS (LOSS)	$ 953,236	1.1%	$ 1,959,981	2.4%	$ (1,006,745)	-51.4%	$ 16,606,828	2.2%	$ 7,009,116	0.9%	$ 9,597,712	136.9%
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	-	0.0%	(478,237)	-0.1%	(478,237)	-0.1%	-	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(600,000)	-0.1%	(600,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	562,882	0.7%	65,153	0.1%	497,729	763.9%	1,906,414	0.2%	521,221	0.1%	1,385,193	265.8%
NET SURPLUS (LOSS)	**$ 1,381,339**	**1.6%**	**$ 1,890,354**	**2.3%**	**$ (509,015)**	**-26.9%**	**$ 17,435,004**	**2.3%**	**$ 6,452,100**	**0.8%**	**$ 10,982,904**	**170.2%**

Balance Sheet

	FEB 18	JAN 18	DEC 17	NOV 17
Assets				
Current Assets				
Cash and Marketable Securities	$203,113,259.00	$215,825,024.01	$242,799,013.85	$285,180,286.66
Receivables	557,171,775.15	541,831,443.77	537,483,583.29	523,474,944.28
Prepaid Expenses and Other Current Assets	7,139,640.01	7,645,951.52	7,417,269.43	6,802,123.04
Total Current Assets	767,424,674.16	765,302,419.30	787,699,866.57	815,457,353.98
Long Term Assets				
Property and Equipment	31,931,663.87	31,747,798.06	31,721,381.98	31,596,930.82
Less: Accumulated Depreciation	(13,123,688.86)	(12,834,924.64)	(12,546,389.82)	(12,257,067.88)
Total Long Term Assets	18,807,975.01	18,912,873.42	19,174,992.16	19,339,862.94
Total Assets	786,232,649.17	784,215,292.72	806,874,858.73	834,797,216.92
Deferred Outflow of Resources	14,405,010.00	14,405,010.00	14,405,010.00	9,287,513.00
Total Deferred Outflows and Assets	800,637,659.17	798,620,302.72	821,279,868.73	844,084,729.92
Liabilities and Net Assets				
Current Liabilities				
Trade Payables	4,669,231.14	4,171,876.49	6,515,939.81	5,833,810.44
Deferred Rent	42,206.64	48,505.44	54,804.24	61,103.04
Employee Benefits	1,506,845.00	1,446,790.10	1,386,016.90	1,344,252.24
Retirement Obligation per GASB 45	5,296,596.36	5,236,816.69	5,177,037.02	5,117,257.35
Advance Premium - Healthy Kids	56,873.79	58,428.58	54,640.50	42,695.50
Deferred Revenue - Medicare				
Whole Person Care	2,065,180.11	2,065,180.11	2,065,180.11	2,065,180.11
Payable to Hospitals (AB 85)	11,073,677.18	11,064,022.82	11,060,139.72	11,049,601.84
Due to Santa Clara County Valley Health Plan and Kaiser	4,748,302.51	5,669,466.65	4,837,596.86	9,117,448.71
MCO Tax Payable - State Board of Equalization	16,790,320.07	8,588,819.75	8,799,433.22	25,445,080.18
Due to DHCS	80,163,267.69	88,717,729.37	105,074,063.29	121,349,747.09
Liability for In Home Support Services (IHSS)	390,509,777.90	390,510,323.35	390,514,951.58	375,163,172.78
Current Premium Deficiency Reserve (PDR)	2,374,525.00	2,374,525.00	2,374,525.00	2,374,525.00
Medical Cost Reserves	91,663,092.64	90,446,393.85	95,712,093.41	100,194,201.92
Total Current Liabilities	610,959,896.03	610,398,878.20	633,626,421.66	659,158,076.20
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500.00	5,919,500.00	5,919,500.00	5,919,500.00
Net Pension Liability GASB 68	7,457,370.00	7,382,370.00	7,307,370.00	7,232,370.00
Total Non-Current Liabilities	13,376,870.00	13,301,870.00	13,226,870.00	13,151,870.00
Total Liabilities	624,336,766.03	623,700,748.20	646,853,291.66	672,309,946.20
Deferred Inflow of Resources	485,329.00	485,329.00	485,329.00	485,329.00
Net Assets / Reserves				
Invested in Capital Assets	9,814,951.48	9,910,931.58	10,083,469.32	10,171,606.88
Restricted under Knox-Keene agreement	305,350.00	305,350.00	305,350.00	305,350.00
Unrestricted Net Equity	148,260,258.29	148,164,278.19	147,991,740.45	147,903,602.89
Current YTD Income (Loss)	17,435,004.37	16,053,665.75	15,560,688.30	12,908,894.95
Total Net Assets / Reserves	175,815,564.14	174,434,225.52	173,941,248.07	171,289,454.72
Total Liabilities, Deferred Inflows, and Net Assets	800,637,659.17	798,620,302.72	821,279,868.73	844,084,729.92

Cash Flow – For the Eight Months Ending February 2018

Cash Flows from Operating Activities	
Premiums Received	537,222,041
Medical Expenses Paid	(627,618,299)
Adminstrative Expenses Paid	(62,343,368)
Net Cash from Operating Activities	**($152,739,626)**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(10,633,530)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	1,906,414
Net Increase/(Decrease) in Cash & Cash Equivalents	(161,466,742)
Cash & Cash Equivalents (Jun 17)	364,609,248
Cash & Cash Equivalents (Feb 18)	203,113,259
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**15,528,590**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	2,361,930
Changes in Operating Assets/Liabilities	
Premiums Receivable	(82,305,578)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(69,021)
Deferred Outflow of Resources	(5,117,497)
Accounts Payable & Accrued Liabilities	(25,489,385)
State Payable	(144,570,738)
Santa Clara Valley Health Plan & Kaiser Payable	(4,708,151)
Net Pension Liability	600,000
Medical Cost Reserves & PDR	740,712
Deferred Inflow of Resources	90,289,512
Total Adjustments	**($168,268,216)**
Net Cash from Operating Activities	**($152,739,626)**

Statement of Operations

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Eight Months Ending Feb 28 2018

	Medi-Cal	CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)				
REVENUE	669,604,850	92,318,882.33	2,174,624	**764,098,356**
MEDICAL EXPENSES	628,026,378	83,946,599.03	1,967,394	**713,940,371**
(MLR)	93.8%	90.9%	90.5%	**93.4%**
GROSS MARGIN	41,578,471	8,372,283	207,231	**50,157,985**
ADMINISTRATIVE EXPENSES	29,401,997	4,053,674	95,487	**33,551,157**
(% of Revenue Allocation)				
OPERATING INCOME/(LOSS)	12,176,474	4,318,610	111,744	**16,606,828**
(% of Revenue Allocation)				
OTHER INCOME/(EXPENSE)	725,759	100,061	2,357	**828,177**
(% of Revenue Allocation)				
NET INCOME/(LOSS)	12,902,233	4,418,671	114,101	**17,435,004**
PMPM (ALLOCATED BASIS)				
REVENUE	$323.40	$1,559.89	$103.51	**$355.28**
MEDICAL EXPENSES	303.32	1,418.42	93.65	**331.96**
GROSS MARGIN	20.08	141.46	9.86	**23.32**
ADMINISTRATIVE EXPENSES	14.20	68.49	4.55	**15.60**
OPERATING INCOME/(LOSS)	5.88	72.97	5.32	**7.72**
OTHER INCOME/(EXPENSE)	0.35	1.69	0.11	**0.39**
NET INCOME/(LOSS)	6.23	74.66	5.43	**8.11**
ALLOCATION BASIS:				
MEMBER MONTHS - YTD	2,070,515	59,183	21,009	2,150,707
Revenue by LOB	87.6%	12.1%	0.3%	100.0%

Note: CMC includes Medi-Cal portion of the Coordinated Care Initiative (CCI) data and Medicare.

Medical Expense Line Item Detail

	Feb Actual	% of Rev	Feb Budget	% of Rev	Current Month Variance $	Current Month Variance %	YTD Actual	% of Rev	YTD Budget	% of Rev	YTD Variance $	YTD Variance %
HEALTH CARE EXPENSE												
NETWORK CAPITATION	32,067,488	38%	33,720,451	41%	(1,652,963)	-5%	262,573,525	34%	270,542,742	36%	(7,969,217)	-3%
PCP SERVICES	503,826	1%	598,175	1%	(94,348)	-16%	3,816,670	0%	4,807,894	1%	(991,224)	-21%
SPECIALIST SERVICES	1,873,412	2%	1,204,853	1%	668,559	55%	13,416,975	2%	9,702,566	1%	3,714,410	38%
RADIOLOGY SERVICES	311,999	0%	267,740	0%	44,259	17%	2,067,264	0%	2,156,794	0%	(89,530)	-4%
LABORATORY	117,447	0%	127,496	0%	(10,049)	-8%	800,651	0%	1,025,923	0%	(225,271)	-22%
PHARMACY EXPENSE	11,903,917	14%	12,524,973	15%	(621,056)	-5%	97,847,769	13%	100,231,795	13%	(2,384,026)	-2%
MATERNITY EXPENSE	1,049,961	1%	798,606	1%	251,355	31%	6,466,386	1%	6,388,851	1%	77,536	1%
INPATIENT HOSPITAL	11,146,174	13%	9,472,449	11%	1,673,725	18%	82,179,580	11%	76,092,314	10%	6,087,266	8%
OTHER PROFESSIONAL SERVICES	423,922	1%	277,456	0%	146,466	53%	1,648,972	0%	2,227,984	0%	(579,013)	-26%
OUTPATIENT SERVICES	5,125,953	6%	3,297,308	4%	1,828,645	55%	28,842,280	4%	26,602,068	3%	2,240,211	8%
EMERGENCY SERVICES - IN AREA	1,196,419	1%	1,134,304	1%	62,115	5%	9,079,089	1%	9,130,203	1%	(51,114)	-1%
OTHER MEDICAL SERVICES	490,147	1%	389,747	0%	100,400	26%	2,603,585	0%	3,132,314	0%	(528,729)	-17%
VISION/DENTAL EXPENSE	238,827	0%	248,206	0%	(9,379)	-4%	1,831,818	0%	1,995,636	0%	(163,818)	-8%
INSTITUTIONAL EXTENDED CARE	11,274,806	13%	10,216,661	12%	1,058,146	10%	89,020,249	12%	82,496,720	11%	6,523,529	8%
OUT OF AREA SERVICES - PROFESSIONAL	553,081	1%	249,993	0%	303,088	121%	5,717,150	1%	2,011,468	0%	3,705,682	184%
OUT OF AREA SERVICES - INPATIENT	526,165	1%	992,474	1%	(466,309)	-47%	6,861,091	1%	7,990,270	1%	(1,129,179)	-14%
OUT OF AREA SERVICES - EMERGENCY ROOM	52,558	0%	142,697	0%	(90,139)	-63%	475,594	0%	1,149,666	0%	(674,072)	-59%
REALIGNMENT FEE (AB 85)	1,619	0%	1,212,180	1%	(1,210,561)	-100%	(289,931)	0%	9,669,443	1%	(9,959,374)	-103%
IHSS EXPENSE	(545)	0%	0	0%	(545)	0%	89,593,269	12%	99,675,166	13%	(10,081,897)	-10%
RISK & CCI RECAST POOL EXPENSE	333,333	0%	333,333	0%	0	0%	8,666,665	1%	2,666,667	0%	5,999,999	225%
RE-INSURANCE & OTHER (RECOVERY)	118,805	0%	41,153	0%	77,652	189%	721,720	0%	329,221	0%	392,499	119%
TOTAL HEALTH CARE EXPENSE	79,309,313	94%	77,250,255	93%	2,059,059	3%	713,940,371	93%	720,025,705	95%	(6,085,334)	-1%
(Revenue used in % of REV Calculations)	84,509,821	100%	83,141,627	100%	1,368,194	2%	764,098,356	100%	760,563,565	100%	3,534,792	0%

POLICY

Santa Clara
Family Health Plan

Procedure Title:	**Investment Policy**	**Procedure No.:**	FIN 01-07-01
Replaces Procedure Title (if applicable):		**Replaces Procedure No. (if applicable):**	
Issuing Department:	Finance	**Procedure Review Frequency:**	Annual
Lines of Business (check all that apply):	☒ Medi-Cal ☒ Healthy Kids		☒ CMC

Note: Proposed changes are highlighted in red

I. PURPOSE

This Annual Investment Policy (AIP) sets for the investment guidelines and structure for the investment of short term operating funds and any Board-designated reserve funds invested on and after April 26, 2018, of the Santa Clara Family Health Plan (SCFHP) which was established by the Santa Clara County Board of Supervisors under Ordinance 300.576 and licensed by the State of California under the Knox-Keene Act of 1975 in 1996.

Investments may only be made as authorized by this Annual Investment Policy. SCFHP is required to invest its funds in accordance with the California Government Code Sections 27130 et seq., Sections 53635 and/or 53601 et seq., Section 1346 of the Knox- Keene Act of 1975 as well as the prudent investment standard.

The Prudent Investor Standard: When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of SCFHP, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency (California Government Code Section 53600.3).

II. OBJECTIVES

The objectives of this Policy are to ensure that SCFHP funds not required for the immediate needs of SCFHP are prudently invested to:

i. Preserve principal: investments shall be undertaken in a manner that seeks to ensure the preservation of capital,
ii. Maintain sufficient liquidity to meet the operating requirements for six months,
iii. Achieve a market-average rate of return (yield) through budgetary and economic cycles, considering SCFHP's regulatory constraints and cash flow characteristics. Investments will be limited to low risk securities in anticipation of earning a fair return relative to the risk being assumed.
iv. Provide diversification of the portfolio to avoid incurring unreasonable market and credit risks."

III. ETHICS AND CONFLICTS OF INTEREST

SCFHP's officers, employees and Board members involved in the investment process shall refrain from personal and professional business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. SCFHP's officers and employees involved in the investment process are not permitted to have any material financial interests in financial interests in financial institutions, including state or federal credit unions, that conduct business with SCFHP, and they are not permitted to have any personal financial or investment holdings that could be materially related to the performance of SCFHP's investments.

IV. DELEGATION OF AUTHORITY

A. Santa Clara Commingled Investment Pool

The Board of Directors of the SCFHP is responsible for the management and oversight of SCFHP's investment program. The Board has directed that available excess funds be deposited with the County Treasurer into the County of Santa Clara Commingled Investment Pool which will be invested by the County Treasurer in accordance with the policies contained in the County of Santa Clara Treasury Investment Policy, now in effect, and which may be revised from time to time. As per the deposit requirements for county health plans under California Health and Safety Code Section 1346 and 1376.1, depositing SCFHP's excess funds with the County of Santa Clara is permitted if:

(1) All of the evidence of indebtedness of the county, has been rated "A" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, based on a rating conducted during the immediately preceding 12 months.

(2) The County has cash or cash equivalents in an amount equal to fifty million dollars or more, based on its audited financial statements for the immediately preceding fiscal year.

(3) The day-to-day managing, reporting, and oversight of the investment contractual obligations between the County and SCFHP shall be the responsibility of SCFHP's Chief Financial Officer.

B. Depository (Financial) Institutions

All SCFHP money shall be deposited for safekeeping in financial institutions that meet the requirements as set forth in Section 53635.2. The financial institution shall have received an overall rating of not less than "satisfactory" in its most recent evaluation by its appropriate federal financial supervisory agency. In addition, the depository financial institution shall maintain a rating of its senior long-term debt obligations, deposit rating or claims-paying ability rating, or is guaranteed by an entity whose obligations are rated not lower than "AA- by S&P, AA- by Fitch or **"Aa3**" by Moody's or its equivalent from another nationally recognized rating agency.

(1) All depository institutions shall provide SCFHP with notification of any downgrades in long-term ratings or any unsatisfactory rating by their appropriate federal financial supervisory agency within 10 days of such downgrade.

(2) Any downgrade in ratings of a financial institution holding SCFHP funds, shall be provided to the Board by the Chief Financial Officer.

(3) The day-to-day managing, reporting, and oversight of the depository and investment contractual obligations for SCFHP shall be the responsibility of SCFHP's Chief Financial Officer.

(4) The Board of Directors may renew the delegation of authority to enter into depository and investment relationships annually.

C. Permitted Investments

SCFHP shall invest only in instruments as permitted by the Code, subject to the limitations of this AIP.

(1) Permitted investments under the short-term operating fund, unless otherwise specified, are subject to a maximum stated term of four hundred fifty (450) days.

(2) Permitted investments under a Board-designated reserve fund, unless otherwise specified, are subject to a maximum stated term of five years.

(3) The Board of Directors must grant express written authority to make an investment not permitted by this Policy, or to establish an investment program of a longer term which may include directing SCFHP's staff to enter into a contract with a Board-approved Investment Manager. Any such Board-approved Investment Manager shall be provided with a copy of this AIP and be subject to periodic review for compliance to the AIP. Any Board- approved changes in Permitted Investments shall be in accordance with the Code Section 53600 et seq. and as provided on pages 5-6 of this AIP.

(4) Permitted investments shall include:

a. Joint Powers Authority Pool – A joint powers authority formed pursuant to California Government Code, Section 6509.7 may issue shares of beneficial interest to participating public agencies. The joint powers authority issuing the shares shall have retained an Investment Advisor that meets all of following criteria:

1. Registered or exempt from registration with the Securities and Exchange Commission;
2. No less than five (5) years of experience investing in the securities and obligations authorized by the Code; and
3. Assets under management in excess of five hundred million dollars ($500,000,000).
4. Such investment may not represent more than ten percent (10%) of the joint powers authority pool's assets.
5. A joint powers authority pool shall be rated at least A+f by a nationally recognized rating service.

b. Local Agency California Investment Fund (LAIF) - Funds may be invested in LAIF, a State of California managed investment pool up to the maximum dollar amounts in conformance with the account balance limits authorized by the State Treasurer.

c. Money Market Funds – Shares of beneficial interest issued by diversified management companies (i.e., money market funds):

1. Which are rated AAA (or equivalent highest ranking) by two of the three largest nationally recognized rating services; and
2. Such investment may not represent more than ten percent of the money market fund's assets.

V. DOCUMENTS

The following documents have been reviewed by County counsel and approved by the SCFHP Board of Directors to support the investment relationship between the County of Santa Clara and SCFHP:

- County of Santa Clara Investment Pool Disclosure and Agreement for Voluntary Deposits:
  This document states that SCFHP has provided funds to Santa Clara County for investment, and that these funds are owned and available to SCFHP for the purpose of SCFHP's use. This agreement spells out the rules for participating in the Pool and establishes the frequency and amount of funds that can be removed from the Pool at a particular time.

- County of Santa Clara Treasury Investment Policy:

The County of Santa Clara Treasury Investment Policy, as approved annually by the Santa Clara Board of Supervisors, details the investment policy, practices, and goals of the County of Santa Clara based on compliance with State law and prudent money management. The policy includes sections on the Standards of Care, the County Treasury Oversight Committee, Eligible, Authorized and Suitable Investments, Internal Controls and Accounting, and Reporting. It is the responsibility of the County Treasury Oversight Committee to approve the investment policy prepared annually by the County Treasurer, to review and monitor the quarterly investment reports prepared by the County Treasurer, to review depositories for County fund and broker/dealers and banks as approved by the County Treasurer, and to cause an annual audit to be conducted to determine the County Treasury's compliance with all relevant California Government Code statutes and County of Santa Clara ordinances and the County Treasury Investment Policy.

- County of Santa Clara Treasury Quarterly Report

  This quarterly investment report is provided to SCFHP as a voluntary participant and other participants whose funds are maintained and invested by the Treasurer of the County of Santa Clara, This report discloses a quarter end listing of the Pool's investment holdings, a portfolio summary of cost values versus market values and yields, a summary of portfolio strategy, diversification and credit compliance of permitted investments,, and a listing of all transactions that have taken place during the reporting period.

- SAP Balance and Interest Earnings of SCFHP Invested Funds

  SCFHP periodically receives from the County of Santa Clara SAP reports that list the fund balance as well as interest earnings which is apportioned by the County Treasurer to all Pool participants based upon the average daily balance of SCFHP funds on deposit for each quarter.

VI. REVIEW OF INVESTMENT POLICY

At least annually and more frequently as needed, the SCFHP Board of Directors will review this Investment Policy at a regular meeting of the Board. Any recommended changes to the Policy, including modifications to current investment strategy, oversight procedures including internal controls will be first be brought to the Executive Committee by the CFO for review and approval prior to presentation to the Board. The Executive Committee and Board of Directors will be supported in this work by the CFO and General Counsel for financial and legal issues, respectively.

Any modifications to this Investment Policy, including withdrawal from the County of Santa Clara Commingled Investment Pool, will be made in accordance with California Government Code Sections 27130 et seq., Sections 53635 and/or 53601 et seq., Section 1346 of the Knox Keene Act of 1975 as well as the prudent investment standard. Any request for withdrawal of funds from the County Pool shall require prior written approval from the County Treasurer to ensure that the interests of the other depositors in the County Pool will not be adversely affected.

POLICY

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE Government Code (AS OF JANUARY 1, 2017)[A] APPLICABLE TO ALL LOCAL AGENCIES[B]			
INVESTMENT TYPE	**MAXIMUM MATURITY[C]**	**MAXIMUM SPECIFIED % OF PORTFOLIO[D]**	**MINiMUM QUALITY REQUIREMENTS**
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Bankers'Acceptances	180 days	40%[E]	None
Commercial Paper-Pooled Funds	270 days	40% of the agency's money[G]	Highest letter and number rating by an NRSRO [H]
Commercial Paper-Non-Pooled Funds[F]	270 days	25% of the agency's money[G]	Highest letter and number rating by an NRSRO [H]
Negotiable Certificates of Deposit	5 years	30%[J]	None
Non-negotiable Certificates of Deposit	5 years	None	None
Placement Service Deposits	5 years	30% [K]	None
Placement Service Certificates of Deposit	5 years	30% [K]	
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the bas value of the portfolio	None
Medium-Term Notes[N]	5 years	30%	"A" Rating category or its equivalent or better
Mutual Funds and Money Market Mutual Funds	N/A	20%	Multiple [PQ]
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	None	"AA" rating category or its equivalent or better[R]
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple[S]
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations [U]	5 years	30%	"AA" Rating category or its equivalent or better

California Debt and Investment Advisory Commission, Local Agency Investment Guidelines, 17.01 changes as of January 1, 2017

POLICY

TABLE OF NOTES FOR CA GOVERNMENT CODE

A Sources: Sections 16340, 16429.1, 53601, 53601.8, 53635, 53635.2, 53635.8m and 53638.

B Municipal Utilites Districts have the authority uner the Public Utilites Code Section 12871 to invest in certain securities not addressed here.

C Section 53601 provides that the maximum term of any investment authorized uner this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds the five year maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year limit.

D Percentages apply to all portfolio investments regardless of source of funds. For instancer, cash from a reverse repurchase agreement would be subject to the restrictions.

E No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.

F "Select Agencies" are defined as a "city, a district, or other local agency that do[es] not pool money in deposits or investment with other local agenies, other than local agencies that have the same governing body."

G Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commerical paper of any single issuer.

H Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be rated "A" or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, has program wide credit enhancements, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized rating agency.

I "Other Agencies" are counties, a city and county, or other local agency "that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body." Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set for "Select Agencids," above.

J No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).

K No more than 30 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service (excludes negotiable certificates of deposit authorzied under Section 53601(i).

L Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a revers repurchase agreement or securiteis lending agreement and the final maturity dates of the same security.

M Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.

N "Medium-term notes" are defined in Section 53601 as "all cororate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."

O A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years experience investing in money market instruments with assets under management in excess of $500 million.

R Issuer must be rated "A" or higher as provided by a nationally recognized rating agency.

S A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registraton), has assets uner management in excess of $500 million, and has at least five years experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).

T Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.

U Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (BRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

POLICY

REFERENCES

MONITORING

Investments and yield will be reviewed on an annual basis by the Controller and Chief Financial Officer

I. Approval/Revision History

First Level Approval	Second Level Approval
Signature	Signature
Name	Name
Title	Title
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)

ANNUAL INVESTMENT POLICY REVIEW REPORT by Sperry Capital Inc.

At the request of the Chief Financial Officer, we have reviewed the Santa Clara Family Health Plan's Annual Investment Policy ("AIP"), included as Attachment A, page 3, for updates, clarifications or suggested modifications for the 2018 AIP. Sperry Capital's report provides an independent review and any necessary revisions to the current AIP as approved by the SCFHP Board of Directors (the "Board") on August 25, 2016.

A. Annual AIP Review

- Funds are invested and deposited in accordance with the AIP and the California Government Code (The "Code") §53630 – 53686.

  Under the AIP, Section IV Delegation of Authority, the Board has directed that available excess funds be deposited with the County Treasurer if:

  (1) All of the evidence of indebtedness of the County, has been rated "A" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, based on a rating conducted during the immediately preceding 12 months.

  At the end of 2017, the long-term ratings of the County of Santa Clara indebtedness were: Aaa by Moody's; AAA by S&P.

  (2) The County has cash or cash equivalents in an amount equal to fifty million dollars or more, based on its audited financial statements for the immediately preceding fiscal year.

  As of the end of Fiscal Year 2017, the County held in cash or cash equivalents $234,022,000; the value of the County's Commingled Pool was $6,714,703,000.

  Since January 2017 through January 31, 2018, SCFHP's excess funds on deposit with the Santa Clara County Treasurer in the Commingled Investment Pool have averaged $160,265,850 per month and remain subject to the County of Santa Clara Investment Pool Disclosure and Agreement for Voluntary Deposits and the County of Santa Clara Treasury Investment Policy, as adopted on June 21, 2016.

  We have reviewed the County's 2016 Investment Policy and the Quarterly and Monthly Investment Reports from June 2016 through June 2017 and their 2017 CAFR. These reports are prepared by the treasury staff of the County and published online on the County's website. These reports are in keeping with the reporting requirements of the County's Investment Policy. One of the County's stated benchmarks for its investment performance is the State Treasurer's Local Agency Investment Fund (LAIF). Throughout this period, the Commingled Investment Pool's yield exceeded the yield of LAIF. However, the average days to maturity were significantly higher. The weighted average life of the County Pool as June 2017 was 528 days while LAIF was at 194 days. The County's investment advisor, FTN Main Street Advisors, monitors and reviews the investment activities of the Treasurer for compliance to the County Investment Policy. There were no discrepancies to the County's Investment Policy noted by their advisors. The following table, provided on the County website, shows how the Pool performed against LAIF and selected Treasury securities. (WAM means weighted average maturity).

Santa Clara County Commingled Pool vs Benchmarks

Item	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
SCC Pool YTM	0.96%	0.98%	0.99%	0.99%	0.97%	0.96%	1.01%	1.03%	1.10%	1.13%	1.18%	1.25%
LAIF YTM	0.59%	0.61%	0.63%	0.65%	0.68%	0.72%	0.75%	0.78%	0.82%	0.88%	0.93%	0.98%
6 Mth T-Bill	0.37%	0.46%	0.43%	0.50%	0.61%	0.61%	0.63%	0.74%	0.90%	0.97%	1.07%	1.13%
2 Yr T-Note	0.66%	0.81%	0.76%	0.84%	1.12%	1.19%	1.21%	1.26%	1.26%	1.26%	1.28%	1.38%
SCC WAM	504	504	533	518	481	422	471	477	479	469	488	528
LAIF WAM	169	162	165	163	167	176	180	186	180	188	186	194

Source: FTN Main Street Advisors, Santa Clara County Commingled Pool as of June 30, 2017

- There are no relevant updates to the California Government Code §53630 – 53686 that need to be included in the AIP from last year per the California Debt and Investment Advisory Commission, 17.01*, Local Agency Investment Guidelines 2017. However, we do recommend additions to the Policy to enable SCFHP to diversify its present investment strategy outside of investing funds in the County Pool.*

- We have examined 13 months of cash flow activity provided by staff and found that the liquidity needs of SCFHP were sufficiently met. *The Code requires the local agency to include a statement denoting the ability of the local agency to meets its expenditure requirements for the next six months or provide an explanation as to why sufficient money may or may not be available*.

- SCFHP staff monitors the quarterly investment reports of the County's Commingled Pool as is required by the Code's Section 53646. (*The Code states that the "treasurer or chief financial officer may render a quarterly report to the chief executive officer, internal auditor, and the legislative body" within 30 days of the quarter's end." It is noted that the last publicly available quarterly investment report of the County Pool is dated as of June 30, 2017. The California Debt and Investment Advisory Commission recommends that the report be made within 30 days of the quarter's end. We recommend that SCFHP request the County Pool Quarterly Investment Report be provided to the Controller of the SCFHP within 30 days of the quarter end.)*

- We recommend SCFHP include in the AIP, guidelines or rating parameters regarding the strength of its depository (financial) institutions in addition to the County Pool. We also recommend establishing policy guidelines for investing excess funds in any daily sweep accounts that at approved financial institutions that meet the investment requirements of the Code. Many investment policies also include the requirement for establishing a periodic review of **all** depository relationships to address the *AIP's Objective i, Preservation of capital*.

B. Recommended revisions for the Annual Investment Policy 2018

For added flexibility, diversity and to increase yield of your investment strategy, we recommend revisions to the 2018 AIP. Recommended revisions are in blue in the draft Annual IP 2018 Suggested Revisions 3-19-2018.

ATTACHMENT A – Current Policy

Santa Clara Family Health Plan Annual Investment Policy

I. PURPOSE

This Annual Investment Policy sets forth the investment guidelines and structure for the investment of short term operating funds and any Board-designated reserve funds invested on and after August 25, 2016[1], of the Santa Clara Family Health Plan (SCFHP) which was established by the Santa Clara County Board of Supervisors under Ordinance 300.576 and licensed by the State of California under the Knox-Keene Act of 1975 in 1996.

Investments may only be made as authorized by this Annual Investment Policy. SCFHP is required to invest its funds in accordance with the California Government Code Sections 27130 et seq., Sections 53635 and/or 53601 et seq., Section 1346 of the Knox Keene Act of 1975 as well as the prudent investment standard.

> *The Prudent Investor Standard: When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of SCFHP, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency (California Government Code Section 53600.3).*

1 As approved by the SCFHP Executive/Finance Committee Regular Meeting.

II. OBJECTIVE

The objective of this Policy is to ensure that SCFHP funds not required for the immediate needs of SCFHP are prudently invested to ensure:

1. Preservation of capital,
2. Maintenance of sufficient liquidity to meet the operating requirements,
3. A market-average rate of return through economic cycles, and
4. Diversification of the portfolio to avoid incurring unreasonable market risks.

III. ETHICS AND CONFLICTS OF INTEREST

SCFHP's officers, employees and Board members involved in the investment process shall refrain from personal and professional business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. SCFHP's officers and employees involved in the investment process are not permitted to have any material financial interests in financial institutions, including state or federal credit unions, that conduct business with SCFHP, and they are not permitted to have any personal financial or investment holdings that could be materially related to the performance of SCFHP's investments.

IV. DELEGATION OF AUTHORITY

The Board of Directors of the SCFHP is responsible for the management and oversight of SCFHP's investment program. The Board has directed that available excess funds be deposited with the County Treasurer into the County of Santa Clara Commingled Investment Pool and which will be invested by the County Treasurer in accordance with the policies contained in the County of Santa Clara Treasury Investment Policy, now in effect and which may be revised from time to time. As per the deposit requirements for county health plans under California Health and Safety Code Section 1346 and 1376.1, depositing SCFHP's excess funds with the County of Santa Clara is permitted if:

(a) All of the evidence of indebtedness of the county, has been rated "A" or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation, based on a rating conducted during the immediately preceding 12 months.

(b) The county has cash or cash equivalents in an amount equal to fifty million dollars of more, based on its audited financial statements for the immediately preceding fiscal year.

The day-to-day managing, reporting, and oversight of the investment contractual obligations between the County and SCFHP shall be the responsibility of SCFHP's Chief Financial Officer.

V. DOCUMENTS

The following documents have been reviewed by County counsel and approved by the SCFHP Board of Directors to support the investment relationship between the County of Santa Clara and SCFHP:

- County of Santa Clara Investment Pool Disclosure and Agreement for Voluntary Deposit:

  This document states that SCFHP has provided funds to Santa Clara County for investment, and that these funds are owned and available to SCFHP for the purpose of SCFHP's use. This agreement spells out the rules for participating in the Pool and establishes the frequency and amount of funds that can be removed from the Pool at a particular time.

- County of Santa Clara Treasury Investment Policy

  The County of Santa Clara Treasury Investment Policy, as approved annually by the Santa Clara Board of Supervisors, details the investment policy, practices, and goals of the County of Santa Clara based on compliance with State law and prudent money management. The policy includes sections on the Standards of Care, the County Treasury Oversight Committee, Eligible, Authorized and Suitable Investments, Internal Controls and Accounting, and Reporting. It is the responsibility of the County Treasury Oversight Committee to approve the investment policy prepared annually by the County Treasurer, to review and monitor the quarterly investment reports prepared by the County Treasurer, to review depositories for County fund and broker/dealers and banks as approved by the County Treasurer, and to cause an annual audit to be conducted to determine the County Treasury's compliance with all relevant California Government Code statutes and County of Santa Clara ordinances and the County Treasury Investment Policy.

- County of Santa Clara Treasury Quarterly Report

  This quarterly investment report is provided to SCFHP as a voluntary participant and other participants whose funds are maintained and invested by the Treasurer of the County of Santa Clara, This report discloses a quarter end listing of the Pool's investment holdings, a portfolio summary of cost values versus market values and yields, a summary of portfolio strategy, diversification and credit compliance of permitted investments,, and a listing of all transactions that have taken place during the reporting period.

- SAP Balance and Interest Earnings of SCFHP Invested Funds

SCFHP periodically receives from the County of Santa Clara SAP reports that list the fund balance as well as interest earnings which is apportioned by the County Treasurer to all Pool participants based upon the average daily balance of SCFHP funds on deposit for each quarter.

VI. REVIEW OF INVESTMENT POLICY

At least annually and more frequently as needed, the SCFHP Board of Directors will review this Investment Policy at a regular meeting of the Board. Any recommended changes to the Policy, including modifications to current investment strategy, oversight procedures including internal controls will be first be brought to the Executive Committee by the CFO for review and approval prior to presentation to the Board. The Executive Committee and Board of Directors will be supported in this work by the CFO and the SCFHP Vice President/General Counsel for financial and legal issues, respectively.

Any modifications to this Investment Policy, including withdrawal from the County of Santa Clara Commingled Investment Pool, will be made in accordance with California Government Code Sections 27130 et seq., Sections 53635 and/or 53601 et seq., Section 1346 of the Knox Keene Act of 1975 as well as the prudent investment standard. Any request for withdrawal of funds from the County Pool shall require prior written approval from the County Treasurer to ensure that the interests of the other depositors in the County Pool will not be adversely affected.

Santa Clara
Family Health Plan
The Spirit of Care

Regular Meeting of the
Santa Clara County Health Authority
Executive/Finance Committee

Thursday, May 24, 2018
210 E. Hacienda Avenue
Campbell CA 95008
Cambrian Conference Room

Via Teleconference
Residence
1226 Crosby Crescent
Ann Arbor, MI 48103

Minutes – DRAFT

Members Present
Michele Lew, Chair
Bob Brownstein
Dolores Alvarado
Linda Williams

Members Absent
Liz Kniss

Staff Present
Christine Tomcala, Chief Executive Officer *(via telephone)*
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Jonathan Tamayo, Chief Information Officer
Sharon Valdez, VP of Human Resources
Neal Jarecki, Controller
Johanna Liu, Director of Quality and Pharmacy
Caroline Alexander, Administrative Assistant

1. **Roll Call**

Michele Lew called the meeting to order at 11:40 am. Roll Call was taken and a quorum was not established.

2. **New Building Update**

Dave Cameron presented a progress report on the new office build out. He noted the scheduled occupancy date is Friday, July 27th with the first day of on-site business planned for Monday, July 30th. No significant down-time is expected during the move and some work will continue after move-in (e.g., the front lobby). All staff are expected to be in the new building by mid-August. Construction costs remain within budget. The lease for the current space terminates at the end of August.

Dolores Alvarado joined the meeting at 11:45 a.m. and a quorum was established.

3. Meeting Minutes

The minutes of the April 26, 2018 Executive/Finance Committee were reviewed.

> **It was moved, seconded, and** the April 26, 2018 Executive/Finance Committee Minutes were **unanimously approved**.

4. Public Comment

There were no public comments.

5. March 2018 Financial Statements

Mr. Cameron presented the March 2018 financial statements. For the month, the Plan reported a net surplus of $49 thousand which was $1.6 million unfavorable to budget. For the first nine months of the fiscal year, the Plan reported a net surplus of $17.5 million, which was $9.3 million favorable to budget.

Month-end enrollment of 263,849 members reflected an unfavorable budget variance of 7,677 members (2.8%) and a decline of 959 members from the prior month. Year-to-date member months of 2,414,556 trailed budget by 1.9%. This continues a downward trend in Medi-Cal enrollment that began in November 2016. Specific causes are thought to include member concerns regarding the Federal political climate, an improving economy, and relocations due to the high cost of local housing. While Medi-Cal enrollment continued to decline, enrollment in Cal Medi-Connect has increased slightly, reflecting the Plan's enrollment outreach efforts.

For the month, revenue favorably exceeded budget by $8.6 million (10.3%). Current month revenue included the results of DHCS' CCI MLTSS recast/reconciliation through calendar year-end 2016 of $4.8 million. Current month revenue and medical expense included Prop 56 funds of $5.4 million, expected to be distributed in July, following reconciliation to encounter data. For the fiscal year-to-date, revenue also favorably exceeded budget by $12.1 million (1.4%). As of January 2018, IHSS services are no longer included in either revenue or medical expense.

For the month, medical expense reflected an unfavorable budget variance of $10.6 million (13.8%). For the fiscal year-to-date, medical expense reflected a favorable budget variance of $4.5 million (<1%). Monthly results reflect increased prior period medical expense estimates due to the uneven payments following the claims system conversion and retroactive LTC rate changes, Prop 56 funds received, and higher than budgeted Inpatient expense partially offset by lower capitation expense reflecting reduced enrollment. For the month, the overall medical loss ratio (MLR) was 95.8% vs. budget of 92.9%. For the fiscal year-to-date, the overall MLR was 93.7% vs. budget of 94.5%.

For the month, administrative expense reflected an unfavorable budget variance of $32 thousand (5.0%). For the fiscal year-to-date, administrative expense reflected an unfavorable budget variance of $54 thousand (0.1%). Unfavorable monthly variances were noted in Consultants and Temp Staff, as the Plan addresses certain special projects while also attempting to hire additional staff. For the month, the administrative loss ratio (ALR) was 4.6% vs. budget of 5.0%. For the fiscal year-to-date, the ALR was 4.4% which equaled budget. With IHSS removed from revenue effective January 1, 2018, the ALR has increased, as expected.

The balance sheet continues to reflect significant receivables and payables with the State of California including several estimated receivables for the Coordinated Care Initiative (CCI). The Plan continues to seek reconciliation and finalization of prior year CCI amounts with DHCS. The current ratio (the ratio of current assets to current liabilities) of 1.3 exceeds the DMHC minimum of 1.0.

Tangible Net Equity (TNE) of $175.9 million was 508.5% of the Department of Managed Health Care (DMHC) minimum requirement of $34.6 million. Mr. Cameron reviewed the reserve goals established by the Board in September 2016.

Capital assets of $11.2 million have been acquired during the fiscal year-to-date, largely the 6201 San Ignacio Boulevard building. The Capital Budget includes total annual expenditures of $17.3 million. In March 2018, the Board approved a revised estimate of $12.8 million for building renovation.

It was moved, seconded and the March 2018 Financial Statements were unanimously **approved**.

Linda Williams joined *the meeting at 11:55 a.m.*

6. Fiscal Year 2017-2018 Donations and Sponsorships Annual Report

Ms. Tomcala presented the annual summary of donations and sponsorships, indicating SCFHP provided $85,915 in funding during FY 2017-18, compared to $53,525 in FY 2016-17.

It was moved, seconded, and unanimously approved to accept the FY 2017-2018 Donations and Sponsorships Annual Report.

7. Funding for Community Clinic PCMH Certification

Ms. Tomcala presented a proposal to provide $30,000 in funding to offset NCQA Patient-Centered Medical Home (PCMH) certification survey fees for Community Clinics (Gardner, Indian Health Center, and NEMS), in support of practice transformation. Johanna Liu, SCFHP Director of Quality and Pharmacy, joined the discussion. Linda Williams indicated there were more than the three noted clinics in the community that have invested in PCMH certification. Dolores Alvarado noted that clinics may incur related practice transformation costs in addition to certification fees. To allow staff to identify and provide $10,000 in funding for each eligible contracting agency, the Committee suggested authorizing up to $100,000 in funding.

It was moved, seconded, and funding up to $100,000 towards PCMH certification survey fees and practice transformation for Community Clinics, with a maximum $10,000 per agency, was **unanimously approved**.

8. Network Detection and Prevention Report

Jonathan Tamayo presented a Network Detection and Prevention Report. None of the intrusion attempts on the SCFHP network were successful. For email protection SCFHP utilizes software that intercepts every incoming email and scans them for suspicious content, attachments, or URLs. Software is configured to detect phishing attempts and includes SPF (Sender Policy Framework) anti-spoofing. Daily top email senders are reviewed by IT. Potential malicious or unknown email addresses are blacklisted, and top spam countries are also reviewed and may be blocked. As reported by staff, the number of phishing attacks continues to increase. Mr. Tamayo will bring to the LHPC CIO June meeting the recommendation to share email blacklists with other local health plans.

It was moved, seconded, and unanimously approved to accept the Network Detection and Prevention Report.

9. CEO Update

Ms. Tomcala invited Ms. Larmer to provide an update on compliance. Ms.Larmer noted that on the CMS website usability evaluation, the Plan scored 100%.

It was moved, seconded, and unanimously approved to accept the CEO Update.

10. Adjourn to Closed Session

a. <u>Conference with Labor Negotiators</u>
The Committee met in Closed Session to confer with management representatives regarding negotiations with SEIU Local 521.

11. Report from Closed Session
Ms. Lew reported the Committee met in Closed Session to confer with management representatives regarding negotiations with SEIU Local 521.

12. Adjournment

The meeting was adjourned at 12:45 pm.

_____
Michele Lew, Chair

Santa Clara
Family Health Plan

The Spirit of Care

Unaudited Financial Statements
For Nine Months Ended March 2018

Agenda

Santa Clara Family Health Plan
The Spirit of Care

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

	MTD		YTD	
Revenue	$92 M		$856 M	
Medical Expense	$88 M		$802 M	
Medical Expense Ratio	95.8%		93.7%	
Administrative Expense (% Rev)	$4.2 M	4.6%	$37.7 M	4.4%
Other Income/Expense	$351,685		$1,179,862	
Net Surplus (Loss)	**$48,641**		**$17,483,645**	
Cash on Hand			$238 M	
Net Cash Available to SCFHP			$218 M	
Receivables			$501 M	
Current Liabilities			$591 M	
Tangible Net Equity			$176 M	
% of DMHC Requirements			**508.5%**	

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

- Net Surplus
  - Month: Surplus of $48.6K is $-1.6M or -97.1% unfavorable to budget of $1.7M.
  - YTD: Surplus of $17.5M is $9.3M or 114.6% favorable to budget of $8.1M.
- Enrollment
  - Month: Membership was 263,849 (-7,677 or -2.8% unfavorable budget of 271,526).
  - YTD: Member months was 2.4M (-46.8K or -1.9% unfavorable budget of 2.5M).
- Revenue
  - Month: $91.7M ($8.6M or 10.3% favorable to budget)
  - YTD: $855.8M ($12.1M or 1.4% favorable to budget)
- Medical Expense
  - Month: $87.8M ($10.6M or 13.8% unfavorable to budget)
  - YTD: $801.7M ($4.5M or 0.6% unfavorable to budget)
- Administrative Expense
  - Month: $4.2M ($31.8K or 0.8% unfavorable to budget)
  - YTD: $37.7M ($54.2K or 0.1% unfavorable to budget)
- Tangible Net Equity
  - March 2018 TNE was $175.9M (508.5% of minimum DMHC requirements - $34.6M)
- Capital Expenditures
  - YTD Capital Investment = $11.2M vs. $17.3 annual budget was primarily due to building purchase.

Risks & Opportunities

Santa Clara Family Health Plan
The Spirit of Care

- Risks
  - YTD enrollment is below budget. Medi-Cal enrollment has been declining since November 2016.
  - Retroactive provider rate adjustments are still causing volatility in claims payments and in estimation of total monthly medical expenses.
  - Revenue recordation requires significant estimation and accruals, particularly those for the Coordinated Care Initiative (CCI).
  - Declining enrollment and revenue capitation rates are expected in FY19.
- Opportunities
  - YTD Net Surplus continues to exceed budget.
  - Continued growth in CCI membership.
  - Continue to fill open positions to replace temporary staff and consultant usage.
  - With convergence of claims processing to QNXT, all claims are processed on one system, which allows for increased auto-adjudication rates and better efficiency.
  - Utilization management with in-house staffing for previously outsourced Health Risk Assessments and Individualized Care Management Plans yields better outcomes for members.

Santa Clara
Family Health Plan

The Spirit of Care

Details

Enrollment

- Medi-Cal membership has declined since November 2016, while CMC membership has generally stabilized over the past few months.
- As detailed on page 15, much of the Medi-Cal enrollment decline has been in the Medicaid Expansion (MCE), Adult and Child categories of aid.
- FY18 YTD Membership Trends
  - Medi-Cal membership has decreased since the beginning of the fiscal year by -4.8%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 25%.
  - CMC membership decreased since the beginning of the fiscal year by -1.8%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of Mar 2018			For Nine Months Ending Mar 31 2018				
	Actual	Budget	Variance	Actual	Budget	Variance	Prior Year Actuals	Δ FY17 vs. FY18
Medi-Cal	253,025	261,226	-(3.1%)	2,323,540	2,368,701	-(1.9%)	2,418,613	-(3.9%)
Healthy Kids	3,415	2,800	22.0%	24,424	25,200	-(3.1%)	27,384	-(10.8%)
Medicare	7,409	7,500	-(1.2%)	66,592	67,500	-(1.3%)	69,719	-(4.5%)
Total	**263,849**	**271,526**	**-(2.8%)**	**2,414,556**	**2,461,401**	**-(1.9%)**	**2,515,716**	**-(4.0%)**

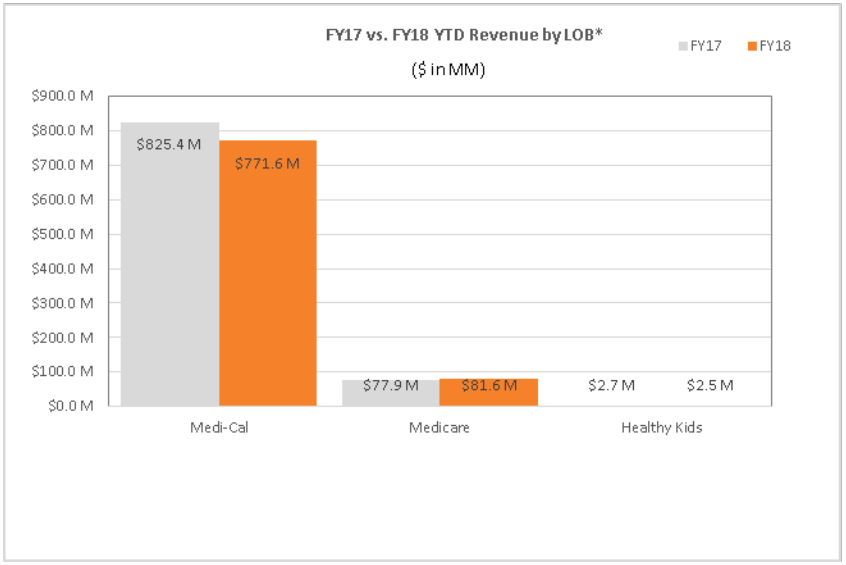
Santa Clara Family Health Plan Enrollment By Network
March 2018

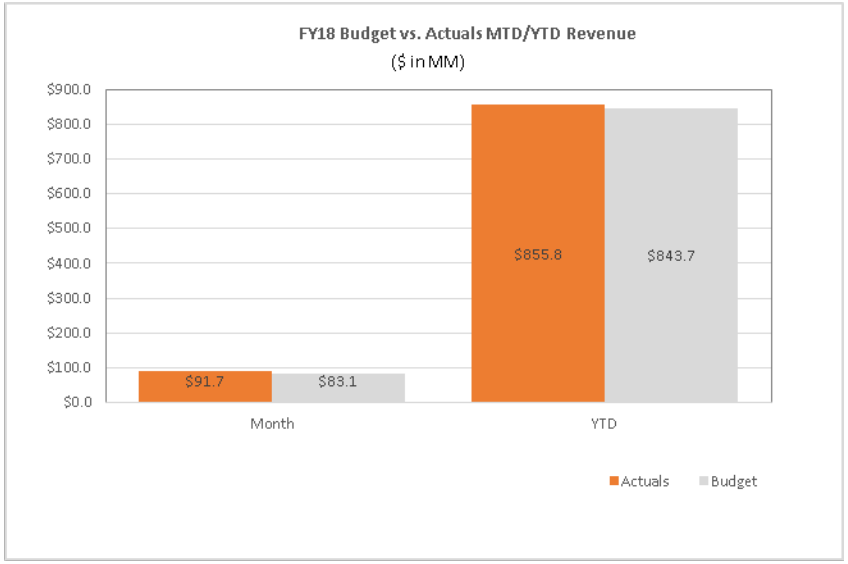
Network	Medi-Cal		Healthy Kids		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	28,881	11%	381	11%	7,409	100%	36,671	14%
SCVHHS1, Safety Net Clinics, FQHC2 Clinics	128,178	51%	1,592	47%	-	0%	129,770	49%
Palo Alto Medical Foundation	7,290	3%	89	3%	-	0%	7,379	3%
Physicians Medical Group	46,748	18%	1,120	33%	-	0%	47,868	18%
Premier Care	15,762	6%	233	7%	-	0%	15,995	6%
Kaiser	26,166	10%	-	0%	-	0%	26,166	10%
Total	**253,025**	**100%**	**3,415**	**100%**	**7,409**	**100%**	**263,849**	**100%**
Enrollment at June 30, 2017	265,753		2,732		7,543		276,028	
Net Δ from Beginning of FY18	-4.8%		25.0%		-1.8%		-4.4%	

1 SCVHHS = Santa Clara Valley Health & Hospital System
2 FQHC = Federally Qualified Health Center

Revenue

- Current month revenue of $91.7M is $8.6M or 10.3% favorable to budget of $83.1M. YTD revenue of $855.8M is $12.1M or 1.4% favorable to budget of $843.7M.
  - MLTSS revenue was recast by DHCS for FY16 and forward, resulting in a favorable revenue variance of $5.2M.
  - Long Term Care (LTC) revenue was up in March to $4.5M and favorable to budget by $1.7M due to higher member months and rate differentials.
  - Revenue and medical expense both reflect $5.4M of Prop 56 funds received for which reconciliation is in process.





	FY17 vs. FY18 YTD Revenue by LOB			
	FY17	FY18	Variance	
Medi-Cal	$825.4 M	$771.6 M	($53.8 M)	-6.5%
Medicare	$77.9 M	$81.6 M	$3.8 M	4.8%
Healthy Kids	$2.7 M	$2.5 M	($0.1 M)	-5.2%
Total Medical Expenses	**$906.0 M**	**$855.8 M**	**($50.2 M)**	**-5.5%**

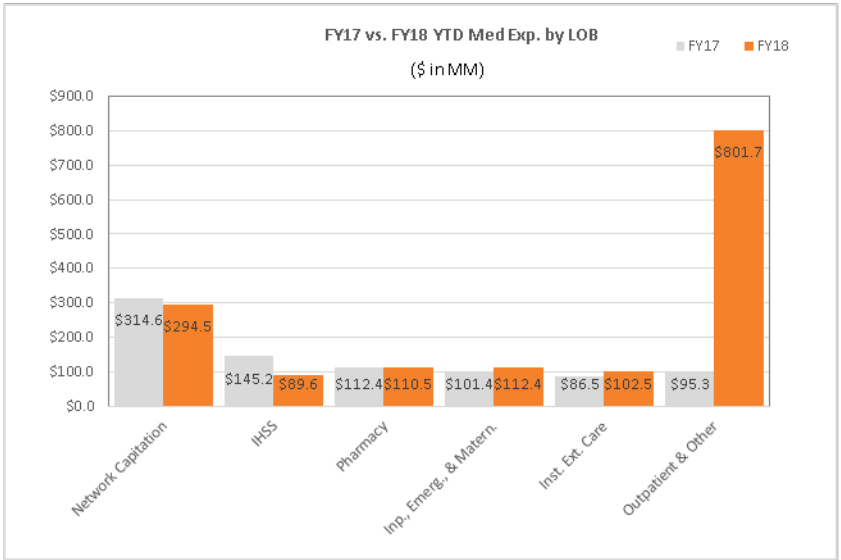
	FY18 Budget vs. Actuals MTD/YTD Revenue			
	Actuals	Budget	Variance	
Month	$91.7	$83.1	$8.6	10.3%
YTD	$855.8	$843.7	$12.1	1.4%

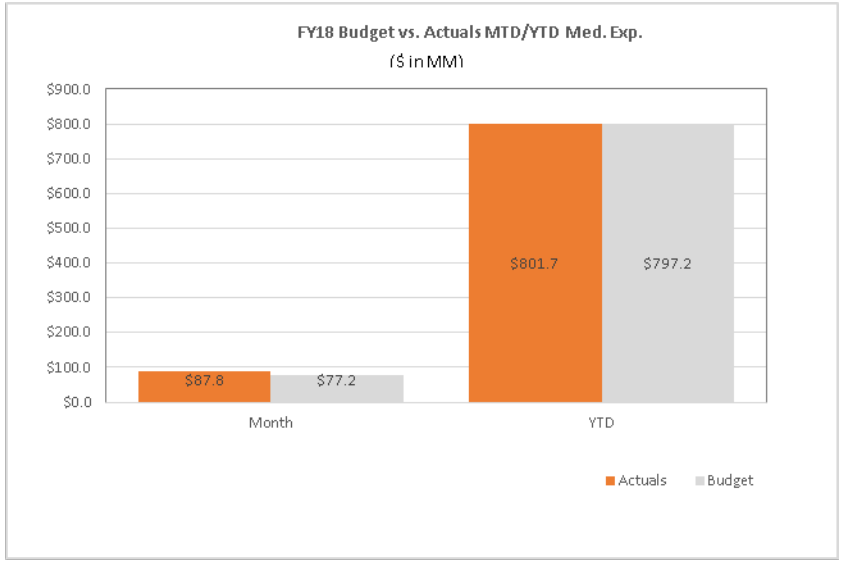
**IHSS was included in revenue through 12/31/17*

Medical Expense

Santa Clara Family Health Plan
The Spirit of Care

- Current month medical expense of $87.8M is $10.6M or 13.8% unfavorable to budget of $77.2M. YTD medical expense of $801.7M is $4.5M or 0.6% unfavorable to budget of $797.2M.
  - Estimates of prior period medical expenses were increased in Inpatient ($3.0M) and LTC ($3.3M) to reflect recent claims payment activity.
  - March network capitation expense was favorable by $1.8M due to fewer member months.
  - Revenue and medical expense both reflect $5.4M of Prop 56 funds received for which reconciliation is in process.





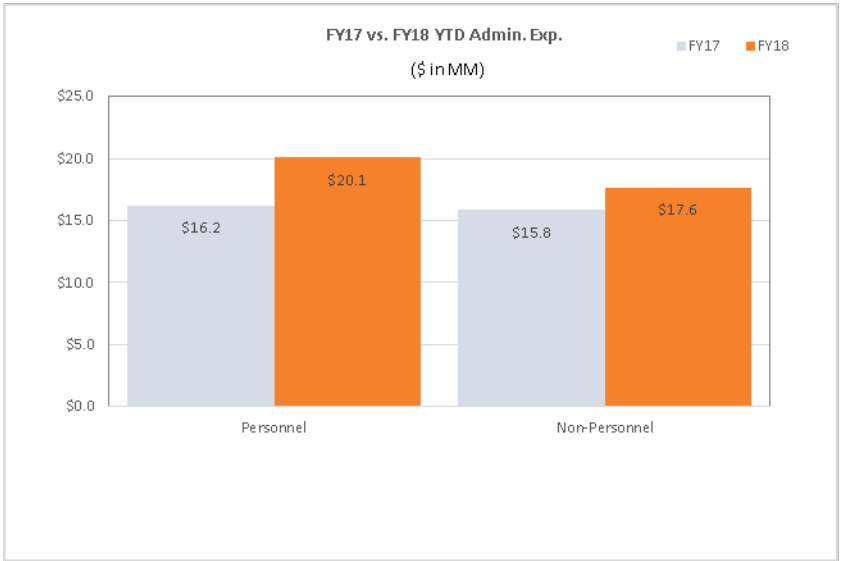
	FY17 vs. FY18 YTD Med Exp. by LOB			
	FY17	FY18	Variance	
Network Capitation	$314.6	$294.5	-$20.2	-6.4%
IHSS	$145.2	$89.6	-$55.6	-38.3%
Pharmacy	$112.4	$110.5	-$1.9	-1.7%
Inp., Emerg., & Matern.	$101.4	$112.4	$11.0	10.8%
Inst. Ext. Care	$86.5	$102.5	$16.0	18.5%
Outpatient & Other	$95.3	$801.7	-$53.6	741.5%
Total Medical Expenses	**$855.4**	**$801.7**	**-$53.6**	**-6.3%**

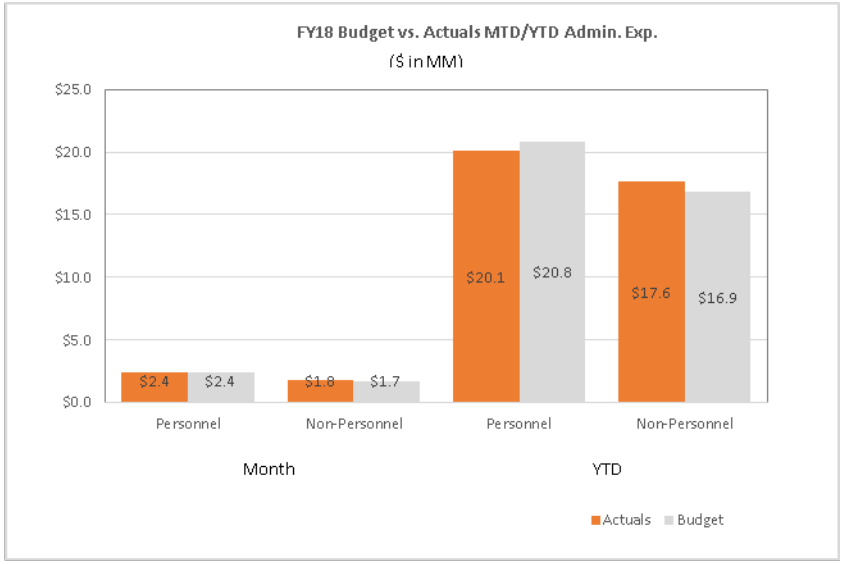
	FY18 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	$87.8	$77.2	$10.6	13.8%
YTD	$801.7	$797.2	$4.5	0.6%

**IHSS was included in medical expense through 12/31/17*

Administrative Expense

- Current month admin expense of $4.2M is $31.8K or 0.8% unfavorable to budget of $4.2M. YTD admin expense of $37.7M is $54.2K or 0.1% unfavorable to budget of $37.7M.
  - Current month expenses are all running at budget.
  - For the YTD, Personnel expenses are -3.5% under budget due to delayed hiring while consultants are $2.7M over budget both to delayed hiring and special projects. Printing and postage are favorable to the YTD budget due to timing of expenses.





	FY17 vs. FY18 YTD Admin. Exp.			
	FY17	FY18	Variance	
Personnel	$16.2	$20.1	$3.9	19.3%
Non-Personnel	$15.8	$17.6	$1.8	10.2%
Total Admin Expenses	**$32.1**	**$37.7**	**$5.7**	**15.0%**

			FY18 Budget vs. Actuals MTD/YTD Admin. Exp.			
			Actuals	Budget	Variance	
Month	Personnel		$2.4	$2.4	$0.0	-1.9%
	Non-Personnel		$1.8	$1.7	$0.1	4.6%
	MTD Total		**$4.2**	**$4.2**	**$0.0**	**0.8%**
YTD	Personnel		$20.1	$20.8	-$0.7	-3.5%
	Non-Personnel		$17.6	$16.9	$0.8	4.7%
	YTD Total		**$37.7**	**$37.7**	**$0.1**	**0.1%**

Balance Sheet

Santa Clara Family Health Plan
The Spirit of Care

- Current assets totaled $747.4M compared to current liabilities of $591.1M, yielding a current ratio (Current Assets/Current Liabilities) of 1.3 vs. the DMHC minimum requirement of 1.0.

- Working capital (Current Assets Less Current Liabilities) increased by $11.7M for the nine months of the fiscal year.

- Cash as of March 31, 2018 decreased by $181.4M compared to the cash balance as of year-end June 30, 2017. The overall cash position decreased largely due to timing of receipt of revenues, largely paid in arrears, along with the recoupment of prior year overpayments for the MCE membership.

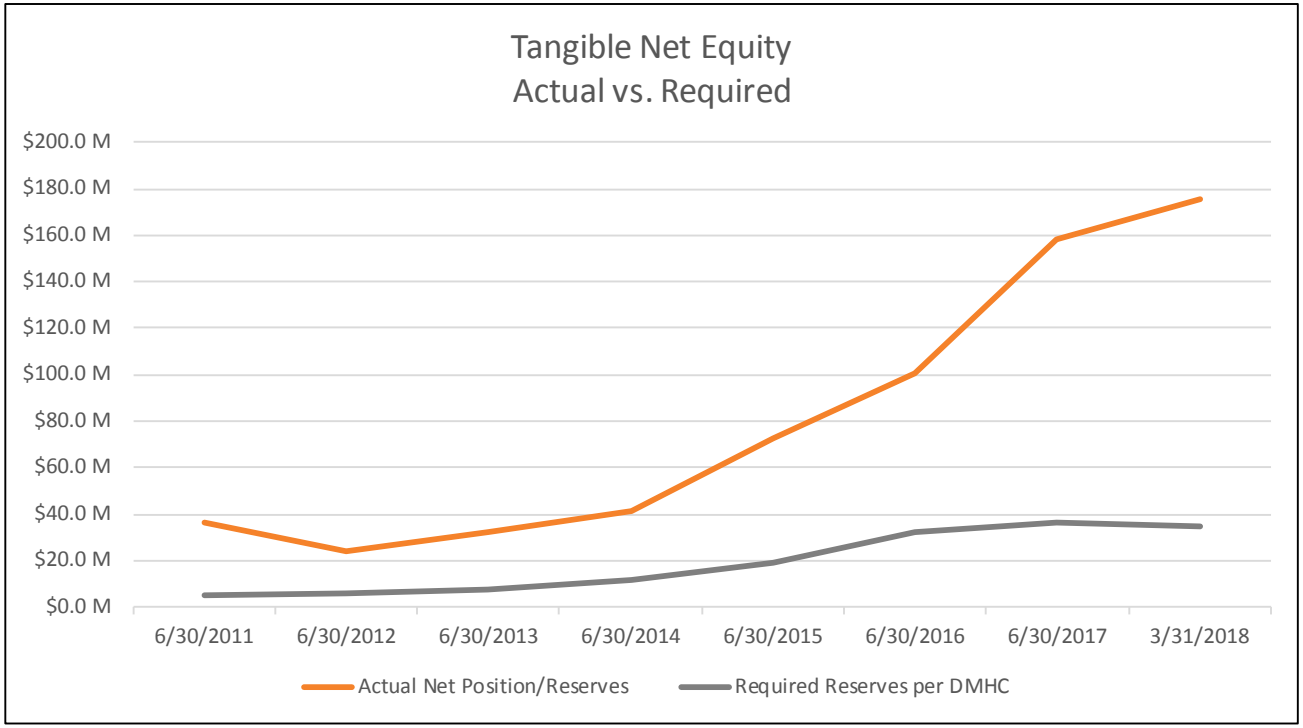
Tangible Net Equity

Santa Clara Family Health Plan
The Spirit of Care

- TNE was $175.9M in March 2018 or 508.5% of the most recent quarterly DMHC minimum requirement of $34.6M. TNE trends for SCFHP are shown below.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of : March 31, 2018

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	3/31/2018
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$175.9 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$34.6 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$69.2 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	508.5%



Reserves Analysis

Santa Clara Family Health Plan
The Spirit of Care

- At the September 2016 Governing Board meeting, a policy was adopted for targeting the organization's capital reserves to include:
  a) An Equity Target of 350-500% of DMHC required TNE percentage and
  b) A Liquidity Target of 45-60 days of total operating expenses in available cash.

SCFHP RESERVES ANALYSIS MARCH 2018	
Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	175,864,205
Current Required TNE	34,582,875
Excess TNE	**141,281,330**
Required TNE %	508.5%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	121,040,063
500% of Required TNE (High)	172,914,376
TNE Above/(Below) SCFHP Low Target	**$54,824,142**
TNE Above/(Below) High Target	**$2,949,829**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	238,428,566
Less Pass-Through Liabilities	
Payable to State of CA (1)	-
Other Pass-Through Liabilities	(20,155,837)
Total Pass-Through Liabilities	**($20,155,837)**
Net Cash Available to SCFHP	$218,272,729
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$98,061,795**
Liquidity Above/(Below) High Target	**$57,991,484**
(1) Pass-Through from State of CA (excludes IHSS)	
Receivables Due to SCFHP	125,626,314
Payables Due to SCFHP	(61,295,156)
Net Receivables/(Payables)	**$64,331,158**

Capital Expenditure

Santa Clara Family Health Plan
The Spirit of Care

- Capital investments of $11.2M were made in the nine months ending March 2018, largely due to the purchase and renovation of a new building (in order to lower the long term occupancy costs in an ever increasing rental rate situation in the current location).
- YTD capital expenditure includes the following and we expect to incur the bulk of the remaining expenditures later in FY 2018.

Expenditure	YTD Actual	Annual Budget
New Building*	$9,953,025	$14,300,000
Systems	269,881	1,595,000
Hardware	394,796	611,500
Software	369,192	587,000
Furniture and Fixtures	135,935	173,515
Automobile	29,248	33,000
Leasehold Improvements	0	10,000
TOTAL	**$11,152,076**	**$17,310,015**

(1) Budget includes $4.5 million of renovation expend associated with 50 Great Oaks building Increased to $12M by governing board in March 2018.

Santa Clara
Family Health Plan

The Spirit of Care

Statements

Enrollment By Aid Category

		2017-03	2017-04	2017-05	2017-06	2017-07	2017-08	2017-09	2017-10	2017-11	2017-12	2018-01	2018-02	2018-03
NON DUAL	Adult (over 19)	30,750	30,468	30,028	29,745	29,019	29,307	29,056	28,726	28,256	28,075	27,528	27,365	27,365
	Adult (under 19)	106,935	106,784	106,137	106,200	104,714	105,182	104,375	103,846	103,273	103,084	101,222	101,314	101,314
	Aged - Medi-Cal Only	10,400	10,520	10,538	10,674	10,776	10,693	10,722	10,801	10,778	10,782	10,892	10,906	10,906
	Disabled - Medi-Cal Only	11,074	11,089	11,081	10,923	10,913	10,862	10,845	10,850	10,863	10,821	10,792	10,759	10,759
	Adult Expansion	82,618	82,751	82,420	82,349	80,300	80,741	80,470	79,998	79,232	79,207	76,923	76,985	76,985
	BCCTP	16	17	16	18	17	17	17	17	16	16	15	15	15
	Long Term Care	311	309	320	332	344	355	366	369	370	377	375	363	363
	Total Non-Duals	**242,104**	**241,938**	**240,540**	**240,241**	**236,083**	**237,157**	**235,851**	**234,607**	**232,788**	**232,362**	**227,747**	**227,707**	**227,707**
DUAL	Adult (21 Over)	479	479	467	463	464	450	447	444	427	433	421	416	416
	Aged (21 Over)	16,087	16,222	16,217	16,401	16,329	16,709	16,813	16,832	16,829	16,721	16,716	16,707	16,707
	Disabled (21 Over)	6,506	6,507	6,458	6,518	6,474	6,502	6,522	6,547	6,555	6,552	6,545	6,526	6,526
	Adult Expansion	1,141	947	921	906	806	784	793	789	717	709	474	470	470
	BCCTP	1	1	1	1	1	1	1	0	0	0	1	2	2
	Long Term Care	1,222	1,210	1,214	1,223	1,234	1,250	1,246	1,255	1,251	1,253	1,248	1,197	1,197
	Total Duals	**25,436**	**25,366**	**25,278**	**25,512**	**25,308**	**25,696**	**25,822**	**25,867**	**25,779**	**25,668**	**25,405**	**25,318**	**25,318**
	Total Medi-Cal	**267,540**	**267,304**	**265,818**	**265,753**	**261,391**	**262,853**	**261,673**	**260,474**	**258,567**	**258,030**	**253,152**	**253,025**	**253,025**
	Healthy Kids	**2,752**	**2,794**	**2,757**	**2,732**	**2,633**	**2,618**	**2,243**	**2,288**	**2,321**	**2,447**	**3,209**	**3,415**	**3,415**
CMC	CMC Non-Long Term Care	7,332	7,276	7,255	7,260	7,252	7,139	7,124	7,070	7,095	7,132	7,135	7,168	7,168
	CMC - Long Term Care	290	291	290	283	273	266	259	256	254	257	254	241	241
	Total CMC	**7,622**	**7,567**	**7,545**	**7,543**	**7,525**	**7,405**	**7,383**	**7,326**	**7,349**	**7,389**	**7,389**	**7,409**	**7,409**
	Total Enrollment	**277,914**	**277,665**	**276,120**	**276,028**	**271,549**	**272,876**	**271,299**	**270,088**	**268,237**	**267,866**	**263,750**	**263,849**	**263,849**

Income Statement

Santa Clara County Health Authority

Income Statement for Nine Months Ending March 31, 2018

	For the Month of Mar 2018						For Nine Months Ending Mar 31, 2018					
	Actual	% of Rev	Budget	% of Rev	Variance	% Var	Actual	% of Rev	Budget	% of Rev	Variance	% Var
REVENUES												
MEDI-CAL	$ 82,425,047	89.9%	$ 74,198,724	89.3%	$ 8,226,323	11.1%	$771,622,612	90.2%	$763,642,629	90.5%	$ 7,979,983	1.0%
HEALTHY KIDS	360,677	0.4%	252,000	0.3%	108,677	43.1%	2,535,302	0.3%	2,268,000	0.3%	267,302	11.8%
MEDICARE	8,900,511	9.7%	8,637,957	10.4%	262,554	3.0%	81,626,678	9.5%	77,741,617	9.2%	3,885,061	5.0%
TOTAL REVENUE	**$ 91,686,235**	**100.0%**	**$ 83,088,681**	**100.0%**	**$ 8,597,554**	**10.3%**	**$855,784,592**	**100.0%**	**$843,652,246**	**100.0%**	**$ 12,132,346**	**1.4%**
MEDICAL EXPENSES												
MEDI-CAL	$ 76,099,742	83.0%	$ 68,660,818	82.6%	$ 7,438,923	10.8%	$724,981,952	84.7%	$720,626,643	85.4%	$ 4,355,310	0.6%
HEALTHY KIDS	264,368	0.3%	240,242	0.3%	24,126	10.0%	2,231,762	0.3%	2,162,177	0.3%	69,585	3.2%
MEDICARE	11,438,499	12.5%	8,267,243	9.9%	3,171,256	38.4%	74,529,266	8.7%	74,405,189	8.8%	124,077	0.2%
TOTAL MEDICAL EXPENSES	**$ 87,802,608**	**95.8%**	**$ 77,168,304**	**92.9%**	**$ 10,634,305**	**13.8%**	**$801,742,980**	**93.7%**	**$797,194,008**	**94.5%**	**$ 4,548,971**	**0.6%**
MEDICAL OPERATING MARGIN												
ADMINISTRATIVE EXPENSES												
SALARIES AND BENEFITS	$ 2,394,226	2.6%	$ 2,441,356	2.9%	$ (47,130)	-1.9%	$ 20,096,014	2.3%	$ 20,832,194	2.5%	$ (736,180)	-3.5%
RENTS AND UTILITIES	112,505	0.1%	110,738	0.1%	1,766	1.6%	1,147,178	0.1%	1,048,947	0.1%	98,231	9.4%
PRINTING AND ADVERTISING	20,711	0.0%	66,900	0.1%	(46,189)	-69.0%	400,640	0.0%	821,250	0.1%	(420,610)	-51.2%
INFORMATION SYSTEMS	49,435	0.1%	208,714	0.3%	(159,279)	-76.3%	1,373,383	0.2%	1,932,425	0.2%	(559,042)	-28.9%
PROF FEES / CONSULTING / TEMP STAFFING	1,103,160	1.2%	748,976	0.9%	354,184	47.3%	10,378,537	1.2%	7,668,021	0.9%	2,710,517	35.3%
DEPRECIATION / INSURANCE / EQUIPMENT	344,075	0.4%	364,610	0.4%	(20,535)	-5.6%	3,049,849	0.4%	3,164,328	0.4%	(114,478)	-3.6%
OFFICE SUPPLIES / POSTAGE / TELEPHONE	59,918	0.1%	115,411	0.1%	(55,494)	-48.1%	490,724	0.1%	1,253,302	0.1%	(762,578)	-60.8%
MEETINGS / TRAVEL / DUES	94,641	0.1%	93,464	0.1%	1,177	1.3%	733,007	0.1%	852,690	0.1%	(119,683)	-14.0%
OTHER	8,000	0.0%	4,720	0.0%	3,280	69.5%	68,495	0.0%	110,476	0.0%	(41,981)	-38.0%
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,186,671**	**4.6%**	**$ 4,154,889**	**5.0%**	**$ 31,782**	**0.8%**	**$ 37,737,829**	**4.4%**	**$ 37,683,633**	**4.5%**	**$ 54,196**	**0.1%**
OPERATING SURPLUS (LOSS)	$ (303,044)	-0.3%	$ 1,765,489	2.1%	$ (2,068,534)	-117.2%	$ 16,303,783	1.9%	$ 8,774,605	1.0%	$ 7,529,178	85.8%
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	-	0.0%	(538,017)	-0.1%	(538,017)	-0.1%	-	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(675,000)	-0.1%	(675,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	486,465	0.5%	65,153	0.1%	421,312	646.7%	2,392,879	0.3%	586,374	0.1%	1,806,505	308.1%
NET SURPLUS (LOSS)	**$ 48,641**	**0.1%**	**$ 1,695,862**	**2.0%**	**$ (1,647,221)**	**-97.1%**	**$ 17,483,645**	**2.0%**	**$ 8,147,962**	**1.0%**	**$ 9,335,683**	**114.6%**

Balance Sheet

	MAR 18	FEB 18	JAN 18	DEC 17
Assets				
Current Assets				
Cash and Marketable Securities	$238,428,565.83	$203,113,259.00	$215,825,024.01	$242,799,013.85
Receivables	501,305,520.83	557,171,775.15	541,831,443.77	537,483,583.29
Prepaid Expenses and Other Current Assets	7,713,020.33	7,139,640.01	7,645,951.52	7,417,269.43
Total Current Assets	747,447,106.99	767,424,674.16	765,302,419.30	787,699,866.57
Long Term Assets				
Property and Equipment	32,420,962.55	31,931,663.87	31,747,798.06	31,721,381.98
Less: Accumulated Depreciation	(13,420,154.92)	(13,123,688.86)	(12,834,924.64)	(12,546,389.82)
Total Long Term Assets	19,000,807.63	18,807,975.01	18,912,873.42	19,174,992.16
Total Assets	766,447,914.62	786,232,649.17	784,215,292.72	806,874,858.73
Deferred Outflow of Resources	14,405,010.00	14,405,010.00	14,405,010.00	14,405,010.00
Total Deferred Outflows and Assets	780,852,924.62	800,637,659.17	798,620,302.72	821,279,868.73
Liabilities and Net Assets				
Current Liabilities				
Trade Payables	5,641,340.41	4,669,231.14	4,171,876.49	6,515,939.81
Deferred Rent	35,907.84	42,206.64	48,505.44	54,804.24
Employee Benefits	1,541,056.51	1,506,845.00	1,446,790.10	1,386,016.90
Retirement Obligation per GASB 45	5,356,376.03	5,296,596.36	5,236,816.69	5,177,037.02
Advance Premium - Healthy Kids	66,817.59	56,873.79	58,428.58	54,640.50
Deferred Revenue - Medicare	8,501,088.50			
Whole Person Care	7,501,830.28	2,065,180.11	2,065,180.11	2,065,180.11
Payable to Hospitals (AB 85)	12,654,006.36	11,073,677.18	11,064,022.82	11,060,139.72
Due to Santa Clara County Valley Health Plan and Kaiser	6,052,150.50	4,748,302.51	5,669,466.65	4,837,596.86
MCO Tax Payable - State Board of Equalization	(219,630.46)	16,790,320.07	8,588,819.75	8,799,433.22
Due to DHCS	61,514,786.11	80,163,267.69	88,717,729.37	105,074,063.29
Liability for In Home Support Services (IHSS)	390,509,777.90	390,509,777.90	390,510,323.35	390,514,951.58
Current Premium Deficiency Reserve (PDR)	2,374,525.00	2,374,525.00	2,374,525.00	2,374,525.00
Medical Cost Reserves	89,521,487.91	91,663,092.64	90,446,393.85	95,712,093.41
Total Current Liabilities	591,051,520.48	610,959,896.03	610,398,878.20	633,626,421.66
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500.00	5,919,500.00	5,919,500.00	5,919,500.00
Net Pension Liability GASB 68	7,532,370.00	7,457,370.00	7,382,370.00	7,307,370.00
Total Non-Current Liabilities	13,451,870.00	13,376,870.00	13,301,870.00	13,226,870.00
Total Liabilities	604,503,390.48	624,336,766.03	623,700,748.20	646,853,291.66
Deferred Inflow of Resources	485,329.00	485,329.00	485,329.00	485,329.00
Net Assets / Reserves				
Invested in Capital Assets	9,737,810.88	9,814,951.48	9,910,931.58	10,083,469.32
Restricted under Knox-Keene agreement	305,350.00	305,350.00	305,350.00	305,350.00
	158,380,559.77	158,380,559.77	158,380,559.77	158,380,559.77
Unrestricted Net Equity	148,337,398.89	148,260,258.29	148,164,278.19	147,991,740.45
Current YTD Income (Loss)	17,483,645.37	17,435,004.37	16,053,665.75	15,560,688.30
Total Net Assets / Reserves	175,864,205.14	175,815,564.14	174,434,225.52	173,941,248.07
Total Liabilities, Deferred Inflows, and Net Assets	780,852,924.62	800,637,659.17	798,620,302.72	821,279,868.73

Cash Flow – For the Nine Months Ending March 2018

Cash Flows from Operating Activities	
Premiums Received	649,116,098
Medical Expenses Paid	(716,258,664)
Adminstrative Expenses Paid	(49,705,539)
Net Cash from Operating Activities	**($116,848,105)**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(11,152,076)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	2,392,879
Net Increase/(Decrease) in Cash & Cash Equivalents	(125,607,302)
Cash & Cash Equivalents (Jun 17)	364,609,248
Cash & Cash Equivalents (Mar 18)	238,428,566
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**17,483,645**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	2,658,396
Changes in Operating Assets/Liabilities	
Premiums Receivable	(26,439,324)
Other Receivable	(2,392,879)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(69,021)
Deferred Outflow of Resources	(5,117,497)
Accounts Payable & Accrued Liabilities	(8,901,572)
State Payable	(180,229,170)
Santa Clara Valley Health Plan & Kaiser Payable	(3,404,303)
Net Pension Liability	675,000
Medical Cost Reserves & PDR	(1,400,893)
Deferred Inflow of Resources	90,289,512
Total Adjustments	**($136,990,147)**
Net Cash from Operating Activities	**($116,848,105)**

Statement of Operations

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Nine Months Ending Mar 31 2018

	Medi-Cal	CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)				
REVENUE	771,622,612	81,626,678.00	2,535,302	**855,784,592**
MEDICAL EXPENSES	724,981,952	74,529,266.00	2,231,762	**801,742,980**
(MLR)	94.0%	91.3%	88.0%	**93.7%**
GROSS MARGIN	46,640,660	7,097,412	303,540	**54,041,612**
ADMINISTRATIVE EXPENSES	34,026,509	3,599,520	111,800	**37,737,829**
(% of Revenue Allocation)				
OPERATING INCOME/(LOSS)	12,614,151	3,497,892	191,740	**16,303,783**
(% of Revenue Allocation)				
OTHER INCOME/(EXPENSE)	1,063,829	112,538	3,495	**1,179,862**
(% of Revenue Allocation)				
NET INCOME/(LOSS)	13,677,980	3,610,430	195,235	**17,483,645**
PMPM (ALLOCATED BASIS)				
REVENUE	$332.09	$1,225.77	$103.80	**$354.43**
MEDICAL EXPENSES	312.02	1,119.19	91.38	**332.05**
GROSS MARGIN	20.07	106.58	12.43	**22.38**
ADMINISTRATIVE EXPENSES	14.64	54.05	4.58	**15.63**
OPERATING INCOME/(LOSS)	5.43	52.53	7.85	**6.75**
OTHER INCOME/(EXPENSE)	0.46	1.69	0.14	**0.49**
NET INCOME/(LOSS)	5.89	54.22	7.99	**7.24**
ALLOCATION BASIS:				
MEMBER MONTHS - YTD	2,323,540	66,592	24,424	2,414,556
Revenue by LOB	90.2%	9.5%	0.3%	100.0%

Note: CMC includes Medi-Cal portion of the Coordinated Care Initiative (CCI) data.

Medical Expense Line Item Detail

	Mar Actual	% of Rev	Mar Budget	% of Rev	Current Month Variance $	Current Month Variance %	YTD Actual	% of Rev	YTD Budget	% of Rev	YTD Variance $	YTD Variance %
HEALTH CARE EXPENSE												
NETWORK CAPITATION	31,893,555	35%	33,693,445	41%	(1,799,890)	-5%	294,467,079	34%	304,236,187	36%	(9,769,107)	-3%
PCP SERVICES	795,196	1%	597,389	1%	197,807	33%	4,611,866	1%	5,405,283	1%	(793,418)	-15%
SPECIALIST SERVICES	2,408,199	3%	1,202,628	1%	1,205,571	100%	15,825,174	2%	10,905,194	1%	4,919,980	45%
RADIOLOGY SERVICES	405,054	0%	267,221	0%	137,834	52%	2,472,319	0%	2,424,015	0%	48,304	2%
LABORATORY	127,512	0%	127,289	0%	223	0%	928,163	0%	1,153,212	0%	(225,048)	-20%
PHARMACY EXPENSE	12,682,779	14%	12,523,936	15%	158,844	1%	110,530,548	13%	112,755,731	13%	(2,225,183)	-2%
MATERNITY EXPENSE	646,741	1%	798,606	1%	(151,865)	-19%	7,113,127	1%	7,187,457	1%	(74,330)	-1%
INPATIENT HOSPITAL	12,494,971	14%	9,461,532	11%	3,033,439	32%	94,674,551	11%	85,553,846	10%	9,120,705	11%
OTHER PROFESSIONAL SERVICES	359,589	0%	277,165	0%	82,424	30%	2,008,560	0%	2,505,149	0%	(496,589)	-20%
OUTPATIENT SERVICES	4,582,872	5%	3,289,502	4%	1,293,369	39%	33,425,151	4%	29,891,570	4%	3,533,581	12%
EMERGENCY SERVICES - IN AREA	1,496,175	2%	1,132,357	1%	363,818	32%	10,575,264	1%	10,262,560	1%	312,704	3%
OTHER MEDICAL SERVICES	394,491	0%	389,246	0%	5,245	1%	2,998,076	0%	3,521,560	0%	(523,484)	-15%
VISION/DENTAL EXPENSE	244,607	0%	247,857	0%	(3,251)	-1%	2,076,425	0%	2,243,493	0%	(167,069)	-7%
INSTITUTIONAL EXTENDED CARE	13,525,357	15%	10,189,744	12%	3,335,613	33%	102,545,606	12%	92,686,463	11%	9,859,142	11%
OUT OF AREA SERVICES - PROFESSIONAL	936,212	1%	249,592	0%	686,620	275%	6,653,362	1%	2,261,060	0%	4,392,302	194%
OUT OF AREA SERVICES - INPATIENT	991,105	1%	990,713	1%	392	0%	7,852,196	1%	8,980,983	1%	(1,128,787)	-13%
OUT OF AREA SERVICES - EMERGENCY ROOM	60,044	0%	142,415	0%	(82,370)	-58%	535,638	0%	1,292,080	0%	(756,442)	-59%
PROP 56 EXPENSE	5,436,650	6%		0%	5,436,650	0%	5,436,650	1%		0%	5,436,650	0%
REALIGNMENT FEE (AB 85)	963	0%	1,213,182	1%	(1,212,219)	-100%	(288,967)	0%	10,882,626	1%	(11,171,593)	-103%
IHSS EXPENSE	0	0%	0	0%	0	0%	89,593,269	10%	99,675,166	12%	(10,081,897)	-10%
RISK & CCI RECAST POOL EXPENSE	(1,666,667)	-2%	333,333	0%	(2,000,000)	-600%	6,999,999	1%	3,000,000	0%	3,999,999	133%
RE-INSURANCE & OTHER (RECOVERY)	(12,795)	0%	41,153	0%	(53,948)	-131%	708,925	0%	370,374	0%	338,551	91%
TOTAL HEALTH CARE EXPENSE	87,802,608	96%	77,168,304	93%	10,634,305	14%	801,742,980	94%	797,194,008	94%	4,548,971	1%
(Revenue used in % of REV Calculations)	91,686,235	100%	83,088,681	100%	8,597,554	10%	855,784,592	100%	843,652,246	100%	12,132,346	1%

SCFHP DONATIONS/SPONSORSHIPS

		FY 2016			FY 2017			FY 2018		
Organization	**Event Name**	**Check Date**	**Event Date**	**Amount**	**Check Date**	**Event Date**	**Amount**	**Check Date**	**Event Date**	**Amount**
Aging Services Collaborative	Annual Caregivers Conference	3/28/2016	4/16/2016	$ 200	2/10/2017	5/6/2017	$ 200	3/2/2018	5/19/2018	$ 200
Alum Rock Counseling Center	Annual Luncheon	12/10/2015	4/7/2016	$ 500	12/2/2016	3/29/2017	$ 500	2/16/2018	3/27/2018	$ 1,000
Silicon Valley Leadership Group	Silicon Valley Turkey Trot				11/3/2016	11/24/2016	$ 2,000	2/2/2018	11/23/2017	$ 5,000
Asian Americans for Community Involvement	Annual Event	5/14/2015	10/10/2015	$ 5,000	6/22/2016	9/10/2016	$ 5,000	8/24/2017	10/7/2017	$ 5,000
	Annual Event							TBD	9/8/2018	$ 5,000
	Donation - Med Homes for Duals	7/1/2015		$ 5,000						
California Association for Adult Day Services	Northern California Spring Conference: The Quality Imperative	3/17/2016	5/11/2016	$ 250	1/30/2017	4/25/2017	$ 350	3/2/2018	5/1/2018	$ 350
City of Mountain View	Senior Center 10th Anniversary				9/30/2016	10/26/2016	$ 500			
Community Health Partnership	21st Anniversary Celebration							5/11/2018	9/20/2018	$ 5,000
Gardner Family Health	Annual Event	3/17/2016	4/16/2016	$ 2,000				5/11/2018	9/15/2018	$ 5,000
	SCFHP 20th Anniversary community benefit - Dental equipment donation				7/13/2017		$ 5,000			
Gilroy Downtown Business Association	South County Health Fair							3/23/2018	4/28/2018	$ 500
Health Plan Alliance	Support of Health Care Leadership Speaker Series							3/26/2018	3/26/2018	$ 1,000
The Health Trust	Donation - San Jose Flood Relief				3/6/2017	3/6/2017	$ 2,575			
	World AIDS Day Benefit Dinner							11/9/2017	11/30/2017	$ 5,000
Healthier Kids Foundation	Annual Symposium on Status of Children's Health in Santa Clara County	5/12/2016	5/13/2016	$ 5,000				3/30/2018	4/11/2018	$ 150
	Wine Tasting Benefit				8/11/2016	9/16/2016	$ 5,000	8/11/2017	9/29/2017	$ 5,000
Hospice of the Valley	Compassion in Action Conference	2/25/2016	3/24/2016	$ 1,000						
	Annual Gala									
Indian Health Center Santa Clara Valley	Annual Event	8/21/2015	10/17/2015	$ 5,000						
	20th Anniversary community benefit - Wellness Center equipment				5/11/2017		$ 5,000			
Justice in Aging	Take a Stand Against Senior Poverty - Event	3/3/2016	4/7/2016	$ 2,500				2/16/2018	4/26/2018	$ 2,500
March of Dimes	March for Babies	12/10/2015	5/1/2016	$ 5,000	1/20/2017	4/30/2017	$ 5,000	1/26/2018	4/28/2018	$ 5,000
Momentum for Mental Health	Annual Shining Stars Benefit	10/22/2015	11/23/2016	$ 1,500	9/29/2016	10/21/2016	$ 5,000	10/6/2017	10/20/2017	$ 5,000
PACT	Leadership Luncheon							7/13/2017	11/9/2017	$ 5,000
Parents Helping Parents	Annual Gala							4/13/2018	4/28/2018	$ 1,000
Planned Parenthood	Contribution	6/16/2016		$ 5,000						
Philippine Medical Society of Northern California	Health Fair							9/15/2017	10/15/2017	$ 1,000
Recovery Café	Closing the Gap Breakfast				4/21/2017	5/5/2017	$ 2,500	4/13/2018	5/4/2018	$ 2,500
Santa Clara County Board of Supervisors	Day on the Bay							5/11/2017	10/8/2017	$ 2,000
Santa Clara County Social Services - Friends of Human Relations	Senior Resource and Wellness Fair							10/18/2017	10/16/2017	$ 25
Silicon Valley Council of Non Profits	Be Our Guest Annual Luncheon; Housing Summit	7/1/2015	11/16/2015	$ 5,000	8/18/2016	10/27/2016	$ 5,000	10/6/2017	10/26/2017	$ 5,000
Silicon Valley Independent Living Center	Disability Pride Parade									
	CCT Program Presentation									
	40th Anniversary Event				9/16/2016	9/24/2016	$ 500			
Teatro Vision	Annual Play (tickets)				10/11/2016	10/15/2016	$ 400	10/27/2017	10/15/2017	$ 240
Uplift Family Services	Silicon Valley Community Awards Luncheon				3/16/2017	4/28/2017	$ 1,500	3/19/2018	4/27/2018	$ 5,000
Veggielution	Feast San Jose				4/28/2017	6/11/2017	$ 2,500	TBD	6/10/2018	$ 5,000
VMC Foundation	Annual Gala	5/19/2016	9/24/2016	$ 5,000	4/21/2017	9/23/2017	$ 5,000	5/11/2018	10/6/2018	$ 5,000
Working Partnerships USA	20 Years in Action (tickets)	12/3/2015	12/10/2015	$ 300						
	Champions for Change (tickets)							9/29/2017	9/27/2017	$ 450
YWCA Silicon Valley	Walk a Mile in Her Shoes							2/16/2018	6/20/2018	$ 3,000
	TOTAL			**$ 48,250**			**$ 53,525**			**$ 85,915**

Network Detection and Prevention Report

May 2018

Executive Finance Committee Meeting

Santa Clara Family Health Plan

Firewall Background

The following network intrusion reports show the malicious activities that were prevented from accessing SCFHP's network. It is important to note that these attempts are not specifically targeted at SCFHP, but rather are common attempts against entire areas of the Internet. The results are typical of many organizations.

None of the intrusion attempts on the SCFHP network were successful.

The attempts have been categorized in three severity levels:

High

These attacks are the most dangerous. They can take down our entire network or disable servers, such as various Backdoor, DDoS(Distributed Denial of Service), and DOS(Denial of Service) attacks.

Medium

These attacks can cause disruption to the network, such as increased network traffic that slows down performance. For example, various DNS(Domain Naming Service), FTP(File Transfer Protocol), and Telnet attacks.

Low

These attacks are characterized more as informational events, such as various Scans (port and IP internet protocol address), RPC(Remote Procedure Call), and SMTP(Simple Mail Transfer Protocol) attacks.

Attack Statistics Combined

January/February/March/April

	Number of Different Types of Attacks				Total Number of Attempts				Percent of Attempts			
Severity Level	JAN	FEB	MAR	APR	JAN	FEB	MAR	APR	JAN	FEB	MAR	APR
High	3	7	4	9	284	68	56	39	0.27	.09	.06	.05
Medium	25	11	8	15	440	171	33	121	0.42	.23	.03	.16
Low	27	29	24	26	104392	72739	95048	75582	99.31	99.68	99.91	99.79

For the month of January, the high and medium vulnerabilities are lower because the old provider portal to our network has been closed.

Email Background

For email protection SCFHP utilizes software that intercepts every incoming email and scans them for suspicious content, attachments or URLs (Uniform Resource Locator or address to the World Wide Web). The software has anti-malware and phishing-detection technology that is constantly being updated to detect the latest threats. It is configured to detect phishing attempts as well SPF (Sender Policy Framework) anti-spoofing. SPF is a simple technology that detects spoofing by providing a mechanism to validate the incoming mail against the sender's domain name. The software can check those records to make sure mail is coming from legitimate email addresses.

Email Security – Daily Statistics

Top Email Senders

Total number of messages: 2 780

Total email traffic: 356.2 MB

	Email address	#	Size
1	reply@healthplanalliance.info	262	1.1 MB
2	notifications@basecamp.com	44	1002.8 kB
3	ssn@response-mailbox.com	42	728.0 kB
4	info@ama.ve10.com	31	888.4 kB
5	gharchuck@llts.com	29	33.6 MB
6	delivery@mail.foxitsoftwareact	26	815.7 kB
7	leo.renovato@buildgc.com	22	22.4 MB
8	bounced@info.optum.com	21	478.8 kB
9	donotreply@invalidemail.com	20	10.0 kB
10	prvs=5666170b54=roseanne.swift	19	406.6 kB

Screenshot of daily top email senders reviewed by IT. Potential malicious or unknown email addresses are blacklisted.

Email Security - Daily Statistics

Top Spam Countries

Total number of spams: 771

Total spam mail size: 18.5 MB

		Spams	Traffic
1	United States	549	15.6 MB
2	Canada	55	1.6 MB
3	United Kingdom	37	403.5 kB
4	Germany	21	128.9 kB
5	Czech Republic	21	94.3 kB
6	Bulgaria	14	195.5 kB
7	India	13	2.0 kB
8	France	12	260.3 kB
9	Netherlands	9	115.4 kB
10	Japan	7	18.0 kB

Screenshot of daily top spam countries reviewed by IT. Malicious countries are blocked.

SCFHP Phishing Attacks

	INCIDENT 25 – 1/08/2018	INCIDENT 26 – 2/06/2018	INCIDENT 27 – 2/15/2018	INCIDENT 28 – 2/18/2018
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	1 employee	1 employee	2 employees
RESPONSE	**Step 1.** Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.
	Step 2. Block FW from Source email Tturnage@arlingtonva.us Add expression for Subject line keyword – IT SUPPORT TEAM	**Step 2**. Block FW from Source email annemary@interfree.it and mohit.g@pologifts.com Add expression for Subject line keyword – "Your incoming messages were placed on hold" and "Your email account will Expire today" blocked IP Address 172.93.148.201.	**Step 2**. Block FW from Source email and IP Address. Add expression for line keyword, "happty hhefe".	**Step 2**. Block FW from Source email and IP Address. Add expression for line keyword, "Upgrade email quota".
	Step 3. Remove threat by permanently deleting email.	**Step 3**. Remove threat by permanently deleting email.	**Step 3**. Remove threat by permanently deleting email.	**Step 3**. Remove threat by permanently deleting email.
	Step 4. Monitor email and user.	**Step 4**. Monitor email and user.	**Step 4**. Monitor email and user.	**Step 4**. Monitor email and user.

SCFHP Phishing Attacks

	INCIDENT 29 – 2/20/2018	INCIDENT 30 – 2/21/2018	INCIDENT 31 – 2/22/2018	INCIDENT 32 – 2/26/2018
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	1 employee	2 employees	1 employee
RESPONSE	**Step 1**. Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.	**Step 1**. Analyze email and take appropriate action.
	Step 2. Recipient confirmed from Source that this was not a valid email. Add Expression, "* has shared a Document".	**Step 2**. Block FW from Source email michael@poolranger.com.au and IP Address. Add expression for line keyword, "Email Quota".	**Step 2**. Block FW from Source email info@getresearchget.com and j0234cop@comcast.net Add expression for line keyword, " In the city of Montgomery" and "Urgent Responds".	**Step 2**. Block FW from Source email contato@pettransfusion.com.br Add expression for line keyword, "New Order".
	Step 3. Recipient Deleted promptly.	**Step 3**. Remove threat by permanently deleting email.	**Step 3**. Remove threat by permanently deleting email.	**Step 3**. Remove threat by permanently deleting email.
	Step 4. Monitor email and user.	**Step 4**. Monitor email and user.	**Step 4**. Monitor email and user.	**Step 4**. Monitor email and user.

SCFHP Phishing Attacks

	INCIDENT 33 – 3/5/2018	INCIDENT 34 – 3/6/2018	INCIDENT 35 – 3/13/2018	INCIDENT 36 – 3/15/2018
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	1 employee	1 employee	1 employee
RESPONSE	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.
	Step 2. Block FW from Source email davidwinecoff@tcomn.com Add expression for line keyword, "Help Desk Support Team".	**Step 2.** Block FW from Source email OneDriv@qtarin.com and IP Addresses 52.135.193.28, 68.14.231.50. Add expression for line keyword, "OneDrive: Review Document".	**Step 2.** Block FW from Source email bknight@smc.tas.edu.au Add expression for line keyword, "Your web-mail quota has exceeded the set quota".	**Step 2.** Block FW from Source email cedricwilliams521@gmail.com Add expression for line keyword, "Re:Review".
	Step 3. Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.
	Step 4. Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.

SCFHP Phishing Attacks

	INCIDENT 37 – 3/29/2018	INCIDENT 38 – 4/12/2018	INCIDENT 39 – 4/14/2018	INCIDENT 40 – 4/20/2018
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	1 employee	1 employee	1 employee
RESPONSE	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.
	Step 2. Block FW from Source email forourrecords70@comcast.net Add expression for line keyword, “Request!”.	**Step 2.** Block FW from Source email info@syafaindustry.com Add expression for line keyword, “Your mailbox is full”.	**Step 2.** Block FW from Source email seful_banilor90@yahoo.com Add expression for line keyword, “Saturday’s weekend office plans”.	**Step 2.** Block FW from Source email mariandowdell@gmail.com Add expression for line keyword, “I went to Sweden for a few days”.
	Step 3. Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.
	Step 4. Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.

SCFHP Phishing Attacks

	INCIDENT 41 – 4/25/2018	INCIDENT 42 – 4/26/2018	INCIDENT 43 – 4/30/2018	
TYPE OF ATTACK	Phishing	Phishing	Phishing	
SUMMARY	1 employee	1 employee	3 employees	
RESPONSE	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	
	Step 2. Block FW from Source email avrro10400@gmail.com and timwest120@gmail.com Add expression for line keyword, "Sales without profit" and "text 111".	**Step 2.** Block FW from Source email angelapereira@cygnethealth.co.uk Add expression for line keyword, "Email Verification".	**Step 2.** Block FW from Source email info@oyonalhejaz.com.sa Add expression for line keyword, "Re-Validate your Email Account or you loose it." Blocked IP address 68.169.63.24 and 167.88.9.90	
	Step 3. Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	
	Step 4. Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.	

Questions

Meeting Minutes

SCCHA Quality Improvement Committee

Wednesday, May 09, 2018

Voting Committee Members	Specialty	Present Y or N
Nayyara Dawood, MD	Pediatrics	N
Jennifer Foreman, MD	Pediatrics	N
Jimmy Lin, MD	Internist	Y
Ria Paul, MD	Geriatric Medicine	Y
Jeff Robertson, MD, CMO	Managed Care Medicine	Y
Christine Tomcala, CEO	N/A	N
Ali Alkoraishi, MD	Adult & Child Psychiatry	Y
Jeffrey Arnold, MD	Emergency Medicine	N
Darrell Evora, Board Member	N/A	N

Non-Voting Staff Members	Title	Present Y or N
Johanna Liu, PharmD	Director of Quality and Pharmacy	Y
Lily Boris, MD	Medical Director	Y
Chris Turner	Chief Operating Officer	Y
Robin Larmer	Chief Compliance and Regulatory Affairs Officer	Y
Darryl Breakbill	Grievance and Appeals Operations Manager	Y
Sandra Carlson, RN	Director of Health Services	Y
Carmen Switzer (via telephone)	Provider Network Access Manager	Y
Renee Rodriguez	Grievance and Appeals Supervisor	Y
Jamie Enke	Health Services Project Manager	Y
Divya Shah	Health Educator	Y
Sherry Holm	Director of Behavioral Health	Y
Kim Engelhart	Quality Improvement Nurse	Y
Caroline Alexander	Administrative Assistant	N

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Introductions	Ria Paul, MD Chairman called the meeting to order at 6:05 p.m. Quorum was not established.			
Review and Approval of February 21, 2018 minutes	Review of the minutes of the February 21, 2018 Quality Improvement Committee Meeting was deferred due to lack of quorum.	Quorum not established. Bring to June 6th Ad Hoc meeting for approval.		
Public Comment	No public comment.			
CEO Update	Dr. Robertson presented the CEO update on behalf of Ms. Tomcala. Health Plan has been busy with audits. Mock NCQA audit took place during week of April 30th and went well. DHCS audit took place during the weeks of April 9th and April 16th. Received preliminary report of findings during exit conference. Four to six findings compared to twenty four findings last year. Dr. Robertson requested help with NCQA. Discussed increasing frequency of Quality Improvement committee meetings through end of year to every two months. Will create preliminary schedule and distribute to committee members. Move to new building will take place end of July. Question to committee members regarding time preference. Will the current meeting time continue to work for committee members or consider changing time to noon? Dr. Paul requesting discuss amongst committee members and decide on time. Proposing 7 pm. And will discuss time at next meeting. Dr. Robertson presented an update on membership. Membership has remained fairly flat at 265,000. Introduced Dr. Ria Paul as newest member of Governing Board.			

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Action Items				
A. Review of QI Workplan	Deferred due to lack of quorum.	Present all actions items at June 6th Ad Hoc Quality Improvement Committee meeting		
B. Review of QI Program Evaluation 2017	Deferred due to lack of quorum.			
C. Review of Population Health Management Description	Deferred due to lack of quorum.			
D. Review of Case Management Program Evaluation 2017	Deferred due to lack of quorum.			
E. Review of Health Education Workplan	Deferred due to lack of quorum.			
F. Review of Health Education Program Evaluation 2017	Deferred due to lack of quorum.			
G. Annual Review of Quality Improvement Policies	Deferred due to lack of quorum.			
Discussion Items				
A. Access and Availability	Ms. Turner introduced Carmen Switzer, Provider Network Access Manager to the group. Ms. Switzer shared the results of the Provider Appointment Availability Survey (PAAS). Provider Network Management continues to monitor this through annual primary care physician appointment availability survey. For measurement year of 2017, unable to reach sample size required for provider groups listed. Required to administer survey May through December 2017. Administered later in the year. Did not include non-physician mental health.	Bring results of VHP study to next meeting Present action plan for improvement next meeting		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	Surveyed four networks (10-Individually Contracted Providers, 40-Palo Alto Medical Foundation, 50-Physicians Medical Group of San Jose, and 60-Premier Care). Rate of compliance-standard for Specialist urgent care is 96 hours from time of call. A total of 104 providers were surveyed and 45% were compliant. Standard for Specialists non-urgent appointment is within 15 business days. A total of 111 providers were surveyed and 51% were compliant. Standard for Primary Care urgent appointment is 48 hours from time of call. A total of 157 providers were surveyed and 71% were compliant. Standard for Primary Care non-urgent appointments is within 10 business days. A total of 155 providers were surveyed and 92% were compliant. Ancillary non urgent care services should be available within 15 business days. A total of 24 providers were surveys and 92% were compliant. Most providers answered positively regarding the Plan's language line assistance support, and most answered that they provide interpreter services to patients who require it. 137 CAP letters to providers. We believe most (not all) providers who resulted in non-compliance, may actually be compliant. It appears that when the surveys are completed, some call centers do not answer the questions correctly. A few providers who received CAP letters reported this as an issue..			
B. Appeals and Grievances	Mr. Breakbill presented the Appeals and Grievances update. Since July, have seen an increase in grievances. Trying to identify root cause. Q12018 majority of grievances for quality of service related to DME and transportation. Quality of care grievances related to ability to get supplies timely. Determinations have not really changed. Appeals upheld medical. Higher overturn rate in pharmacy appeals. Reviewed rates per 1000. Increase in appeals attributed to APL made member file appeals before state fair hearings. Have since decreased. All local plans have seen an increase in grievances. Attributed to the fact that regulators have been letting members know they can file grievance.			

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
C. Initial Health Assessment (IHA) Quality Study	Dr. Liu presented the Initial Health Assessment (IHA) Quality Study from 1st half of 2017. Key to making sure new members get established to prevent any gaps in care. Rates are very low. DHCS expects plan to continue to pursue member after 120 days. Also inquiring about actions plan took for the non-compliant providers. Plan is doing provider education but no CAPs yet. Discussed new ideas to improve IHA compliance.			
Committee Reports				
A. Credentialing Committee	Not presented due to lack of quorum.			
B. Pharmaceutical and Therapeutics Committee	Not presented due to lack of quorum			
C. Utilization Management Committee	Not presented due to lack of quorum			
D. Consumer Advisory Board	Not presented due to lack of quorum			
E. Compliance Report	Not presented due to lack of quorum			
F. Quality Dashboard	Not presented due to lack of quorum			

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Adjournment	Meeting adjourned by Dr. Ria Paul at _____ p.m.			
Next Meeting	Wednesday, June 06, 2018- 6:30 PM	Calendar and attend.	All	

Reviewed and approved by:

_____ Date _____

Ria Paul, MD
Quality Improvement Committee Chairperson

Meeting Minutes

SCCHA Quality Improvement Committee

Wednesday, June 06, 2018

Voting Committee Members	Specialty	Present Y or N
Nayyara Dawood, MD	Pediatrics	N
Jennifer Foreman, MD	Pediatrics	Y
Jimmy Lin, MD	Internist	Y
Ria Paul, MD	Geriatric Medicine	Y
Jeff Robertson, MD, CMO	Managed Care Medicine	Y
Ali Alkoraishi, MD	Adult & Child Psychiatry	Y
Jeffrey Arnold, MD	Emergency Medicine	Y

Non-Voting Staff Members	Title	Present Y or N
Johanna Liu, PharmD	Director of Quality and Pharmacy	Y
Lily Boris, MD	Medical Director	Y
Robin Larmer	Chief Compliance and Regulatory Affairs Officer	Y
Sandra Carlson, RN	Director of Health Services	Y
Jamie Enke	Health Services Project Manager	Y
Divya Shah	Health Educator	Y
Caroline Alexander	Administrative Assistant	Y

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Introductions	Ria Paul, MD Chairman called the meeting to order at 6:35 p.m. Quorum was established at this time.			

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Review and Approval of February 21, 2018 minutes	The minutes of the February 21, 2018 Quality Improvement Committee Meeting were reviewed. It was moved, seconded to approve minutes as written.	Minutes of the February 21, 2018 meeting were approved as presented.		
Public Comment	No public comment.			
Action Items A. Review of QI Program Evaluation 2017	Dr. Liu presented the QI Program Evaluation for 2017. For Medi-Cal Measures: Childhood Immunization Status measure, performed well this year. Trending up from the last 5 years. Part of provider performance program as well as auto assignment measure. Well Child Visits decreased a bit. Part of provider performance program measure. Will continue to work on this measure. Pre natal and Postpartum care trending up. Increasing member incentives for each trimester to encourage members to seek care during each trimester. Cervical Cancer Screening is above MPL but below HPL. Also a provider performance measure. Blood Pressure Control, 2016 abbreviated medical review, improved in 2017. For Cal MediConnect Measures: Lower is better. Improved from 2016 to 2017. All Cause Readmissions: Quality withhold measure on Medicare side. Improved in this measure. Follow up after hospitalization for Mental Illness: Improved in this measure from last year. Working closely with County Behavioral Health Services Department. Possible lack of claims data contributing to the low number.	Approved as presented.		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	Potential Quality of Care Issues (PQI's): 233 PQI's reported in 2017: • 12 were level 0 • 184 were level 1 • 32 were level 2 • 5 were level 3 • 0 were critical incidents The inclusion of measures into the provider performance program has had a positive impact for most of the measures included with exception of well child visits. New goals were set and are reflected in the work plan.			
B. Review of QI Work plan 2018	Dr. Liu presented the QI Work plan 2018. Changes to the work plan reflect the 2018 goals and interventions based on the 2017 evaluation. Many additions focused on process changes around NCQA requirements. The work plan provides detailed information on the actions to be taken to meet the 2018 goals. The committee had no recommendations for changes to the 2018 work plan. Many were carried over from 2017 for quality operations.	Approved as presented.		
C. Review of Case Management Program Evaluation 2017	Ms. Carlson presented the Case Management Program Evaluation for 2017. Program Goals and Objectives align with NCQA requirements. In November 2016, contracted with Optum for Disease Management and Case Management. In November 2017 HRA completion rate was not met. The contract with Optum was terminated and SCFHP began building an internal case management team. Implementation of Essette, a case management documentation system, in conjunction with the increased internal staff resulted in an increase in the HRA completion rate. Completion rates were reported to CMS weekly. Over 2-month period, increased rate of HRA completion to above 90%. SCFHP increased CM staffing to a total of 21 team members.	Approved as presented.		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
D. Review of Population Assessment Report 2018	Dr. Liu presented the Population Assessment Report for 2018. SCFHP did a comprehensive assessment of its population, using county-wide data as well as plan-specific data such as HEDIS and member self-reported Health Risk Assessments to analyze overall needs. Key indicators were identified and analyzed using factors such as age, ethnicity and gender. Based on the data analyzed in this report, SCFHP was able to form generalizations about the needs of member groups. The overall goal of this report was to identify needs and address them to better service SCFHP members. To do this, SCFHP reviewed data from many sources including the Santa Clara County Public Health Department, Centers for Medicare & Medicaid Services (CMS), and internal data such as HEDIS and responses form the SCFHP HRA. The data analyzed provided an overall picture of one's healthcare experience and the barriers that may exist to obtaining care and maintaining optimal health. It also provided insight on social determinants of health and the role they play in shaping a person's healthcare experience.	Approved as presented.		
E. Review of Population Health Management Strategy 2018/ Update of Population Health Activities and Resources	Ms. Carlson presented the Population Health Management Strategy for 2018 and Updated Population Health Activities and Resources. As a result of the population assessment done, identified some of the groups that stood out as high numbers of people that needed help. Came up with specific populations of members with targeted specific needs: Type 2 diabetes, members with multiple uncontrolled chronic conditions, homeless members, mental illness, and high utilizers of Medi-Cal. Designed designated activities for each subpopulation. Discussed staffing and community resources enhanced to meet the needs of the population health programs. Developed a population health management strategy. Took population of 7500 individuals and developed criteria which puts members into tiers, within each tier there are subcategories of case management programs, resources, and staffing. NCQA will be looking at Tier 1 Complex Case Management population. At the end of one year, will be looking at specific goals and measuring them. NCQA requirement to evaluate our strategy yearly.	Approved as presented.		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
F. Review of Health Education Program Evaluation 2017	Ms. Shah presented the Health Education Program Evaluation for 2017. Initial Health Assessment moved over to work plan. A few member incentives were closed out: Controlling Blood Pressure with 4.9% response rate, Diabetes Retinal Eye Exam 3.9% response rate, and Cervical Cancer Screening 1.3% response rate. Conducted class visits to all health education vendors. Started exploring new class options to add to current offerings.	Approved as presented.		
G. Review of Health Education Work Plan 2018	Ms. Shah presented the Health Education Work plan for 2018. Initial Health Assessment was added to Work Plan. Continuing Controlling Blood Pressure incentive. Launching new incentive program around Childhood Immunizations. Prenatal program is a three tier incentive program: first trimester, second trimester, third trimester. Working on renewing contracts with vendors for health education classes. Looking at adding new classes. Working with City of San Jose to expand fitness center options in Santa Clara County. Healthy Living Day Camp for children.	Approved as presented.		
H. Annual Review of Quality Improvement Policies	Dr. Liu presented updated policies. QI.08 Cultural and Linguistically Competent Services modified Group Needs Assessment from every 3 years to every 5 years. QI.13 Comprehensive Case Management (CCM) added verbiage specific to NCQA and Population Health Management structure. Included information about referrals to case management. Includes NCQA criteria CCM program is required to address. QI.14 Disease Management: propose retire this policy. Case Management (CM) and Disease Management (DM) were seen as separate bodies previously, in an effort to integrate these programs into a population health approach, SCFHP has merged these programs. NCQA has retired having CM and DM as separate entities. Merged together under Population Health Management. QI.17 Behavioral Health Care Coordination edited to indicate plan defines processes for provision of Early, Periodic Screening, Diagnostic and Treatment services for members 0 to 21 years of age which includes medically necessary Behavioral Health Treatment services with or without an Autism diagnosis. QI.20 Information Sharing with SARC: continuing along state	Approved policies QI.1 to QI.22 as written.		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	mandated coverage for autism. Coordinate with SARC to provide assessment, diagnosis of autism versus developmental diagnosis. QI.21 Information Exchange Santa Clara Family Health Plan and County of Santa Clara Behavioral Services Department clarifies relationship with County Mental Health. QI.26 Continued Access to Care, informational only. Will convert to procedure. Facilitating notification to members about provider's termination and transition to another provider.			
Committee Reports				
A. Credentialing Committee	Dr. Robertson presented the February 7th and April 4th Credentialing Committee meeting minutes. No adverse action taken. No providers suspended or terminated.	Minutes of the February 7th and April 4th, 2018 Credentialing Committee meeting were approved as presented.		
B. Pharmaceutical and Therapeutics Committee	Dr. Lin presented the December 14th Pharmaceutical and Therapeutics Committee meeting minutes. 100% compliance on turnaround time of 72 hours. Mavyret added to formulary with prior authorization. Added Vitamin D3 50,000 unit capsule to formulary. Added Tears Naturale PM to formulary. Added Shingrix with age limit of greater than or equal to 50 years old and quantity limit.	Minutes of the December 14, 2017 Pharmaceutical and Therapeutics Committee meeting were approved as presented.		
C. Utilization Management Committee	Dr. Lin presented the October 26th, 2017 and January 17th, 2018 Utilization Management Committee minutes. All preventive health services were removed from prior authorization grid, as well as colonoscopy. Note: Ad Hoc October 26th UM Committee minutes were not presented to UMC on time so presented at April UM Committee meeting. UM policies were reviewed. No prior authorization for urgent care. Financial incentives do not influence decisions on determinations. Changed long term authorization from 6 months to one year.	Minutes of the October 26, 2017 and January 17, 2018 Utilization Management Committee meeting were approved as presented.		

AGENDA ITEM	DISCUSSION/ACTION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Discussion Items				
A. Compliance Report	Ms. Larmer presented an update for Compliance. Will be presenting Brown Act training at each committee meeting. Reminder to committee members regarding establishing quorum. If not sure will attend meeting, indicate not attending so as not to be counted for quorum.	Add phone number to QI Committee invitation for committee members to call if running late to meeting	Caroline Alexander	
B. Quality Dashboard	Dr. Liu presented the Quality Dashboard. Initial Health Assessment (IHA) and Facility Site Review (FSR) completion rate tracked on dashboard. Number of IHA's completed within 120 days of enrollment has increased from January to March of 2018. During the first quarter of 2018, percentage of FSR's completed timely is 100%.			
C. Non Agenda Item	Discussed when next meeting should take place, in July or August. Recommend committee not convene in July, convene in August, October, and December. Change meeting time to 6:30 p.m. due to new location and traffic concerns.	Update invitations with new dates, times and location	Caroline Alexander	
Adjournment	Meeting adjourned by Dr. Ria Paul at 7:53 p.m.			
Next Meeting	Wednesday, August 8, 2018- 6:30 PM	Calendar and attend.	All	

Reviewed and approved by:

_____ Date _____

Ria Paul, MD
Quality Improvement Committee Chairperson

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Quality of Care	**QI Program Evaluation**	QI Program Annual Evaluation	CMC 2.16.3.3.4 NCQA 2018 QI1B	- To evaluate the results of QI initiatives and submit the results to DHCS and CMT - QI Program and QI Work Plan will be	- collect aggregate data on utilization - review of quality services rendered - review and analyze outcomes/findings from Improvement Projects, customer satisfaction surveys and collaborative initiatives	- submission of QI Program evaluation to - QIC - Board	Annual Evaluation	QI Manager	Annually	May-19		Approved by QIC: Adopted by Board:	
Quality of Care	**Member Safety**	SCFHP provides members with the information they need to understand and use their pharmacy benefit.	NCQA 2018 MEM2C	Ensure pharmacy benefit information provided to members on an ongoing basis is accurate	- The Pharmacy Department will collect data and review for accuracy and ensure quality of information being provided to members	- Bi-annually the Pharmacy Department will report -data collection - assessment -actions	100%	Pharmacy Manager	Bi-annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP provides members with the information they need to easily understand and use health plan benefits	NCQA 2018 MEM3C	Ensure members can use personalized information to navigate health plan services effectively	- The Customer Service Department will collect data on the quality and accuracy provided, compare information against goals, and determine deficiencies in delivery of information act to improve deficiencies identified	- Annually the Customer Service Department will report data collection, analysis, deficiencies, and actions to improve data	100%	Customer Service Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP provides members with the information they need to easily understand and use health plan benefits	NCQA 2018 MEM3D	Ensure quality and timely email communication to members is happening on an ongoing basis	- The Customer Service Department will collect data email responses to members is happening on an ongoing basis in a timely manner	Annually the Customer Service Department will report data collection, analysis, deficiencies, and actions of email responses to members	100%	Customer Service Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1A	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- SCFHP assesses the cultural, ethnic, racial and linguistic needs of its members and adjusts the availability of practitioners within its network, if necessary.	Analysis of cultural, ethnic, racial and linguistic needs of it's members relative to the provider network	100%	Provider Network Access Program Manager,	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1B	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- Evaluate the availability of practitioners who provide primary care services, including general medicine or family practice, internal medicine and pediatrics, the organization: 1. Establishes measurable standards for the number of each type of practitioner providing primary care 2. Establishes measurable standards for the geographic distribution of each type of practitioner providing primary care. 3. Annually analyzes performance against the standards for the number of each type of practitioner providing primary care. 4. Annually analyzes performance against the standards for the geographic distribution of each type of practitioner providing primary care.	Analyze performance against primary care availability standards	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1C	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- Evaluate the availability of specialists in its delivery system, the organization: 1. Defines the types of high-volume and high-impact specialists. 2. Establishes measurable standards for the number of each type of high-volume specialists. 3. Establishes measurable standards for the geographic distribution of each type of high-volume specialists. 4. Establishes measurable standards for the geographic distribution of each type of high-impact specialist. 5. Analyzes its performance against the established standards at least annually.	Analyze performance against specialists (including high volume and high impact) availability standards	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Health Plan Accreditation	**NCQA Accreditation**	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1D	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- Evaluate the availability of high-volume behavioral healthcare practitioners in its delivery system, the organization: 1. Defines the types of high-volume behavioral healthcare practitioners 2. Establishes measurable standards for the number of each type of high-volume behavioral healthcare practitioner 3. Establishes measurable standards for the geographic distribution of each type of high-volume behavioral healthcare practitioner 4. Analyzes performance against the standards annually	Analysis of behavioral health care practitioners access standards	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP establishes mechanisms to provide access to appointments for primary care services, behavioral healthcare services and specialty care services	NCQA 2018 NET2A -C	SCFHP establishes mechanisms to provide access to appointments for primary care services, behavioral healthcare services and specialty care services.	Collect and preform analysis of data for primary care, specialty, and behavioral health 1. Regular and routine care appointments. 2. Urgent care appointments. 3. After-hours care	Analysis and report	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP monitors access to healthcare services and takes action to improve it	NCQA 2018 NET3A-C	SCFHP provides members adequate network access for needed healthcare services.	- SCFHP annually: 1. Analyzes data from member experience, complaints and appeals about network adequacy for non-behavioral healthcare, behavioral, and overall services 2. Analyzes data from member experience, complaints and appeals about network adequacy for behavioral healthcare services, behavioral, and overall services 3. Compiles and analyzes requests for and utilization of out-of-network services. 4. Prioritizes opportunities for improvement identified, 5. implements intervention 6. measure effectiveness of interventions	Annual report	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP systematically collects, integrates and assesses member data to inform its population health management programs	NCQA 2018 PHM2B	SCFHP assesses the needs of its population and determines actionable categories for appropriate intervention.	- SCFHP annually: 1. Assesses the characteristics and needs, including social determinants of health, of its member population. 2. Identifies and assesses the needs of relevant member subpopulations. 3. Assesses the needs of child and adolescent members. 4. Assesses the needs of members with disabilities. 5. Assesses the needs of members with serious and persistent mental illness (SPMI)	Annual report	100%	Health Educator	Annually	First quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP coordinates services for its highest risk members with complex conditions and helps them access needed resources.	NCQA 2018 PHM5	SCFHP helps members with multiple or complex conditions to obtain access to care and services, and coordinates their care.	-SCFHP implements on an annual basis a member survey on members experience with case management -collects member complaint data on an ongoing basis from grievance process	Annual report	100%	Case Management Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP has a systematic process to evaluate whether it has achieved its goals and to gain insights into areas needing improvement	NCQA 2018 PHM6A	- Quantitative results for relevant clinical, cost/utilization and experience measures -Comparison of results with a benchmark or goal. -Interpretation of results	-collect data on relevant cost, utilization and experience measure	Annual report	100%	Case Management Manager	Annually	First quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Health Plan Accreditation	**NCQA Accreditation**	SCFHP monitors member experience with its services and identifies areas of potential improvement	NCQA 2018 QI4A	-Using valid methodology, the organization collects and performs an annual analysis to measure its performance against its standards for access to Member Services by telephone	- Annual analysis to measure telephone access against standards	Annual report	100%	Customer Service Director	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP implements mechanisms to assess and improve member experience	NCQA 2018 QI4C	To assess member experience with its services, the organization annually evaluates member complaints and appeals	Collect valid measurement data for each of the following categories -quality of care -access -attitude and service -billing and financial issues -quality of practitioner office site	Annual report	100%	Grievance Manager	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP implements mechanisms to assess and improve member experience	NCQA 2018 QI4D	SCFHP annually identifies opportunities for improvement, sets priorities and decides which opportunities to pursue based on analysis	Analyze and identify opportunities for improvement from the following sources -Member complaint and appeal data -CAHPS survey	Annual report	100%	Performance Improvement Manager	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP implements mechanisms to assess and improve member experience	NCQA 2018 QI4E & F	Assess member experience with Behavioral Health services Evaluate and identify opportunities for improvement	-Evaluate member complaints and appeals --conduct member survey -Improve members experience with behavioral healthcare and service --Assess data from complaints and appeals or from member experience surveys --Identifying opportunities for improvement --implementing interventions --measuring effectiveness of interventions	Annual report	100%	Behavioral Health Director	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	Assessing Experience With the UM Process	NCQA 2018 QI4G	SCFHP annually assessment of experience with the UM process	Collect and analyzing data on member experience to identify improvement opportunities. Collects and analyzing data on practitioner experience to identify improvement opportunities.	Annual report	100%	Utilization Manager	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Quality of Care	**QI Program**	Development of a QI Work Plan and Evaluation each year and subsequent tracking of implementation	CMC 2.16.1 Medi-Cal Exhibit A, Attachment 4 .7	- To document and initiate appropriate modifications to the QI Program, and set QI goals each year. - To identify areas of focus for the QI program. - To organize and prioritize the workload with assignments given for accountability and responsibility	QI Program and QI Work Plan will be adopted on an annual basis	Submit the 2017 QI Evaluation and 2018 QI Work Plan for the Board Report	Annual Adoption	QI Manager	Annually	May-18		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP monitors and takes action, as necessary, to improve continuity and coordination of care across the health care network.	NCQA 2018 QI5A - C	SCFHP annually identifies opportunities to improve coordination of medical care, act on opportunities identified, measuring effectiveness of improvement actions taken	A. Collect 1. Collect data on member movement between practitioners 2. Collect data on member movement across settings 3. Conduct quantitative and causal analysis of data to identify improvement opportunities 4. Identifying and selecting four opportunities for improvement B. Act Annually act to improve coordination of care activities identified in the Collect phase C. Measure Annually measure the effectiveness of improvement actions taken in the Act phase	Quantitative and qualitative analysis with identification of four opportunities for improvement documented in a report	100%	Health Services Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Medi-Cal and CMC	**UM Program**	Annual oversight of UM Program and Work Plan	CMC 2.11.5.1	- To document and initiate appropriate modifications to the UM Program, and set UM goals each year. - To identify areas of focus for the UM program. - To organize and prioritize the workload with assignments given for accountability and responsibility	UM Program and UM Work Plan will be evaluated for effectiveness on an annual basis	- submission of UM Program evaluation to - UMC - QIC - Board	Annual Adoption	Medical Director UM	Annually	September-18		Approved by QIC: Adopted by Board:	
Quality of Service	**CAHPS**	Annual Oversight of CAHPS Survey and Work Plan		Complete Annual Survey, Analyze Results,	Develop Improvement Plans based on results	Areas for improvement identified in the CAHPS 2018 survey	Annual recommendation	QI Project Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Quality of Service	**HOS**	Annual Oversight of HOS Survey and Work Plan		Complete Annual Survey, Analyze Results, Develop Improvement Plans based on results	Develop Improvement Plans based on results	Areas for improvement identified in the HOS survey	Annual recommendation	QI Project Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Quality of Service	**NCQA Plan Ratings**	Annual Oversight of NCQA Plan Ratings and Work plan		Analyze Results	Develop Improvement Plans based on results	N/A	Starting in 2020					Approved by QIC: Adopted by Board:	
Timely Access	**Access/Availability**	Access to needed medical services in a timely manner is maintained	CMC 2.11.9.1		Measure and analyze data against goals for the following: 1. Regular & routine appointments within 30 days 2. Urgent Care appointments within 48 hours 3. After-hours care within 6 hours 4. Member services, by telephone ASA 30 seconds with abandonment rate <5% 5. PCP capacity		97%	Provider Services Director	Quarterly	April 2018 Sept 2018 Dec 2018		Approved by QIC: Adopted by Board:	
Safety of Clinical Care	**Access/Availability**	Credentialing program activities monitored	CMC 2.10.5		Credentialing file reviews New applicants processed within 180 calendar days of receipt of application		100%	Credentialing Manager	Quarterly	Feb 2018 April 2018 Sept 2018 Dec 2018		Approved by QIC: Adopted by Board:	
Safety of Clinical Care	**Access/Availability**	Credentialing program activities monitored	CMC 2.10.5		Credentialing file reviews Recredentialing is processed within 36 months		100%	Credentialing Manager	Quarterly	Feb 2018 April 2018 Sept 2018 Dec 2018		Approved by QIC: Adopted by Board:	
Quality of Service	**Access/Availability**	Availability of Practitioners	CMC 2.11.2.1		Measure and analyze availability of practitioners in order to maintain an adequate network of PCPs, BH and specialty care practitioners.		90%	Provider Services Director	Annually	August-18		Approved by QIC: Adopted by Board:	
Quality of Service	**Access/Availability**	Availability of Practitioners	CMC 2.11.2.1		Measure and analyze practitioner network to determine how the network is meeting the needs and preferences of the plans membership and adjusts as necessary. Measured through quantifiable and measurable standards for the following: 1. Each type of PCP 2. Geographic distribution 3. Performance against standards for PCPs 4. Performance against geographic distribution		90%	Provider Services Director	Annually	August-18		Approved by QIC: Adopted by Board:	
Medi-Cal and CMC	**Utilization Management**	CM Program Annual Evaluation			CM Program and CM Work Plan will be evaluated for effectiveness on an annual basis		Annual Evaluation	CM Manager	Annually	May-18		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Medi-Cal and CMC	**HEDIS Reporting**	Report HEDIS successfully by 6/15/2018	CMC 2.19.2.5 Medi-Cal Exhibit A Attachment 4.9	- To successfully report HEDIS for Medi-Cal and CMC by June 15, 2018 - To successfully complete MRRV without a second sample being reviewed - Successfully close the IS Grid by 6/5/2018 - Have no Medi-Cal HEDIS measures below the NCQA Medicaid 25th percentile (MPL)	- Create data warehouse - pull samples - request medical records - onsite audit - review of vendor numerator positive medical records prior to MRRV	- Submission of the IDSS to NCQA by 6/15/2018 - CMC Test warehouse	Annual Submission	HEDIS Project Manager	Annually	June-18	-	Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Statewide Disparity Performance Improvement Projects**	Increase rate of childhood immunization status combo 3 for vietnamese children	CMC 2.16.4.3.1.2.2 Medi-Cal Exhibit A, Attachment 4.9.C.b	6.3% percent increase in immunization rates over the 18 month life of the project	Collaborate with clinic or medical group to improve rates on a small scale using Rapid Cycle Improvement	Final submission August 15, 2018	25% for Network 60 by the end of the PIP 6.3% increase over baseline rate of 18.7%	QI Project Manager	Quarterly	August-18		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Internal Performance Improvement Projects Medi-Cal**	Controlling blood pressure for members with hypertension	Medi-Cal Exhibit A Attachment 4.9.C.a	23.53% percent increase in CBC rate over the 18 month life of the project	Use Member Incentive to improve rates on a small scale using Rapid Cycle Improvement	Final submission August 15, 2018	50% for Network 10 by the end of the PIP. 23.53 percent increase over baseline rate of 26.47%	QI Project Manager	Annually	August-18		Approved by QIC: Adopted by Board:	23.53
Quality of Service	**Internal Performance Improvement Projects CMC**	Increase number of members with an ICP and discussion of care goals	CMC 2.16.4.3.1.2.1	Increase the percentage of members with an ICP completed and percentage of members with documented discussion of care goals	- Plan will further develop and implement new processes and training materials to improve consistency of documentation within SCFHP's case management software program	Annual Submission	By December 31st 2018, increase by 5% from baseline in all three submeasures	Health Services Director	Annually	January-19		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Internal Performance Improvement Projects CMC**	HEDIS Measure: Reducing readmissions within 30 days of discharge (PCR)	CMC 2.16.4.3.1.2.1	Successfully submit PIP for the CMC line of business	- HEDIS test run of CMC data for barrier analysis - Collaborate within the Medical Management department to start an initial PDSA cycle	submit a final PIP resubmission to CMS for approval	- Three percent reduction in readmission rates from baseline - 9/17/14 - 10/16/15 PCRB 16.41% -CY 2016 PCRB 16.86% -CY 2017 PCRB 12.69%	QI Project Manager	Annually	October-18		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Project: Prevention and Screening**	HEDIS Measure: Cervical Cancer Screening (CCS)	DHCS 2018 External Accountability Set	Increase the number of SCFHP women who have a screening exam for cervical cancer	- Develop and implement interventions based on a barrier analysis for CCS - Reminder letters on birthday month - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	-increase cervical cancer screening rates over the Medicaid 25th percentile (48.26%) - 57.42% HEDIS 2017	QI Manager or designee	Quarterly	October-18		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Project: Prevention and Screening**	HEDIS Measure: Childhood Immunization Status (CIS) – Combination 3	DHCS 2018 External Accountability Set	Increase the number of SCFHP children who are compliant for their immunizations through Combo 3	- Develop and implement interventions based on a barrier analysis for CIS Combo 3 - Televox reminder calls for non compliant members - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- Increase CIS Combo 3 rate over the Medicaid 50th Percentile (71.06%) - 77.37% HEDIS 2017	QI Manager or designee	Quarterly	Ongoing - Monthly		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Project: Diabetes**	HEDIS Measure: Comprehensive Diabetes Care (CDC) - HbA1c Testing	DHCS 2018 External Accountability Set	Increase the number of SCFHP members with diabetes who have an HbA1c screening annually	- Develop and implement interventions based on a barrier analysis for CDC HbA1c Testing - Annual reminder postcards for non-compliant members - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- increase CDC - HbA1c testing rate over Medicaid 90th percentile (89.43%) - 88.32% HEDIS 2017	QI Manager or designee	Quarterly	November-18		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Quality of Clinical Care	**Project: Cardiovascular Conditions**	HEDIS Measure: Controlling High Blood Pressure (CBP)	DHCS 2018 External Accountability Set	Increase the number of SCFHP members with hypertension who have their blood pressure below 140/90	- Develop and implement interventions based on a barrier analysis for CBP - work with network providers to develop an organized system of regular follow up and review of patients with hypertension - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- increase blood pressure control for members with hypertension over the Medicaid 50th percentile (54.80%) -66.91% HEDIS 2017	QI Manager or designee	Quarterly	November-18		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Project: Access & Availability of Care**	HEDIS Measure: Prenatal and Postpartum Care (PPC) - Timeliness of Prenatal Care	DHCS 2016 External Accountability Set	Increase the number of SCFHP members who get timely prenatal care	- Develop and implement interventions based on a barrier analysis for PPC - Timely Prenatal Care - do a meta analysis of the interventions done by other Medi-Cal health plans in the region to find the most effective type of prenatal program - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- Increase PPC Timeliness of Prenatal Care over the Medicaid 50th Percentile (82.25%) -82.48% HEDIS 2017	QI Manager or designee	Quarterly	November-18		Approved by QIC: Adopted by Board:	
Quality of Clinical Care	**Project: Utilization**	HEDIS Measure: Well-Child Visits in the 3rd, 4th, 5th, & 6th Years of Life	DHCS 2016 External Accountability Set	Increase the number of SCFHP members who get their annual well child visit	- Develop and implement interventions based on a barrier analysis for W34 - Annual reminder postcards for non-compliant members - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- Increase W34 rate over the Medicaid 90th Percentile (82.97%) - 73.97% HEDIS 2017	QI Manager or designee	Quarterly	November-18		Approved by QIC: Adopted by Board:	
Quality of Service	**Project: 120 Initial Health Assessment**	Initial Health Assessment and Staying Health Assessment	Exhibit A, Attachment 10.3	Ensure new enrollees to SCFHP receive an IHA within 120 calendar days of enrollment and HIF/MET within 90 days of the effective enrollment	- develop a reporting system that monitors the IHA and HIF/MET compliance across the plan - integrate medical record review for a sample of IHA visits each quarter as part of Facility Site Review - Provider training on IHA requirements - IHA Work Plan will be evaluated for effectiveness on an annual basis	- develop regular reporting mechanism to monitor ongoing performance - medical record audit of IHA visits and document compliance - training attestations	- Medicaid rate 100%	QI Manager or designee	Quarterly	December-18		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	NCQA Accreditation of the CMC line of business	CMC	Obtain full accreditation status by CY 2019	- obtain full accreditation by Q1 2019	-full accreditation for CMC line of business	Achieve full accreditation	Performance Improvement Manager	Annually	October-18		Approved by QIC: Adopted by Board:	
Safety of Clinical Care	**Facility Site Review**	Perform Facility Site Review Part A, B and C for all PCP offices and High Volume Specialists offices		Perform Facility Site Review Part A, B and C for all PCP offices and High Volume Specialists offices	- Review every 3 years as part of the Credentialing process - Review all new potential PCP offices prior to contracting - Provide follow/up and ongoing monitoring of timely correction of Critical Element (CE) deficiencies and Corrective Action Plan as mandated by DHCS guidelines. - Continue the collaborative process with the County's MCMC Commercial Plan	- successful submission of FSR scores on a semi annual basis		QI Nurse	Ongoing	Ongoing - Monthly		Approved by QIC: Adopted by Board:	
Safety of Clinical Care	**Quality of Care**	- Identify potential quality of care (PQI) - Identify and Report Provider Preventable Conditions	DPL 15-002	Complete all PQI's originating from Grievance and Appeals within 30 days Complete all PQI's from other sources in 60 days	- update PQI policy - Roll out retraining of Medical Management and Member Services Staff - develop methodology for retrospective review of call notes to identify PQI's - ongoing reporting of PPC's to DHCS	- revised PQI policy - training materials used	100%	QI Nurse	Ongoing	Ongoing - Monthly		Approved by QIC: Adopted by Board:	

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues	Sort
Health Plan Accreditation	**NCQA Accreditation**	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 A	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually collects data about opportunities for collaboration between medical care and behavioral healthcare in the following areas: 1. Exchange of information 2. Appropriate diagnosis, treatment and referral of behavioral disorders commonly seen in primary care 3. Appropriate use of psychotropic medications 4. Management of treatment access and follow-up for members with coexisting medical and behavioral disorders 5. Primary or secondary preventive behavioral healthcare program implementation 6. Special needs of members with severe and persistent mental illness	Aggregate available data	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 B	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually conducts activities to improve the coordination of behavioral healthcare and general medical care, including: 1. Collaborating with behavioral healthcare practitioners 2. Quantitative and causal analysis of data to identify improvement opportunities 3. Identify and selecting two opportunities for improvement from QI6A 4. Taking collaborative actions to address two identified opportunity for improvement from QI6A	Analyze data identified in QI6A	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	
Health Plan Accreditation	**NCQA Accreditation**	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 C	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually measures the effectiveness of improvement actions taken for activities identified in QI6B	measure effectiveness of collaborative actions take as part of QI6B	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:	

2018 Quality Improvement Work Plan

Jeff Robertson, MD
Chief Medical Officer
Santa Clara Family Health Plan

Date

Santa Clara Family Health Plan

The Spirit of Care

2017 QUALITY IMPROVEMENT PROGRAM EVALUATION

☑ Annual Evaluation

A. CLINICAL IMPROVEMENT ACTIVITIES

NCQA 2017 Quality HEDIS Measures: (2016 Measurement Year)

HEDIS Hybrid Measure Key:

- Childhood Immunization Status – CIS (MC & HK)
- Well Child Visits in First 15 Months – W15 (HK)
- Well Child Visits 3,4,5,6 – W34 (MC & HK)
- Cervical Cancer Screening – CCS (MC)
- Timely Prenatal and Postpartum Care – PPC (MC)
- Comprehensive Diabetes Care – CDC (MC & CMC)
- Weight Assessment and Counseling –WCC (MC)
- Immunization for Adolescents – IMA (MC & HK)
- Controlling High Blood Pressure – CBP (MC & CMC)
- Adolescent Well Care Visits – AWC (HK)
- Adult BMI Assessment – ABA (CMC)
- Colorectal Cancer Screening – COL (CMC)
- Medication Reconciliation Post-Discharge – MRP (CMC)
- Care of Older Adults – COA (CMC)

HEDIS Administrative Measure Key:

- Chlamydia Screening – CHL (HK)
- All Cause Readmission – ACR (MC) / PCR (CMC)
- Ambulatory Care – AMB (MC)
- Use of Imaging Studies for Low Back Pain –LBP (MC)
- Appropriate Treatment for Children w/ Upper Respiratory Infection – URI (HK)
- Avoidance of Antibiotic Treatment in Adults w/ Acute Bronchitis – AAB (MC)
- Appropriate Testing for Children w/ Pharyngitis – CWP (HK)
- Use of Appropriate Medication for People w/ Asthma – ASM (HK)
- Children's & Adolescent's Access to PCPs – CAP (MC & HK)
- Annual Monitoring for Patients on Persistent Medication – MPM (MC)
- Annual Dental Visit – ADV (HK)
- Follow-Up After Hospitalization for Mental Illness – FUH (CMC)
- Asthma Medication Ration – AMR (MC)
- Breast Cancer Screening – BCS (MC & CMC)
- Osteoporosis Management in Women Who Had a Fracture – OMW (CMC)
- Disease Modifying Anti-Rheumatic Drug Therapy for Rheumatoid Arthritis – ART (CMC)

A.1 Goal:

- Exceed Medi-Cal Managed Care (MMCD) Minimum Performance Levels (MPL) ALL Medi-Cal HEDIS Measures
- Develop and implement interventions for MMCD Auto-Assignment Measures and for CMS Quality Withhold Measures
- Increase administrative (claims and encounter) data submissions across Networks

A.2. Interventions:

- Collect and report Hybrid Healthcare Effectiveness Data and Information Set (HEDIS) rates for ALL Product Lines within specified timeframe
- Developed member incentives to support CDC – Retinal Eye Exam, Controlling High Blood Pressure, and Cervical Cancer Improvement Projects
- HEDIS results and analysis presented to:
  - SCFHP Board of Directors & SCFHP Quality Improvement Committee,
- Quality Improvement Activities:
  - Continued immunization reminder postcards to parents with children at 17 months of age to receive recommended immunizations
  - Education in Quarterly Member Newsletters, Provider eNewsletters, for immunizations, well child visits, diabetic care, prenatal and postpartum care and dental care

2017 QUALITY IMPROVEMENT PROGRAM EVALUATION
☑ Annual Evaluation

A.3. Results:

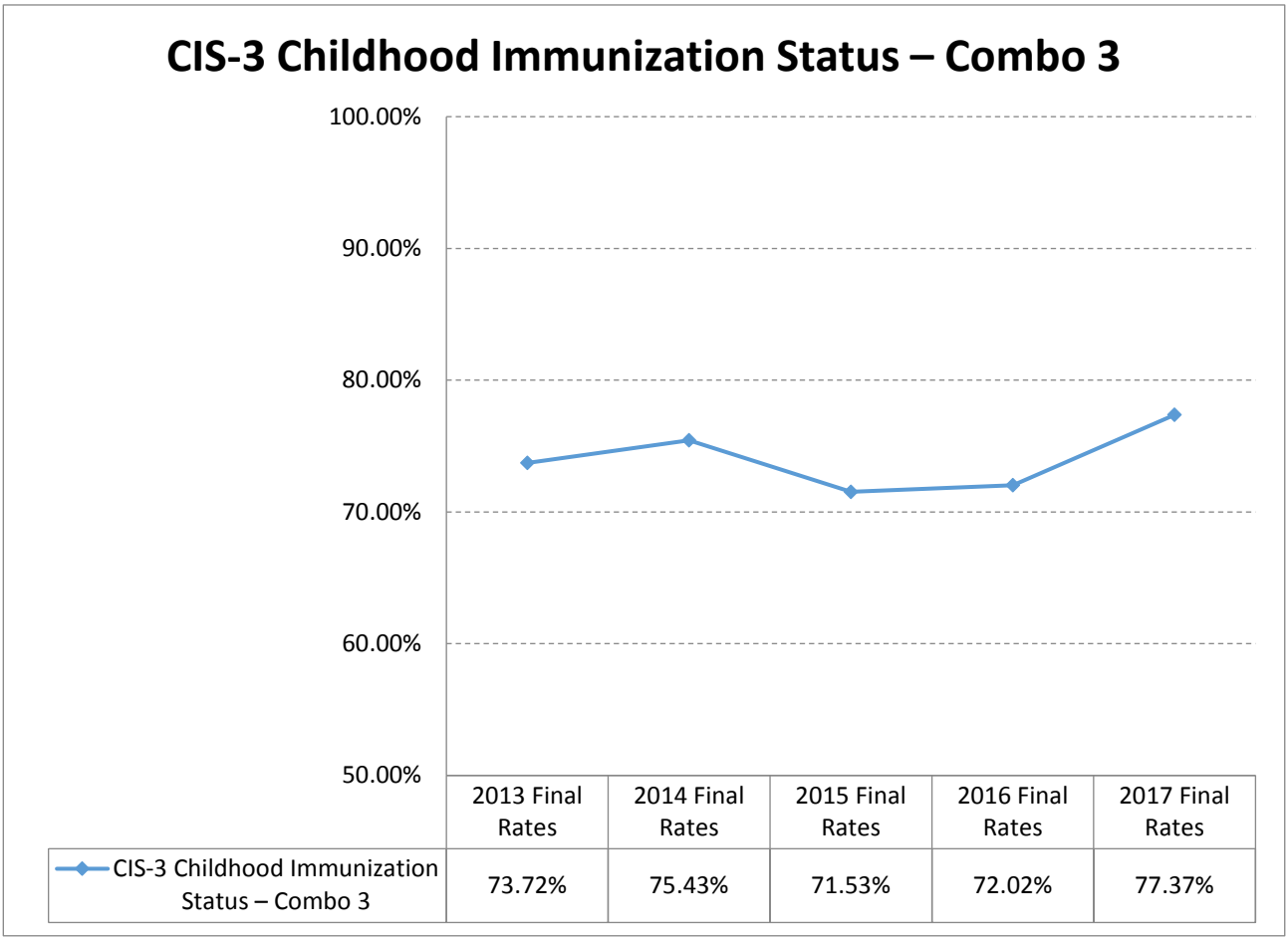
- Exceeded MMCD Minimum Performance Level (MPL) for all measures
- No Medi-Cal measures exceeded the HPL
- Medi-Cal measures that have improved significantly (>5%) from the prior year; Cervical Cancer Screening, Childhood Immunization Status – Combo 3, Comprehensive Diabetes Care – Retinal Eye Exam, Comprehensive Diabetes Care – Blood Pressure Control, Controlling High Blood Pressure, Weigh Assessment & Counseling for Nutrition & Physical Activity for Children & Adolescents – Counseling for Physical Activity
- Medi-Cal measures that decreased significantly (>5%); Medication Management for People with Asthma – Medication Compliance 50% Total, Medication Management for People with Asthma – Medication Compliance 75% Total, and Comprehensive Diabetes Care – HbA1c Control (<8%)
- All CMC measures reportable for 2017. There are no MPL's for the CMC line of business.

A.4. Analysis of Findings/Barriers/Progress

- Due to Administrative Data Volume being flat, continued chart abstraction and Pinpoint chart chase logic is necessary to improve key measures.
- A Provider/Network dashboard for each measure is necessary to define further provider interventions.
- HEDIS Member outreach and incentives is important to increase key measures.
- Providers / Networks continue to require assistance for data issue improvements:
  - Provider Address discrepancies
  - Coding issues
  - Timely data submission

Immunization Measures Findings

CIS – Childhood Immunization Status (Combo 3) (MC)



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
CIS-3 Childhood Immunization Status – Combo 3	73.72%	75.43%	71.53%	72.02%	77.37%

Analysis and Findings/Barriers/Progress

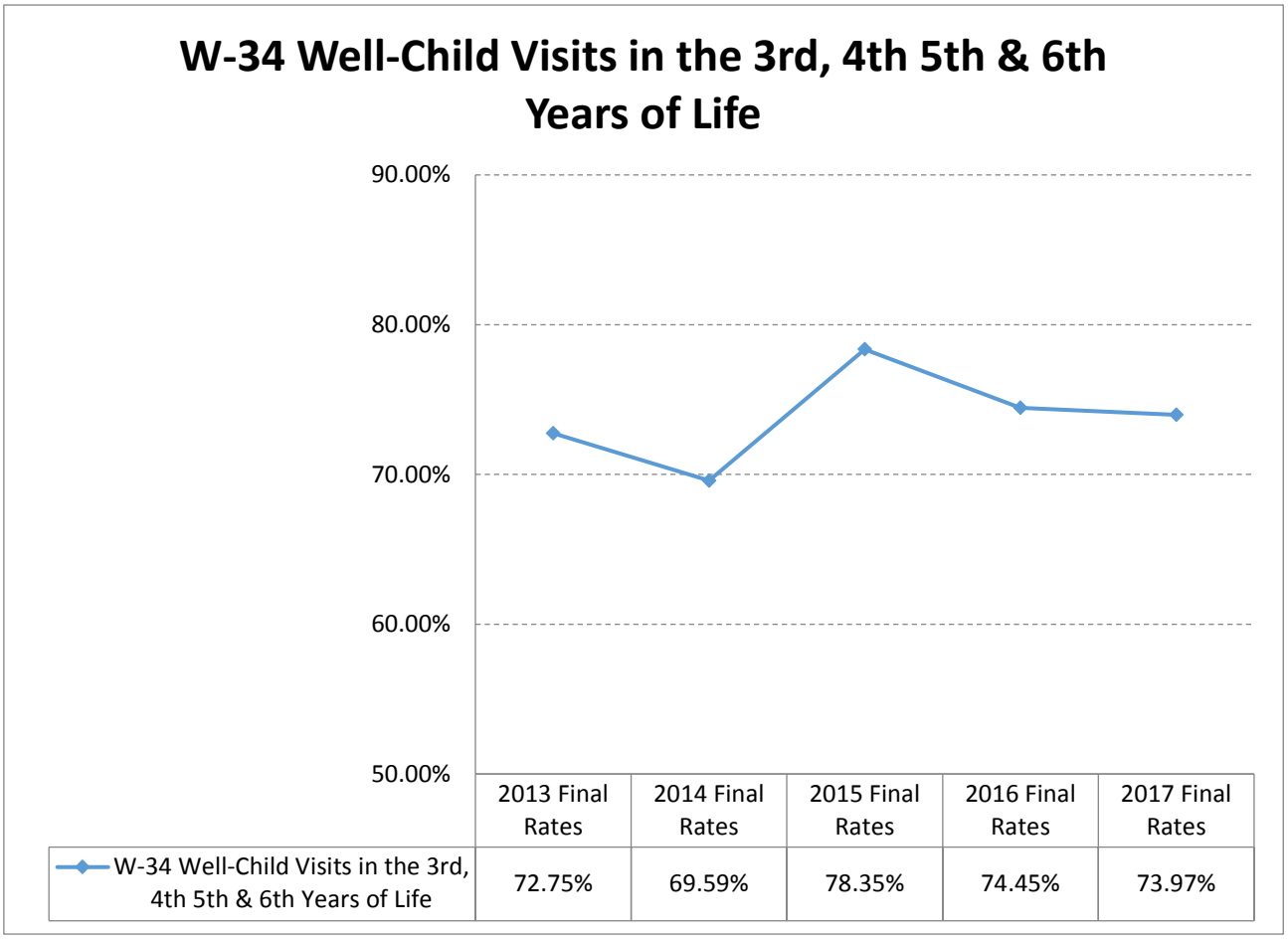
- Above the MPL of 64.30% and remains below the HPL of 79.81%.
- SCFHP analysis on membership and claims data shows a continued pattern of immunizations given outside of the recommended timeframes for children 2.

Follow up/Actions:

- New interventions in place for 2018 for providers on immunization schedule.
- New interventions in place for 2018 for member outreach and incentives.
- Continue to utilize CAIR for missing immunization status in claims and/or PCP medical record.
- Mine CAIR for additional numerator events that were not matched from the HEDIS extract.

Well Child Visits Key Findings

W34 – Well Child Visits in the 3rd, 4th, 5th & 6th Years of Life (MC)



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
W-34 Well-Child Visits in the 3rd, 4th 5th & 6th Years of Life	72.75%	69.59%	78.35%	74.45%	73.97%

Analysis and Findings/Barriers/Progress

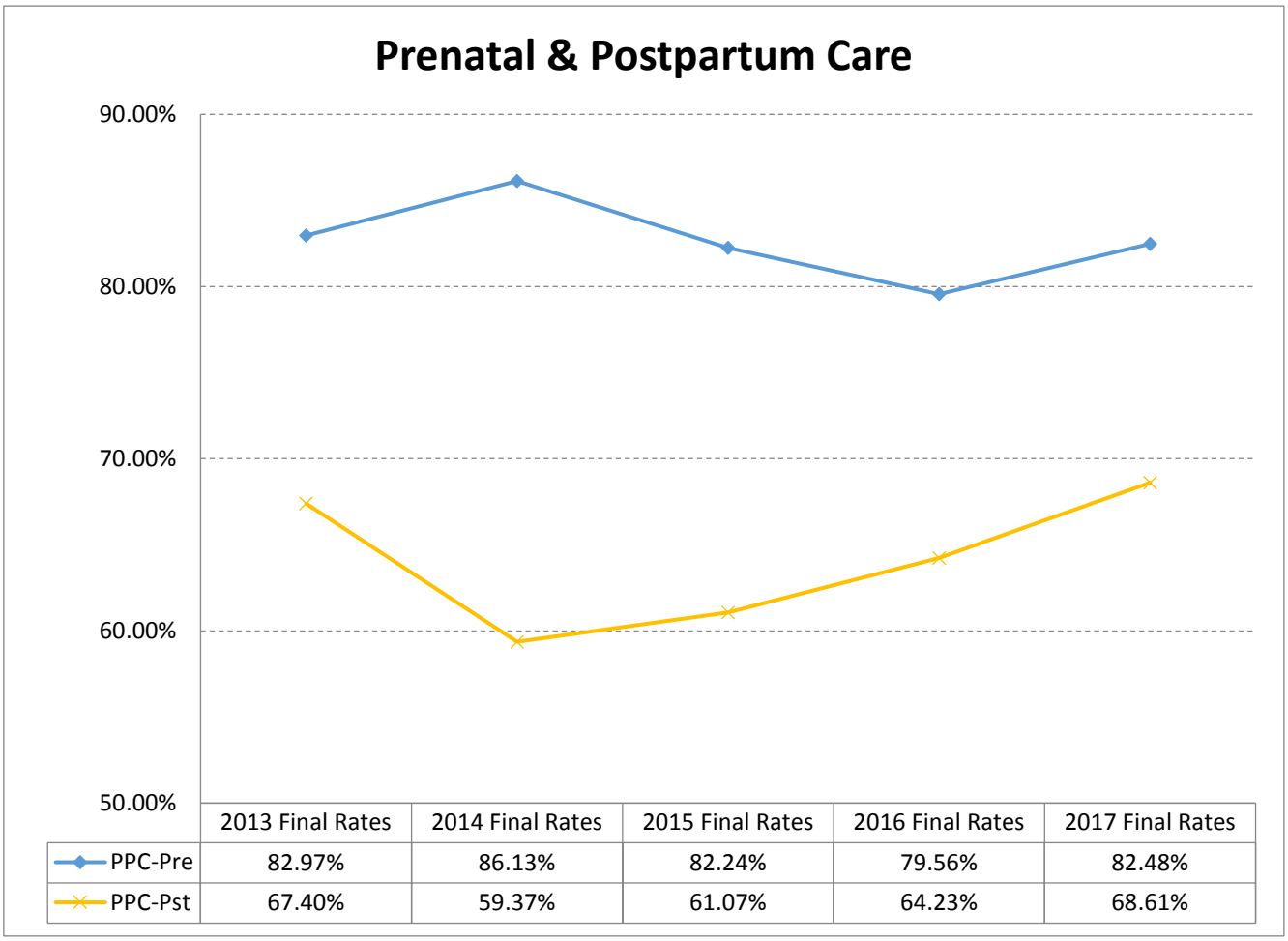
- Above the MPL of 64.72% and remains below the HPL of 82.97%.
- 2017 rate dropped by .48% from HEDIS 2016.

Follow up/Actions:

- Focus ideas on new interventions in 2018 for member outreach with incentives.
- Focus ideas on new interventions in 2018 for Providers on well child visit schedule.
- Pinpoint chart chases for this measure for 2017 data.

Adult Hybrid Measures: Prenatal / Postpartum Care Key Findings

PPC – Prenatal and Postpartum Care (MC)



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
PPC-Pre	82.97%	86.13%	82.24%	79.56%	82.48%
PPC-Pst	67.40%	59.37%	61.07%	64.23%	68.61%

Analysis and Findings/Barriers/Progress

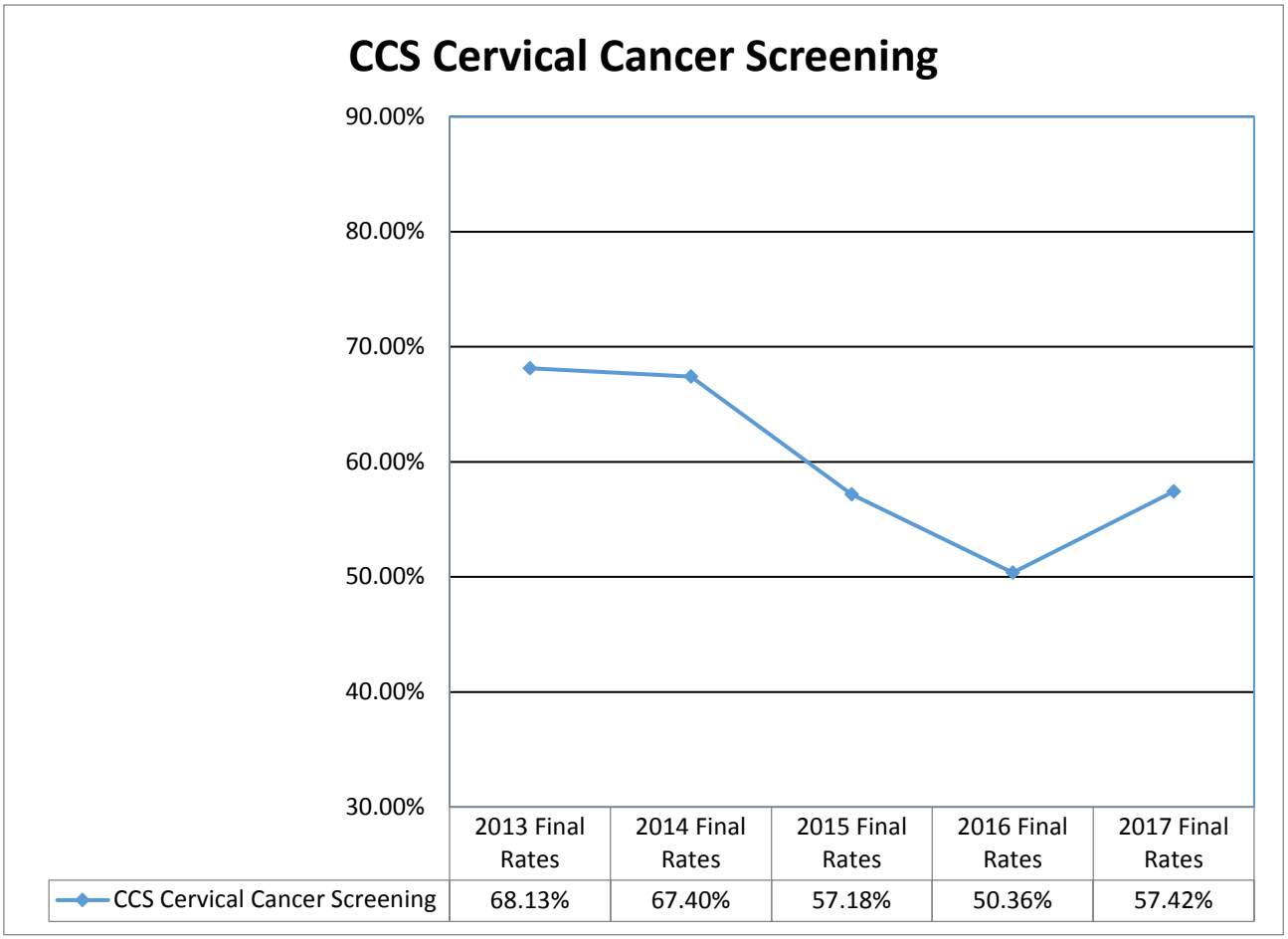
- Above the MPL's and remains below the HPL's of both indicators.
- For Prenatal visits, rates increased by 2.92%; Postpartum visits, rate increased by 4.38%.

Follow up/Actions:

- Focus ideas on new intervention in 2018 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2018 data.

Adult Measures: Cervical Cancer Screening Key Findings

CCS – Cervical Cancer Screening (MC)



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
CCS Cervical Cancer Screening	68.13%	67.40%	57.18%	50.36%	57.42%

Analysis and Findings/Barriers/Progress

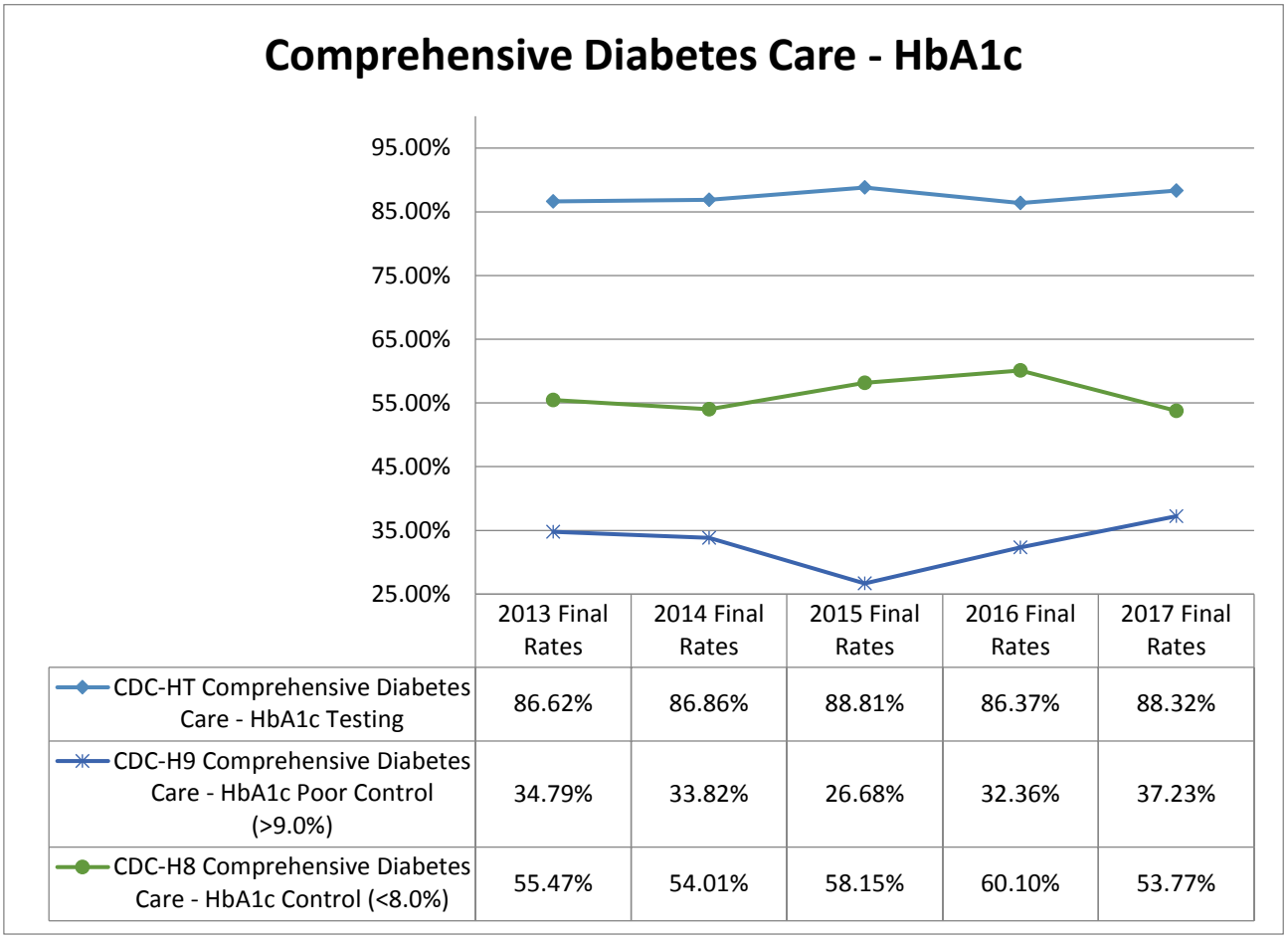
- Measure is below MPL of 48.26% but below HPL of 69.89%.
- Rate increased 7% from HEDIS 2016.

Follow up/Actions:

- Focus ideas on new intervention in 2018 for member reminders.
- Pinpoint chart chases for this measure for 2017 data.
- The plan implemented a member incentive of a $15 Target gift card.

Chronic Care/Disease Management Measures: Comprehensive Diabetes Care (CDC)

CDC – Comprehensive Diabetes Care (MC) HbA1c



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
CDC-HT Comprehensive Diabetes Care - HbA1c Testing	86.62%	86.86%	88.81%	86.37%	88.32%
CDC-H9 Comprehensive Diabetes Care - HbA1c Poor Control (>9.0%)	34.79%	33.82%	26.68%	32.36%	37.23%
CDC-H8 Comprehensive Diabetes Care - HbA1c Control (<8.0%)	55.47%	54.01%	58.15%	60.10%	53.77%

Analysis and Findings/Barriers/Progress

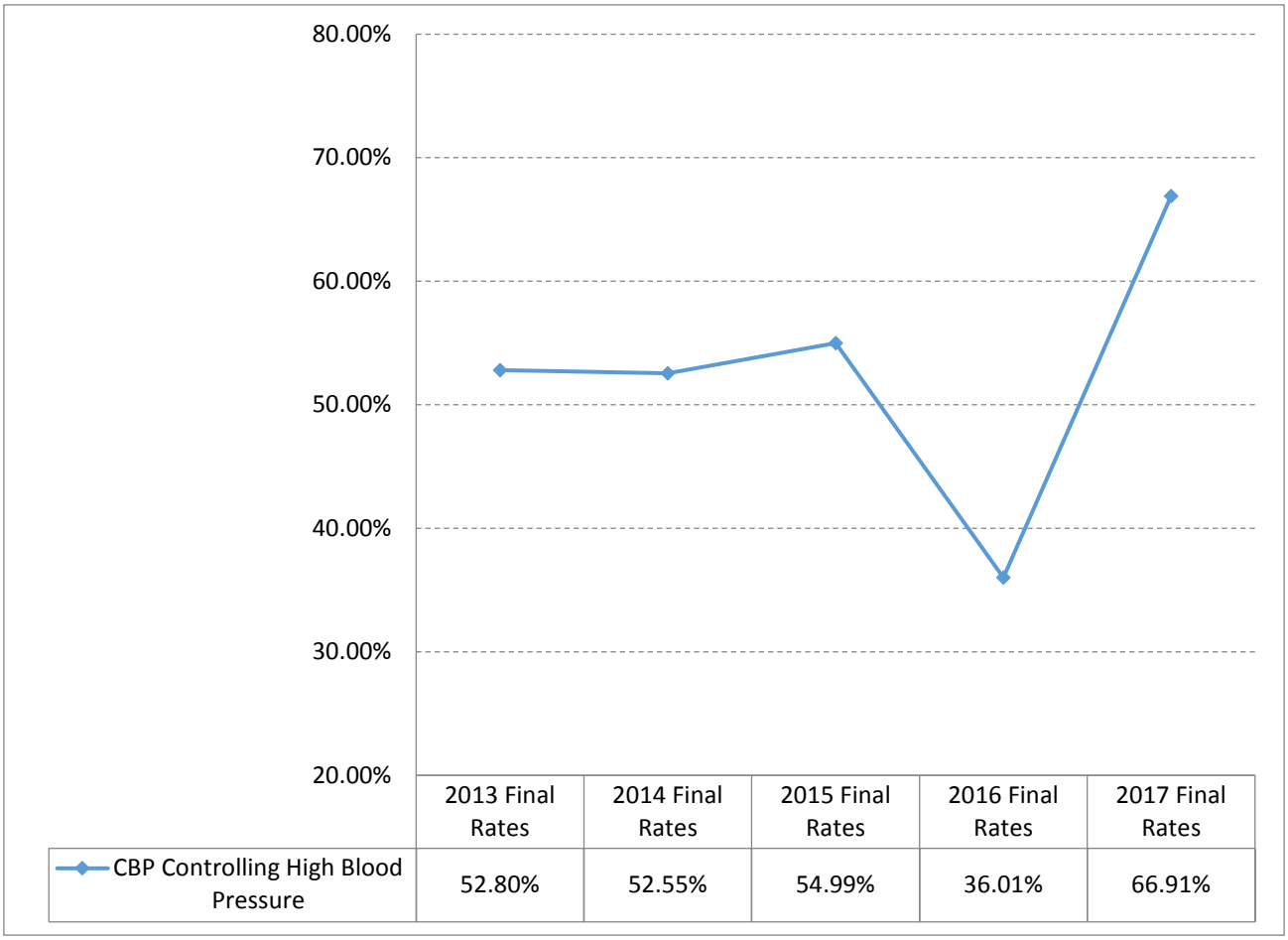
- Above the MPL for all the CDC HbA1c indicators.
- Rate decreased 6.33% for CDC HbA1c Control from HEDIS 2016.

Follow up/Actions:

- Focus ideas on new intervention in 2018 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2017 data.

Chronic Care/Disease Management Measures CBP - Controlling High Blood Pressure (MC)

CBP - Controlling High Blood Pressure (MC)



	2013 Final Rates	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates
CBP Controlling High Blood Pressure	52.80%	52.55%	54.99%	36.01%	66.91%

Analysis and Findings/Barriers/Progress

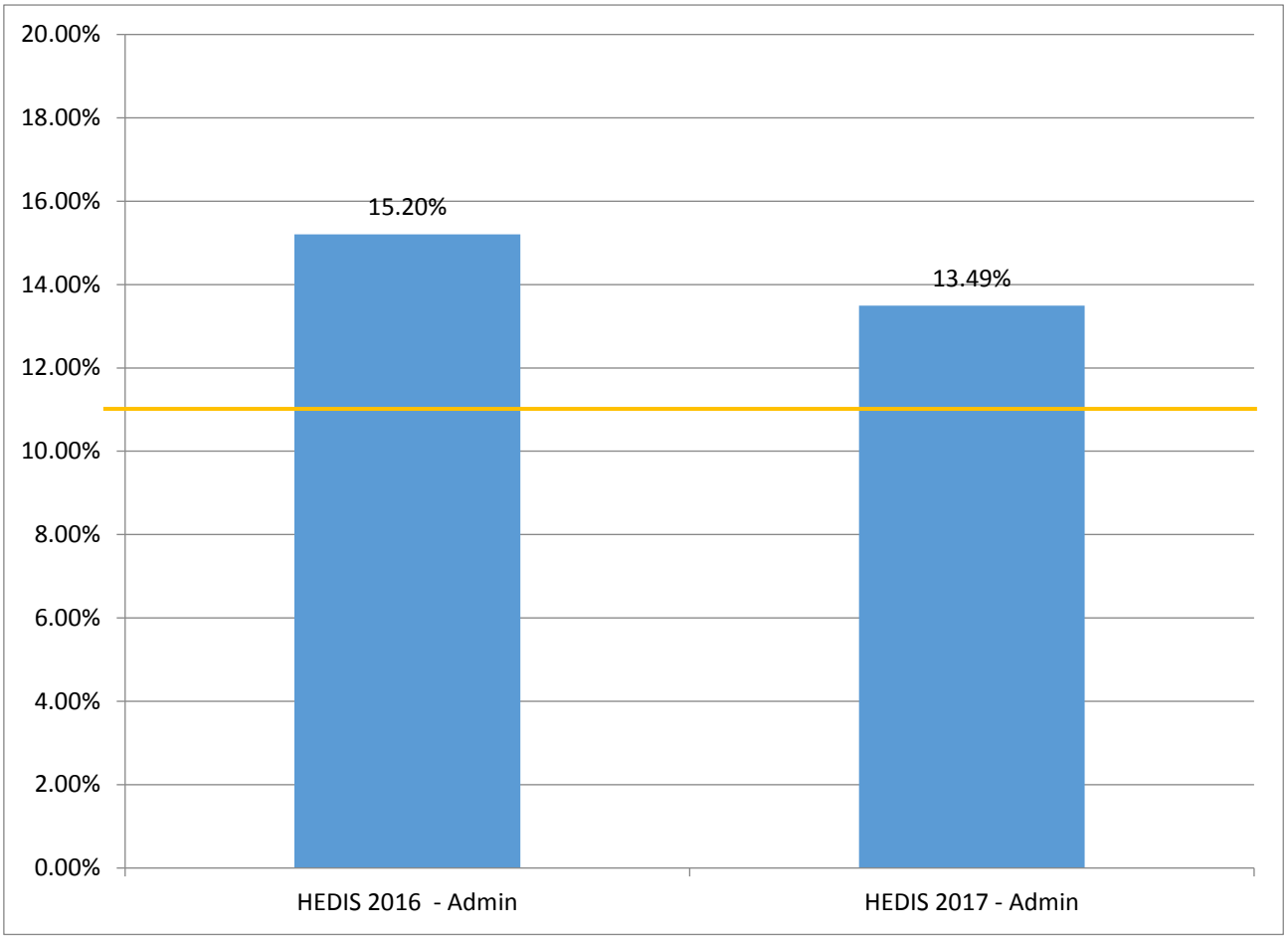
- Blood Pressure Control is above the MPL of 47.03% and below HPL of 70.55%.
- Rate increased by 30.90% due to interventions focused on member compliance and medical chart review.

Follow up/Actions:

- Continue to focus ideas on new intervention in 2018 for member reminders and outreach.
- MMCD/DHCS Improvement Plan:
  - Combined Improvement Plan with Performance Improvement Project. The project offered a $25 gift card for members who discussed hypertension with their PCP. The incentive form to be signed by the PCP.

Quality Withhold Measure: Plan All-Cause Readmission

PCR – Plan All-Cause Readmission – (CMC)



Analysis and Findings/Barriers/Progress

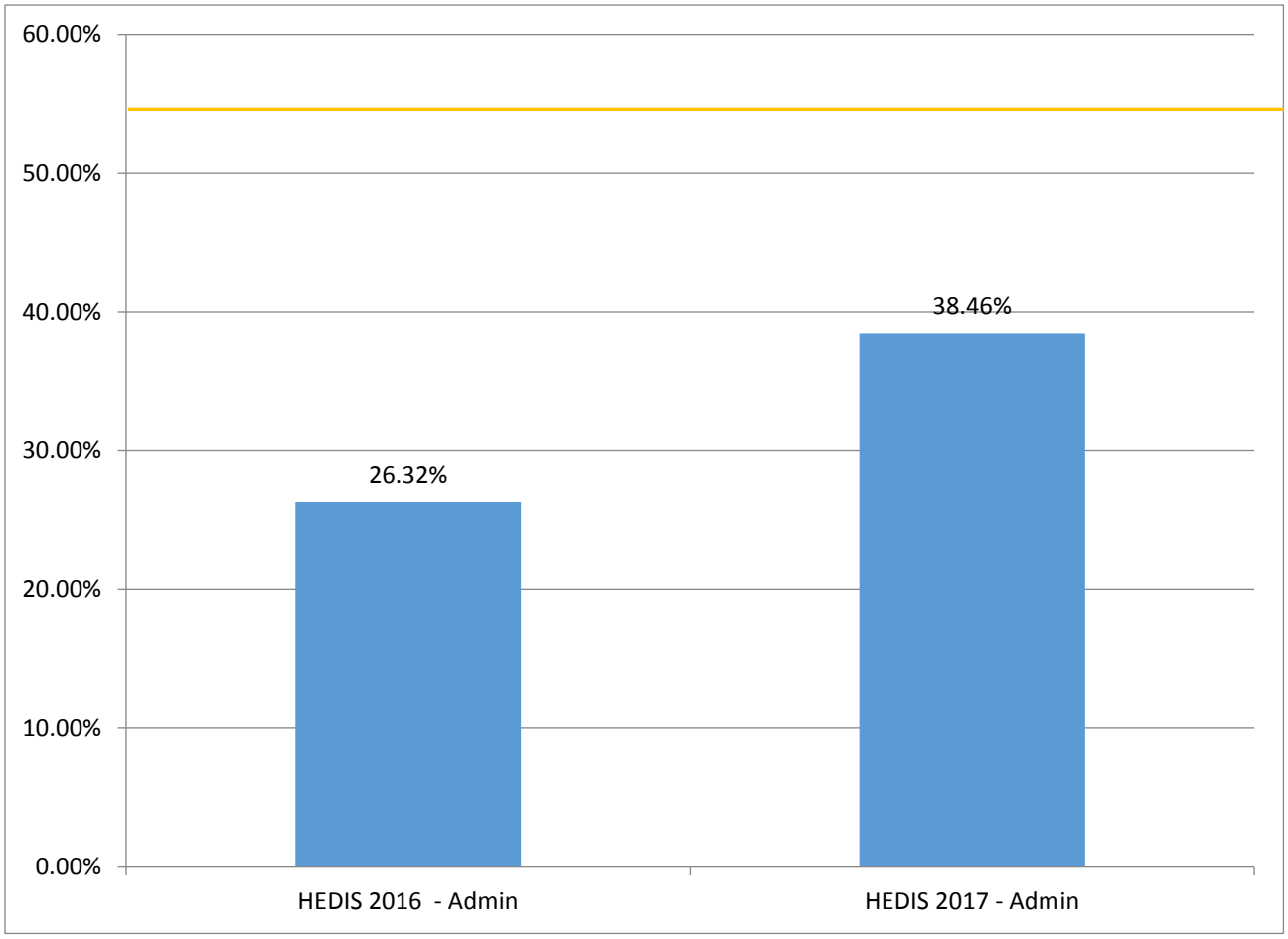
- Measure is higher than the 2017 benchmark, a lower rate is better.

Follow up/Actions:

- Focus on case management processes and follow up with members with transition discharge telephone calls.

Quality Withhold Measure: Follow-Up After Hospitalization for Mental Illness

FUH – Follow-Up After Hospitalization for Mental Illness – (CMC)



Analysis and Findings/Barriers/Progress

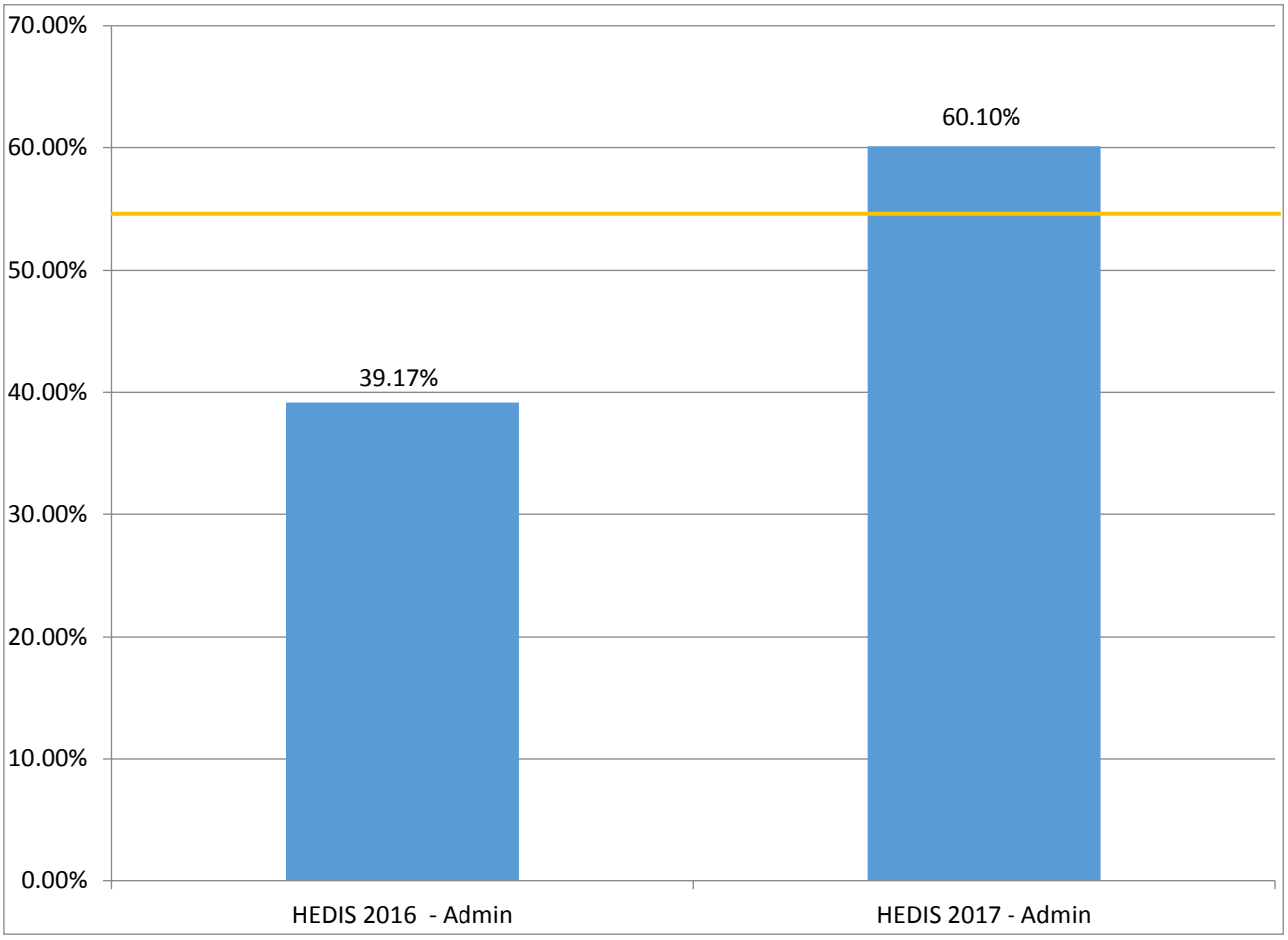
- Measure is below the 2017 benchmark.

Follow up/Actions:

- Monitor and collaborate with Behavioral Health delegates to ensure members obtain follow-up appointment after hospitalization for mental illness.
- Establish process with County Behavioral Health Department for obtaining data from clinic Electronic Health Record system.

Quality Withhold Measure: Controlling High Blood Pressure

CBP – Controlling High Blood Pressure – (CMC)



Analysis and Findings/Barriers/Progress

- Measure is above 2017 benchmark.

Follow up/Actions:

- Continue interventions in 2018 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2017 data.

B. Clinical Improvement Activities
External and Internal QIP's (2017 Measurement Year)

All Cause Readmissions CMS Quality Improvement Project –

B.1 Goal: To decrease readmission rates for any reason to below 11% by the end of 2018.

B.2 Intervention: Contact 90% of members within 72 hours of discharge from Regional Medical Center, to conduct a transition of care discharge call.

B.3 Design

This three year QIP began in January of 2016 and will continue until December of 2018. Case Managers use a daily census report from Regional Medical Center to identify all discharged members. The Case Manager makes three attempts to contact the member within 72 hours of discharge to conduct a successful transition of care discharge call that helps prevent a readmission to the hospital within 30 days of discharge.

B.4 Year 2 (2017)Results
The reported percentage of enrollees who experienced a readmission within 30 days of discharge for 2017 was 12.69%. This is a decrease from the 2016 rate of 16.86%. CMS and DHCS evaluated the 2017 QIP Annual Update 2 submission and found that it met CMS and state requirements.

Diabetes Retinopathy Eye Exam–DHCS Performance Improvement Project(PIP)

B.1 Goal: By 06/30/2017, increase the rate of diabetic eye exams among Medi-Cal Type 1 and Type 2 diabetic members aged 18 to 75 who reside in Santa Clara County, who have a Physicians Medical Group(PMG)/Network 50 Primary Care Provider and had a retinopathy diagnosis in the previous rolling 12 month period from 44.89% to 49.89%.

B.2 Intervention: Promote a reminder flyer and incentive for eligible PMG members for completing annual eye exams.

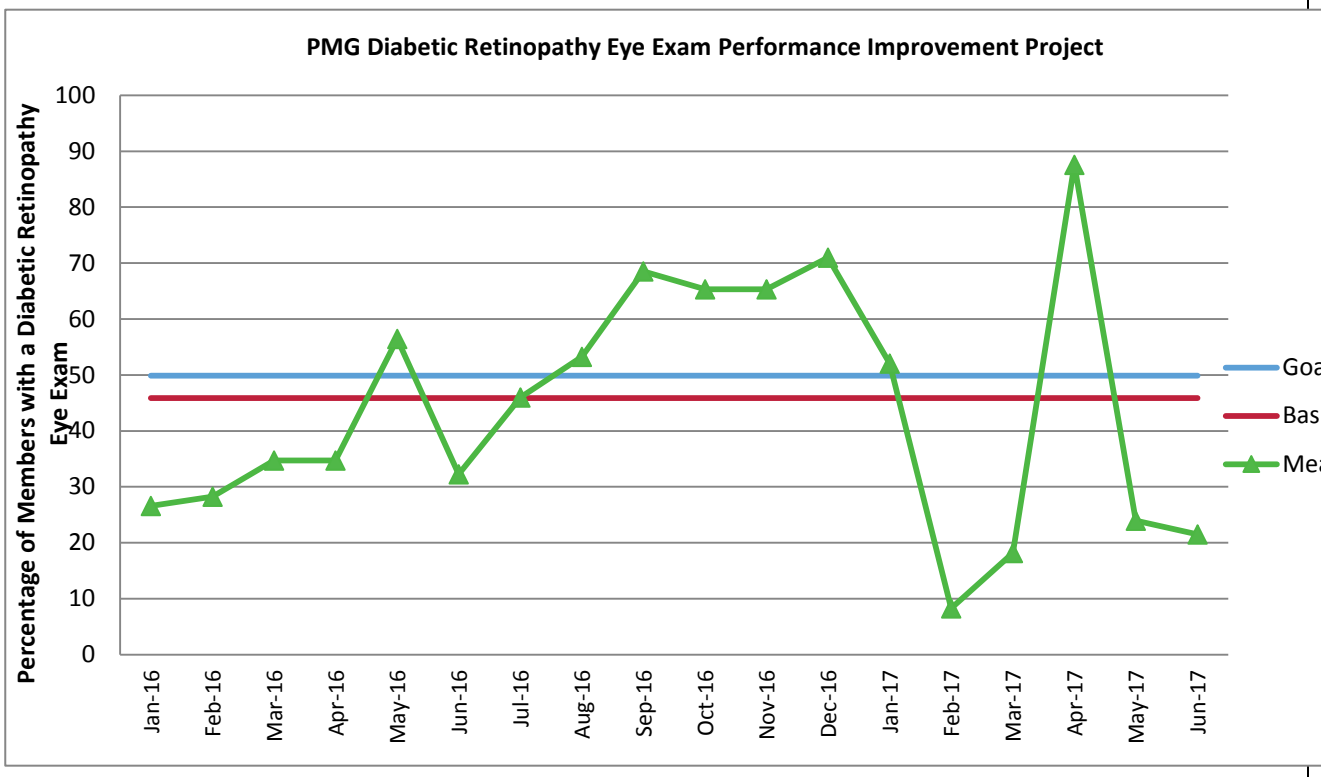
B.3 Design

This 18 month PIP began in January of 2016 and continued through June of 2017. On a monthly basis, a list of eligible members was generated to identify those that have not completed a diabetic retinopathy eye exam. The members were mailed a Health Education flyer with a reminder to complete a diabetic eye exam. Members were informed that if they submit proof of a completed eye exam to Health Education they would receive a $15 Target gift card.

B.4 Final Results

One intervention was tested during the life of this PIP. The intervention, testing whether providing a $15 gift card, member incentive to Network 50 members would increase the percentage of members with a completed diabetic retinopathy eye exam was initiated in July of 2016. The intervention appeared to result in some improvement and did impact the SMART Aim during some data points. Overall, 3.95% of eligible members submitted their results and claimed their incentive. The SMART Aim data showed an increase above the baseline for eight monthly data points while the intervention was being tested. The SMART Aim remained above the goal in 7 non-consecutive months that the intervention was being tested which indicates the incentive may have influenced member's behavior to get the diabetic eye exam but the results were not consistent and because the results did not meet the goal in the last few months of the intervention testing, SCFHP decided that it would abandon this incentive intervention as designed.

The final Smart Aim Chart was:



The lessons learned in this Plan, Do, Study, Act(PDSA) cycle included:

- The incentive amount may have been too low. SCFHP will consider raising the incentive rate for future member incentive programs.
- SCFHP and our Network partners should collaborate more when designing member interventions so that provider buy in is obtained.

- A survey would help identify if the incentive is motivating members
- Additional channels beyond mailing could be used to engage the member in this incentive.

The Plan will continue to track diabetic retinopathy eye exam rates to monitor results through its HEDIS processes. The HEDIS Project Manager is responsible to identify patterns in the rate that may signify the need for new improvement activities.

Controlling Blood Pressure -DHCS Performance Improvement Project(PIP)

B.1 Goal: By 06/30/2017, increase the percentage rate of Network 10 members aged 18-85, with a diagnosis of hypertension, whose blood pressure is adequately controlled, during the previous rolling 12 months from 45.8% to 50%.

B.2 Interventions: Promote a reminder and incentive for eligible Network 10 members for completing a blood pressure check.

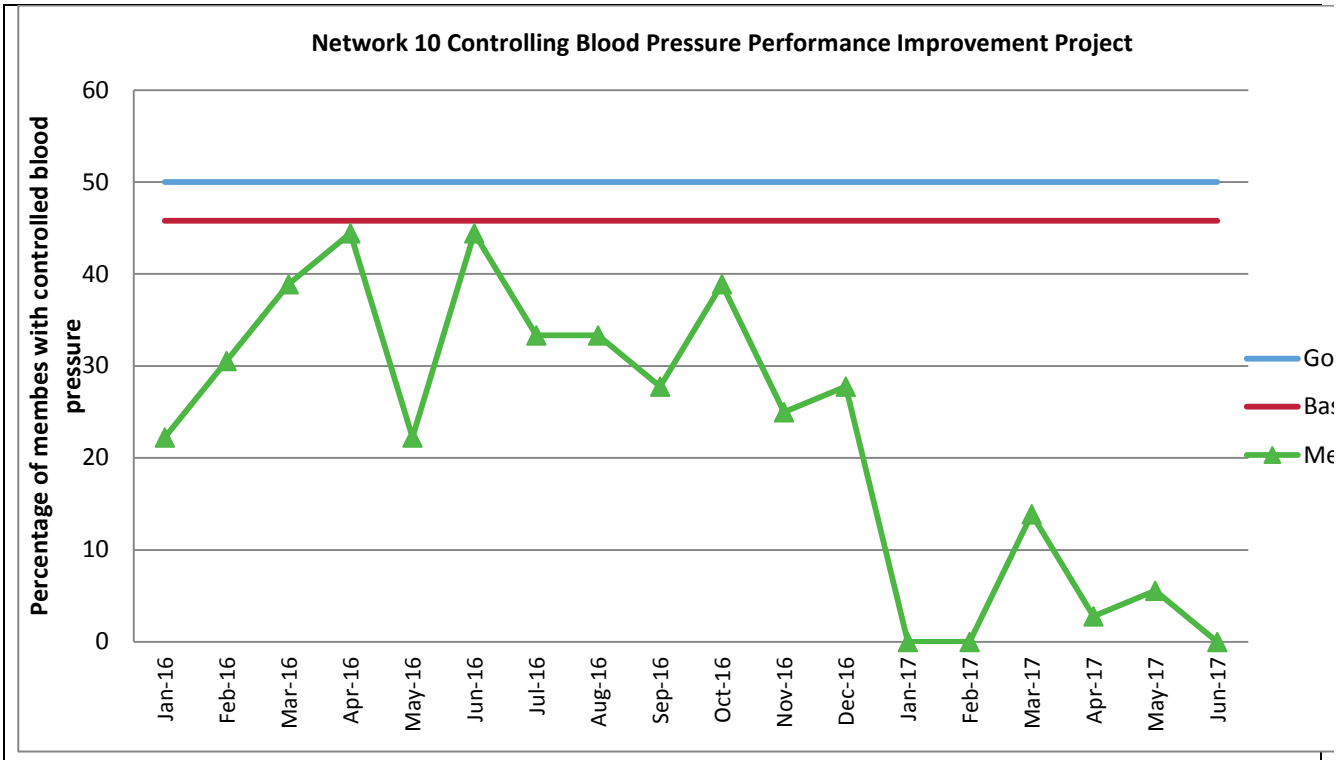
B.3 Design

This 18 month PIP began in January of 2016 and continued through June of 2017. On a monthly basis, a list of eligible members was generated to identify those that have not completed an annual blood pressure exam. The members were mailed a Health Education flyer with a reminder to complete a blood pressure exam. Members were informed that if they submit proof of a completed blood pressure exam to Health Education they would receive a $15 Target gift card.

B.4 Results

One intervention was tested during the life of this PIP. The intervention, testing whether providing a $15 gift card, member incentive to Network 10 members would increase the percentage of members with a completed blood pressure check exam was initiated in November of 2016. The intervention did not result in improvement and did not positively impact the SMART Aim during any of the data points. The SMART Aim goal of 50 % was not met during the intervention testing and in fact the rate remained below 50% for the duration of the PIP cycle. Overall, 4.98 % of eligible members submitted their results and claimed their incentive. The SMART Aim data never showed an increase above the baseline monthly data points while the intervention was being tested. The SMART Aim remained below the goal during the months that the intervention was being tested. Based on these results, SCFHP decided that the member incentive intervention as designed would be abandoned.

The Final Smart Aim Chart was:



Lessons learned in this PDSA cycle include:

- The incentive amount may have been too low. SCFHP will consider raising the incentive rate for future member incentive programs.
- SCFHP and our provider partners should collaborate more when designing member interventions so that provider buy in is obtained.
- Additional channels beyond mailing could be used to engage the member in this incentive

The Plan will implement a redesigned member incentive intervention for this measure within the new 18 month PIP cycle. The Plan tracks CBP rates to monitor results through its HEDIS processes.

Decreasing Potentially Avoidable Readmissions –LTSS Performance Improvement Project(PIP)

B.1 Goal: By June 30th, 2017, decrease rate of potentially avoidable hospital readmissions within 30 days of hospital discharge of CMC members from all SNFs to hospitals from 22.8% to 17.8%.

B.2 Interventions: SNF community partners will submit 100% of member, hospital interfacility transfer forms (IFTFs) to SCFHP for review.

B.3 Design

The timeline for this 18 month PIP was January of 2016 through June of 2017. The plan was for IFTF forms to be reviewed by SCFHP and appropriate level of care coordination to be provided by SCFHP to insure follow up care goals were met. This in turn would decrease potentially avoidable readmissions.

B.4 Final Results

SCFHP was unable to implement the interventions approved for this PIP and was therefore unable to achieve the SMART Aim goal. However, two of the last three months of the PIP had readmission rates below the target value of 17.8% (April – 9.2%, June – 8.4 %.) This may represent the observer effect on the part of SNF staff that the Plan was monitoring readmissions, causing SNF staff to be more diligent in how they addressed the needs of recently readmitted members. Alternately, the large variation between data points may represent a normal variation that is not evident when readmissions are averaged over a 12 month period. This suggests closer monitoring of the month-to-month rate might reveal a seasonal or other pattern, including no pattern at all (such as a greater number of readmissions in the winter when respiratory illness is more common in SNFs) that would be amenable to more targeted interventions, such as emphasizing infection control measures and flu shots.

SCFHP encounter barriers that prevented it from implement interventions.

Barriers included:

- The number of facilities (47 were included in the PIP) should be considered with regard to staff and resource availability. The PIP initially produced a large amount of data that required manual review, which hindered overall progress. Identifying facilities with the greatest number of readmissions to include enough facilities to achieve a satisfactory N (i.e.: 411, similar to HEDIS) would allow statistically satisfactory results without producing an overwhelming number of facilities to keep track of.
- There was no consistent single point of entry for receipt of the inter-facility transfer forms (IFTFs). Staff changes due to departmental reassignments left the PIP without a clear path of distribution for the IFTFs. This increased the chance that a data point could be lost. In hindsight, it might have been more advantageous to have the forms come first to QI for logging and copying, then passed on to UM/CM for further management. This would allow QI to collect data up front, monitor the process and follow up if there was a problem or concern, and for UM/CM to expeditiously follow up with the SNFs.
- UM staff described a lack of clarity at beginning of the process so that staff didn't clearly understand what the goal and process was.
- The following points would help our process be sustainable:
    - Identification of key plan staff and staff responsibilities.
    - Process for transitioning when staff (both Plan and SNF) are reassigned or otherwise no longer participating in PIP.

- Identification of the most appropriate contact staff at the SNFs.
- Monitor return of forms on a weekly or biweekly schedule. Follow up if readmissions occur and forms are not returned.
- Monitor return of plan staff survey tool. [Included below Failure Modes and Effects Analysis Table]
- Provide clarity of goals and methods. Encourage questions from staff at SNF and Plan.
- Identify and adjust as soon as possible if study population is too large for resources available.
- At end of PIP, meet with stakeholders for input on process improvement.

C. Initial Health Assessment (IHA)

C.1 Goal:

To ensure all SCFHP members completes an Initial Health Assessment (IHA) within 120 days of enrollment into the health plan and a Stay Healthy Assessment (SHA) form in accordance with the timeframes appropriate by age and that documentation is evidenced in their medical record.

C.2 Interventions:

- SCFHP provides information on IHA to the members and providers annually in the Member and Provider Newsletters and on the SCFHP website.
- SCFHP continues to promote provider education on the IHA with its delegate and independent network providers.
- Plan updated its IHA specifications to align with the methodology of other health plans in the geographic area.
- Plan runs IHA compliance reports on a quarterly basis.

C.3 Results:

- Plan's IHA compliance rate increased slightly (less than 5%) over the previous methodology.

C.4 Analysis of Findings/Barriers/Progress

- QI Nurse will audit medical records based on the new methodology to determine validity of the methodology
- QI Nurse will provide internal staff trainings for member facing teams
- QI Nurse will continue to work with Provider Services team to train providers and delegates

D. Patient Safety: Facility Site / Medical Record Review

D.1 Goal:

All contracted SCFHP PCP's receive a Facility Site Review Part A, B and C every three years. All newly contracted SCFHP PCP's complete and pass Facility Site Review Part A and C. FSR Part C is completed within 90 days.

D.2 Intervention:

- Complete FSR/MRR Review on all PCP sites that were due for a three year review.
- Complete FSR review for all newly contracted sites.
- Transition Part C reviews from Provider Services to Quality Nurse.
- Continue to Collaborate with Anthem Blue Cross.
- Review and update Medical Record Standards

D.3 Results:

- 43 PCP sites completed FSR reviews
- 40 MRRs completed
- Three Initial FSRs completed
- Two Collaboration meetings held with Anthem Blue Cross to share data.
- 38 FSR Part C reviews completed. (Providers with a FSR-C review in the last six years may attest no changes rather than having FSR-C completed.)

D.4 Analysis of Findings/Barriers/Progress

- 30 FSR Corrective Action Plans (CAPs) issued, monitored and validated. 26 CAPs closed (remainder issued have closure dates in 2018).
- 34 MRR CAPs issued, monitored and validated. 28 CAPs closed (remainder issued have closure dates in 2018)

E. Patient Safety: Provider Preventable Conditions (PPCs)

E.1 Goal:
To report 100% of identified PPCs to DHCS.

E.2 Intervention:
- Reviewed encounter data submitted by network providers for evidence of PPCs that must be reported
- Issued a special notice informing network providers that they must report PPCs to DHCS using the online reporting portal

E.3 Results:
- **0 PPCs identified 1/2017 – 4/2017**

E.4 Analysis of Findings/Barriers/Progress
- **No issues identified**

F. Potential Quality of Care Issues Summary

F.1 Goal:

To increase awareness of the PQI process within the health plan and to require quality improvement intervention(s) for substantiated quality of care issues. This includes Critical Incidents and Provider Preventable Conditions

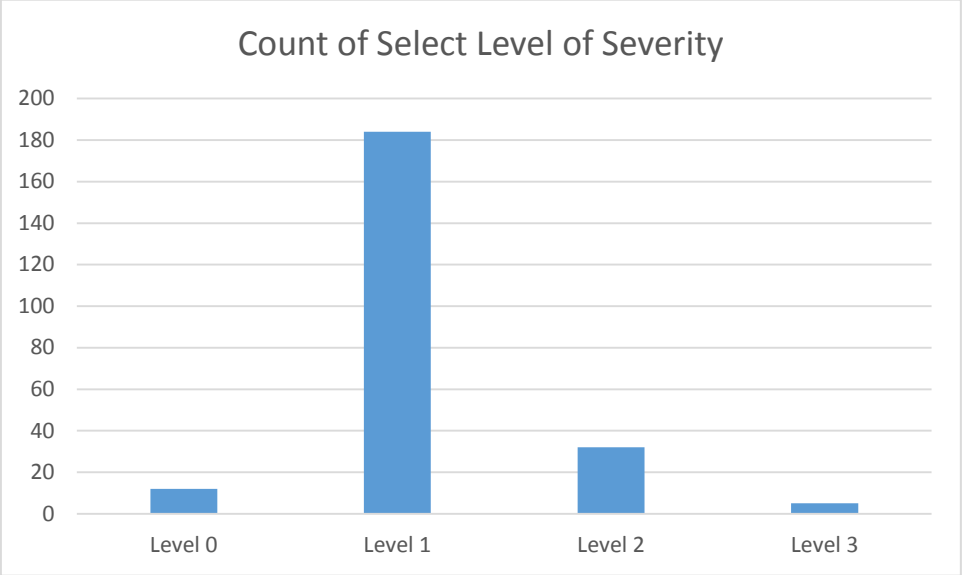
F.2 Intervention:
- Continue to monitor/track and trend member grievances for analysis of issues and correlation with other reports for identification of areas requiring improvement activities
- Continue to submit quarterly member grievances to the QIC for review and appropriate action related to access of care, quality of care, and denial of services
- Continue to monitor/track and trend PQI for identification of quality of care and systems issues.
- Continue to submit quarterly PQI report to QIC for review and appropriate action.

F.3 Results:
- 233 PQI's reported in 2017
- 12 were Level 0 – Does not meet PQI criteria, Not our member/Not our provider
- 184 were Level 1 –Quality of Care is Acceptable
- 32 were Level 2 - Opportunity for Improvement, no adverse occurrence
- 5 were Level 3 – Opportunity for Improvement, adverse occurrence
- 0 Critical Incidents

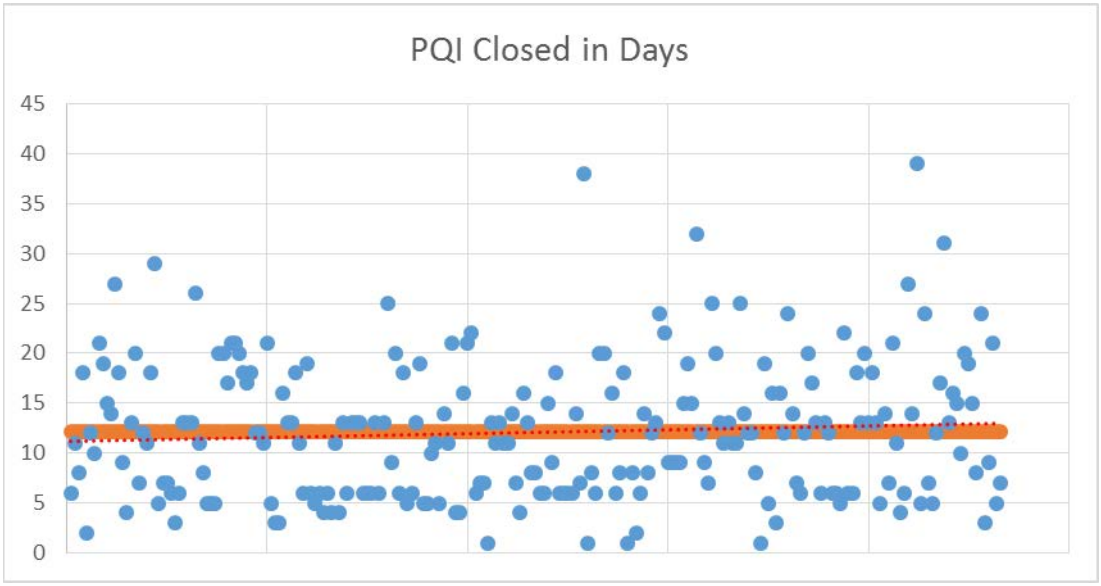
- 0 Provider Preventable Conditions

F.4 Analysis of Findings/Barriers/Progress

- 2 PQIs were downgraded from level 2 or higher to a level 1. This happened because SCFHP closed the PQI without all information or not all requested information was shared with SCFHP in a timely manner. Once SCFHP received additional documentation, it was verified there was no quality of care issue and the case was downgraded.
- Of the 37 level 2 and higher PQIs, 5 PQIs required additional follow up and extended due date to receive the requested follow up documentation from the provider to show quality improvement had been implemented.
- The majority of PQIs taken were unsubstantiated, or closed as level 1, as seen by the following chart.



2017 QUALITY IMPROVEMENT PROGRAM EVALUATION
☑ Annual Evaluation



G. Timely Access and Availability

G.1 Goal:

To measure and monitor timely access to health care against SCFHP's standards annually.

G.2 Intervention:

- Complete the following surveys annually:
  - DMHC Provider Appointment Availability Survey (PAAS)
  - After Hours Survey
  - DHCS Third Available Appointment Survey
  - Provider Satisfaction Survey
  - Member Satisfaction Survey (Customer Service
- Providers in violation of access standards received a written corrective action letter with a description of the violation and a request to correct it.

G.3 Results:

- **Specialist – Urgent** Appointment within **96hrs**

Provider Group	# Surveyed	Compliant	Non-Compliant	% of Compliance
Direct Network (Independent)	31	20	11	64%
Palo Alto Medical Foundation	19	10	25	53%
PMG-San Jose	25	16	12	64%
Premier Care of North CA	1	1	0	100%
Total	76	47	72	62%

- **Specialist – Non-Urgent** Appointment within **15-days**

Provider Group	# Surveyed	Compliant	Non-Compliant	% of Compliance
Direct Network (Independent	48	17	31	35%
Palo Alto Medical Foundation	33	16	17	48%
PMG-San Jose	28	22	6	79%
Premier Care of North CA	1	1	0	100%
Total	110	56	54	51%

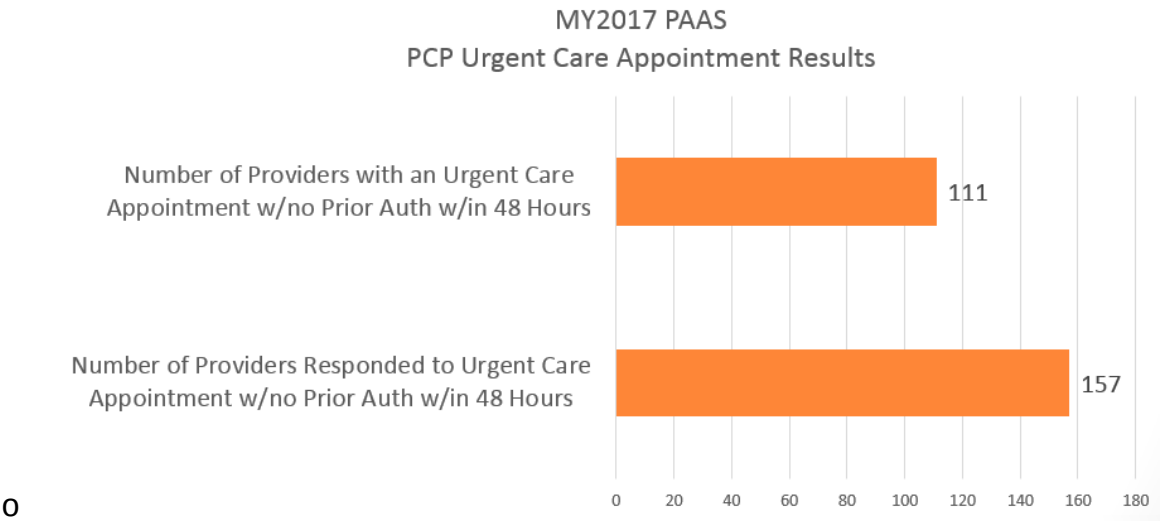
- **PCP – Urgent Appointment within 48hrs**

Provider Group	# Surveyed	Compliant	Non-Compliant	% of Compliance
Direct Network (Independent)	27	22	5	81%
Palo Alto Medical Foundation	60	29	31	48%
PMG-San Jose	48	41	7	85%
Premier Care of North CA	22	19	0	86%
Total	157	111	43	71%

- **PCP – Non-Urgent Appointment within 10-days**

Provider Group	# Surveyed	Compliant	Non-Compliant	% of Compliance
Direct Network (Independent)	26	26	0	100%
Palo Alto Medical Foundation	60	56	4	93%
PMG-San Jose	48	42	6	87%
Premier Care of North CA	21	19	2	90%
Total	155	143	12	92%

Standard: Urgent Care Appointment within **48hrs**



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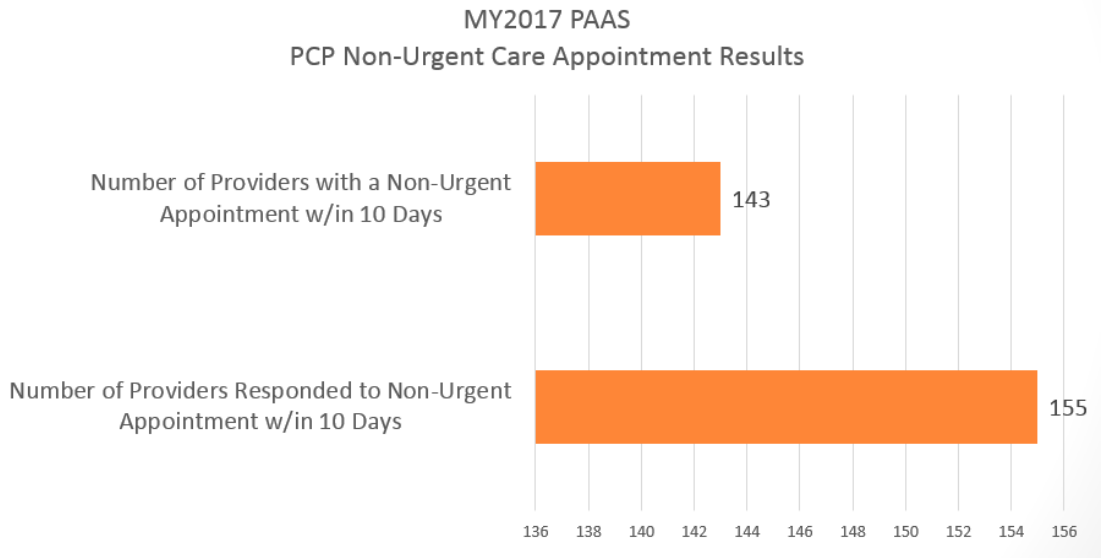
Standard: Non-Urgent Care Appointment within **10-days**



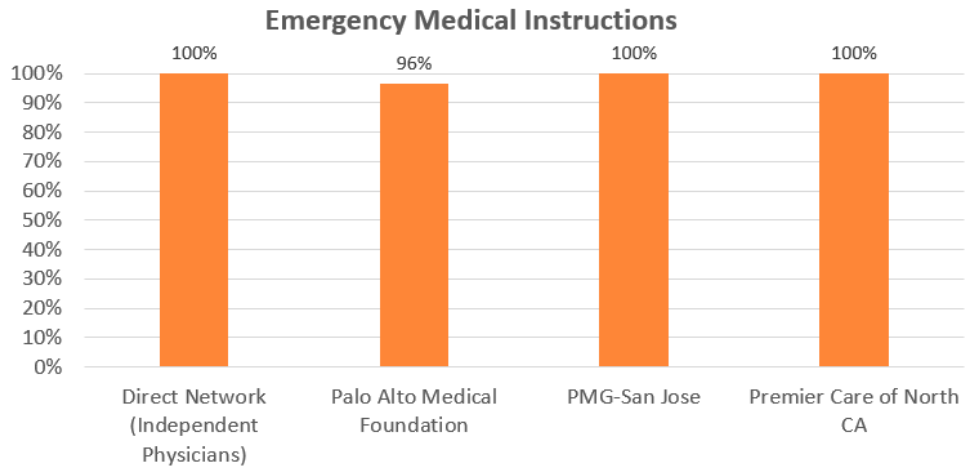
Ancillary – Non-Urgent Appointment within **15-days**

Provider Group	# Surveyed	Compliant	Non-Compliant	% of Compliance
Direct Network (Independent Physicians)	24	22	2	92%
Total	24	22	2	92%

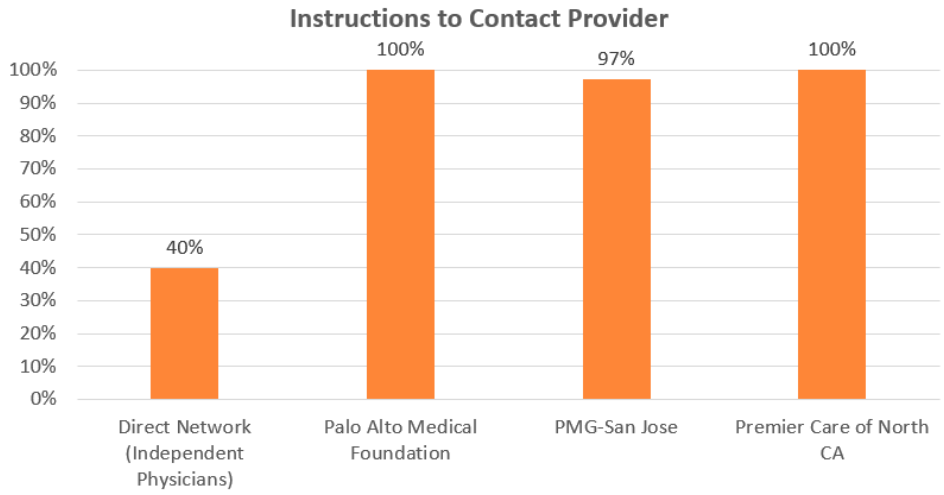
After-Hours Standards:

- Providers are required to notify SCFHP members that in the event of a medical emergency they should:
  - Go to the nearest emergency room
  - Hang up and dial 911
- Should a member need to speak to a provider, they must be available after-hours.
- Members should receive a return call within 30-minutes by a provider.

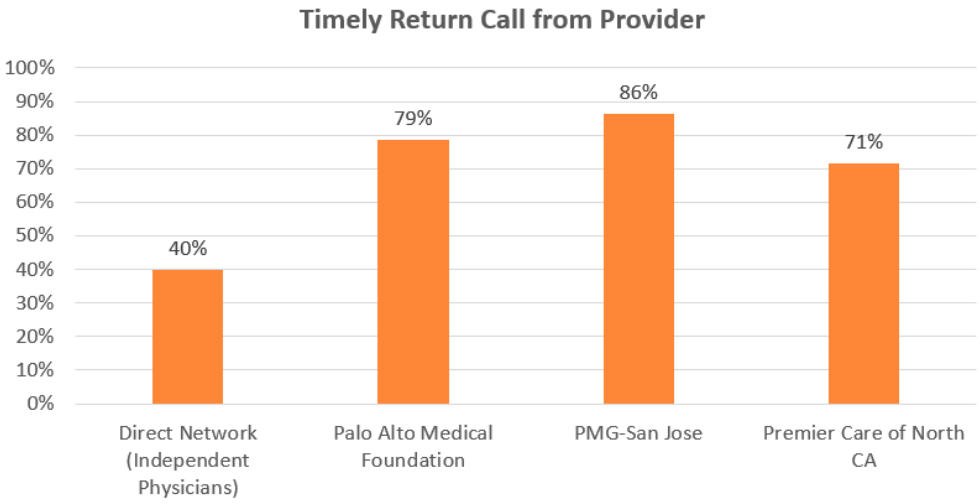
After-Hours Rate of Compliance:



After-Hours Rate of Compliance:



After-Hours Rate of Compliance:



Third Available Appointment (TAA) Survey Standards:

Providers are required to meet the following TAA standards:

- Member phone calls should be picked up within 60 seconds during business hours.
- **PCP**: Non urgent appointment - within ten (10) business days of request.
- **Specialist**: Non urgent appointment - within fifteen (15) business days of request.
- **OB/GYN**: First Prenatal Visit -Is this within two (2) weeks.
- Member should not wait more than 30 minutes for scheduled appointments
- Member should not wait more than 30 minutes for medical triage and/or screening call to be returned.
- Member should not wait more than 1 business day for a non-medical related question (administrative) call to be returned.
- Provider must have an answering service or an answering machine during non-business hours, which provide instructions regarding how members may obtain urgent or emergency care.

Total Survey Participants = 25

Standard	# Compliant	# Non-Compliant	Rate of Compliance
Call Pick-Up-60 sec	25	0	100%
After-hours message to access care	25	0	100%
PCP/Spec/OBGYN -Urgent Appointments	25	0	100%
PCP/Spec/OBGYN Non-Urgent Appointments	16	9	74%
In-office wait times	25	0	100%
Return calls - triage/screening during business hours	1	24	4%
Return calls - non-medical during business hours	22	3	88%

G.4 Analysis of Findings/Barriers/Progress

- Providers in violation of access standards received a written corrective action letter with a description of the violation and a request to correct it.

Group Type	Survey Ct	PCP Non-Urgent Appt 10-days	PCP Urgent Appt 48hrs	Spec Non-Urgent Appt 15-days	Spec Urgent Appt 96hrs	PCP & Spec Non & Urgent Appt	Total CAP
Ancillary	24			2			**2**
PCP	165	5	38			7	**7**
Specialist	186			18	48	19	**85**
Totals =	**441**	**5**	**38**	**20**	**48**	**26**	**137**

- Most providers who were surveyed answered the series of Interpreter Services questions and the response was positive in terms of their understanding that the Plan (SCFHP) is responsible to offer language line assistance.
- SCFHP will continue to increase oversight of timely access through Timely Access & Availability Work Group, quarterly network access reviews, and annual surveys
- SCFHP will complete provider education on timely access standards through provider orientations, training programs and newsletters
- SCFHP has created a new position in part to oversee and manage the annual appointment availability surveys

H. CAHPS

SCFHP

H.1 Goal:

Increase member satisfaction and quality of service delivered to SCFHP members

H.2 Intervention:

- Process
  - Year one of the CAHPS showed a very low response rate of under 16%. The plan added a second language flag to the survey in year two.
  - The plan sent reminder post cards to members on the importance of the CAHPS survey and providing the plan with feedback.
- Measure improvement
  - Plan did training to member and provider facing departments on the results from year one and two to brain stormed ideas on how to improve rates.
  - Plan shared results with provider advisor committee and quality improvement committee

H.3 Results:

- Year one of survey had a very low response rate of 15%. The rate was one of the lowest in the MMP program with the state wide average being 22%. As a result, there was a lack of actionable data because the sample size was too low. Year two of survey, the response rate increased to 29% which was higher than the state wide average of 27.7%.
- The plan had N/A in the following measures
  - Doctors Who Communicate Well
  - Customer Service
  - Overall Rating of Personal Doctor and Specialist
  - Getting Needed Prescription Drugs

- The plan performed lower than the MMP average in Health Plan Composite Measures;
  - Getting Needed Care
  - Getting Appointments Quickly
  - Care Coordination
- The plan performed lower than the MMP average in Overall Health Plan Ratings;
  - Rating of Health Plan
  - Rating of Health Care Quality

H.4 Analysis of Findings/Barriers/Progress

- The health plan improved its response rate and accomplished the process goal of getting more actionable data.
- The intervention between year one and year two identified specific opportunities for improvement in Health Plan Composite measures and Overall Health Plan rankings.
- With changes from CMS process, the plan did a pilot of addition additional languages beyond English/Spanish and will gauge impact of the additional languages on response rate and overall performance.
- The plan integrated provider level data as part of its 2018 pilot to get specific actionable information for pin pointed improvement efforts.
- Plan is developing scripts to be integrated into its current phone tree to gather additional data on an ongoing basis as well as remind members on importance of participating in CAHPS.
- Plan has reached out to its providers directly and shared results as well as broad areas for improvement.

I. Appeals and Grievance

SCFHP

I.1 Goal:

Increase member satisfaction by addressing member grievances within mandated timelines

I.2 Intervention:

- Process
  - Timely resolution of grievances within mandated time frames
- Measure improvement
  - Appeal and Grievance data is reported on the cooperate compliance dashboard and offers ongoing monitoring to rapidly identify variances and address the variances in a timely manner

I.3 Results:

- 2017 showed an improved compliance rate of 88.3% for standard grievances resolved in the mandated time frames, this was an improvement of just over 10% from the prior year's rate of 78%.
- The lowest performing time frame was Q2 where the compliance rate dipped to 56% in the month of May

I.4 Analysis of Findings/Barriers/Progress

- Low number of number of grievance staff compared the volume of grievances received has presented a barrier
- Staff turnover also presented a barrier throughout the year
- As evidenced by the fourth quarter both issues were successfully addressed with the number of grievances within the mandated timelines being above 94%

J. Member Services Phone Statistics

SCFHP

J.1 Goal:

Increase member satisfaction by answering inbound calls in 30 seconds or less

J.2 Intervention:

- Process
  - Timely telephone answering of inbound calls
- Measure improvement
  - Call answer timeliness data is reported on the cooperate compliance dashboard and offers ongoing monitoring to rapidly identify variances and address the variances in a timely manner

J.3 Results:

- 2017 showed an improved compliance rate of 56 seconds to answer, which was almost double the goal of 30 seconds to answer, this was a decrease in performance from 2016 where the time to answer was 6 seconds over the goal of 30 seconds

J.4 Analysis of Findings/Barriers/Progress

- Low number of number of customer service staff compared the volume of inbound calls received has presented a barrier
- Staff turnover also presented a barrier throughout the year
- A new system to enable quicker onboarding time should reduce the negative impact of staff turnover as well as building out a training and QA team to assist with call monitoring should increase overall call timeliness and call hold performance

QI Program Effectiveness

The 2017 Quality Improvement Program was effective in demonstrating improvements in both the clinical and service areas for Medi-Cal, Healthy Kids and Cal MediConnect members. The QI

Committee structure, practitioner participation, both external and internal, along with the plan's leadership, have shown to be sufficient resources in meeting the QI program's goals and objectives; which includes utilization management, in 2017. The Quality Committee structure was revised to in 2017 to meet NCQA requirements. There is no need to restructure or change the QI program or utilization management structure for 2018.

Population Health Management Strategy 2018

Santa Clara
Family Health Plan

Table of Contents

Santa Clara
Family Health Plan

I. Comprehensive Population Health Management (PHM) Strategy

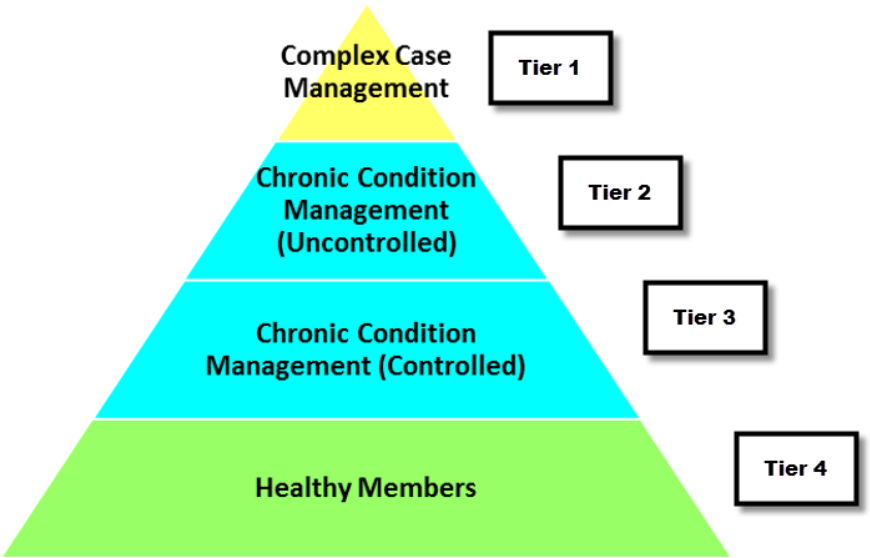
In accordance with the NCQA 2018 Standards and Guidelines for the Accreditation of Health Plans, Santa Clara Family Health Plan (SCFHP) has developed a basic framework to support a cohesive plan of action for addressing member needs across the continuum of care including the community setting, through participation, engagement and targeted interventions for a defined population. The framework is designed to address the four focus areas of population health, as outlined by NCQA, while using Cal MediConnect (CMC) required methods via health risk assessment (HRA) and individualized care planning (ICP) through an interdisciplinary care team (IDT) approach.

At a minimum, annual evaluations of various elements of this PHM strategy will assess the Plan's performance against the Institute for Healthcare Improvement (IHI) Triple Aim dimensions to improve patient experience of care, improve the health of populations and reducing the per capita cost of healthcare.

A detailed 2018 SCFHP Population Assessment is attached as Appendix A, to this PHM Strategy document and serves as the basis of identifying the member population served by SCFHP.

The member population is segmented into subset targeted populations based off assessment of population needs and there are specific programs and services to address the four focus areas. To accomplish this, SCFHP has developed a tier of programs and qualifying populations that would be eligible for each program.

Populations Targeted for PHM:



Santa Clara
Family Health Plan

A. Tier 1: Complex Case Management (CCM) Member Eligibility Criteria

Members have 3+ hospitalizations in the past year and one other Tier 1 criteria *or* members meet three or more Tier 1 criteria:

- Age 75+ with 3 ADLs
- >3 ED visits in the past year
- Hospitalized in the past 180 days
- 3+ Chronic Conditions and at least one uncontrolled*
  - **Uncontrolled is defined as 1 ED Visit or Inpatient stay within the past year, with a primary diagnosis of the member's chronic condition)*

B. Tier 2: Chronic Condition Management Uncontrolled Eligibility Criteria

Newly enrolled members with no claims or utilization history *or* members that have at least one of the below criteria AND have at least one chronic condition that is uncontrolled:

- 75+ with 3 ADLs
- >3 ED Visits in the Past Year
- Hospitalized in the Past 180 Days
- 3+ Hospitalizations in the Past Year
- 1+ Social Determinant of Health (includes members with addresses indicative of homelessness)
  OR
- Member is enrolled in the Multipurpose Senior Services Program (MSSP)
- Member has uncontrolled symptoms of severe mental illness (SMI)

C. Tier 3: Chronic Condition Controlled Member Eligibility criteria

Members that do not meet criteria for Tier 1 or 2 *and* have more than one controlled chronic conditions, and have greater than $3,000 claims costs per year, *or*

- Member is homeless,
- Member is in Long Term Care (LTC)
- Member has been admitted to Hospice within the last 12 months

D. Tier 4 Healthy Members Eligibility

All other members that do not meet criteria for Tiers 1-3 are eligible for Tier 4.

II. Population Health Program Focus Areas

The following four areas of this strategy focus on a whole-person approach to identify members at risk, and to provide strategies, programs and services to mitigate or reduce that risk. We also aim to maintain or improve the physical and psychosocial well-being of individuals and address health disparities through cost-effective and tailored solutions.

1) Keeping members healthy
2) Managing members with emerging risk
3) Patient safety or outcomes across settings
4) Managing multiple chronic illnesses

III. PHM Goals

SCFHP's plan of action for each of the focus areas include measurable goals for specific targeted populations as follows:

A. Keeping Members Healthy:

Goal: Reach a 5% increase in the number of Cal MediConnect members with at least one annual wellness visit

Goal Justification: Based on analysis of risk adjustment data, SCFHP discovered that we did not have utilization information on many of our CMC members. Annual Wellness visits are critical to maintaining the health of our Tier 4 population as well as improving the health of our members with multiple chronic conditions (Tier 1-3).

Population Targeted: All CMC members (not in LTC facility)

B. Managing members with emerging risk

Goal: Increase HbA1c control rate by 2 percentage points compared to baseline

Goal Justification Statement: Within SCFHP CMC line of business, there are 1,450 or 18% of members that meet the HEDIS definition of diabetes. The plan also has a larger population of Hispanic and Asian members who are at higher risk for diabetes. Uncontrolled diabetes can lead to cardiac disease and progressive decline in health.

Population Targeted: Tier 3 with a controlled chronic condition of diabetes

C. Patient safety or outcomes across settings

Goal: Decrease 30 Day Readmission rate by 1 percentage point

Goal Justification Statement: The intent is to promote transitions of care for members discharged from an acute or skilled nursing facility setting and improve continuity of care across acute care, long term care, behavioral health and home and community-based settings.

Population Targeted: Members readmitted within 30 days of discharge

D. Managing multiple chronic illnesses

Goal: Reduce the number of members with multiple chronic conditions with 3+ ED visits in the past year by 10 percentage points

Goal Justification Statement: Through development of the stratification of our Population Health Tiers 1 and 2, we determined that over 500 Cal MediConnect (CMC) members visited the emergency department 3 or more times in the past year. Unmanaged multiple chronic conditions often results in avoidable ER utilization.

Populations Targeted: All CMC members with 3+ ED visits in the last year

IV. PHM Programs and Services by Focus Area

Under the CMC line of business, SCFHP seeks to promote a program that is both sustainable, person-and family-centered, and enables beneficiaries to attain or maintain personal health goals. We do so by providing timely access to appropriate, coordinated health care services and community resources, including home- and community- based services and behavioral health services.

Table 1: Programs and Services by Focus Area

Programs & Services	Focus Area
Complex Case Management	2-4
Moderate Case Management	1-4
Basic Case Management	1-3
Long Term Care	3-4
Transitions of Care	1-4
Multipurpose Senior Services Program (MSSP)	1-4
Behavioral Health Severe Mental Illness	1-4
Provider Engagement	1-4
Nurse Advice Line	1-4
Utilization Management & Concurrent Review	1-4
Health Education	1-2
Community Resources	1-4
Whole Person Care	3-4
Medication Therapy Management (MTM)	4

Members are informed about all available PHM programs and services at any level of contact including the Plan's website, direct mail, e-mail, text or other mobile applications, telephone or in-person. Many programs offered are communicated to members within their Evidence of Coverage/Member Handbook document, which is mailed to members annually and upon enrollment, as well as through www.scfhp.com. Additionally, a catalog of all PHM programs will be created and available on www.scfhp.com so that members may be informed of all programs that they may be eligible for. The catalog will be updated annually and can be mailed to members upon their request.

Members deemed eligible for inclusion in any PHM program involving interactive contact may opt-out of participation at any time. Members or their Authorized Representatives may request to opt-out by calling SCFHP's Customer Service department at 408-376-2000, sending a secure email to the SCFHP's case management department at www.CaseManagementhelpdesk@scfhp.com, or via USPS mail delivery.

A. Case Management (CM) Programs

Members are identified for case management through multiple sources, including eligibility files, medical and pharmacy claims data, health risk assessment data and utilization management data. Members may also self-refer, or be referred by providers, discharge planners, caregivers, delegates, vendors and community partners.

Members are assigned to CM programs based on risk stratification, member's responses to the health risk assessment, additional assessments, clinical evaluation and consultation with members to determine their willingness to participate. Members can move between programs as appropriate to provide the right level of support at the right time.

Case management programs encompass all focus areas and include:

1) **Complex Case Management** is provided to all eligible members in Tier 1 and is described in detail in the attached Complex Case Management summary. These members are offered intensive support and are contacted as often as weekly. Members are engaged in a thorough initial assessment.
2) **Moderate Case Management** is provided to members in Tier 2 and includes those members with multiple chronic conditions with at least one uncontrolled and complex social determinants of health. It includes members receiving MSSP services and care coordination around severe mental illness (SMI).
3) **Basic Case Management** is provided to members in Tiers 3 and 4 and includes at a minimum, the completion of a health risk assessment (HRA), individualized care plan (ICP), and benefit coordination in collaboration with the PCP.
4) **Transitions of Care (TOC)** is provided across all CM Tiers for members and is episodic case management with Utilization Management (UM) coordination to support discharges and transitions from acute hospital, psychiatric and long term care facilities. This service is also provided to support continuity of care for members transitioning between providers. TOC calls are made by UM nurses who complete a TOC assessment to ensure a safe transition to the appropriate level of care and minimize risk of readmission. Members will be reassessed for the appropriate tier of CM after their transition period. Case management services include integration of the discharge plan into the current ICP including facilitating follow up

visits to the member's providers, post-discharge medication reconciliation, and confirmation that the discharge plan has been implemented. If a member is not connected to a BH care team in the community, both the discharging hospital and the BH CM need to ensure coordination of a visit within 7 and 30 days post discharge.

5) **Long Term Care (LTC)** Transition case management is provided to the subgroup of nursing facility members who are authorized for long term care but have been identified as able to discharge back to the community. Case management includes working with the member and their family or caregivers and the nursing facility team to assess readiness for discharge and coordinate on a discharge plan. The LTC RN CM visits the member to conduct a face-to-face assessment, provides information about long term services and supports (LTSS) benefits and other community-based resources, and facilitates arrangement of and authorization for services and supports needed post-discharge. This includes addressing social determinants that may be a barrier to discharge including income benefits, lack of housing and family support and coordination with community resources.
6) **Multipurpose Senior Services Program (MSSP)** is a case management program that is available as a managed Medi-Cal Long Term Services and Supports (LTSS) benefit for members that are over age 65 and meet criteria for nursing home placement but reside in the community. MSSP is a delegated case management program. These members are assigned to Tier 2.
7) **Behavioral Health (BH)** case management is a program for members who are diagnosed with Severe Mental Illness (SMI) may be found in any tier, based on their level of stability. The members will likely be assigned to Tier 2 and will be managed internally by the BH CM team. The BH CM team will participate with the other CM teams to coordinate the medical case management services as needed. Behavioral Health Services as provided by the SCFHP BH CM team, include comprehensive services across all settings. Specific focus areas of BH Services include:
    a. Reduction of ED visits for those who have any BH diagnosis;
    b. Concurrent review and follow up for all members who are hospitalized in a psychiatric hospital;
    c. Follow up after psychiatric hospitalization to ensure safety for members and that all members have a follow up visit with a BH provider at 7 and 30 days
    d. Care coordination with community BH providers for the SMI population who are served in Specialty Mental Health clinics. All CM teams are able to consult with the BH CM team for behavioral health components of their cases.

All CMC members receive case management services that include the following components:

1. Health Risk Assessment (HRA)

The HRA identifies the need for further case management assessment and helps to identify wellness goals and appropriate assignment for case management programs and other services. Additional assessments which may be utilized include all assessments in our care management platform, Essette.

2. Individualized Care Plan (ICP)

Members work with their case manager to identify goals and develop a member centric individualized care plan (ICP). During development of the care plan, members are educated and supported by the case manager on how to achieve their goals, including preventive care, exams and annual wellness visits. Responses from the HRA help to guide the development of the ICP. Providers can give input to the ICP at any time. Care plans are updated annually or as a member's health condition requires.

3. Interdisciplinary Care Team (ICT)

At a minimum, all members have an ICT composed of their PCP and case manager. Additional providers, such as social worker, specialists, LTSS provider, community-based case manager, and caregivers are included at the request of the member. The ICT provides input into the member's ICP. Meetings with the ICT are scheduled as needed for the member's care or if requested by the member.

B. Provider Engagement:

SCFHP engages providers in the member's care in various ways. Member PCPs are provided their specific CMC enrollment data monthly so that they can identify new members requiring an Initial Health Assessment (IHA). They also receive a copy of the member's ICP, which includes the Annual Wellness Visit Goal. Through IHA and the ICP the provider can engage the member in discussions about preventative services, regular screenings, maintenance therapies, and health education programs, such as nutrition and physical activity education. PCPs are also members of the members' Interdisciplinary Care Team (ICT) and are invited to attend all scheduled ICT meetings.

To further engage our provider network, we offer educational materials that are available on our website. Our Provider Network Management team also schedules visits and distributes a quarterly provider newsletter.

C. 24/7 Nurse Advice Line:

The Nurse Advice Line is a nurse-driven telephonic support program that empowers members to better manage their health. Highly trained registered nurses help participants navigate through questions and concerns about symptoms, appropriate treatment choices, comorbid conditions and additional risk factors. Nurse Advice Line data is available to case management staff on a monthly basis. All Nurse Advice Line calls resulting in a 911 disposition will be immediately referred to SCFHP case management for follow-up.

D. Utilization Management and Concurrent Review

Utilization Management's Concurrent Review and Discharge Planning nurses are assigned admission review cases using an alphabetized process using the first initial of a member's last name. This process allows for the same nurse to follow the ongoing clinical status for any individual member thru an initial acute hospital admission, to all lower levels of care including home or Long Term Care placement. Concurrent review processes identify members expected to be discharged and include collaborative discussions with the facility and other providers to

coordinate member's discharge needs and related follow up care. Care coordination related to discharge planning may include referrals to any available CM programs and coordinating benefits across health care settings, such as DME, home health, Long Term Services and Supports (LTSS), behavioral health and outpatient services.

Within 72 business hours of a member's discharge to a residential home or his or her community setting such as an Assisted Living facility, Concurrent Review nurses have been trained to begin their initial telephonic outreach in an attempt to complete a post discharge Transition of Care (TOC) follow up assessment directly within Essette. UM Nurses will conduct a total of three documented attempts to reach the member or their caregiver all of which are expected to be completed within 5 business days from discharge. Outreach calls will be made on different days and/or different times of the day, in order to meet this process requirement. All non-successful UM nurse outreach results in a new referral to the case management team for their ongoing follow up to the member or provider to insure that any potential modifications to a members care plan can be made and shared with providers. The TOC assessment within Essette evaluates for any member or caregiver supports and/or resources which are needed to minimize gaps in care which may otherwise result in readmissions or preventable emergency room visits.

E. Health Education

The Health Education program has a variety of classes and workshops available for members to help maintain and improve their health and manage their illnesses. SCFHP works with a number of agencies within the community to provide programs covering topics from chronic disease, counseling services, weight management, smoking cessation, safety programs, and more. Members may self-refer to all programs, except for Weight Watchers and the Diabetes Prevention Program. Referrals are received from PCPs and all SCFHP departments.

Category	Call Codes	Organization/Contact
Chronic Disease Self-Management	Asthma Education	Breathe California
	Diabetes/Nutritional Counseling	Indian Health Center
		The Health Trust
		Solera
	Chronic Disease/Condition Management (HBP, Heart Disease, Arthritis, Medical Nutrition Therapy)	SCVMC Ambulatory Health Education Department
		The Health Trust
Counseling & Support Services	Group Counseling & Support	ACT for Mental Health
	Stress Management Class	
	Anger Management Class	County Mental Health Department
Nutrition & Weight Management	Adult Weight Management (Weight Watchers)	Weight Watchers

Category	Call Codes	Organization/Contact
Prenatal Education	Infant/Child CPR & First Aid	SCVMC Ambulatory Health Education Department
		O'Connor Hospital, El Camino Hospital, Parenting and Breastfeeding Services, SCVMC
	Infant Care	SCVMC Ambulatory Health Education Department
		O'Connor Hospital, El Camino Hospital, Parenting and Breastfeeding Services, SCVMC
Safety Programs	Infant/Child CPR & First Aid	SCVMC Ambulatory Health Education Department
		O'Connor Hospital, El Camino Hospital, Parenting and Breastfeeding Services, SCVMC
	Car Seat Safety	Santa Clara County Car Seat Safety Program
Smoking Cessation	Smoker's Help-Line	English: 800.662.8887 Spanish: 800.456.6386 Vietnamese: 800.778.8440 Chinese: 800.838.8917
	Smoking Cessation Program	SCVMC Ambulatory Health Education Department
		Breathe California
Others:	Health Education Materials Requests	

F. Community Resources Integration

This program addresses the social determinants of health experienced by SCFHP members and is managed by the Long Term Services and Supports staff in support of all case management programs. As part of the care plan development and goal setting, to facilitate coordination of benefits and community resources, referrals may be made to community based programs and other resources. These are coordinated through case management or provided by community based organizations, public agencies and hospitals.

Community resources, information and contacts are made available to case managers for integration into the member care plan as needed and include programs that address the most common needs identified by our members. These include food, housing, transportation, socialization, caregiver support and respite, legal services, public services such as protective services, and specialized case management (e.g. HIV). Designated SCFHP staff manage

relationships with key community providers and attend relevant community meetings to stay abreast of available resources and changes in eligibility.

An initial training on community-based programs and services is provided to all case managers with detailed information on programs scope, eligibility, referral processes and key contacts. This information is also available on the SCFHP shared drive for staff and is updated at least annually. Case managers and supporting staff also have access to trainings with providers, face-to- face visits and presentations by providers with new resources shared on an ongoing basis. Information on community resources is also provided on the SCFHP website for member access.

G. Whole Person Care

SCFHP has partnered with the Santa Clara County Health and Hospital System in the operation of their Whole Person Care (WPC) Pilot through the year 2020. One component of the WPC program is the Nursing Home Diversion Program that combines intensive case management, housing services and additional services to enable successful transitions for long term care members in a nursing facility. This program is administered by a provider contracted with the County – Institute on Aging (IOA) in partnership with the County's Office of Supportive Housing, safety net hospital, Behavioral Health Department and other community-based providers. SCFHP members may be identified for the program by the nursing facility staff, Institute on Aging or SCFHP UM or case management staff. The targeted population is members whose primary barrier to transition is the lack of housing and the need for ongoing intensive case management pre and post-discharge. WPC case management is provided in collaboration with the SCFHP assigned case manager.

H. Medication Management Therapy (MTM)

The goal of MTM is to optimize drug therapy and improve therapeutic outcomes for members. Members that take medications for multiple different medical conditions may be eligible to receive MTM services at no cost. Members that qualify are automatically enrolled in to the program and mailed a welcome letter explaining the program and instructions for opting out. Specific eligibility criteria is posted both on www.scfhp.com and within the member handbook. MTM services may include:

- Calls from a pharmacist or other health professional to review all of the members' medications and discuss medication benefits, concerns, and questions
- Written, mailed summary of the medical review as well as a medication action plan and personal medication list
- Follow up from the pharmacist or other health professional every 3 months to ensure records are up to date as well as the safety and cost effectiveness of medications

Santa Clara Family Health Plan

V. Indirect Member Interventions by Focus Area

Activities conducted by the Plan that support PHM programs or services not directed at individual members.

Table 2: Indirect Member Interventions

Indirect Interventions	Focus Area(s)
Case Management shares data and information with providers regarding member's HRA results, ICPs, and supplemental assessments. Sharing is completed by mail, e-mail, fax, ICT meetings, and phone.	1-4
SCFHP's Provider Network Management (PNM) team completes provider education and required trainings, including the provision of continuing education units (CEUs/CMEs). These trainings include: cultural competency, Screening, Brief Intervention and Referral to Treatment (SBIRT), communicating across language barriers, Long Term Services and Supports (LTSS), and the Staying Healthy Assessment.	1-4
Quarterly provider newsletters, distributed by fax and e-mail and posted on the website	1-4
SCFHP presents quarterly to a Provider Advisory Council (PAC) on topics such as behavioral health treatment advances, opioid addiction, and other topics relevant to the characteristics of our SCFHP member population.	2, 3
SCFHP participates in monthly community Safety Net Network meetings. Discussions within these meetings with our community partners include topics such as food resources, housing, and resources that address social determinants impacting the member population.	1, 3
Coordination with Housing Services Information System: SCFHP participates in the County's Homeless Management Information System (HMIS) - an online database that enables organizations to collect data on the services they provide to people experiencing homelessness and people who are at risk for homelessness. Members who are in the HMIS database may have priority access to housing assistance.	2-4
SCFHP financially supports community clinics with their Patient Centered Medical Home (PCMH) certification when appropriate. By supporting this effort, we are ensuring the safety and quality treatment for our members.	3
Nursing Home Support and Training SCFHP has a designated staff liaison to manage relationships with all contracted nursing facilities serving a large member population. This includes conducting annual visits, monitoring quality measures, troubleshooting on issues related to authorizations, claims, notification of relevant trainings, and involvement in local shared initiatives around reducing readmissions.	2-4
Behavioral Health Services coordinates and partners with the County Behavioral Health Services Department (CBHSD), community-based	1-4

organizations, and providers to facilitate patient outcomes across all settings. The coordination includes continuous education to Specialty Mental Health Clinics about the CMC population, consultation to providers and regular monthly CMC care coordination meetings.	
Behavioral Health Services provides training materials to provider offices regarding SBIRT assessment and counseling.	1-4
Quality department provides intermittent training for contracted providers on appropriate wellness and preventative services (e.g. USPSTF, clinical practice guidelines) as appropriate. Clinical practice guidelines are also available to providers on the website.	1, 3
Pharmacy department performs quarterly drug use evaluations (DUEs) on various clinical areas (e.g. polypharmacy, asthma controller medication review) to look for gaps in care and contacts providers as appropriate for intervention.	1-4

VI. Population Health Delivery System Support

SCFHP provides support to practitioners and providers providing population health management to our members and to support the achievement of program goals.

A) Sharing Data
   a. SCFHP shares member data with providers to assist them in delivering services, programs and care to our members. We mail, fax, and/or verbally inform providers of their members individualized care plans and goals at least annually and after any updates. We also inform providers via fax when we have been unable to reach a member to complete a comprehensive Health Risk Assessment (HRA) and request their assistance. Additionally, we electronically send our providers member eligibility reports, language, and demographic data, and are working toward sending gaps in care reminders via the online provider portal.

B) Evidence- Based Guidelines
   a. SCFHP shares evidence-based guidelines with our provider network on the health plan website, scfhp.com. The information is located within the Provider Resources section on the website and includes guidelines for:
      i. Cervical Cancer Screening
      ii. Clinical and Preventive
      iii. BMI calculations
      iv. Recommended immunization schedules

C) Practice Transformation Support
   a. SCFHP financially assists willing network providers from federally qualified health centers (FQHCs) who are actively working towards Patient Centered Medical Home (PCMH) certification in an effort to support their advancement toward value-based care delivery.

VII. Coordination of member programs

Internal and external population health programs and services are coordinated across settings, providers and levels of care to minimize confusion to members from being contacted from multiple sources.

To provide care in a coordinated manner, SCFHP has several programs offered to members as specified in Section IV, depending on their clinical conditions and psychosocial needs. The health plan strives to provide the right care at the right time in the right place to members in order to improve patient experience of care, the health of populations and reduce the per capita cost of healthcare.

Case management and interdepartmental coordination are key to effective service coordination. SCFHP's case management software platform, Essette, acts as the central point of documentation for all care management programs and services related to the member. All members are assigned a lead care coordinator who acts as the primary point of contact for population health management support. In addition to the ICT discussed above, internal case conferencing across specialties is facilitated for coordination of care plan development and implementation across member needs including medical, LTSS and BH. The case conferences include case presentation and identification of the needs of the members and the role the various departments can play.

A. Member Outreach Coordination

SCFHP is undergoing an initiative to streamline all member outreach across the organization. This Member Retention and Engagement Workgroup (MREW) has initiated the categorization of all outreach to members specifically about member programs and to ensure consistent messaging from all health plan callers. The MREW will be facilitating surveys and focus groups with the member population to solicit feedback on how we can improve our communication, lessen confusion, and encourage member engagement. SCFHP also holds a Consumer Advisory Council to obtain additional feedback from members on ways to improve coordination of service delivery and communication. These meetings result in actionable items that the SCFHP Health Services staff can use to improve coordination strategies. Initially proposed considerations to facilitate the improvement of these coordination strategies include enhancements to Essette which would allow for various forms of communications from internal and external partners to be uploaded directly into individual member case files.

B. Use of SCFHP Software Systems to Coordinate Member and Provider Programs

Essette is the care management platform that includes data from all areas of the plan for care coordination communication. Data includes pharmacy claims, medical claims (including ED visits and hospitalizations), UM authorizations, and lab data to inform member care planning by the case manager and the ICT. Member demographic data flows from QNXT, our claims processing platform, which is the source of truth for that information. Care coordination outreach by all departments is documented in Essette for cross departmental transparency. Some external care coordination vendors also use Essette to document their work for real time updates. Case management referrals are also documented within Essette. There is ongoing initiatives to

include information from additional vendors, such as assessments, medication therapy management, etc.

Last Update:	Author(s):	Approval Date:
Created 5/1/2018	Sandra Carlson	
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Revised 6/1/2018	Jamie Enke	6/1/2018

Santa Clara Family Health Plan

The Spirit of Care

2017 Comprehensive Case Management Program
Annual Evaluation

Program Goals:

The overall goal of the comprehensive case management program is to support the mission of making high quality health care services accessible and affordable to the Santa Clara Family Health Plan (SCFHP) membership, to promote member health and well-being, and to offer quality accessible care coordination among medical care, behavioral health, and long term services and supports; and further the goals of the Olmstead Decision. In doing so, more specific goals for the program include:

- Identification of the most vulnerable members;
- Interact with members as a "whole person," not as a condition or event;
- Provide support, education and advocacy to members;
- Identify barriers that may impede member's functionality;
- Work collaboratively with the member, family and caregivers to develop goals and assist member is achieving these goals;
- Enhance member health self-management skills and knowledge regarding their health;
- Promote early and timely interventions that prevent avoidable emergency room visits and hospitalizations;
- Help members achieve optimum health or regain functional capability;
- Treatment of the member in the least restrictive setting appropriate.
- Promote utilization of participating providers;
- Engage the providers and community as collaborative partners in the delivery of effective healthcare;
- Support the foundational role of the primary care physician and care team to achieve high quality, accessible, efficient health care;
- Integrate seamlessly into the primary care office workflow to ease use of program by physicians and staff;
- Coordinate with community services to promote and provide member access to available resources in the Santa Clara County service area;
- Provide financial stewardship and diligence, while ensuring the provision of high quality, evidence-based health care services;
- Develop and implement a program that meets all regulatory compliance and NCQA accreditation standards.

Program Objectives:

The objectives of the comprehensive case management program is to support concrete measurements that assess effectiveness and progress toward the overall program goal of making high quality health care services accessible and affordable to the SCFHP membership. The Chief Medical Officer, Director of Health Services and Manager of Case Management develop measurable goals and objectives and monitor them. The Quality Improvement Committee (QIC) reviews and assesses program performance against objectives during the annual program evaluation, and if appropriate, provides recommendations for improvement activities or changes to objectives. The objectives of the program include:

- Prevent and reduce hospital and facility readmissions as measured by admission and readmission rates
- Prevent and reduce emergency room visits as measured by emergency room visit rates
- Achieve and maintain member's high levels of satisfaction with case management services as measured by member satisfaction rates

2017 Comprehensive Case Management Program
Annual Evaluation

• Improve functional health status and sense of wellbeing of comprehensive case management members as measured by member self-reports of health condition

The comprehensive case management program is a supportive and dynamic resource that SCFHP uses to achieve these objectives as well as respond to the needs and standards of consumers, the healthcare provider community, regulatory and accrediting organizations.

Evaluation of Program Goals and Objectives:

On July 1st, 2017, SCFHP's Case Management team completed the development of their new case management software program called,"Essette" and launched it's use for all Cal MediConnect members. Further system development included the addition of the entire Medi-Cal member population into this program to enhance DHCS regulatory HIF-MET and SPD member Health Risk Assessment (HRA) compliance.

In November 2016, SCFHP had contracted with Optum (Alere) to provide additional resources and supports to increase Cal MediConnect HRA outreach and improve regulatory compliance for Individual Care Plan completion. In August of 2017, CMS notified SCFHP that the organization had failed to meet satisfactory rates of Health Risk Assessment (HRA) completion, in compliance with contractual standards, citing January 2017 Q1 data reflecting the Percent of CMC members who were reached, were willing to participate, and had an HRA completed within 90 days was 32.9% (California State average for this measure was 91.9%).

As part of a CMS mandated Performance Improvement Plan, SCFHP initiated their plans to further build and develop their internal Case Management team and transition this outsourced scope of work away from Optum.

In early 2017, the Medical Management Case Management team had been budgeted to include a total of 11 clinical and non-clinical positions. By the end of January 2017, this team had grown to include 21 total budgeted positions, with an additional 8 positions expected to be added in 2018 as part of NCQA Population Health program development. The development of this NCQA program includes adding Licensed Clinical Social Workers, one additional Supervisor and a Program Manager to the team. In accordance with the NCQA 2018 Standards and Guidelines for the Accreditation of Health Plans, Santa Clara Family Health Plan (SCFHP) has developed a basic framework to support a cohesive plan of action for addressing member needs across the continuum of care including the community setting, through participation, engagement and targeted interventions for a defined population. The framework is designed to address the four focus areas of population health, as outlined by NCQA, while using CMC required methods via health risk assessment (HRA) and individualized care planning (ICP) through an interdisciplinary care team (IDT) approach.

A significant organizational focus on IT reporting improvements during 2017 allowed SCFHP's internal CM team to better identify it's most vulnerable members, how to accurately capture pertinent data documented within Essette and how to integrate external data such as Eligibility files to meet Case management needs.

By the end of February 2018, SCFHP's internal Case Management team had improved the HRA Completion rate to over 90% and had reduced their member Unable to Contact rate below 10%. As a result, CMS dismissed SCFHP of the mandated Performance Improvement Plan in March 2018.

Santa Clara Family Health Plan

The Spirit of Care

2017 Comprehensive Case Management Program
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Health Education Workplan 2018											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Scope of Services	Scope of Services	Pregnant Women	Pg. 73 Exhibit A, Attachment 10 Scope of Services	- Implement risk assessment tool for pregnant female members which shall include health education needs risk assessment components	- Chart audits and provider training	- Provider Training and FSR results	All providers trained	QI & Health Educator, Provider Services	Annually	Continuous	
Services for All Members	Health Education	- Implement and maintain a health education system that provides health education, health promotion and patient education for all members.	Pg. 73 Exhibit A, Attachment 10 Scope of Services DHCS PL 02-004	- Provide health education programs and services at no charge to Members directly and/or thru Subcontracts or other formal agreements with providers.	- Take inventory of health ed vendor contracts - Contact community organizations for potential health ed partnerships	- P&P's for health education system - List of health ed classes that cover all required health ed topic areas. - Provider/Vendor Contracts/MOU's	Baseline	Health Educator	Review at least annually to ensure appropriate allocation of health resources.	Continuous	
Services for All Members	Health Education	Ensure effective health ed program	Pg. 61 Exhibit A, Attachment 9 Access and Availability, DHS APL Policy Letter 17-002	- Ensure organized delivery of health education programs using educational strategies and methods appropriate for Members and effective in achieving behavioral change.	- Use findings from GNA to select educational strategies and methods - Measure pre and post educational intervention behavior	- P&P's for delivery of health ed program using educational strategies appropriate for Members. -Health Education Program	Organized delivery of health ed program	Health Educator	Annually	Continuous	
Services for All Members	Health Education		DHCS APL 11-018	- Ensure health ed materials are written at sixth grade reading level and are culturally and linguistically appropriate for the intended audience.	- Test reading materials using flesch readability formula, etc., - Field test material at CAC meetings	- P&P's that define appropriate reading levels - Approved Readability and Suitability Checklists with attached Health Ed materials. (Only applies to materials in current use)	100%	Health Educator	Ongoing	Continuous	
NCQA	Health Ed		Pg. 73 Exhibit A, Attachment 10 Scope of Services, DHS PL 02-004 NCQA 2018 Health Plan Accreditation Requirements PHM4	- Contractor shall maintain a health ed system that provides educational intervention addressing: a)appropriate use of health care services, b)Risk-reduction and healthy lifestyles, and c)Self-care and management of health conditions - Alcohol and drug use, including avoiding at risk drinking - Identifying depressive symptoms	- Contract with health education vendors to provide classes to meet requirement	- Health Ed courses/activities - Health Educator or designee to audit all health education classes	- 75% of vendors to have signed contracts (new or renewed) by 12/31/2018 - 100% of vendors audited by 12/31/18	Health Educator	Annually	Continuous	

Health Education Workplan 2018											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Member Services	Health Ed	Member Services	Pg. 101 Exhibit A, Attachment 13 Member Services	- Written Member informing materials shall ensure Members' understanding of the health plan processes and ensure the Member's ability to make informed health decisions - Address appropriate reading level and translation of materials.	- Written Member informing materials will be translated into identified threshold and concentration languages.	- P&P's for providing communication access to SPD beneficiaries in alternative formats or thru other methods that ensure communication - P&P's regarding the development content and distribution of Member information.	All informing materials at sixth grade reading level or lower and translated in threshold languages	Marketing, Health Educator	Annually	Continuous	
Member Services	Health Ed	Inform members of their rights	CMC Appendix B: Enrollee Rights	Inform members of their rights in CMC Appendix B	Inform members in writing of their rights annually	Written policies regarding Enrollee rights specified in this appendix as well as written policies specifying how information about these rights will be disseminated to Enrollees.	All members informed	Marketing, Health Educator	Annually		
Provider Training	Health Ed	Practitioner Education and Training	DHCS PL 02-004	Ensure education and training of contracting medical practitioners and other allied health care providers to support delivery of effective health education services for members.	- Practitioner education and training by provider services - Health ed updates during JOC's	- Sign in sheet of provider training - JOC minutes	All providers trained	Health Educator, Provider Services, QI	Ongoing	Continuous	
Incentives	Health Ed	MMCD on-going monitoring activities	DHCS APL 16-005	Evaluation summary	- Plans must submit a brief description of evaluation results within 30 days after the incentive program ends	- Brief description of evaluation results indicating whether the program was successful.	All MI incentives with evaluation/update summary	Health Educator	45 days after end of program incentive	Continuous	
Incentives	Health Ed	- Justify continuation of on-going incentive program	DHCS APL 16-005	Justify continuation of MI program	- Provide brief explanation (update) of effectiveness and/or success rate of the incentive as well as total number of incentives that were awarded In the previous year.	-Update submission to DHCS	All continuous MI incentives with justification	Health Educator	Update must be submitted on annual basis; the first update is due within one year of the original approval date.	Continuous	
Website	Health Ed and C&L	Health Ed and member informing resources on SCFHP website are easy to read and translated into the threshold languages	Pg. 101 Exhibit A, Attachment 13 Member Services	- Written Member informing materials shall ensure Members' understanding of the health plan processes and ensure the Member's ability to make informed health decisions - Address appropriate reading level and translation of materials	- Ensure member informing resources are at sixth grade level or lower and translated into threshold languages	- Translated and readable member informing materials	All Member informing resources translated in threshold languages at sixth grade reading level or lower	Health Educator and Marketing	Ongoing	Continuous	Member newsletters Translated Health Ed referral forms on website

Health Education Workplan 2018											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Health Education		Written Health Education Materials	DHCS APL 11-018	To follow provisions in plan letter so that Member health education materials can be used without obtaining MMCD approval	- Approve written member health ed materials using Readability and suitability checklist by qualified health educator	- Approved Readability and Suitability Checklists with attached health ed materials.(Only applies to materials in current use)	Approved Readability and Suitability Checklists with attached health ed materials	Health Educator	- For previously approved material, review every three years	Continuous	
Health Education		Evaluation of Plan's self-management tools for usefulness to members	NCQA 2018 Health Plan Accreditation Requirements PHM4	To ensure self-management tools are useful to members and meets the language, vision, and hearing needs of members	- Develop an evaluation tool/survey	- Evaluation results summary	Baseline	Health Educator	Every 36 months	Continuous	
Health Education		Review plan's online web-based self-management tools.	NCQA 2016 Health Plan Accreditation Requirements PHM 4	To ensure online web-based self-management tools are up to date	- Review and update online web-based self-management tools including the plan website and portal	- Updated web-based self-management tools	Baseline	Health Educator	Ongoing	Continuous	
Quality of Services	QIS	Ensure medical records reflect all aspects of patient care.	Pg. 27 Exhibit A, Attachment 4 Quality Improvement System, pg. 140 Exhibit A, Attachment 18 Implementation Plan and Deliverables	- Ensure member medical records include health education behavioral assessment and referrals to health education services		- P&P ensuring provision of Initial Health Assessments (IHA) for adults and children, including IHEBA of the IHA. - Provide list and schedule of health ed classes and/or programs to providers	All providers trained on available health ed classes and programs	Provider Services, QI Nurse	Annually	Continuous	
Quality of Services	Access and Availability	Ensure members of childbearing age have access to out of plan family planning providers to temporarily or permanently prevent or delay pregnancy.	Pg. 57 Exhibit A, Attachment 9 Access and Availability	Ensure members of childbearing age have access to Health education and counseling necessary to make informed choices and understand contraceptive methods	- Inform Members in writing their right to access any qualified family planning provider without prior authorization in its Member Services Guide.	- Written information in Evidence of Coverage	All members of childbearing age informed of right to access to qualified family planning provider	Marketing and Health Educator	Annually		
Quality of Services	Access and Availability	Create Health Ed Work plan	Pg. 61 Exhibit A, Attachment 9 Access and Availability, DHS APL Policy Letter 17-002		- Incorporate GNA findings and annual and ongoing review of data into work plan - Approval of Health Ed Workplan by QI Committee - Submit Health Ed Workplan to MMCDHealthEducationmailbox@dhcs.ca.gov	- Approved Health Ed Workplan	Baseline	QI Manager and Health Educator	Annually	July '18	

Health Education Workplan 2018											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Community Advisory Committee	Access and Availability	Community Advisory Committee	Pg. 64 Exhibit A, Attachment 9 Access and Availability , MMCD PL 99-01, APL 17-002	- Have a Community Advisory Committee in place that will implement and maintain community partnerships with consumers, community advocates, and Traditional and Safety-Net providers.	- Ensure CAC is included in policy decisions for QI educational, operational and cultural competency issues from GNA findings.	- CAC Meeting minutes - Report GNA findings to CAC	Baseline	QI, Health Educator, and Marketing	Quarterly	Continuous	

Health Education Workplan 2017-Evaluation											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Scope of Services	Scope of Services	Services for Adults	Exhibit A, Attachment 10 Scope of Services Exhibit A Attachment 11 Case Management and Coordination of Care Exhibit A, Attachment 18 Implementation Plan and Deliverables	-Ensure IHA for adult members is performed within 120 calendar days of enrollment -Ensure performance of initial complete history and physical exam for adults to include health education behavioral risk assessment and member and family education.	For 2017, Stand alone project: See IHA work plan -Chart audits and provider training -FSR (every 3 yrs)	-IHA Medical Record Review Results -Provider Newsletter - Added quality measure to the Provider Performance Program	Baseline	QI Nurse		Continuous	Dec. '17 Policy QI.09 & QI.10
Scope of Services	Scope of Services	Pregnant Women	pg. 73 Exhibit A, Attachment 10 Scope of Services	-Implement risk assessment tool for pregnant female members which shall include health education needs risk assessment components	-Chart audits and provider training	-Provider Training and FSR results	Baseline	QI Nurse, Health Educator and Provider Services		Continuous	Risk Assessment tool implemented in 2016
Services for All Members	Health Education	-Implement and maintain a health education system that provides health education, health promotion and patient education for all members.	pg. 73 Exhibit A, Attachment 10 Scope of Services, DHCS PL 02-004	-Provide health education programs and services at no charge to Members directly and/or thru Subcontracts or other formal agreements with providers.	- Take inventory of health ed vendor contracts - Contact community organizations for potential health ed partnerships	-List of health ed classes that cover all required health ed topic areas.		Health Educator	Review at least annually to ensure appropriate allocation of health resources.	Continuous	Policy QI.09 & Procedure QI.09.01 Health Ed referral form Health Ed page and referral form on SCFHP website
Services for All Members	Health Education	Ensure effective health ed program		-Ensure organized delivery of health education programs using educational strategies and methods appropriate for Members and effective in achieving behavioral change.	-Use findings from GNA to select educational strategies and methods -Measure pre and post educational intervention behavior	-Health Education Program Description	Organized delivery of health ed program	Health Educator		Continuous	Policy QI.09 & Procedure QI.09.01 Ongoing search for classes/materials in threshold languages Class audits
Services for All Members	Health Education			-Ensure health ed materials are written at sixth grade reading level and are culturally and linguistically appropriate for the intended audience.	-Test reading materials using flesch readability formula, etc, -Field test material at CAC meetings	-Approved Readability and Suitability Checklists with attached Health Ed materials. (Only applies to materials in current use)		Health Educator		Continuous	Readability & Suitability checklists: no field testing needed for '17

Health Education Workplan 2017-Evaluation											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
	Health Ed			-Contractor shall maintain a health ed system that provides educational intervention addressing: a) Appropriate use of health care services, b) Risk-reduction and healthy lifestyles, and c) Self-care and management of health conditions	- Maintain health education vendors	-Health Ed courses/activities	Baseline	Health Educator		Continuous	Hypertension MI incentive Childhood Immunization MI incentive Health Ed Classes April '17
Member Services	Health Ed	Member Services	pg. 101 Exhibit A, Attachment 13 Member Services	-Written Member informing materials shall ensure Members' understanding of the health plan processes and ensure the Member's ability to make informed health decisions -Address appropriate reading level and translation of materials.	-Written Member informing materials will be translated into identified threshold and concentration languages.	-P&P's for providing communication access to SPD beneficiaries in alternative formats or thru other methods that ensure communication -P&P's regarding the development content and distribution of Member information.	All informing materials at sixth grade reading level or lower and translated in threshold languages	Marketing and Health Educator		Continuous	
Member Services	Health Ed	Inform members of their rights	CMC Member Newletter: Enrollee Rights	Inform members of their rights in CMC Member Member newsletter	-Inform members in writing of their rights annually	-Written policies regarding Enrollee rights specified in this appendix as well as written policies specifying how information about these rights will be disseminated to Enrollees.		Marketing, Health Educator	Annually		June '17
Provider Training	Health Ed	Practitioner Education and Training	DHCS PL 02-004	Ensure education and training of contracting medical practitioners and other allied health care providers to support delivery of effective health education services for members.	-Practitioner education and training	-Certification log of provider training -JOC meeting minutes of health ed updates	All providers trained	Health Educator, Provider Services, QI		Continuous	Ongoing Certification of Training logs by provider services JOC Health Ed updates
Incentives	Health Ed	On-going monitoring activities	DHCS PL 12-002	Evaluation summary	-Plans must submit a brief description of evaluation results within 30 days after the incentive program ends	-Brief description of evaluation results indicating whether the program was successful.	All MI incentives with evaluation summary	Health Educator	30 days after end of program incentive	Continuous	Cervical Cancer MI eval summary submitted Diabetic Eye Exam MI eval summary submitted

Health Education Workplan 2017-Evaluation											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Incentives	Health Ed	-Justify continuation of on-going incentive program	DHCS PL 12-002	- Justify continuation of MI program	-Provide brief explanation(update) of effectiveness and/or success rate of the incentive as well as total number of incentives that were awarded In the previous year.	-Update submitted to DHCS	All continuous MI incentives with justification	Health Educator	Update must be submitted on annual basis; the first update is due within one year of the original approval date.	Continuous	Immunization, Prenatal, and Hypertension incentives submitted to DHCS for 2018 implementation
Website	Health Ed and C&L	Health Ed and member informing resources on SCFHP website are easy to read and translated into the threshold languages	pg. 101 Exhibit A, Attachment 13 Member Services	-Written Member informing materials shall ensure Members' understanding of the health plan processes and ensure the Member's ability to make informed health decisions -Address appropriate reading level and translation of materials.	-Ensure member informing resources are at sixth grade level or lower and translated into threshold languages.	-Translated and readable member informing materials	All Member informing resources translated in threshold languages at sixth grade reading level or lower.	Health Educator and Marketing		Continuous	Ongoing member newsletters
Health Education		Written Health Education Materials	APL 11-018	To follow provisions in plan letter so that Member health education materials can be used without obtaining DHCS approval	-Approve written member health ed materials using Readability and suitability checklist by qualified health educator.	-Approved Readability and Suitability Checklists with attached health ed materials.(Only applies to materials in current use)	Approved Readability and Suitability Checklists with attached health ed materials	Health Educator	-For previously approved material, review every three years	Continuous	Ongoing
Quality of Services	QIS	Ensure medical records reflect all aspects of patient care.	pg. 27 Exhibit A, Attachment 4 Quality Improvement System, pg. 140 Exhibit A, Attachment 18 Implementation Plan and Deliverables	-Ensure member medical records include health education behavioral assessment and referrals to health education services	For 2017, Stand alone project: See IHA work plan -Chart audits and provider training -FSR (every 3 yrs)	-P&P ensuring provision of Initial Health Assessments (IHA) for adults and children, including SHA of the IHA. -Provide list and schedule of health ed classes and/or programs to providers		QI Nurse		Dec' 17	Policy QI.10 IHA and HEBA Assessments Policy and Procedure Health Ed Referral form on provider tab on SCFHP website IHA webpage on SCFHP Website

Health Education Workplan 2017-Evaluation											
Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed
Quality of Services	Access and Availability	Ensure members of childbearing age have access to out of plan family planning providers to temporarily or permanently prevent or delay pregnancy.	pg. 57 Exhibit A, Attachment 9 Access and Availability	Ensure members of childbearing age have access to Health education and counseling necessary to make informed choices and understand contraceptive methods	-Inform Members in writing their right to access any qualified family planning provider without prior authorization in its Member Services Guide.	-Written information in Evidence of Coverage		Marketing, Health Educator			Evidence of Coverage Dec'17
Quality of Services	Access and Availability	Conduct group needs assessment to identify health education and cultural and linguistic needs	pg. 61 Exhibit A, Attachment 9 Access and Availability, DHCS APL Policy Letter 10-012		-Conduct GNA	-GNA Summary Report submitted to DHCS within 6 mos of completion of each GNA -Annual GNA update electronically submitted every yr on October 15th, except in yrs when full GNA report is completed and executive summary submitted to MMCD. -Electronically submit an Executive Summary of GNA Report every yrs	Every 5 yrs perform GNA Update Annual update GNA summary report	QI Manager and Health Educator	Every 5 yrs & Annual update	October 15th, 2016	Policy QI.09 & Procedure QI.09.01 GNA report completed and submitted to DHCS Next due date is 2020
Community Advisory Committee	Access and Availability	Community Advisory Committee	pg. 64 Exhibit A, Attachment 9 Access and Availability , MMCD PL 99-01	-Form a Community Advisory Committee pursuant to Title 22 CCR Section 53876 (c)(CAC) that will implement and maintain community partnerships with consumers, community advocates, and Traditional and Safety-Net providers.	-Ensure CAC is included in policy decisions for QI educational, operational and cultural competency issues affecting groups who speak a primary language other than English.	-Meeting minutes -Record of plan members on CAC		QI and Health Educator, Marketing		Continuous	Ongoing

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Conflict of Interest**	**Policy No.:**	QI.01
Replaces Policy Title (if applicable):	Conflict of Interest	**Replaces Policy No. (if applicable):**	QI-03
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To avoid a conflict of interest from occurring as related to Quality Improvement Committee (QIC) activities.

II. Policy

Practitioners and Santa Clara Family Health Plan (SCFHP) staff serving as voting members on any QI Program related Committee or the Quality Improvement Committee (QIC), are not allowed to participate in discussions and determinations regarding any case where the committee member was involved in the care received by a Plan member under review by the committee. Additionally, committee members may not review cases involving family members, providers, or suppliers with whom they have a financial or contractual affiliation or other similar conflict of interest issue.

All employees and committee participants sign a Conflict of Interest Statement on an annual basis. Fiscal and clinical interests are separated, as SCFHP and its delegates do not specifically reward practitioners or other individuals conducting utilization review for issuing denials of coverage, services, or care, and there are no financial incentives for UM decision-makers that could encourage decisions that would result in under-utilization.

III. Responsibilities

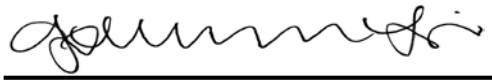
The Quality Improvement Department provides and maintains a Conflict of Interest statement to all Plan Committees that report up to the QIC annually. The Utilization Management Committee, Pharmacy and Therapeutics Committee, and Credentialing and Peer Review Committee all sign the agreement and are obligated to report any potential conflict of interest related to committee activities their committee chairperson.

IV. References

Dept. of Plan Surveys; CalMediConnect; Quality Management System (TAG). (2015, October 27). Retrieved April 12, 2016, from Department of Managed Healthcare; CA: https://www.dmhc.ca.gov/LicensingReporting/HealthPlanComplianceMedicalSurvey.aspx#.Vw1T1e_n-Uk

Quality Improvement 1115 Waiver(TAG). (2015, February 11). Retrieved April 12, 2016, from California Department of Managed Healthcare: https://www.dmhc.ca.gov/Portals/0/LicensingAndReporting/MedicalTechnicalAssistanceGuides/1115_qi_02_11_15.pdf

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
05/15/2017	05/15/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1.0	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1.0	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Clinical Practice Guidelines**	**Policy No.:**	QI.02
Replaces Policy Title (if applicable):	Development of Clinical Practice Guidelines	**Replaces Policy No. (if applicable):**	QM008_001
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To ensure a consistent process for development and revisions of Clinical Practice and Preventive Care Guidelines.

II. Policy

Santa Clara Family Health Plan (SCFHP) adopts and disseminates Clinical Practice and Preventive Care Guidelines relevant to its members for the provision of preventive, acute and chronic medical services and behavioral health care services. These guidelines are adopted to help practitioners make appropriate decisions for specific clinical circumstances, preventive health and behavioral healthcare services.

A. These guidelines are based on up to date evidence and explicit criteria developed by recognized sources or appropriately certified professionals or, where evidence-based practice guidelines do not exist, consensus of professionals in the field.

B. SCFHP adopts at least two medical based and two behavioral health based clinical practice guidelines.

C. The guidelines are reviewed and updated at least every two years by the Quality Improvement Committee (QIC).

D. The guidelines are available for viewing on the provider web page of the health plan website, in the Provider Manual and upon request.

E. In addition to the clinical practice guidelines, SCFHP adopts preventive care guidelines for the following:
   1. Care for children up to 24 months old
   2. Care for children 2-19 years old
   3. Care for adults 20-64 years old
   4. Care for adults over 65 years old

F. SCFHP annually measures performance against at least two important aspects of the disease management programs

G. SCFHP annually evaluates provider adherence to CPGs and Preventive Care Guidelines through analysis demonstrating a valid methodology to collect data.
   a. The QI Department analyzes pertinent HEDIS scores and claims data. The analysis includes quantitative and qualitative analysis or performance.
   b. Member satisfaction and grievances are tracked and reported to the QIC at least annually and acted upon as recommended by the QIC.

III. Responsibilities

Health Services Department, Quality Improvement Department and plan providers develop and adhere to Clinical and Preventive Practice Guidelines which are reviewed / revised at least annually. Evaluation of the guidelines occurs every 2 years.

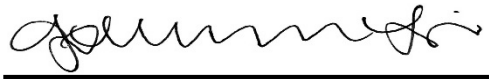
IV. References

CA.gov. (2016, February 11). Retrieved February 22, 2015, from California Department of Managed HealthCare: https://www.dmhc.ca.gov/

Medicare Coverage Data Base. (2016, February 07). Retrieved February 07, 2016, from CMS.gov: https://www.cms.gov/medicare-coverage-database/

NCQA Guidelines. 2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 2/2/2017	Title 2/2/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
v**2**	**Revised**	**Quality Improvement**	**Approve 5/10/2017**	

POLICY

Santa Clara Family Health Plan

Policy Title:	**Distribution of Quality Improvement Information**	**Policy No.:**	QI.03
Replaces Policy Title (if applicable):	Dissemination of Approved Information Following Quality Improvement Committee	**Replaces Policy No. (if applicable):**	QM007_01
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

Santa Clara Family Health Plan (SCFHP) requires staff to follow a standard process for distributing Quality Improvement (QI) information to providers and members.

II. Policy

a. At least annually, SCFHP communicates Quality Improvement (QI) program information to practitioners, providers and members. Information about QI program processes, goals, and outcomes are shared, as they relate to member care and services, in language that is easy to understand.
b. The Plan may distribute information through regular mail, e-mail, fax, the Web or mobile devices. If posted on the Web, practitioners, providers and members will be notified of the posting and given the opportunity to request the information by mail.

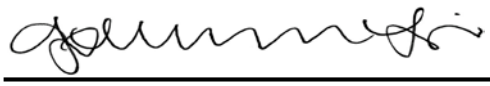
III. Responsibilities

QI forwards information for approval to appropriate departments (HS, Marketing, CEO/COO, DHCS) prior to distribution. Distribution takes place through the approved and appropriate departments after approval.

IV. References

NCQA, 2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
05/15/2017	05/15/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	

POLICY

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Peer Review Process**	**Policy No.:**	QI.04
Replaces Policy Title (if applicable):	Peer Review Process	**Replaces Policy No. (if applicable):**	QM009_02
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To provide a fair, comprehensive peer review process for participating Santa Clara Family Health Plan (SCFHP) providers.

II. Policy

Santa Clara Family Health Plan (SCFHP) Quality Improvement Program provides methods to continuously monitor and evaluate the quality of care and services delivered by the contracted network of practitioners and providers.

The Chief Medical Officer (CMO), overseeing the QI Program activities, is responsible for oversight of peer review activities. Peer Review is coordinated through the Quality Improvement (QI) Department and communicated to the Credentialing Department. Credentialing and Peer Review Committee is a subcommittee of the Quality Improvement Committee

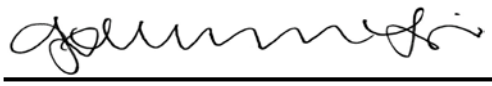
III. Responsibilities

QI continuously monitors, evaluates and develops plans to improve upon PQIs. QI, Health Services, Customer Service, IT, Grievances & Appeals and Credentialing monitor for PQIs. The QI Department tracks and trends valuable data which can identify PQIs. All PQIs have the potential for peer review.

IV. References

CA Health and Safety Code section 1370
28 CCR 1300.70(a)(1)
28 CCR 1300.70(b)(2)(C) through (E)
California Business and Professions Code Section 805

V. Approval/Revision History

First Level Approval	Second Level Approval
	
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Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
05/15/2017	05/15/2017
Date	Date

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v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Potential Quality of Care Issue (PQI)**	**Policy No.:**	QI.05
Replaces Policy Title (if applicable):	Potential Quality of Care Issues	**Replaces Policy No. (if applicable):**	QM002_02
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To define Santa Clara Family Health Plan's policy to identify, address and respond to Potential Quality of Care Issues (PQI).

II. Policy

Santa Clara Family Health Plan (SCFHP) monitors, evaluates, and takes actions to support the quality of care and services delivered to members. The plan identifies and addresses PQI's in order to address potential safety concerns and improve member outcomes.

Potential Quality of Care issues are considered for all providers and provider types such as individual practitioners, groups and facilities. All service types, such as preventive care, primary care, specialty care, emergency care, transportation and ancillary services are considered and are subject to disciplinary action. Availability of care, including case management for the SPD population, continuity of care and coordination of care are also considered. The Plan monitors and analyzes data to determine if services meet professionally recognized standards of practice. Any grievance or PQI referral that involves quality of care or (a) potential adverse outcome to a member is referred to a Medical Director.

III. Responsibilities

PQIs may initially be identified by multiple departments within the plan: Health Services, Customer Service, Appeals and Grievances, Credentialing, Provider Services, Compliance, IT, QI, or Claims. All areas are responsible for reporting PQIs to the QI department.

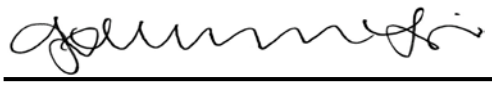
IV. References

California Code and Regulations:

1. 28 CCR 1300.68(a)(e)
2. 28 CCR 1300.70(b)(2)(I)(2)
3. 28 CCR 1300.70(a)(1)
4. 28 CCR 1300.70(b)(2)(C) through (E)

California Health and Safety Code section 1367.1

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 05/15/2017	Title 05/15/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1	**Reviewed**	**Quality Improvement**	**Approve 05/10/2017**	

Santa Clara
Family Health Plan

Policy Title:	**Quality Improvement Study Design/Performance Improvement Program Reporting**	**Policy No.:**	QI.06
Replaces Policy Title (if applicable):	Quality Improvement Study Design/Performance Improvement Program Reporting	**Replaces Policy No. (if applicable):**	QM005_02
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To develop a standard design and/or format for Quality Improvement (QI) Studies and Performance Improvement Program Reporting.

II. Policy

Santa Clara Family Health Plan (SCFHP) continuously monitors and develops ways to improve quality of care for plan members. This is achieved through a variety of measures including, quality of clinical care, safety in clinical care, quality of service, members' experience, trends in potential quality of care issues, chronic care improvement projects, and quality improvement activities.

SCFHP utilizes sound statistical techniques, measurable and quantitative data and reporting techniques that produce reliable and timely data. Procedure details are documented in the associated Procedure Document Q1.06.01 Quality Improvement Study Design/Performance Improvement Program Reporting.

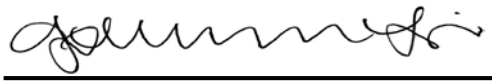
III. Responsibilities

Health Services, Customer Service, Claims, A & G and IT provide data to QI for quality monitoring and reporting. QI then develops a work plan and further monitors and reports on progress and further actions.

IV. References

The Centers for Medicare and Medicaid Services (CMS). Medicare Managed Care Manual Chapter 5, Quality Assessment
The National Committee for Quality Assurance (NCQA), 2018
NCQA HEDIS Specifications, 2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 05/15/2017	Title 05/15/2017
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v1.0	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	**Physical Access Compliance**	**Policy No.:**	QI.07
Replaces Policy Title (if applicable):	Physical Access Compliance Policy	**Replaces Policy No. (if applicable):**	QM107
Issuing Department:	Quality Improvement	**Policy Review**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To define the process Santa Clara Family Health Plan (SCFHP) follows to monitor that ADA requirements are assessed and compliance is maintained at practice sites for Primary Care Practices, high volume specialists, Community-Bases Adult Services (CBAS) and ancillary practices.

II. Policy

Santa Clara Family Health Plan (SCFHP) conducts a physical accessibility review at every contracted Primary Care Physician (PCP) office, defined high volume specialist, Community-Based Adult Services (CBAS) and ancillary practice site listed in the Plan's provider directory.

To drive corrective actions when needed, and monitor the results of the physical assessment review which are made available to SCFHP members following the Department of Healthcare Services (DHCS) requirements.

III. Responsibilities

SCFHP Quality Improvement Department (QI) performs site reviews and reports to the Quality Improvement Committee. Complaints regarding related office accessibility issues are reported by QI to PR/Credentialing as appropriate. Customer Service/IT reports track/trend provider access complaints.

IV. References

Access to Medical Care for Individuals with Mobility Disabilities, July 2010, U.S. Department of Justice, Civil Rights Division, Disability Rights Section

DPL14-005 – Facility Site Reviews/Physical Accessibility Reviews
APL15-023 – Facility Site Review Tools for Ancillary Services and Community-Based Adult Services Providers

PL 12-006 - Revised Facility Site Review Tool

Two questions in the FSR Attachment C were drawn from Title 24, Part 2 of the California Building Standards Code. These are 1133B.4.4 – Striping for the visually impaired (Rev.1-1-2009), and 1115B-1 – Bathing and Toilet Facilities, placement of toilet paper dispensers. These standards can be found in:
2009 California Building Standards Code with California Errata and Amendments
State of California, Department of General Services, Division of the State Architect. Updated April 27, 2010
DHCS/SCFHP Contract:
Exhibit A, Attachment 4 - QUALITY IMPROVEMENT SYSTEM

4. Quality Improvement Committee

8. Quality Improvement Annual Report

10. Site Review

Exhibit A, Attachment 7 - PROVIDER RELATIONS

5. Provider Training

Exhibit A, Attachment 9 - ACCESS AND AVAILABILITY

11. Access for Disabled Members

V. Approval/Revision History

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Name Director of Quality and Pharmacy	Name Chief Medical Officer
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v1	**Original**	**Quality Improvement**	**Approve:11/9/2016**	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	**Cultural and Linguistically Competent Services**	**Policy No.:**	QI.08
Replaces Policy Title (if applicable):	Cultural and Linguistic Services Program Policy	**Replaces Policy No. (if applicable):**	CU 002_02
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To define Santa Clara Family Health Plan's (SCFHP) process for accessing and monitoring that services provided to members are culturally and linguistically appropriate to meet member needs.

II. Policy

It is the policy of SCFHP to promote Member Centric care that recognizes the beliefs, traditions, customs and individual differences of the diverse population served. SCFHP is committed to providing all services, both clinical and non-clinical, in a culturally competent manner that are accessible to all members, including those with non-English speaking/limited English proficiency, limited reading skills, hearing incapacity, or those with diverse cultural, ethnic backgrounds, disabilities and regardless of race, gender, sexual orientation or gender identity. SCFHP maintains a Cultural and Linguistics Program that is reviewed and approved by the Quality Improvement Committee on an annual basis. SCFHP completes the Group Needs Assessment every three years to assess member cultural and linguistic needs.

SCFHP assesses monitors and evaluates services for Cultural and Linguistic appropriateness. SCFHP involves member input through the Consumer Advisory Committee.

See associated procedures Cultural and Linguistically Competent Services, Language Assistance Program, Member Document Translations, Standing Requests for Member Materials in Alternate Formats, and Ad Hoc Requests for Member Materials in Alternate Format for detailed process for meeting these objectives.

III. Responsibilities

i. DHCS updates threshold language data at least once every three years, to address potential changes to both numeric threshold and concentration standard languages within all Medi-Cal managed care counties. Quality Improvement complies with the update requirements within three months of the publication of the update.

ii. Quality Improvement and Provider Network Management ensure Health Plan Staff and Providers are adequately trained, have access to resources, and provide culturally competent services to all Plan members.

iii. Quality Improvement, Marketing Communications and Outreach, and Compliance maintain a list of member threshold languages which is reviewed and updated as needed based on member assessment needs but no later than every three years based on the results of the Group Needs Assessment survey.

iv. Quality Improvement notifies SCFHP staff and departments of changes to member threshold languages via the Quality Improvement Committee and internal memos or department training sessions.

IV. References

CMS.gov; Managed Care Manual, Chapter 13
NCQA 2018
California Code of Regulations (28 CCR 1300.67.04) (d) (9) (A) (B) (C)
DHCS Contract
Title 22 CCR Section 53876
Title 22 CCR 53853 (c)
CA Health and Safety Code Sections 1367.04 (b)(1)(a), (b)(4) and (b)(5) and Section 1367.04(h)(1)
Civil Rights Act of 1964, (42 U.S.C. Section 2000d, and 45 C.F.4. Part 80)
PL -99 03
APL 99005
CFR 42 § 440.262

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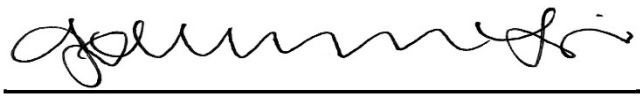	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	Health Education Program and Delivery System	**Policy No.:**	QI.09
Replaces Policy Title (if applicable):		**Replaces Policy No. (if applicable):**	
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

The purpose of this policy is to:

A. Describe the Health Education Department and its functions.
B. Define the standards and quality of health education classes and materials.

II. Policy

The Health Education Department of Santa Clara Family Health Plan (SCFHP) seeks to educate and empower health plan members to:

A. Appropriately use the managed care system, preventive and primary health care services
B. Improve their well-being and reduce their risk of disease and injury through adoption of healthy behaviors
C. Understand and adhere to self-care and treatment regimens in the management of chronic and acute conditions.

It is the policy of SCFHP that the Health Education Department will coordinate member educational material and care guidance with the Health Services Department to make certain that recommendations and guidelines to members are aligned with Clinical Practice Guidelines and Utilization Management medical necessity criteria

III. Responsibilities

The Health Education Department within the Quality Improvement department of Santa Clara Family Health Plan is responsible for ensuring the policy is enforced with the assistance of the Marketing and Provider services department, and whichever department support is needed to ensure this policy is followed.

IV. References

DHCS Contract Exhibit A, Attachment 10 Section 8.A,
NCQA 2018 Health Plan Accreditation Requirements and PHM4

V. Approval/Revision History

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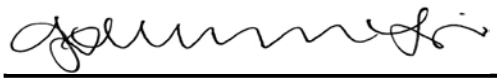	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	Initial Health Assessments (IHA's) and Individual Health Education Behavior Assessment (IHEBA)	**Policy No.:**	QI.10
Replaces Policy Title (if applicable):	Initial Health Assessments (IHA's) and Behavioral Assessment (HEBA)	**Replaces Policy No. (if applicable):**	HE004_05
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

1. The purpose of this policy is to describe the required completion of the Initial Health Assessments (IHA's) and the Individual Health Education Behavior Assessment (IHEBA) by contracted providers.
2. To define the process that Santa Clara Family Health Plan (SCFHP) will oversee the completion of the SHAs, IHAs and IHEBAs

II. Policy

1. It is the policy of Santa Clara Family Health Plan (SCFHP) to support the contracted network in the use and administration of the SHA to all Medi-Cal members as part of the Initial Health Assessment (IHA) and to periodically re-administer the SHA according to contract requirements in a timely manner
2. It is the policy of SCFHP to meet the Department of Health Care Services (DHCS) contractual requirements for an IHA and an IHEBA is to be performed within 120 days of a member's enrollment in SCFHP and that the subsequent IHEBA is re-administered at appropriate age intervals.

III. Responsibilities

The Quality Improvement Department is responsible for monitoring compliance of the policy and to collaborate with the Health Education and Provider Services department to train/educate providers on SHA requirements.

IV. References

MMCD Policy Letter 13-001, DHCS Contract Exhibit A Attachment 10, Provisions 3, 4, 5 A and B, and 6.
MMCD Policy Letter 08-003: Initial Comprehensive Health Assessment
Staying Healthy Assessment Questionnaires and Counseling and Resource Guide
American Academy of Pediatrics: Recommendations for Preventive Pediatric Health Care
Web site for SHA Questionnaires and Resources
http://www.dhcs.ca.gov/formsandpubs/forms/Pages/StayingHealthy.aspx

V. Approval/Revision History

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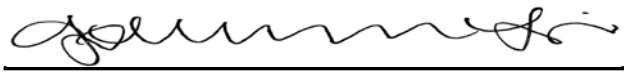	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	**Member Non-Monetary Incentives**	**Policy No.:**	QI.11
Replaces Policy Title (if applicable):	None	**Replaces Policy No. (if applicable):**	None
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☐ CMC

I. Purpose

The purpose of this policy is to establish guidelines for the administration of rewarding members who demonstrate effort and success in adopting health-promoting behaviors.

II. Policy

SCFHP may utilize non-monetary incentives to reward members who demonstrate effort and success in adopting health-promoting behaviors or changing health risk behaviors.

A. SCFHP obtains approval by DHCS prior to offering any type of member incentive for a member incentive (MI) program, focus group, or survey.
B. SCFHP will submit annual updates to justify the continuation of an ongoing MI program and an end of program evaluation to describe whether or not the MI program was successful.
C. For Focus Group Incentives (FGIs), SCFHP submits an evaluation that incudes recruitment, participation methodology, and results summary. The FGI evaluation will also indicate if policy and program changes are warranted. For Survey Incentives, SCFHP will submit a copy of the survey, along with an evaluation that includes findings and recommendations.
D. No member incentives are offered to CMC members (Medicare Managed Care Manual, Chapter 4, Section 100 Rewards and Incentives, pg. 72).

III. Responsibilities

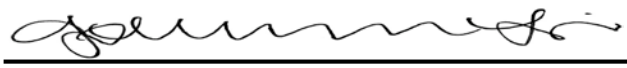
It is the responsibility of the Quality Improvement (QI) department and all departments within the QI department and departments administering incentives, focus groups, and surveys to ensure SCFHP is in compliance with relevant regulations.

IV. References

MMCD APL 16-005, February 25, 2016
AB 915 (Chapter 500., Statutes of 2007): Welfare and Institutions
(W&I) Code 14407.1
Title 28. CCR. Section 1300.46
Medicare Managed Care Manual, Chapter 4, Section 100 Rewards and Incentives, pg. 72.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval
	
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Director of Quality and Pharmacy	Chief Medical Officer
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v1	**Original**	**Quality Improvement Committee**	**Approve; 08/10/2016**	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	**Screening, Brief Intervention, and Referral to Treatment for Misuse of Alcohol**	**Policy No.:**	QI.12
Replaces Policy Title (if applicable):		**Replaces Policy No. (if applicable):**	
Issuing Department:	Quality Improvement	**Policy Review Frequency:**	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☐ Healthy Kids	☐ CMC

I. Purpose

The purpose of this policy is to describe the required administration of Screening, Brief Intervention, and Referral to Treatment (SBIRT) services for Medi-Cal members ages 18 and older who misuse alcohol.

II. Policy

A. It is the policy of Santa Clara Family Health Plan (SCFHP) to support the contracted network in the use and administration of SBIRT when indicated during administration of the Staying Healthy Assessment or at any time the PCP identifies a potential alcohol misuse problem.

B. It is the policy of SCFHP to meet the Department of Health Care Services (DHCS) contractual requirements for identification, referral, and coordination of care for members requiring alcohol abuse treatment services.

III. Responsibilities

The Quality Improvement Department is responsible for monitoring compliance with the policy and collaborate with the assistance of the Health Education and Provider Services department to train/educate providers on SBIRT.

IV. References

1. DHCS All Plan Letter 14-004: Screening Brief Intervention, and Referral to Treatment for Misuse of Alcohol
2. DHCS Contract Exhibit A, Attachment 11, Provisions 1A.
3. United States Preventive Task Force (USPSTF) alcohol screening recommendation http://www.uspreventiveservicestaskforce.org/Page/Document/UpdateSummaryFinal/alcohol-misuse-screening-and-behavioral-counseling-interventions-in-primary-care
4. Website for SHA Questionnaires http://www.dhcs.ca.gov/formsandpubs/forms/pages/stayinghealthy.aspx

V. Approval/Revision History

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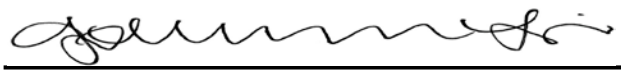	
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POLICY

Santa Clara
Family Health Plan

Policy Title:	**Comprehensive Case Management**	**Policy No.:**	QI13
Replaces Policy Title (if applicable):	Case Management	**Replaces Policy No. (if applicable):**	CM030_05
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To promote access to appropriate, coordinated services with the intent that members with case management needs may achieve optimal health and functionality.

II. Policy

A. The comprehensive case management program is established to provide case management processes and procedures that enable SCFHP to improve the health and health care of its membership.
B. To define the fundamental components of SCFHP case management services which include: member identification and screening; member assessment; individual care plan development, interdisciplinary team meetings including primary care, implementation and management; evaluation of the member care plan; and closure of the case. The structure of comprehensive case management is organized to promote quality case management, client satisfaction and cost efficiency through the use of collaborative communications, evidence-based clinical guidelines and protocols, patient-centered care plans, and targeted goals and outcomes.
C. SCFHP defines the process of how the Plan coordinates services for members with complex conditions and helps them access needed resources.

III. Responsibilities

Health Services collaborates with other SCFHP departments (IT, claims, benefits, provider services) as well as providers and community services to identify, coordinate services, coordinate benefits and provide members with complex case management.

IV. References

3 Way Contract. (2014). *Contract Between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services*.
Cal MediConnect Continuity of Care Technical Assistance Guide (TAG). (2015, October 27). California, USA.
NCQA Guidelines. 2016.
87890 2016 SCFHP Model of Care
DPL 15-005

POLICY

V. Approval/Revision History

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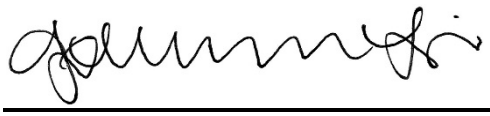	
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v1	**Original 08/05/16; Reviewed 08/09/17**	**Quality Improvement**	**Approve:08/09/2017**	

Santa Clara
Family Health Plan

Policy Title:	**Disease Management**	**Policy No.:**	QI14
Replaces Policy Title (if applicable):	None	**Replaces Policy No. (if applicable):**	None
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☐ Medi-Cal	☐ Healthy Kids	☒ CMC

I. Purpose

To support processes so the Plan may actively work to improve the health status for members with chronic health conditions.

II. Policy

A. The Disease Management Program is designed to support the mission of SCFHP by improving the quality of care and disease outcomes for the Santa Clara Family Health Plan CalMediConnect members. The plan takes an active role in helping providers assist members in managing chronic conditions. An evaluation of the Plan's population is conducted annually to identify medical and behavioral health conditions to be included in the Disease Management Program

B. To define how each Disease Management program will be established on evidence based Clinical Practice Guidelines adopted by the Quality Improvement (QI) Committee. These guidelines are evidence based and widely accepted clinical practices, based on literature or other practice guidelines.

III. Responsibilities

Health Services works with IT, Member Services, Provider Services, Providers, Quality Improvement, Behavioral Health Services, Pharmacy Management, and community based services to support members with Disease Management services.

IV. References

NCQA Guidelines. 2016
87890 2016 SCFHP Model of Care

V. Approval/Revision History

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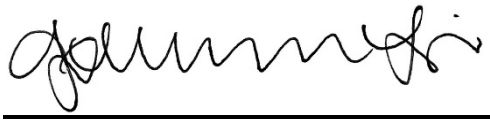	
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v1	**Original 08/05/16; Reviewed 08/09/2017**	**Quality Improvement Committee**	**Approve: 08/09/2017**	

Santa Clara
Family Health Plan

Policy Title:	**Transitions of Care**	**Policy No.:**	QI.15
Replaces Policy Title (if applicable):	None	**Replaces Policy No. (if applicable):**	None
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To define the process the Plan adopts to monitor and take action to improve continuity and coordination of care across the health care network, including medical care settings, medical with behavioral health care settings, and for transitioning members between levels of care.

II. Policy

A. The Plan supports and promotes appropriate transitions between care settings which is critical to improving member quality of care and health outcomes. The Plan's Care Transitions Program goal is to improve transitions between settings to the most appropriate and safe level of care for that member. Objectives include:
- Curtail medical errors
- Identify issues for early intervention
- Minimize unnecessary hospitalizations and readmissions
- Support member preferences and choices
- Reduce duplication of processes and efforts to more effectively utilize resources
- Promote the exchange of information
- Support appropriate use of medications
- Meet special needs of members with behavioral disorders commonly seen in primary care

B. The Plan implements processes that arrange for/ authorize and coordinate services and care needed for members after inpatient discharge, nursing facility residents or at other levels of care into the community or to the least restrictive setting possible. This includes ensuring access to necessary medical/behavioral health care, medications, durable medical equipment, supplies, transportation, and integration of Long Term Support Services (LTSS) benefits and community based resources.

C. The Plan uses information at its disposal to facilitate continuity and coordination of medical care across its delivery system
    a. Between medical care settings
    b. Between medical and behavioral health care settings

Process is detailed in the associated Procedure document Transitions of Care.

III. Responsibilities

Health Services works with internal departments, providers and community resources for referrals and to transition members to appropriate levels of care.

IV. References

WIC section 14182.17(d)(4)(H).
NCQA, 2016
87890 2016 SCFHP Model of Care
DHCS/Plan Renewed Contract 2013
DHCS/CMS/Plan 3-Way Contract

V. Approval/Revision History

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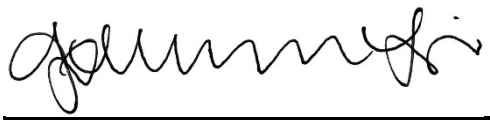	
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Santa Clara
Family Health Plan

Policy Title:	**Behavioral Health Care Coordination**	**Policy No.:**	QI.17
Replaces Policy Title (if applicable):	**Cal MediConnect Behavioral Health Coordination Of Care Policy and Procedure**	**Replaces Policy No. (if applicable):**	**CM106_1**
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

The plan promotes and coordinates seamless access and availability to appropriate behavioral health providers, community services and support for members identified with behavioral/mental health and substance use needs so that member may achieve optimal health and functionality.

II. Policy

A. To complement the Comprehensive Case Management policy, the Plan optimizes access to services for members by coordinating care and facilitating referrals to Behavioral Health (Mental Health and Substance Use Disorders) services for Medi-Cal and Cal MediConnect (CMC) members. This includes emergent, non-emergent, in-patient or outpatient referrals. Referrals may encompass community services, a community triage service, a community crisis line, contracted plan providers.

B. The Plan promotes continuity and coordination of care between behavioral healthcare providers and medical providers. Information is gathered regarding exchange of information, appropriate diagnoses, treatment, referrals, medications and follow-up. Successful collaboration is monitored and improvement plans implemented as appropriate.

C. The Plan defines processes for the provision of Early, Periodic Screening, Diagnostic and Treatment (EPSDT) services for members 0 to 21 years of age which includes medically necessary Behavioral Health Treatment (BHT) including Applied Behavioral Analysis, but not excluding other evidence based behavioral intervention services that develop or restore functioning. The plan provides BHT for members without regard to Autism Spectrum Disorder (ASD) diagnosis. The Plan requires Primary Care Physicians (PCP) to administer the Department of Health Services approved assessment tool as detailed in the procedure.

D. To define how the Plan provides guidelines to PCPs regarding management and treatment for members with Behavioral Health conditions as outlined in the procedure Mental Health Services Provided by PCPs.

III. Responsibilities

Behavioral Health Services collaborates with other Health Services areas to coordinate care, and with QI to monitor coordination of care, for under/over utilization. Behavioral Health Serivces collaborates with the

County Behavioral Health Services Department and other Community Based Organizatons (CBO) to provide comprehensive care and services for SCFHP members.

IV. References

3 Way Contract. (2014). *Contract Between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services*.

NCQA Guidelines 2016

WIC Sections 14182.17(d)(4) and 14186(b)

28 CCR 1300.74.72(g)(3) through (5)

H7890 2016 SCFHP Model of Care

V. Approval/Revision History

First Level Approval	Second Level Approval
Sherry Holm LCSW	
Signature Sherry Holm, LCSW	Signature Jeff Robertson, MD
Name Director of Behavioral Health	Name Chief Medical Officer
Title 08/05/2016	Title 08/05/2016
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**			

Santa Clara
Family Health Plan

Policy Title:	Sensitive Services, Confidentiality, Rights of Adults and Minors	**Policy No.:**	QI.18
Replaces Policy Title (if applicable):	Sensitive Services, Confidentiality, Rights of Adults and Minors	**Replaces Policy No. (if applicable):**	CM036_04
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To promote timely access to sensitive, confidential medical services for adult and minor children when needed and/or requested.

II. Policy

A. Santa Clara Family Health Plan (SCFHP) allows minor children and adult members to have access to sensitive, confidential medical services without the need for prior authorization.

I. The following services are considered confidential and sensitive services for adult and minor children aged 12 and older without parental consent:

1. Sexually transmitted diseases
2. Family planning
3. Sexual assault
4. Pregnancy testing
5. HIV testing and counseling
6. Abortion
7. Drug and alcohol abuse
8. Outpatient mental health care

B. Requirements for consent, confidentiality and rights for these sensitive services are defined in the associated procedure CM.06.01.

III. Responsibilities

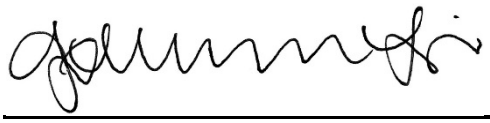
Health Services works with IT, Provider and Customer Services, providers and community services to provide sensitive and confidential services to members without requiring prior authorization.

IV. References

Fed. Law 1987 OBRA, Sec. 4113 (c)(1)(B), 1905 (a)(4)(c); BBA
DHS Contract A-12, Exhibit A, Attachments 5, et. seq, 9, Items 1, 3, 8, 2. C
MMCD Pol. Letter #s: 94-13, 96-09, 97-08, 98-11
T22, CCR, 50063.5, 51009, 50063.5; Family Code §6925 et. seq., W & I Code §14132. et seq., 14451 et. seq. ; T28, CCR

Knox-Keene Act; H & S Code §1340. et. seq., 120980, 120990, 121010, 121015
Civ. Code §56. et. Seq
Insurance Code §791, et. seq.

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 08/09/2017	Title 08/09/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1.0	**Original 08/05/16; Reviewed 08/09/2017**	**Quality Improvement**	**Approve: 08/09/2017**	

POLICY

Santa Clara
Family Health Plan

Policy Title:	Care Coordination Staff Training	**Policy No.:**	QI.19
Replaces Policy Title (if applicable):	Long Term Support Services and Social Services Training	**Replaces Policy No. (if applicable):**	112_01
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To provide staff the skills to meet member needs related to care coordination principals.

II. Policy

A. Care Coordination Staff training includes but is not limited to the following:

1. Overview of regulatory / contractual requirements including ICP and ICT training
2. Accessibility and accommodations; independent living;
3. Wellness principles
4. Criteria for safe transitions, transition planning, care plans after transitioning
5. Along with other required training as specified by DHCS—both initially and on an annual basis
6. Dementia care management for specially designated care coordination
7. LTSS operations including:
    a. LTSS benefits
    b. Eligibility and Service Authorization process
    c. Program limitations
    d. Referrals
    e. Interface with Case Management
    f. Overview of characteristics and needs of LTSS target population
8. Self-direction
9. Behavioral Health coordination
10. Community Services
11. Model of Care
12. Cultural and Linguistic Services
13. Care Plan Options
14. Person centered planning process
15. Home and Community Based Services

B. Training content is reviewed and updated as needed in regards to state and federal regulations as well as other best practices. Staff training is completed upon hire, reviewed annually and additional reviewed as needed.

III. Responsibilities

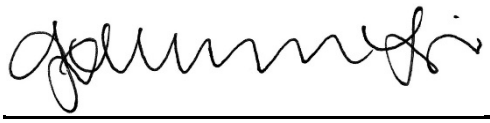
Health Services management works with internal departments, external partners and providers to provider staff training.

IV. References

3 Way Contract. (2014). *Contract Between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services*.

Cal MediConnect Prime Contract (§2.9.10.10.)
H7890 2016 SCFHP Model of Care

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 08/09/2017	Title 08/09/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original 08/05/16; Reviewed 08/09/2017**	**Quality Improvement**	**Approve: 08/09/2017**	

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Information Sharing with San Andreas Regional Center (SARC)**	Policy No.:	QI.20
Replaces Policy Title (if applicable):	None	Replaces Policy No. (if applicable):	None
Issuing Department:	Health Services	Policy Review Frequency:	Annually
Lines of Business (check all that apply):	☒ Medi-Cal ☒ Healthy Kids		☐ CMC

I. Purpose:

This policy supports the agreement between San Andreas Regional Center (SARC) and the Santa Clara Family Health Plan (SCFHP) to perform care coordination and information exchange activities when Medi-Cal beneficiaries are accessing medically necessary Behavioral Health Treatment Services (BHT). The agreement addresses both new referrals for BHT and clients/beneficiaries receiving BHT when funding for this service is transitioning from SARC to SCFHP.

II. Policy

SCFHP is responsible for the provision of BHT as a managed care health benefit, including the coordination of the client's care with SARC and the BHT provider(s). SARC will support SCFHP's care coordination by providing necessary client information to SCFHP and vendors in accordance with any and all privacy laws and regulations.

Santa Clara Family Health Plan

- SCFHP is responsible for coordination of services including primary care, California Children's Services, Specialty Mental Health Services.
- SCFHP shall arrange for and pay for diagnostic evaluations and BHT services according to criteria outlined in DHCS APL 15-025.
- SCFHP shall provide client information to SARC to ensure appropriate care coordination, in compliance with all privacy laws.

San Andreas Regional Center

- SARC shall provide client information, including comprehensive diagnostic evaluation(s), treatment plan(s), utilization data and assessment information to SCFHP upon receipt of appropriate release of information (ROI)
- SARC shall refer clients under age 21 who are diagnosed with Autism Spectrum Disorder (ASD) for evaluation for medically necessary BHT services.
- SARC shall provide case management & care coordination services related to SARC's Early Start Program clients.
- SARC shall provide case management and care coordination to eligible clients and assist those clients in maintaining an ongoing relationship with the SCFHP's assigned primary care provider when medical needs arise.
- SARC will identify a staff person to be the primary liaison to SCFHP. The liaison will meet not less than quarterly to ensure continuous communication and resolve any operational, administrative and policy complications.

POLICY

- SARC will share information on community resources.
- SARC shall provide Targeted Case Management (TCM) services to eligible clients and their families
- SARC agrees to provide periodic training to SCFHP's staff.
- SARC shall work collaboratively with SCFHP to resolve timely access and coordination of care issues.

III. Responsibilities

Health Services works collaboratively with plan benefits, compliance, QA , IT, plan and community providers to coordinate members' Behavioral Health Treatment services and members' Behavioral Health managed care.

IV. References

Center for Medicare & Medicaid Services approved California State Plan Amendment (SPA) 14-026 Section 1915 C waiver, CA.336 HCBS Waiver for Californians with Developmental Disabilities
Department of Health Services (DHCS) All Plan Letter (APL) 15-025

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Sherry Holm, LCSW	Signature Jeff Robertson, MD
Name Director of Behavioral Health	Name Chief Medical Officer
Title 08/09/2017	Title 08/09/2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original 08/05/16; Reviewed 08/09/2017**	**Quality Improvement**	**Approve: 08/09/2017**	

Santa Clara
Family Health Plan

Policy Title:	**Information Exchange Between Santa Clara Family Health Plan & County of Santa Clara Behavioral Health Services Department**	**Policy No.:**	QI.21
Replaces Policy Title (if applicable):	Information Exchange Between Santa Clara Family Health Plan & County of Santa Clara County	**Replaces Policy No. (if applicable):**	HS 409
Issuing Department:	Health Services: Behavioral Health	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☐ Medi-Cal ☐ Healthy Kids		☒ CMC

I. Purpose

To provide detailed instructions for how Santa Clara County Behavioral Health Services Department and Santa Clara Family Health Plan (SCFHP) will perform activities to support the provision of Medi-Cal Specialty Mental Health and/or drug Medi-Cal services as a managed care benefit under the Medi-Connect program. SCFHP and the County of Santa Clara Behavioral Health Services Department (formerly known as Santa Clara County Mental Health Department and Santa Clara County Department of Alcohol and Drugs) entered into a MOU effective January 1, 2014 to specify how roles and responsibilities between the two entities were to be performed.

II. Policy

It is the policy of the SCFHP to provide coordination of care for the purpose of providing services to CMC members which are coordinated with Santa Clara County BHSD, their mental health clinics and contractors. The SCFHP and the CBHSD will follow the medical necessity criteria for Medi-Cal specialty mental health 1915 (b) waiver services described in Title 9, California Code of Regulations. DHCS has developed a matrix of Roles and Responsibilities "Behavioral Health Benefits in the Duals Demonstration" which is attached to the MOU. Medical necessity for Drug Medi-Cal Substance Abuse Services will be as found in Title 22, California Code of Regulations (CCR).

III. Roles and Responsibilities

1. Assessment Process

The SCFHP and CBHSD shall develop and agree to written policies and procedures regarding screening And assessment processes that comply with all federal and state requirements. SCFHP completes a Health Risk Assessment (HRA) pursuant to the CMC three way contract guidelines. SCFHP Behavioral Health Department reviews and/or completes the HRA with special attention to the depression Indicators as well as Severe Mental Illness indicators. The HRA, in conjunction with claims and pharmacy Information, is utilized to create a preliminary interdisciplinary care plan (ICP). The ICP is reviewed with the member and sent to the member's primary care physician and the member's Specialty Mental Health provider for their review and changes.

2. Referrals

The SCFHP and the CBHSD shall develop and agree to written policies and procedures regarding referral processes including:

a. CBHSD will accept referrals from SCFHP staff, providers, and members' self-referral for determination of medical necessity
b. SCFHP will accept referrals from CBHSD for services needed are provided by the SCFHP and not the CBHSD and the member does not meet the Medi-Cal Specialty mental health and/or Drug Medi-Cal medical necessity criteria. This will include mild to moderate levels of care needs which are the responsibility of SCFHP.

3. Information Exchange
a. CBHSD will develop and agree to information sharing policies and procedures. CBHSD Director has provided a memo to County Clinics and Sub-contractors stating that basic information may be shared in order to determine if a member is being seen and who is the provider in the agency.
b. SCFHP will create a list of members who are receiving Medi-Cal specialty mental health services, and/or Drug Medi-Cal services.
c. A signed mental health release of information is obtained from the member in order to 1. Share information with behavioral health services agencies; 2. Provide care coordination and 3. Complete and updated ICP and an interdisciplinary care team (ICT) meeting as needed.
d. The information sharing policies and procedures developed by the CBHSD and SCFHP will include milestones agreed upon for shared roles and responsibilities for sharing personal health information. Meetings with County BHSD providers and their contractors will be held to provide training to discuss the policies and procedures which have been agreed upon for sharing of personal health information.

4. Care Coordination
a. The SCFHP and CBHSD will develop and agree to policies and procedures for coordinating Medical and behavioral health care for members enrolled in SCFHP and receiving Medi-Cal specialty mental health or Drug Medi-Cal services.
b. The policies and procedures will include:
- An identified point of contact from both CBHD and SCFHP who will initiate and maintain ongoing care coordination
- CBHSD and their contractors will participate in ICT's for members receiving County services and identified as needing an ICT.
- At the County's request, the SCFHP will assist the CBHSD in developing behavioral health care plans
- SCFHP will have a process for reviewing and updating the care plans as clinically indicated and following a hospitalization or significant change such as level of care.
- SCFHP will have regular quarterly meetings to review the care coordination process
- SCFHP will coordinate with the County to perform an annual review, analysis & evaluation of the effectiveness of the care management program to identify actions to implement and improve the quality of care and delivery of services.

IV. References

- California Code of Regulations, Title 9, Division 4, Chapter 8 commencing with Section 13000
- Department of Health Care Services (DHCS) Agreement 04-36069, and Amendments thereof, Exhibit A, Attachment 11, Case Management and Coordination of Care, 5. Specialty Mental Health
- DHCS Agreement 04-36069, and Amendments thereof, Exhibit A, Attachment 10, Scope of Services, 7. Services for All Enrollees, D. Mental Health Services
- MMCD Policy Letter 00-01

- Title 9, CCR, Chapter 11, Division 1, Section (s) 1810.231; 1810.247; 1810.350; 1810.405; 1810.415; 1820.100; 1820.205; 1820.225; 1830.205; 1830.205 (b) (1); 1830.210; 1850.210 (I); 1850.505
- Title 22, CCR, Chapter 3, Article 4, Section (s) 51305; 51311; 51313; 51183
- Title 22, Section 51341.1, Drug Medi-Cal Substance Abuse Services; the California Health and Safety Code, Section 11752.1 (1) and the State of California Alcohol and/or Other Drug Program Certification Standards
- Welfare and Institutions Code Section 5600.3; and 14016.5

V. Approval/Revision History

First Level Approval	Second Level Approval
Signature	Signature
Name	Name
Title	Title
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)

POLICY

Santa Clara
Family Health Plan

Policy Title:	**Early Start Program (Early Intervention Services)**	**Policy No.:**	QI.22
Replaces Policy Title (if applicable):	Early Start Program (Early Intervention Services): Developmental Delay Identification, Referral and Care Coordination	**Replaces Policy No. (if applicable):**	CM.005_03
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☐ CMC

I. Purpose

To ensure that eligible members receive early screening, counseling and treatment for developmental delay or disabilities.

II. Policy

Santa Clara Family Health Plan (SCFHP) identifies members (aged 0 to 2.9 years) who have, or are at risk of acquiring developmental delays or disabilities and need early intervention services. SCFHP will coordinate the referral of members to the Early Start Program, which is a collaborative effort between the San Andreas Regional center (SARC) and the Santa Clara County Office of Education.

III. Responsibilities

The Health Services Department of the SCFHP is responsible for referring members to Early Start as they are identified by the primary care physicians, case managers and others. The Department is also responsible to notify SCFHOP delegates of their responsibilities to refer to Early Start.

IV. References

V. Approval/Revision History

First Level Approval	Second Level Approval
Sherry Holm LCSW	
Signature Sherry Holm, LCSW	Signature Jeff Robertson, MD
Name Behavioral Health Manager	Name Chief Medical Officer
Title January 25, 2017	Title January 25, 2017
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V4	**Original**	**Quality Improvement Committee**	**2/8/17 Approve**	

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

Name of Reporting Committee or Activity: Credentialing Committee

Monitoring or Meeting Period: February 7, 2018

Areas of Review or Committee Activity

Credentialing of new applicants and recredentialing of existing network practitioners

Findings and Analysis

Initial Credentialing (excludes delegated practitioners)		
Number initial practitioners credentialed	12	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	8	
Number practitioners recredentialed within 36-month timeline	8	
% recredentialed timely	100%	100%
Number of Quality of Care issues requiring mid-cycle consideration	0	
Percentage of all practitioners reviewed for ongoing sanctions or licensure limitations or issues	100%	100%
Terminated/Rejected/Suspended/Denied		
Existing practitioners terminated with cause	0	
New practitioners denied for cause	0	
Number of Fair Hearings	0	
Number of B&P Code 805 filings	0	
Total number of practitioners in network (excludes delegated providers) as of 01/31/2018	199	

	Stanford	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Initial Creds						
Total # of Recreds						
(For Quality of Care ONLY)	**Stanford**	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Suspension	0	0	0	0	0	0
Total # of Terminations	0	0	0	0	0	0
Total # of Resignations	0	0	0	0	0	0
Total # of practitioners	763	775	736	703	386	121

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.

Actions Taken

1. All current network practitioners and providers were monitored on an ongoing basis for licensing issues, sanctions, validated quality of care issues and opt-out exclusion. No currently credentialed practitioner or provider had an identified issue on any of the exclusion lists or licensing boards.
2. Staff education conducted regarding the recredentialing of practitioners within the required 36-month timeframe. Procedure review of mailing pre-populated recredentialing applications six months prior to due date reviewed.

Outcomes & Re-measurement

Weekly re-measurement will be conducted on recredentialing applications to measure compliance

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

Name of Reporting Committee or Activity: Credentialing Committee

Monitoring or Meeting Period: April 4, 2018

Areas of Review or Committee Activity

Credentialing of new applicants and recredentialing of existing network practitioners

Findings and Analysis

Initial Credentialing (excludes delegated practitioners)		
Number initial practitioners credentialed	8	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	18	
Number practitioners recredentialed within 36-month timeline	18	
% recredentialed timely	100%	100%
Number of Quality of Care issues requiring mid-cycle consideration	0	
Percentage of all practitioners reviewed for ongoing sanctions or licensure limitations or issues	100%	100%
Terminated/Rejected/Suspended/Denied		
Existing practitioners terminated with cause	0	
New practitioners denied for cause	0	
Number of Fair Hearings	0	
Number of B&P Code 805 filings	0	
Total number of practitioners in network (excludes delegated providers) as of 03/31/2018	196	

	Stanford	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Initial Creds	47	26	28	45	13	0
Total # of Recreds	176	90	37	134	17	14
(For Quality of Care ONLY)	**Stanford**	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Suspension	0	0	0	0	0	0
Total # of Terminations	0	0	0	0	0	0
Total # of Resignations	0	0	0	0	0	0
Total # of practitioners	674	884	718	706	418	112

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.

Actions Taken

1. All current network practitioners and providers were monitored on an ongoing basis for licensing issues, sanctions, validated quality of care issues and opt-out exclusion. No currently credentialed practitioner or provider had an identified issue on any of the exclusion lists or licensing boards.
2. Staff education conducted regarding the recredentialing of practitioners within the required 36-month timeframe. Procedure review of mailing pre-populated recredentialing applications six months prior to due date reviewed.

Outcomes & Re-measurement

Weekly re-measurement will be conducted on recredentialing applications to measure compliance

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.

Santa Clara
Family Health Plan

Regular Meeting of the
Santa Clara County Health Authority d.b.a. Santa Clara Family Health Plan
Pharmacy & Therapeutics Committee
Thursday, December 14, 2017
6:00 PM - 8:00 PM
210 E. Hacienda Avenue Campbell, CA 95008

MINUTES

Voting Committee Members	Specialty	Present (Y or N)
Jimmy Lin, MD	Internal Medicine	Y
Hao Bui, BS, PharmD	Community Pharmacy (Walgreens)	Y
Minh Thai, MD	Family Practice	N
Amara Balakrishnan, MD	Pediatrics	Y
Peter Nguyen, MD	Family Practice	N
Jesse Parashar-Rokicki, MD	Family Practice	N
Narinder Singh, PharmD	Health System Pharmacy (SCVMC)	Y
Ali Alkoraishi, MD	Adult & Child Psychiatry	Y
Dolly Goel, MD	VHP Chief Medical Officer	N
Xuan Cung, PharmD	Pharmacy Supervisor (VHP)	Y
Johanna Liu, PharmD, MBA	SCFHP Director of Quality and Pharmacy	Y
Jeff Robertson, MD	SCFHP Chief Medical Officer	N

Non-Voting Committee Members	Specialty	Present (Y or N)
Lily Boris, MD	SCFHP Medical Director	N
Caroline Alexander	SCFHP Administrative Assistant, Medical Management	Y
Tami Otomo, PharmD	SCFHP Clinical Pharmacist	N
Duyen Nguyen, PharmD	SCFHP Clinical Pharmacist	Y
Dang Huynh, PharmD	SCFHP Pharmacy Manager	Y
Amy McCarty, PharmD	MedImpact Clinical Program Manager	Y
Dawn Davis	SCFHP Grievance and Appeals Consultant	Y (via telephone)
Tiffanie Pham, CPhT	SCFHP Pharmacy Coordinator	Y
Guests	**Specialty**	**Present (Y or N)**
Jade Vitug, PharmD	VHP Pharmacy Resident	Y

	Topic and Discussion	Follow-Up Action
1	**Introductions**	
	The meeting convened at 6:10 PM. Introduced Duyen Nguyen, SCFHP Clinical Pharmacist, Tiffanie Pham, SCFHP Pharmacy Coordinator and guest Jade Vitug, Pharmacy Resident at Valley Health Plan.	
2	**Past Meeting Minutes**	
	The SCFHP 3Q2017 P&T Minutes from September 21, 2017 were reviewed by the Committee as submitted.	Upon motion duly made and seconded, the SCFHP 3Q2017

		P&T Minutes from September 21, 2017 were approved as submitted and will be forwarded to the QI Committee and Board of Directors.
3	**Public Comment**	
	No public comment.	
4	**Informational Updates**	
	Health Plan Updates Deferred until next committee meeting. **Prescription Drug Prior Authorization or Step Therapy Exception Request Form (Revised Form 61-211)** Dr. Huynh presented the update on Form 61-211. A memo was sent to providers via FAX blast and will be attached to prior authorization decisions in the next few weeks. DHCS requires form 61-211 which was revised December 2016 and became effective July 1, 2017. Effective January 1, 2018, the plan will no longer accept the old form.	
	Appeals & Grievances Ms. Davis presented the Appeals and Grievances report for Pharmacy and Part D. There was an increase in Medi-Cal appeals. Change in process, data is being collected through appeals department. Q2 2017 41% overturn rate, 55% upheld. Q3 2017 56% overturn rate, 20% upheld, 11% withdrawn. For Cal MediConnect Q3 Part C&D redeterminations have remained steady. Low during Q3: 4 in July, 8 in August, 7 in September. Part D redeterminations Q2: 50% overturned, 34% upheld, 8% withdrawn. Q3: 20% upheld, 30% overturned, 40% withdrawn.	
	Adjourn to Closed Session Committee adjourned to closed session at 6:42 p.m. to discuss the following items: Membership, Pharmacy Dashboard, Drug Utilization & Spend, Recommendations for Changes to SCFHP Cal MediConnect, Medi-Cal, Healthy Kids Formulary and Prior Authorization Criteria, Medical Pharmacy Prior Authorization Grid, DHCS Medi-Cal CDL Updates & Comparability, and New Drugs and Class Reviews.	
5	**Metrics & Financial Updates**	
	Membership Report Dr. Liu presented the membership report. Slight decline in Medi-Cal line of business membership. Slight increases in Cal MediConnect (CMC). Attribute the growth in CMC to more fully developing Medi-Care Outreach department. Outreach to our existing Medi-Cal population that are also full dual and may be eligible for CMC.	
	Pharmacy Dashboard	

	Dr. Huynh presented the Pharmacy Dashboard. For Medi-Cal line of business, prior authorization approval rate increased from 55% to 70% during the timeframe of September to October. 24 hour turnaround time is compliant at 100%. Expedited 24 hour turnaround time approval rate is from 62 to 77%. Interrater reliability done 10/19/2017. For Cal MediConnect line of business, prior authorization volume increased in the previous quarter. 72 hour turnaround time is 100%. Expedited increased from 58% to 68%. Met goal of CMR completion rate of 20% earlier than the previous calendar year. Percent shifted slightly, still on track to meet goal. Denied claims reviewed: 96%, on track with formulary submission to CMS.	
	Discussion and Recommendations for changes to SCFHP Cal MediConnect Formulary & Prior Authorization Criteria Dr. Huynh presented an overview of the MedImpact 3Q2017 P&T minutes as well as the MedImpact 4Q2017 P&T Part D Actions.	Upon motion duly made and seconded the MedImpact 3Q2017 P&T Minutes, and MedImpact 4Q2017 P&T Part D Actions were approved as submitted.
	Discussion and Recommendations for Changes to SCFHP Medi-Cal & Healthy Kids Formulary & Prior Authorization Criteria Formulary Modifications Dr. Huynh presented the formulary changes since the last P&T meeting. Of note: added Mavyret to formulary with prior authorization and quantity limit of 3/day. Added Vitamin D3 50,000 unit capsule to formulary. Added Tears Again, Lubrifresh PM, and Tears Naturale PM ophthalmic ointment products to formulary. Added Shingrix with age limit of greater than or equal to 50 years old and quantity limit. Remove Glatopa 20mg/ml from formulary. Added Makena 250mg/ml (1 ml vial) to formulary with prior authorization. Recommend: Add Leucovorin 25mg tablet to formulary. Remove Trianex ointment to formulary. Remove Zepatier from formulary.	Upon motion duly made and seconded, formulary modifications were approved as presented.

	Prior Authorization Criteria
	- Dr. Nguyen presented the following PA criteria for approval by the committee:
	  - Hepatitis C
	  - Ciclopirox 8%
	  - Non-formulary
	  - Brand Name
	  - Off-Label
	  - Compounded Medications
	  - General Criteria-UM Medical Drugs
	  - Eosinophilic Asthma
		Upon motion duly made and seconded, prior authorization criteria were approved as requested.

	- Cotellic - Duragesic - Emend - Exelon - Farydak - Iressa - Keytruda - Lyrica - Marinol - Myrbetriq - Nebupent - Nexavar - Odomzo - Restasis - Revatio - Targretin - Temodar - Tymlos - Xarelto - Xolair - Zarxio	
	DHCS Medi-Cal CDL Updates & Comparability Dr. McCarty presented the DHCS Medi-Cal Updates and Comparability. For September 2017, two drugs added and one dosage form added. No proposed action for September 2017. For October 2017, one drug with strength removed. No proposed action for October 2017. For November 2017, one drug with quantity limit and fill limit. November 2017 propose add quantity limit and match CDL for Promethazine w/Phenylephrine and Codeine.	Upon motion duly made and seconded, all recommendations were approved and presented.
	New Drugs and Class Reviews New Drug Reviews Dr. McCarty presented the following new drug reviews: - Shingrix –Add age limit to allow in 50 and older; add quantity limit of 2 doses per lifetime. Remove Zostavax from formulary. - Diabetes – Jardiance/Synjardy/Synjardy XR-Add to formulary, add step therapy (required trial of Metformin + oral/GLP-1RA), add quantity limit Jardiance & Synjardy XR 1/day, Synjardy 2/day - Diabetes-Januvia/Janumet/Janumet XR-remove from formulary - Car T Cell Therapies –Kymriah for pediatric, Yescarta for Adults; administered via single IV infusion bag	Upon motion duly made and seconded, all recommendations were approved as presented.

Santa Clara
Family Health Plan

	Drug Utilization and Spend Review Dr. McCarty presented the Drug Utilization and Spend Review report. Diabetes remains the top spend. Drop in infectious disease. Pulmonary arterial hypertension has doubled. A lot more utilization of calcium by members of Santa Clara Family Health Plan.	
	Reconvene in Open Session Committee reconvened to open session at 7:35 p.m.	
6	**Discussion Items**	
	Update on New Drugs and Generic Pipeline Informational Only	
7	**Adjournment at 8:02 PM**	

Santa Clara Family Health Plan

The Spirit of Care

MINUTES
UTILIZATION MANAGEMENT COMMITTEE
October 26, 2017

Voting Committee Members	Specialty	Present Y or N
Jimmy Lin, MD, Chairperson	Internal Medicine	Y
Ngon Hoang Dinh, DO	Head and Neck Surgery	Y
Indira Vemuri, MD	Pediatrics	Y
Dung Van Cai, MD	OB/GYN	Y
Habib Tobaggi, MD	Nephrology	N
Jeff Robertson, MD, CMO	Managed Care	Y
Ali Alkoraishi, MD	Adult and Child Psychiatry	Y

Non-Voting Staff Members	Title	Present Y or N
Lily Boris, MD	Medical Director	Y
Caroline Alexander	Administrative Assistant	Y

ITEM	DISCUSSION	ACTION REQUIRED
I. Roll Call	Meeting was called to order by Dr. Boris with a Quorum at 12:15 PM. All telephonic attendees were confirmed via roll call.	
II. Public Comment	No public comment.	
III. Review Prior Authorization Grids for Cal MediConnect and Medi-Cal	Reviewed Medi-Cal, Healthy Kids prior authorization grid. Cochlear implant will remain in both the outpatient and inpatient categories. There is removal of any preventative services from PA grid. Of note: colonoscopy is also removed from Medi-Cal PA grid. (This was already true on CMC side). Motion made to approve Medi-Cal, Healthy Kids authorization grid. Motion approved, seconded, and carried.	SCFHP staff will now forward these grids for publi to the website, submission to CMS, provider notific via website, and for creation of claims payment rul removal of claims payment edits (whichever appli QNXT. For a 1/1/2018 go live.

ITEM	DISCUSSION	ACTION REQUIRED
	Reviewed Cal MediConnect prior authorization grid. The plan added cataract surgery, TMJ surgery to outpatient in order to mirror Medi-Cal authorization grid. Also added sleep studies to the PA grid, and collection of autologous blood to Outpatient Services. Deleted are penile implant, as well as stereotactic radiosurgery and radiotherapy from prior authorization grid. Motion made to approve Cal MediConnect authorization grid. Motion approved, seconded and carried.	
Adjournment	Meeting adjourned at ____12:26 PM__	
r MEETING	The next meeting is scheduled for Wednesday, January 17, 2018, 6:00 PM	

d by:
Alexander
trative Assistant

Date 4/18/18

Reviewed and approved by:
Jimmy Lin, M.D.
Committee Chairperson

Date 4/9/18

Santa Clara Family Health Plan

The Spirit of Care

MINUTES
UTILIZATION MANAGEMENT COMMITTEE
January 17, 2018

Voting Committee Members	Specialty	Present Y or N
Jimmy Lin, MD, Chairperson	Internal Medicine	Y
Ngon Hoang Dinh, DO	Head and Neck Surgery	Y
Indira Vemuri, MD	Pediatrics	Y
Dung Van Cai, MD	OB/GYN	Y
Habib Tobaggi, MD	Nephrology	Y
Jeff Robertson, MD, CMO	Managed Care	N
Ali Alkoraishi, MD	Adult and Child Psychiatry	N

Non-Voting Staff Members	Title	Present Y or N
Christine Tomcala	CEO	Y
Lily Boris, MD	Medical Director	Y
Jana Castillo	Utilization Management Manager	Y
Sandra Carlson	Health Services Director	Y
Caroline Alexander	Administrative Assistant	N

ITEM	DISCUSSION	ACTION REQUIRE
I. /II. Introductions Review/Revision/Approval of Minutes	Meeting was started with a Quorum at 6:07 PM. There was a motion to approve the October 18, 2017 minutes.	Minutes approv presented.
III. Public Comment	No public comment.	
IV. CEO Update	Christine Tomcala , CEO discussed the following items: Membership as of January, down about 6,300 members, at 263,855 total. Largest portion of that loss was in this month. Medicaid dropped by 5,000 members. Possibly attributed to holidays and processing of paperwork. Healthy Kids increased by 1,000. Parents may be eligible for Covered California and some children are defaulted to Healthy Kids. Cal MediConnect remaining stable at 7,389. State will default enrollment to one of the health plans when Medi-	None.

ITEM	DISCUSSION	ACTION REQUIRED
	Cal beneficiaries do not select a health plan. HEDIS measures determine how many will be auto-assigned to health plan. Auto-assignment percentage is up to 66% this year versus 49% last year. CHIP funding: State saying there are 32,000 children and pregnant moms affected. 100 members at risk. Community will look for way to close the gap if funding is not continued.	
scussion Items/Follow) Items **ction Items**	None. a. Hierarchy of UM Criteria: Ms. Castillo presented the Hierarchy of UM Criteria. Part of the UM Program Description. Item does not require approval. b. Review of Policies: Ms. Alegre presented a summary of changes to the UM policies. Thirteen policies were presented for review and approval. • HS.01 Prior Authorization: No prior authorization required for urgent care. • HS.02 Medical Necessity Criteria: No changes • HS.03 Appropriate Use of Professionals: No changes • HS.04 Denial of Services Notification: Added verbiage regarding letter issued in member specific language • HS.05 Evaluation of New Technology: Removed Section F which tells next steps when review takes place, verified no subcommittees of Medical Advisory Council so removed from policy. Verbiage placed or removed is tied to NCQA standards. • HS.06 Emergency Services: Plan does not require prior authorization for Urgent services for contracted and non contracted providers • HS.07 Clinical Practice Guidelines: No changes • HS.08 Second Opinion: No changes • HS.09 InterRater Reliability: Updated section on Corrective Action Plan. • HS.10 UM Financial Incentives: No changes • HS.11 Informed Consent: No changes • HS.12 Preventive Health Guidelines: No changes • HS.13 Nurse Advice Line: No changes After motion duly made, seconded, all policies were approved as presented.	None.

ITEM	DISCUSSION	ACTION REQUIRED
	c. UM Program Description 2018 Dr. Boris presented a summary of the changes to the UM Program Description. Added additional documentation and description of mental health parity that came along with current requirements. NCQA requirements on UM staffing. Added additional NCQA language for UM program evaluation to be presented next quarter. Removed appeals language. Added adoption of criteria for behavioral health, LTSS and medical. Included Hierarchy of Criteria reference to policy and procedure. Added Behavioral Health, MLTSS, Pharmacy staff to IRR. UM decision making based on appropriateness of care and service and existence of coverage. Financial incentives for UM decision makers do not encourage decisions that result in underutilization. Added long term services requirements to discharge planning. Corrected some manager and director titles. Added information on Cal MediConnect and Behavioral Health. After motion duly made, seconded, UM Program Description changes were approved as presented. d. Care Coordinator Guidelines 2018 Ms. Castillo presented the proposed change to Long Term Care authorization. Were approving one year authorization for long term care. Discussed the request to change the Long Term Care authorizations to 6 months versus one year. Approve initially for 6 months, do face to face and extend authorization to one year. After motion duly made, seconded, proposed change to Care Coordinator Guidelines was approved as presented.	Bring data on Lo Term Care authorizations to UM Committee meeting

ITEM	DISCUSSION	ACTION REQUIRED
Reports	a. Membership Presented during CEO Update. b. UM Reports 2018 i. Dashboard Metrics Dr. Boris presented the Dashboard Metrics report. For Cal MediConnect, 14 calendar day turnaround time for routine, for urgent 72 hours. Numbers dropped below 100% during October, November, and December due to staffing changes. For Medi-Cal, 5 business day turnaround time for routine, for urgent 72 hours. Reached goal for October, November, and December. ii. Standard Utilization Metrics Data is for fiscal year 2017. For MediCal/Non SPD, average length of stay over the four quarters had not significantly changed. SPD/Cal MediConnect, average length of stay is 5 days, discharge per 1,000 member months is climbing. Cal MediConnect, discharges per 1,000 is at 256. Average length of stay remains the same. MediCal inpatient utilization average length of stay is at 50%, SPD average length of stay is higher. At category of loosely managed, NCQA. MediCare Median, plan is at the mean. Non SPD: significant readmission rate. SPD: 25% readmission rate. MediCare readmissions: goal is 11%, slightly above that in every quarter. Looked at 18-64 group: at 10.9% Readmission strategy should focus on age 65 and above. For behavioral health, measures include follow up care for children prescribed ADHD medication. Less than 25% on initiation phase and less than 10% on continuation and maintenance phase. For Antidepressant Medication Management, acute phase treatment is at greater than 75% and continuation phase treatment is at greater than 50%. Cardiovascular monitoring for people with cardiovascular disease and schizophrenia is at greater than 90%. Follow up items: a. Primary diagnosis for readmits by Line of Business Received data from analytics group. CMC admissions by primary diagnosis were sepsis, heart disease, and heart failure, kidney disease/kidney failure, and serious mental illness. For MediCal diagnosis were other, heart disease, COPD, kidney failure. Will be focus area for case management.	

ITEM	DISCUSSION	ACTION REQUIRED

b. CPT codes for all members with bariatric surgery (what was most frequent procedure requested?): Dr. Boris presented the update on CPT codes for all members with bariatric surgery. 43644 is the most common followed by 43645.

Bariatric Surgeries by Procedure Code
7/1/2016 to 6/30/2017, LOB Medi-Cal

Code	Description	# of Procedures	Percentage
43644	LAP GASTRIC BYPASS/ROUX-EN-Y	44	69.8%
43645	LAP GASTRIC BYPASS INC SMLL I	16	25.4%
43772	LAP REMOVE GASTRIC ADJ DEVICE	2	3.2%
43774	LAP REMOVE GASTRIC ADJ ALL PARTS	1	1.6%
Grand Total		63	100.0%

c. CMC readmit rates Q12017 was 9% (review change)
Corrected to 13% from last report.

d. Data on OB inpatient admissions by hospital: Dr. Boris presented the update on OB inpatient admissions by hospital. Data is for Medi-Cal line of business only and does not include Kaiser and Valley Health Plan. Also does not include QNXT Medi-Cal claims.

Inpatient OB Stays 7/1/16 - 6/30/17 by Hospital
LOB Medi-Cal: Not including Kaiser or VHP

Location Of Care	# of OB Inpatient Stays
O'Connor Hospital	216
El Camino Hospital	100
Good Samaritan Hospital	70
Regional Medical Center of SJ	61
Santa Clara Valley Medical Ctr.	41
St Louise Regional Med Ctr.	41
El Camino Los Gatos Hospital	22
Kaiser Hospital San Jose	4
Lucile Packard Children's Hospital	3

ITEM	DISCUSSION	ACTION REQUIRED

Hazel Hawkins Memorial Hospital	2
Memorial Hospital Of Los Banos	2
Alta Bates Medical Center	1
Clovis Comm. Med Ctr.	1
Cypress Fairbanks Medical Ctr.	1
St Josephs Hospital	1

c. Interrater Reliability Behavioral Health
Dr. Boris presented the Interrater Reliability report for Behavioral Health. In accordance with Policy HS.09, the 2nd bi-annual Calendar Year 2017, Santa Clara Family Health Plan (SCFHP) scheduled IRR testing is complete. This is required twice a year. IRR testing is scheduled for SCFHP 1st and 2nd half of the calendar year. In accordance with NCQA/DHCS, DMHC guidelines, and SCFHP policy, 10 random BH authorizations are selected to test all of our Behavioral Health (BH) staff with the authority to Authorize services. Our BH staff consist of non-licensed Personal Care Coordinators (PCC) and our Director of Behavioral Health (LCSW). In the 1st testing, 100% or 3/3 of our staff are proficient during this review. 100 percent of BH staff who complete authorizations completed IRR testing. Staff who are authorized to review/approve BH services through SCFHP express comfort in knowing the process/where to go for clarification. The corrective action plan after identifying the common findings are mandatory remedial training with post testing for all non-proficient staff (should this be required-not needed at this time). Mandatory bi-annual review of guidelines and criteria, as well as biannual testing, will continue to be scheduled.

d. Annual Specialty Referral Tracking of Procedures HS.01.02
Dr. Boris presented the Annual Specialty Referral Tracking report. In accordance with the SCFHP Referral Tracking Procedure HS. 01.02, SCFHP tracks all authorizations, for completion of the "authorization to claims paid" cycle, to identify opportunities for improvement. By definition all authorizations are defined as: 1. both contracted and non-contracted prior authorizations and 2. behavioral health and non-behavioral health authorizations are tracked to completion. SCFHP (The Plan) has a referral tracking system which tracks approved, modified, deferred medical and behavioral health prior authorizations to completion on an ongoing basis. The first report was completed for the rolling month look back of December 2016 to November 2017. There were 14,447 unique authorizations for all lines of business (roughly 1200 authorizations per month). 9, 197 authorizations had no claims match. Attribute to administrative barriers, claim lag time. Looked at Behavioral Health claim to authorization mismatch and found the total numbers were very small. 152 total authorizations without claims. The October and November higher numbers are likely related to billing not

ITEM	DISCUSSION	ACTION REQUIRED

yet submitted. UM management team did a strategic focused calling campaign. Based on the outbound call campaign, the major reasons for authorizations not completed were:

- Authorization denied: 22
- Closed: 2
- Done per patient: 15
- Per patient missed appointment: 1
- Per patient not done: 3
- Member term: 52
- Unable to reach member by phone: 80

The report has areas which are needed to improve and there is an IT/ UM meeting next week to discuss the needed changes with the report. The IT team must remove the patient's which are not eligible and the auths that were denied from the report. The reporting also needs to include turnaround time for the procedure. These are under development.

e. HS 04.01 Reporting Quality Monitoring of Plan Auths, Denials etc. (Q4 17)
Ms. Castillo presented the Q4 2017 Q Report. Santa Clara Family Health Plan (SCFHP) completed the 4th quarter review for timely, consistent, accurate and understandable notification to members and providers regarding adverse determinations. For the 4th Quarter review of 2017, the findings are as follows:

A. For the dates of services and denials for October, November and December of CY 2017 were pulled in the 4th quarter sampling year.
   a. 30 unique authorizations were pulled with a random sampling.
      i. 93% or 28/30 Medi-Cal LOB and 7% or 2/30 CMC LOB
      ii. Of the sample 100% or 30/30 were denials
      iii. Of the sample 37% or 11/30 were expedited request; 63% or 19/30 were standard request
         1. 100% or 11/11 of the expedited authorizations were processed within 72 calendar hours
         2. 100% or 19/19 of the standard authorizations met regulatory turnaround time
      iv. 20% or 6/30 are medical denials, 80% or 24/30 are administrative denials
      v. 100% or 30/30 of cases were denied by MD or pharmacist.
      vi. 100% were provided member and provider notification.
      vii. 6% or 2/30 have poor letter quality, 94% or 28/30 have good letter quality.
      viii. 53% or 16/30 included criteria or EOB in the letter, 47% or 14/30 did not include criteria or EOB language for administrative denials.

ITEM	DISCUSSION	ACTION REQUIRED
	ix. 100% of the letters included IMR information, interpreter rights and instructions on how to contact CMO or Medical Director. x. 100% of the member letters are of member's preferred language. Manager of Utilization Management and Director of Health Services reviewed the findings of this audit and recommendations from that finding presented to UMC are as follows: • Include EOB language for admin denials • Provide staff education to re-read denial letters for letter quality • Continue QA report monitoring process f. Review of the Physician Peer to Peer process Dr. Boris presented the Review of the Physician Peer to Peer process year to date for 2017. In accordance with Procedure HS.02.02, the provider dispute process also includes a Peer to Peer (P2P) review with the SCFHP physician who makes the determination (in cases of denials of service). It is the goal of SCFHP medical director team to ensure quality of service and return of calls when there is a requested P2P. The telephone number to schedule those calls is sent out with each of the denied cases. For YTD 2017, there were 22 total requests for Peer to Peer reviews. SCFHP selected 10 random samples. This was to ensure that the Peer to Peer process is working and that community physician requests for call back are completed and do in fact occur. The selection included sampling for each of the two physicians at SCFHP. 90% of calls were completed with the SCFHP physician and the requesting physician. 90% had documentation of the call, however, not in our claims payment system. Most documentation was via an email to the team and the admin assistant. 40% of decisions had documentation in the QNXT or Xpress systems. 33% of decisions were upheld and the rest were overturned. Corrective action: since 6/2017, QNXT is the one system that now holds authorizations for all lines of business. As such both physician know the system and have agreed to enter their call documentation into QNXT. The Procedure HS 02.02 was also updated to include the annual review of the P2P process and presented to the Chief Medical Officer for approval. The Annual Review of the Peer to Peer Process was added to the Yearly UM Committee review items and will be conducted yearly.	
Adjournment	Meeting adjourned at 7:30 PM	
r MEETING	The next meeting is scheduled for Wednesday, April 18, 2018, 6:00 PM	

Prepared by:

Caroline Alexander
Administrative Assistant

Date 4/18/18

Reviewed and approved by:

Jimmy Lin, M.D.
Committee Chairperson

Date 4/18/18

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY
REPORT

Name of Reporting Committee or Activity: Monitoring or Meeting Period:

Cal MediConnect Consumer Advisory Board Q1, 2018

Areas of Review or Committee Activity

Consumer input on Cal MediConnect program

Findings and Analysis

Issues raised at monthly meetings
Provider billing and in one case, a subsequent collection request letter. Related concerns about impact on credit score. Denti-Cal provider requiring payment up front
Delays or lack of pickup for members who have requested transportation services
Questions Addressed
Denti-Cal coverage and benefits including yearly limit
Role of Customer Service in addressing issues and when to call
Cal MediConnect benefits for non-emergency transportation
How to get reimbursed for any payments made to providers
Other Input
Satisfaction with prescription coverage
Satisfaction with Cal MediConnect
Presentation Topics provided to Committee
Update on benefits
Cal MediConnect Ombudsman Program
Transportation Options in the community

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Regular Meeting of the Santa Clara County Health Authority Provider Advisory Council (PAC)

Wednesday, May 9, 2018
12:15 PM – 1:45 PM
210 E. Hacienda Avenue
Campbell, CA 95008

Minutes

Members Present:
Bridget Harrison, M.D.
Chung Vu, M.D.
Thad Padua, M.D., Chair
Sherri Sager

Members Not Present:
Dolly Goel, M.D.
Jimmy Lin, M.D.
Kingston Lum
David Mineta
Peter Nguyen, M.D.

Staff Present:
Lily Boris, MD, Medical Director
Jeff Robertson, Chief Medical Officer
Chris Turner, Chief Operating Officer
Johanna Liu, Director of QI & Pharmacy
Sherry Holm, Behavioral Health Program Manager
Abby Baldovinos, Provider Network Associate
Art Shaffer, Provider Network Associate
Claudia Graciano, Provider Network Associate
Rosa Perez, Provider Network Representative
Robyn Esparza, Administrative Assistant

ROLL CALL
Thad Padula, MD, Chair, called the meeting to order at 12:28 pm.
Roll call was takenand a quorum was not established.

1. **MINUTES REVIEW AND APPROVAL**
Meeting minutes were reviewed. Dr. Padua asked the Committee if there were any additional questions or comments regarding the February 1, 2018 meeting minutes.
   - Review and approval of the minutes is deferred to the next meeting.

2. PUBLIC COMMENT
   - There were no public comments.

3. CHIEF EXECUTIVE OFFICER UPDATE

Dr. Robertson presented the April 2018 Membership Summary, noting the current enrollment is 262,569, with the majority of membership in Medi-Cal.

- Healthy Kids: 3,454 (1%)
- Cal MediConnect: 7,435 (3%)
- Medi-Cal: 251,680 (96%)

With regard to Medi-Cal Membership by Age Group and Network, the following was noted:

- Pediatrics: 41%
- Adults: 59%

Observations regarding the membership of SCFHP include:

- The age of membership is trending toward an older demographic compared, as our younger population ages.
- The decrease in membership was noted as being down approximately 5%. As was noted at the last meeting, the decline in membership since January 2018, continues to be most likely due to undocumented families, disqualifying eligibility due to increases in members' income; as well as families leaving the county due to the lack of affordable housing.

The following current events were noted:

a. SCFHP's NEW BUILDING

Dr. Robertson reminded the council of the upcoming move of The Plan to South San Jose at the end of July.

4. PAC CHARTER

Dr. Robertson advised the council that he, Dr. Boris, Dr. Padua and Ms. Turner met and had a conversation regarding the PAC charterHe presented a revised PAC Charter for review, discussion and approval (Copy attached herein). Ms. Turner reviewed the charter for the council and noted a recommended change (which is noted in red font and highlighted in yellow for reference) as follows: include **"high quality/effective"** preceding "system of care in accordance with the six "C's of care." Council suggested removing the slash, replacing it with the "and" to read **"high quality and effective…"**

- Quorum not present. Will be reviewed for approval at the next meeting.

5. QUALITY AND PHARMACY

Ms. Johanna Liu, Director of Quality Improvement and Pharmacy, presented drug utilization reports on the Top 10 Drugs by Total Cost and Top 10 Drugs by Prior Authorization for the date range of 01/01/18 – 03/31/18 (Copy attached herein).

6. MEMBERSHIP OF PAC

a. Current Membership

The current PAC Roster membership was reviewed (Copy attached herein). Dr. Robertson reminded the council that the Chairperson and members are appointed by the CEO, and serve 2-year terms.

b. Proposed Membership

Dr. Robertson queried the council as to the best size and mix of the committeein order to receive input from all aspects of the provider network, and facilitate robust discussion. Dr. Harrison suggested not putting a minimum or maximum number of members, in order to allow flexibility.

Council members shared that the council currently has a good diversity and size, elaborating that it's small enough to be nimble, to have meaningful conversation, to get to know one another and build trust to faciliate critical conversations and ask questions of each other, which is helpful in terms of the sustainability. There was agreement that it could be beneficial to representation from the front line, as well as more high volume specialists (i.e, G.I., Cardio, and Obstetrics) and mid-level providers. Dr. Harrison shared O'Conner's educational program includes learning about systems of care, allowing residents blocks in schedules. Ms. Sager suggested Chief Residents could participate and will invite her chief resident as a guest to the next meeting.

- Have a formal conversation regarding this matter at the next meeting.

7. SIX C'S OF CARE

The Six C's of Care come from the PAC Charter and include:

1. Community - engagement and participation of all major stakeholders - i.e. all networks

2. Collaboration - share in best practices and resources to enhance efficiency
3. Coordination - continually improve timely access to specialty care
4. Communication - keep all clinicians up to date on regulations and compliance
5. Caring - promote high patient satisfaction and clinician satisfaction
6. Compassion - provide a medical home for all members

The council was solicited for their feelings/comments around the 6 C's of Care and the committee's role in delivering upon these themes.

Dr. Padua queried the council for input as it relates to nteractingn with The Plan's authorization process and timely access to care and suggested this may be an area of interest for the Council to focus upon, including looking at disparities in care The Council agreed that starting off with some education in these areas would be of interest.

8. DISCUSSION, RECCOMENDATIONS

The frequency and timing of the meeting was discussed. .

Dr. Harrison noted that there were more people in attendance at past meetings. She inquired as the why meetings were cancelled last year. Ms. Turner noted one meeting was cancelled last year due to internal operations and the second cancellation was due tolack of a quorum.

We will confirm that this meeting time is acceptable to the Council members.

Ms. Sager complimented the council, noting she has used PAC as an example for several other managed care plans who were creating advisory councils that included just physician issues which isn't adequate. They now use input from ancillary providers which we added over the years on this advisory council.

9. ADJOURNMENT

It was moved, seconded, and approved to adjourn the meeting at 2:00pm.

Dr. Thad Padua, Committee Chair

Date

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Regular Meeting of the
Santa Clara County Health Authority
Consumer Advisory Committee

Tuesday, June 12, 2018
6:00 – 7:00 pm
210 E. Hacienda Avenue
Campbell, CA 95008

Minutes - DRAFT

Committee Members Present
Ms. Brenda Taussig, Chair
Ms. Blanca Ezquerro
Ms. Rachel Hart
Ms. Margaret Kinoshita
Ms. Rebecca Everett
Mr. Tran Vu

Staff Present
Ms. Laura Watkins, Director of Marketing, Outreach and Enrollment
Ms. Cristina Hernandez, Marketing Coordinator
Ms. Chelsea Byom, Marketing and Communications Manager
Ms. Theresa Zhang, Marketing Project Manager
Ms. Divya Shah, Health Educator
Ms. Christine Tomcala, Chief Executive Officer
Ms. Chris Turner, Chief Operating Officer

1. **Call to Order**

   Brenda Taussig, Committee Chair, called the meeting to order at 6:05 p.m. A quorum was established.

2. **Roll Call and Introductions**

   Introductions were made.

3. **Public Comment**

   There were no public comments.

4. Review and Approval of March 13, 2018 Minutes

Ms. Hart moved and Ms. Taussig seconded the motion to approve the minutes from the meeting held on March 13, 2018. The motion passed unanimously.

5. Health Plan Update

Ms. Tomcala presented an enrollment update: As of June 1, Medi-Cal enrollment is 248,776; Cal MediConnect is 7,503; and Healthy Kids is 3,196 for a total enrollment of 259,475. Membership has remained fairly flat; however, addition of staff to the Medicare outreach team may help increase the number of Cal MediConnect members.

Ms. Tomcala updated the committee on the ongoing construction of the new building, and the plan to be at the new location by the end of July. The next committee meeting will be held at the new building.

Ms. Tomcala shared information regarding SCFHP's partnership with Veggielution and our sponsorship of their outdoor classroom space, set to be completed this summer. The sponsorship was in honor of our 20th anniversary and in addition to making possible the shade structure, has been the catalyst for collaboration with local union workers, contractors, and volunteers.

Ms. Hart and Ms. Everett had questions on the Veggielution educational programs and accessibility to schools and other districts outside of San Jose. Ms. Tomcala suggested they reach out to Veggielution for information, as Veggielution is a community resource open to all.

Ms. Taussig suggested that we inform the public of the partnership. Ms. Byom shared the information that has been sent out via the member newsletter and the future plans to share pictures via social media and other communication channels, as the structure becomes a reality.

Ms. Tomcala shared that a new contract with O'Connor hospital has recently been signed. The new contract includes coverage for outpatient as well as inpatient services to our members.

6. Member Portal Overview

Ms. Byom reviewed the newly designed SCFHP member portal with the committee. The portal will allow members to login and see information about their SCFHP membership. Ms. Byom demonstrated the following:

- **The Sign-up Process**
- **Homepage and Quick Links**

Ms. Byom demonstrated the use of the quick links and how they allow members to conduct their health plan business without needing to call SCFHP Customer Service.

- Ms. Taussig questioned the simplicity of changing PCPs. Ms. Byom clarified that while members will be able to utilize the tool to request a PCP change, there are requirements

that must be met in order to complete the request. For example members requesting Kaiser and Palo Alto Medical Foundation providers will need to meet certain criteria.

- Ms. Everett asked if a transfer of medical records can also be requested via the quick link. Ms. Byom explained that members will still have to call their health care provider to complete that action.

- **Tabs for More In-depth Information**

Ms. Byom explained the tabs found at the top of the page and reviewed the information that can be found in each page.

- Regarding the claims and authorization tab; Ms. Byom explained the restriction of providing claims and authorization information for minors on the portal. Ms. Everett confirmed that members will still be able to call to gain that information. A discussion was held as to what age parents are cut off from that information. Ms. Byom will confirm the age restrictions. Ms. Turner reminded the committee that a call to Customer Service for the information can be made if it is information not relating to sensitive services. Ms. Everett suggested that a disclaimer message be presented on the web page in cases in which the member should call for information.
- Regarding the transportation page; Mr. Vu asked if we are including ridesharing mobile applications such as Uber and Lyft. Ms. Turner answered that only taxi and bus services are eligible for transportation credit at this time. The feasibility of using these mobile applications for last minute appointments is being reviewed. Ms. Hart asked about eligibility for the transportation services and Ms. Turner confirmed that all Medi-Cal and Cal MediConnect members are eligible for transportation to health related appointments.

An open decision regarding the portal was held. The following concerns and suggestions were discussed:

- Ms. Everett asked for confirmation that the portal will be accessible to all. Ms. Byom confirmed that the portal will be translated into threshold languages and the web content is compatible with reading assistive devices.
- Ms. Kinoshita asked for a launch date. Ms. Byom answered that the plan is to have it live July 2018.

7. Provider Search Demonstration

The new SCFHP Provider Search is split between providers and facilities to help members narrow down the search. Members can filter by many fields, including:

- Location
- Type of Plan or Provider
- Provider Name and Details
- Preferred Language Other than English

Ms. Byom demonstrated a search and asked the committee for their input:

- Ms. Hart suggested that we clarify that providers speak English along with any other language offered. Ms. Taussig also suggested that if providers don't speak the language but staff does, clearly state that an "interpreter is on staff."
- Mr. Vu suggested the buttons for provider and facility are made larger and to highlight which option the user has chosen. He also suggests to add color and make the portal more eye-catching.
- Ms. Taussig asked for a clarification of behavioral health to be added. It should explain that behavioral health can also mean mental health or addiction services. Ms. Everett asked if behavioral health providers are split between adults and children. She stated that school officials often use the term behavioral health for attention disorders and autism spectrum disorder, and suggested it might be best to use all terms so providers do not get lost. Ms. Taussig agrees.
- A link to the portal and a survey will be sent to members for further input.

8. Future Meetings and Agenda Items

The next Consumer Advisory Committee meeting is September 11, 2018. Topics suggested for the next meeting include:

- Pediatrician's role in identifying behavioral health issues and assisting children in schools.
- Effects of sleep deprivation and information about discussing it with your PCP.
- Preventative care campaigns that will get members actively caring for their health. Example: a Walk Challenge using fitbit or similar devices to track.

9. Adjournment

Mr. Vu moved and Ms. Kinoshita seconded the motion to adjourn the meeting at 7:04 pm. The motion passed unanimously.

_____

Brenda Taussig
Chair, Consumer Advisory Committee

Santa Clara
Family Health Plan
The Spirit of Care

Ad Hoc Meeting of the
Santa Clara County Health Authority
Board Discretionary Fund Subcommittee

Tuesday, May 29, 2018
210 E. Hacienda Avenue
Campbell CA 95008
Creekside Conference Room

Via Teleconference
Residence
2060 Bryant Street
Palo Alto, CA 94301

Minutes – DRAFT

Members Present
Kathleen King
Brenda Taussig
Linda Williams *(via telephone)*

Members Absent
Jolene Smith

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Lori Andersen, Director, Long Term Services and Supports
Caroline Alexander, Administrative Assistant

1. **Roll Call**

Christine Tomcala called the meeting to order at 1:05 p.m. Roll Call was taken and a quorum was established.

2. **Public Comment**

There were no public comments.

3. **Background and Donation History**

Ms. Tomcala reviewed the organizational mission, and the past and current approach to donations and sponsorships. By Resolution dated November 4, 2010, the Governing Board established a policy detailing the process by which the Plan, through Board action, could make donations to support its mission. The policy was revised in 2016 to clarify that the CEO was authorized to make individual donations in amounts not to exceed $5,000, up to a total of $120,000 in donations per year, and to provide an annual report on such donations to the Board. Pursuant to this Board direction, for fiscal years 2016-2018, the Plan made donations to more than 30 community organizations. In the current fiscal year, donations and sponsorships total $85,915.

Periodically, the Board also has provided funding for special projects consistent with addressing the health care needs of the safety net population. Such projects include:

- Allocation of $1 million from Plan surplus funds for equal distribution to four Community Health Centers in 2014.
- A commitment to provide $160,000 to The Health Trust during the period May 2018-June 2019, to support The Health Trust's health insurance enrollment efforts, plus space-sharing with The Health Trust in East San Jose.
- Approval of funding up to $10,000 per agency and $100,000 total to support Patient-Centered Medical Home (PCMH) certification survey fees and authorized practice transformation initiatives at Community Clinics which are consistent with NCQA accreditation requirements or other Plan goals.

4. Availability of Funds

Dave Cameron provided background on availability of funds. DMHC requires the Plan to maintain a minimum level of Tangible Net Equity (TNE) to ensure the Plan's ability to meet its obligations. Pubic Plans maintain varying multiples of TNE; the Plan's current level is 486%, and the unweighted average for all Public Plans in California is 763%. It was suggested that any amount over the Board-designated TNE range maximum at the fiscal year end would be available to place in a Board Discretionary Fund.

> **It was moved, seconded, and unanimously approved** to recommend Board approval to establish a Special Project Board Discretionary Fund, to be funded with reserves that exceed the Board-designated TNE range maximum at fiscal year end.

5. Proposed Special Project Funding

Ms. Tomcala presented proposed criteria for Special Project Funding for the Committee's consideration. After review, the Committee recommended minor edits, including addition of a provision prohibiting funds from use for political purposes or donations to political campaigns. Lori Andersen and Ms. Tomcala will draft a policy outlining the criteria and considerations for Special Project Funding and Linda Williams will review.

> **It was moved, seconded, and unanimously approved** to recommend Board approval of the proposed criteria and considerations for Special Project Funding from the Board Discretionary Fund with the recommended changes.

6. Project Selection and Administration

Ms. Tomcala presented a proposed process for identification, selection, and oversight of potential special projects, for discussion. Ms. Williams recommended the process be streamlined. Brenda Taussig suggested that the process include a fast track process for urgent requests. Kathleen King recommended requiring requestors to submit a two-page letter of intent (LOI).

> **It was moved, seconded, and unanimously approved** to recommend Board approval of the proposed process for selection and administration of Special Projects, with suggested revisions.

7. Requests for Support

The committee reviewed recently received requests for funding.

8. Adjournment

The meeting was adjourned at 2:15 p.m.

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Christine M. Tomcala, Chair

Compliance Department Activity
March -June 2018

CORE 2.1 Performance Improvement Plan (PIP)
SCFHP completed its CORE 2.1 performance improvement plan. It was closed in March 2018. The PIP was developed to address SCFHP's low health risk assessment (HRA) completion rates. Completion rates continue to be compliant.

2018 DHCS Audit
The Department of Health Care Services (DHCS) conducted an annual audit of SCFHP in April 2018. The auditors were onsite for two weeks. The preliminary report is due July/August 2018.

DMHC Audit(s)
The Department of Managed Health Care (DMHC) conducted a Follow up audit of SCFHP's 2016 audit deficiencies on June 11 and June 12. The preliminary report regarding their findings is due on or before August 6.

DMHC will conduct its next Routine audit of SCFHP beginning March 18, 2019.

DMHC Timely Access
SCFHP successfully submitted its MY 2017 Timely Access filing on March 31, 2018. It is now under review by DMHC.

Board Training
Compliance training for staff and board members will be conducted between July and September 2018.

Cal MediConnect

- SCFHP's 2017 Medicare Data Validation (MDV) Audit Corrective Action is final and closed. The Plan had until the completion of the 2018 MDV audit to finalize its CAP.
- 2018 Medicare Data Validation Update:
    - Preliminary MDV reports appear to show positive results. Much of the CAP work is being reflected in improved rates in previously deficient sections. There are still areas for improvement, but it appears SCFHP will pass the audit.
- A 2016 Part D PDE data validation audit was conducted in March and SCFHP passed the audit.
- February is a busy reporting month for Cal MediConnect. SCFHP submitted 6 quarterly reports and 18 annual reports, reflecting Core Measures, California-specific measures, Part C and Part D measures. Data discrepancies required 5 of the reports to be resubmitted.
- The Plan Benefit Package (PBP), Formulary and other required documents and attestations were submitted for review and consideration by CMS and DHCS for the 2019 CMC contract renewal.

Medi-Cal

- SCFHP completed its first annual DHCS network certification filing. There were no identified gaps in time and distance standards for PCP access. However, there were gaps in Specialty access, specifically for Gastroenterology (pediatrics/adults); HIV/AIDS (pediatrics/adults); Neurology (pediatrics/adults) and Physical Medicine and Rehabilitation (pediatrics/adults) in the rural areas

of Morgan Hill, Gilroy and San Martin. DHCS has approved alternate access standards for those zip codes, and SCFHP will not be found deficient in those areas. SCFHP will continue to evaluate and reach out to providers for contracting in these areas.

- SCFHP, along with several other plans, was moved to Phase 3 implementation of the Medicaid Health Homes Program: July 1, 2019 for members with eligible chronic physical conditions and substance use disorders and January 1, 2020 for members with Specialty Mental Health conditions. SCFHP continues to prepare for the implementation.
- In September 2014, Behavioral Health Therapy (BHT) services were made a Managed Care benefit for beneficiaries with autism and management of these members was moved from the Regional Centers to the Plan. Similarly, management of BHT services for non-autistic Medi-Cal members will move from the Regional Center to the Plan on July 1, 2018.
- SCFHP submitted a request to DHCS to allow SCFHP to mail a postcard to members rather than the annual EOC mailing. Member would be directed to the website for an electronic version of the EOC or they can call the Plan and request a hard copy EOC and it will be mailed to them. The request is under consideration by DHCS.
- Provider Enrollment and Screening processes must be fully implemented by December 31, 2018. DHCS requires that providers either enroll with Medi-Cal directly and go through its credentialing and screening process, or go through a Plan-established process that mirrors the State's process. The providers processed through the State will be able to see FFS and Managed Care members, whereas the providers processed by the Plan will only be able to see Plan members.

FWA Activities

In May 2018, staff participated in a series of onsite meetings with T&M Protection resources, the Plan's FWA vendor, to discuss FWA program structure, emergent local and national trends, and feedback from DHCS during its audit.

Santa Clara
Family Health Plan

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Unaudited Financial Statements
For Ten Months Ended April 2018

Agenda

Santa Clara Family Health Plan
The Spirit of Care

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

	MTD		YTD	
Revenue	$169 M		$1,025 M	
Medical Expense (MLR)	$165 M	97.7%	$967 M	94.3%
Administrative Expense (% Rev)	$3.8 M	2.3%	$41.6 M	4.1%
Other Income/Expense	$127,337		$1,307,199	
Net Surplus (Loss)	**$225,008**		**$17,708,653**	
Cash on Hand			$430 M	
Net Cash Available to SCFHP			$262 M	
Receivables			$481 M	
Total Current Assets			$919 M	
Current Liabilities			$762 M	
Current Ratio			1.21	
Tangible Net Equity			$176 M	
% of DMHC Requirements			**469.8%**	

Financial Highlights

Santa Clara Family Health Plan
The Spirit of Care

- Net Surplus
  - Month: Surplus of $0.2M is $-1.6M or -87.5% unfavorable to budget of $1.8M.
  - YTD: Surplus of $17.7M is $7.8M or 78.1% favorable to budget of $9.9M.
- Enrollment
  - Month: Membership was 262,569 (-8,495 or -3.1% unfavorable budget of 271,064).
  - YTD: Member months was 2.7M (-55.2K or -2.0% unfavorable budget of 2.7M).
- Revenue
  - Month: $168.9M ($85.9M or 103.4% favorable to budget of $83.0M)
  - YTD: $1024.7M ($98.0M or 10.6% favorable to budget of $926.7M)
- Medical Expense
  - Month: $165.0M ($-87.9M or -114.1% unfavorable to budget of $77.1M)
  - YTD: $966.8M ($-92.5M or -10.6% unfavorable to budget of $874.3M)
- Administrative Expense
  - Month: $3.8M ($0.3M or 6.4% favorable to budget of $4.1M)
  - YTD: $41.6M ($0.2M or 0.5% favorable to budget of $41.8M)
- Tangible Net Equity
  - April 2018 TNE was $176.1M (469.8% of minimum DMHC requirements - $37.5M)
- Capital Expenditures
  - YTD Capital Investment = $11.3M vs. $17.3 annual budget was primarily due to building purchase.

Risks & Opportunities

Santa Clara Family Health Plan
The Spirit of Care

- Risks
  - YTD enrollment continues to trail. Medi-Cal enrollment has been declining since November 2016.
  - Retroactive provider rate adjustments are still causing some volatility in claims payments and in estimation of total monthly medical expenses.
  - Revenue recordation requires significant estimation and accruals, particularly those for the Coordinated Care Initiative (CCI).
  - Declining enrollment and revenue capitation rates are expected in FY19.
- Opportunities
  - YTD Net Surplus continues to exceed budget.
  - Continued incremental growth in CCI membership.
  - Continue to fill open positions to replace temporary staff and consultant usage.
  - With convergence of claims processing to QNXT, all claims are processed on one system, which allows for increased auto-adjudication rates and better efficiency.
  - Utilization management with in-house staffing for previously outsourced Health Risk Assessments and Individualized Care Management Plans yields better outcomes for members.

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Details

Enrollment

Santa Clara Family Health Plan
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- Medi-Cal membership has declined since November 2016, while CMC membership has generally stabilized over the past few months.
- As detailed on page 15, much of the Medi-Cal enrollment decline has been in the Medicaid Expansion (MCE), Adult and Child categories of aid.
- FY18 YTD Membership Trends
  - Medi-Cal membership has decreased since the beginning of the fiscal year by -5.3%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 26.4%.
  - CMC membership decreased since the beginning of the fiscal year by -1.4%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of Apr 2018			For Ten Months Ending Apr 30 2018				
	Actual	Budget	Variance	Actual	Budget	Variance	Prior Year Actuals	Δ FY17 vs. FY18
Medi-Cal	251,680	260,764	-(3.5%)	2,575,324	2,629,464	-(2.1%)	2,685,917	-(4.1%)
Healthy Kids	3,454	2,800	23.4%	27,878	28,000	-(0.4%)	30,178	-(7.6%)
Medicare	7,435	7,500	-(0.9%)	74,027	75,000	-(1.3%)	77,286	-(4.2%)
Total	**262,569**	**271,064**	**-(3.1%)**	**2,677,229**	**2,732,464**	**-(2.0%)**	**2,793,381**	**-(4.2%)**

Santa Clara Family Health Plan Enrollment By Network
March 2018

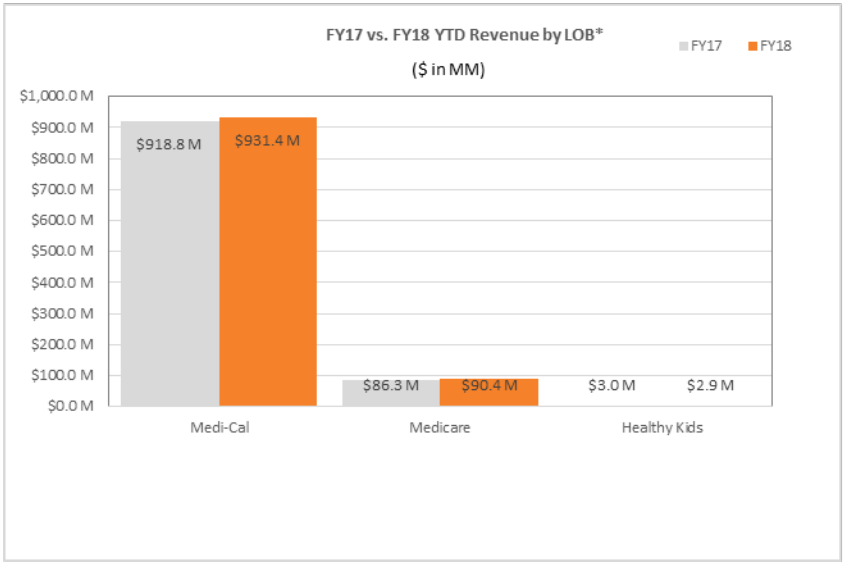
Network	Medi-Cal		Healthy Kids		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	28,976	12%	386	11%	7,435	100%	36,797	14%
SCVHHS1, Safety Net Clinics, FQHC2 Clinics	127,282	51%	1,585	46%	-	0%	128,867	49%
Palo Alto Medical Foundation	7,310	3%	93	3%	-	0%	7,403	3%
Physicians Medical Group	46,377	18%	1,142	33%	-	0%	47,519	18%
Premier Care	15,687	6%	248	7%	-	0%	15,935	6%
Kaiser	26,048	10%	-	0%	-	0%	26,048	10%
Total	**251,680**	**100%**	**3,454**	**100%**	**7,435**	**100%**	**262,569**	**100%**
Enrollment at June 30, 2017	265,753		2,732		7,543		276,028	
Net Δ from Beginning of FY18	-5.3%		26.4%		-1.4%		-4.9%	

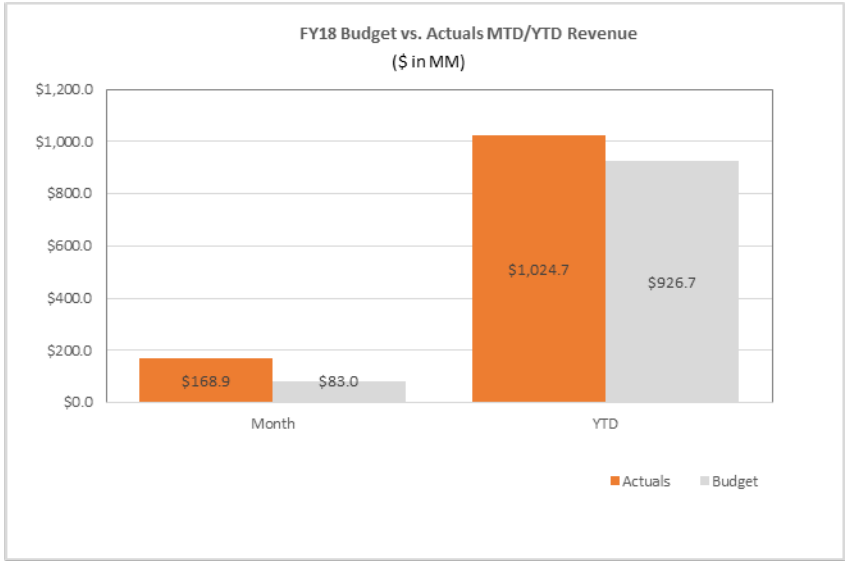
1 SCVHHS = Santa Clara Valley Health & Hospital System
2 FQHC = Federally Qualified Health Center

Revenue

Santa Clara Family Health Plan
The Spirit of Care

- Current month revenue of $168.9M is $85.9M or 103.4% favorable to budget of $83.0M. YTD revenue of $1024.7M is $98.0M or 10.6% favorable to budget of $926.7M.
  - Approximately $85M of the current month variance stems from receipt of AB85 to Cost funds, with largely offsetting revenue and medical expense.
  - Long Term Care (LTC) revenue was up in April to $3.6M and favorable to budget by $0.9M due to higher member months and rate differentials.
  - Adult Expansion revenue was down in April to $22.0M and unfavorable to budget by $-1.2M.





	FY17 vs. FY18 YTD Revenue by LOB*			
	FY17	FY18	Variance	
Medi-Cal	$918.8 M	$931.4 M	$12.7 M	1.4%
Medicare	$86.3 M	$90.4 M	$4.1 M	4.8%
Healthy Kids	$3.0 M	$2.9 M	($0.1 M)	-2.2%
Total Revenue	**$1,008.0 M**	**$1,024.7 M**	**$16.7 M**	**1.7%**

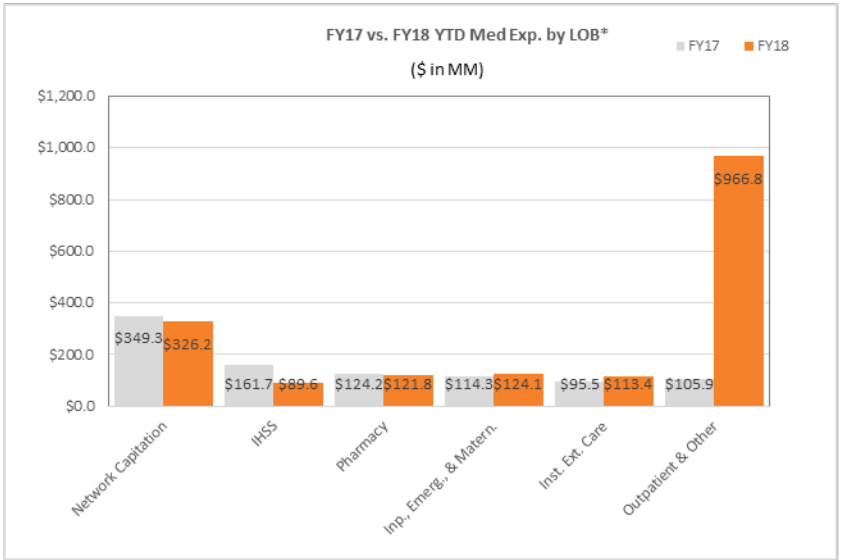
	FY18 Budget vs. Actuals MTD/YTD Revenue			
	Actuals	Budget	Variance	
Month	$168.9	$83.0	$85.9	103.4%
YTD	$1,024.7	$926.7	$98.0	10.6%

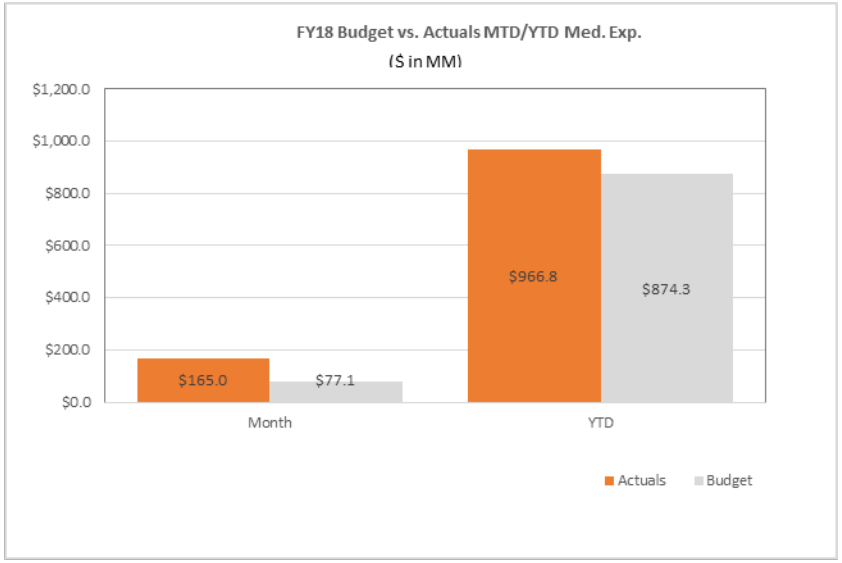
**IHSS was included in revenue through 12/31/17*

Medical Expense

Santa Clara Family Health Plan
The Spirit of Care

- Current month medical expense of $165.0M is $87.9M or 114.1% unfavorable to budget of $77.1M. YTD medical expense of $966.8M is $92.5M or 10.6% unfavorable to budget of $874.3M.
  - Approximately $85M of the current month variance stems from receipt of AB85 to Cost funds, with largely offsetting revenue and medical expense.
  - April capitation expense was favorable by $1.9M due to fewer member months.
  - April Inpatient expenses were unfavorable by $0.3M due to retroactive provider rate adjustments as well as seasonal increase in utilization.





	FY17 vs. FY18 YTD Med Exp. by LOB			
	FY17	FY18	Variance	
Network Capitation	$349.3	$326.2	-$23.1	-6.6%
IHSS	$161.7	$89.6	-$72.1	-44.6%
Pharmacy	$124.2	$121.8	-$2.3	-1.9%
Inp., Emerg., & Matern.	$114.3	$124.1	$9.8	8.6%
Inst. Ext. Care	$95.5	$113.4	$17.9	18.8%
Outpatient & Other	$105.9	$966.8	$15.8	812.6%
Total Medical Expense	**$950.9**	**$966.8**	**$15.8**	**1.7%**

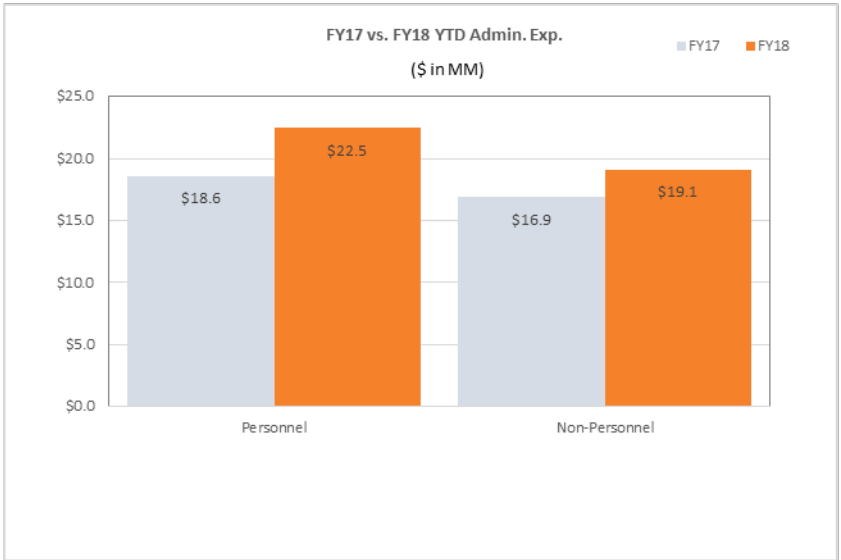
	FY18 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	$165.0	$77.1	$87.9	114.1%
YTD	$966.8	$874.3	$92.5	10.6%

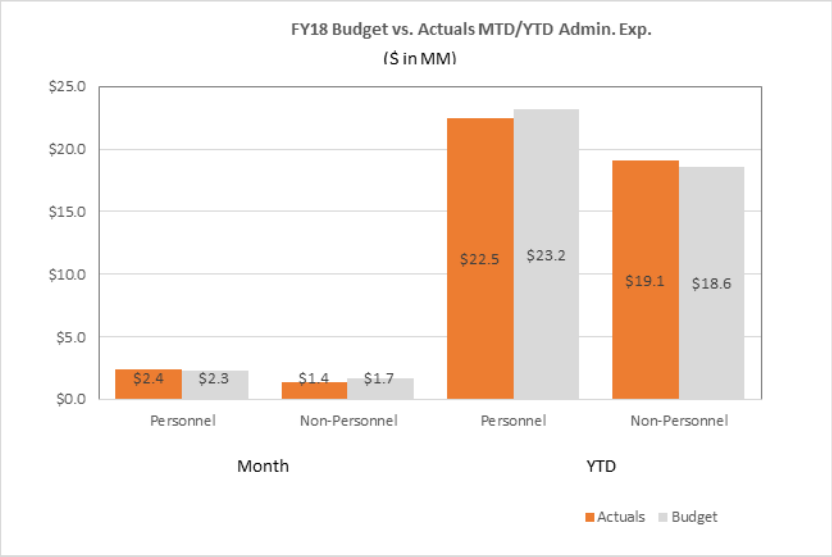
**IHSS was included in medical expense through 12/31/17*

Administrative Expense

Santa Clara Family Health Plan
The Spirit of Care

- Current month admin expense of $3.8M is $0.3M or 6.4% favorable to budget of $4.1M. YTD admin expense of $41.6M is $0.2M or -0.5% favorable to budget of $41.8M.
  - For the YTD, Personnel expenses are 3.0% under budget reflecting the usage of temporary staff and consultants to fill certain open positions during the year.
  - For the YTD, Non-Personnel expenses are 2.6% over budget, primarily due to increased consultant usage for both open staff positions and special projects during the year. Partially offsetting this was deferred printing and postage expenses.





	FY17 vs. FY18 YTD Admin. Exp.			
	FY17	FY18	Variance	
Personnel	$18.6	$22.5	$3.9	21.1%
Non-Personnel	$16.9	$19.1	$2.2	13.2%
Total Administrative Expense	**$35.4**	**$41.6**	**$6.1**	**17.3%**

		FY18 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	$2.4	$2.3	$0.0	1.7%
	Non-Personnel	$1.4	$1.7	-$0.3	-17.2%
	MTD Total	**$3.8**	**$4.1**	**-$0.3**	**-6.4%**
YTD	Personnel	$22.5	$23.2	-$0.7	-3.0%
	Non-Personnel	$19.1	$18.6	$0.5	2.6%
	YTD Total	**$41.6**	**$41.8**	**-$0.2**	**-0.5%**

Balance Sheet

Santa Clara Family Health Plan
The Spirit of Care

- Current assets totaled $918.8M compared to current liabilities of $761.9M, yielding a current ratio (Current Assets/Current Liabilities) of 1.2 vs. the DMHC minimum requirement of 1.0.

- Working capital (Current Assets Less Current Liabilities) increased by $12.2M for the ten months of the fiscal year.

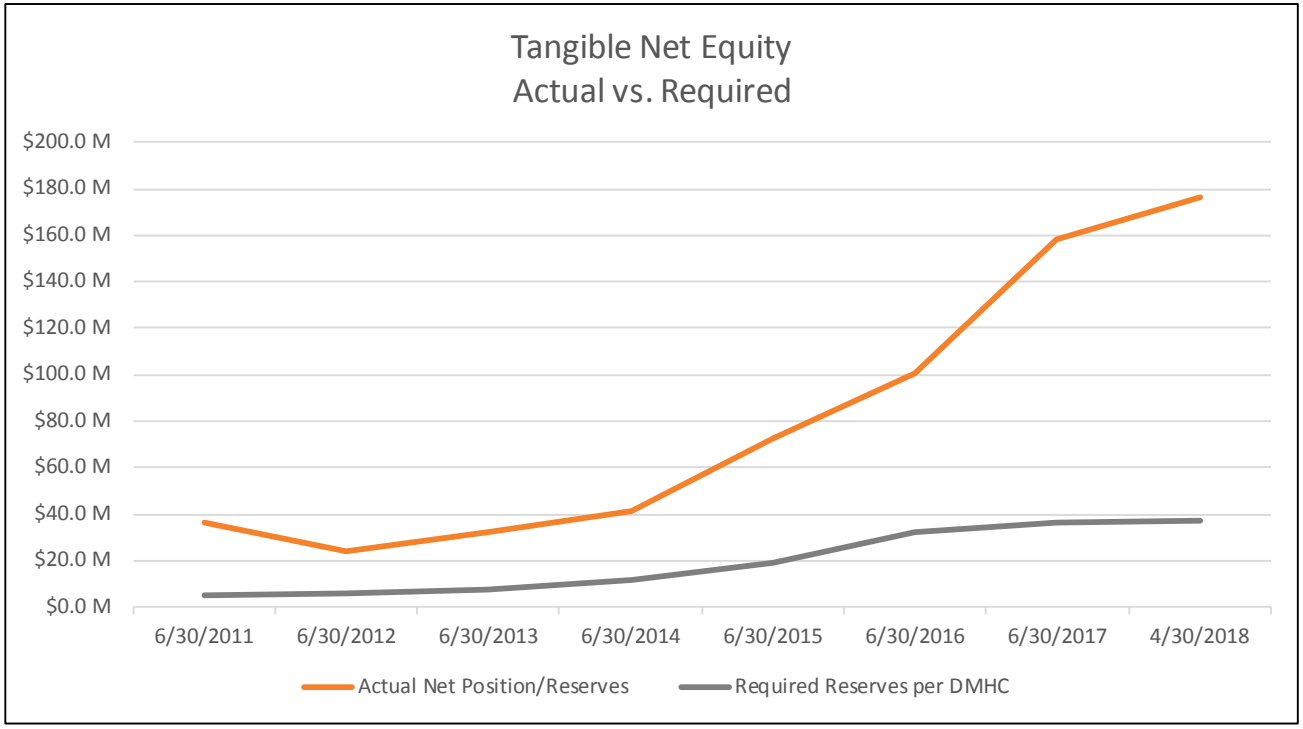
- Cash as of April 30, 2018 increased by $64.9M compared to the cash balance as of year-end June 30, 2017.

Tangible Net Equity

- TNE was $176.1M in April 2018 or 469.8% of the most recent quarterly DMHC minimum requirement of $37.5M. TNE trends for SCFHP are shown below.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of : March 31, 2018

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	4/30/2018
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$176.1 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$37.5 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$75.0 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	469.8%



Reserves Analysis

Santa Clara Family Health Plan
The Spirit of Care

- At the September 2016 Governing Board meeting, a policy was adopted for targeting the organization's capital reserves to include:
  a) An Equity Target of 350-500% of DMHC required TNE percentage and
  b) A Liquidity Target of 45-60 days of total operating expenses in available cash.

SCFHP RESERVES ANALYSIS APRIL 2018	
Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	176,089,213
Current Required TNE	37,480,187
Excess TNE	**138,609,025**
Required TNE %	469.8%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	131,180,656
500% of Required TNE (High)	187,400,937
TNE Above/(Below) SCFHP Low Target	**$44,908,557**
TNE Above/(Below) High Target	**($11,311,724)**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	430,143,232
Less Pass-Through Liabilities	
Payable to State of CA (1)	-
Other Pass-Through Liabilities	(168,212,468)
Total Pass-Through Liabilities	**($168,212,468)**
Net Cash Available to SCFHP	$261,930,764
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$141,719,830**
Liquidity Above/(Below) High Target	**$101,649,519**
(1) Pass-Through from State of CA (excludes IHSS)	
Receivables Due to SCFHP	104,657,356
Payables Due to SCFHP	(69,103,402)
Net Receivables/(Payables)	**$35,553,954**

Capital Expenditure

Santa Clara Family Health Plan
The Spirit of Care

- Capital investments of $11.3M were made in the ten months ending April 2018, largely due to the purchase and renovation of a new building (in order to lower the long term occupancy costs in an ever increasing rental rate situation in the current location).
- YTD capital expenditure includes the following and we expect to incur the bulk of the remaining expenditures later in FY 2018.

Expenditure	YTD Actual	Annual Budget
New Building [(1)]	$9,997,507	$14,300,000
Systems	329,881	1,595,000
Hardware	397,156	611,500
Software	369,192	587,000
Furniture and Fixtures	135,935	173,515
Automobile	29,248	33,000
Leasehold Improvements	0	10,000
TOTAL	**$11,258,918**	**$17,310,015**

(1) *Budget includes $4.6 million of renovation expend associated with 50 Great Oaks building Increased to $14.3M by governing board in March 2018.*

Santa Clara
Family Health Plan

The Spirit of Care

Statements

Enrollment By Aid Category

		2017-04	2017-05	2017-06	2017-07	2017-08	2017-09	2017-10	2017-11	2017-12	2018-01	2018-02	2018-03	2018-04
NON DUAL	Adult (over 19)	30,468	30,028	29,745	29,019	29,307	29,056	28,726	28,256	28,075	27,528	27,566	27,365	27,252
	Adult (under 19)	106,784	106,137	106,200	104,714	105,200	104,404	103,890	103,339	103,160	101,327	101,769	101,314	100,730
	Aged - Medi-Cal Only	10,520	10,538	10,674	10,776	10,693	10,722	10,801	10,778	10,782	10,892	10,906	10,906	10,924
	Disabled - Medi-Cal Only	11,089	11,081	10,923	10,913	10,862	10,845	10,850	10,863	10,821	10,792	10,798	10,759	10,793
	Adult Expansion	82,751	82,420	82,349	80,300	80,741	80,470	79,998	79,232	79,207	76,923	77,302	76,985	76,677
	BCCTP	17	16	18	17	17	17	17	16	16	15	15	15	15
	Long Term Care	309	320	332	344	355	366	369	370	377	375	372	363	349
	Total Non-Duals	**241,938**	**240,540**	**240,241**	**236,083**	**237,175**	**235,880**	**234,651**	**232,854**	**232,438**	**227,852**	**228,728**	**227,707**	**226,740**
DUAL	Adult (21 Over)	479	467	463	464	450	447	444	427	433	421	419	416	401
	Aged (21 Over)	16,222	16,217	16,401	16,329	16,709	16,813	16,832	16,829	16,721	16,716	16,782	16,707	16,533
	Disabled (21 Over)	6,507	6,458	6,518	6,474	6,502	6,522	6,547	6,555	6,552	6,545	6,559	6,526	6,409
	Adult Expansion	947	921	906	806	784	793	789	717	709	474	433	470	451
	BCCTP	1	1	1	1	1	1	0	0	0	1	1	2	2
	Long Term Care	1,210	1,214	1,223	1,234	1,250	1,246	1,255	1,251	1,253	1,248	1,219	1,197	1,144
	Total Duals	**25,366**	**25,278**	**25,512**	**25,308**	**25,696**	**25,822**	**25,867**	**25,779**	**25,668**	**25,405**	**25,413**	**25,318**	**24,940**
	Total Medi-Cal	**267,304**	**265,818**	**265,753**	**261,391**	**262,871**	**261,702**	**260,518**	**258,633**	**258,106**	**253,257**	**254,141**	**253,025**	**251,680**
	Healthy Kids	**2,794**	**2,757**	**2,732**	**2,633**	**2,618**	**2,243**	**2,288**	**2,321**	**2,447**	**3,209**	**3,250**	**3,415**	**3,454**
CMC	CMC Non-Long Term Care	7,276	7,255	7,260	7,252	7,139	7,124	7,070	7,095	7,132	7,135	7,169	7,168	7,201
	CMC - Long Term Care	291	290	283	273	266	259	256	254	257	254	248	241	234
	Total CMC	**7,567**	**7,545**	**7,543**	**7,525**	**7,405**	**7,383**	**7,326**	**7,349**	**7,389**	**7,389**	**7,417**	**7,409**	**7,435**
	Total Enrollment	**277,665**	**276,120**	**276,028**	**271,549**	**272,894**	**271,328**	**270,132**	**268,303**	**267,942**	**263,855**	**264,808**	**263,849**	**262,569**

Income Statement

Santa Clara County Health Authority
Income Statement for Ten Months Ending April 30, 2018

	For the Month of Apr 2018						For Ten Months Ending Apr 30, 2018					
	Actual	% of Rev	Budget	% of Rev	Variance	% Var	Actual	% of Rev	Budget	% of Rev	Variance	% Var
REVENUES												
MEDI-CAL	$159,792,087	94.6%	$ 74,148,431	89.3%	$ 85,643,655	115.5%	$ 931,414,699	90.9%	$837,791,061	90.4%	$ 93,623,638	11.2%
HEALTHY KIDS	363,798	0.2%	252,000	0.3%	111,798	44.4%	2,899,100	0.3%	2,520,000	0.3%	379,100	15.0%
MEDICARE	8,781,593	5.2%	8,637,957	10.4%	143,636	1.7%	90,408,271	8.8%	86,379,574	9.3%	4,028,697	4.7%
TOTAL REVENUE	**$168,937,478**	**100.0%**	**$ 83,038,389**	**100.0%**	**$ 85,899,089**	**103.4%**	**$ 1,024,722,070**	**100.0%**	**$926,690,635**	**100.0%**	**$ 98,031,435**	**10.6%**
MEDICAL EXPENSES												
MEDI-CAL	$156,480,703	92.6%	$ 68,579,499	82.6%	$ (87,901,203)	-128.2%	$ 881,462,655	86.0%	$789,206,142	85.2%	$ (92,256,513)	-11.7%
HEALTHY KIDS	276,145	0.2%	240,242	0.3%	(35,903)	-14.9%	2,507,907	0.2%	2,402,419	0.3%	(105,488)	-4.4%
MEDICARE	8,258,076	4.9%	8,267,243	10.0%	9,168	0.1%	82,787,341	8.1%	82,672,432	8.9%	(114,909)	-0.1%
TOTAL MEDICAL EXPENSES	**$165,014,923**	**97.7%**	**$ 77,086,985**	**92.8%**	**$ (87,927,939)**	**-114.1%**	**$ 966,757,903**	**94.3%**	**$874,280,993**	**94.3%**	**$ (92,476,910)**	**-10.6%**
MEDICAL OPERATING MARGIN	**$ 3,922,555**	**2.3%**	**$ 5,951,404**	**7.2%**	**$ (2,028,849)**	**-34.1%**	**$ 57,964,167**	**5.7%**	**$ 52,409,642**	**5.7%**	**$ 5,554,525**	**10.6%**
ADMINISTRATIVE EXPENSES												
SALARIES AND BENEFITS	$ 2,381,274	1.4%	$ 2,341,614	2.8%	$ (39,661)	-1.7%	$ 22,477,289	2.2%	$ 23,173,808	2.5%	$ 696,519	3.0%
RENTS AND UTILITIES	120,470	0.1%	115,048	0.1%	(5,422)	-4.7%	1,267,647	0.1%	1,163,995	0.1%	(103,652)	-8.9%
PRINTING AND ADVERTISING	101,706	0.1%	62,050	0.1%	(39,656)	-63.9%	502,346	0.0%	883,300	0.1%	380,954	43.1%
INFORMATION SYSTEMS	175,409	0.1%	208,714	0.3%	33,305	16.0%	1,548,792	0.2%	2,141,139	0.2%	592,347	27.7%
PROF FEES / CONSULTING / TEMP STAFFING	540,804	0.3%	738,148	0.9%	197,344	26.7%	10,919,341	1.1%	8,406,168	0.9%	(2,513,173)	-29.9%
DEPRECIATION / INSURANCE / EQUIPMENT	339,781	0.2%	397,602	0.5%	57,821	14.5%	3,389,631	0.3%	3,561,930	0.4%	172,299	4.8%
OFFICE SUPPLIES / POSTAGE / TELEPHONE	74,774	0.0%	115,411	0.1%	40,638	35.2%	565,498	0.1%	1,368,714	0.1%	803,216	58.7%
MEETINGS / TRAVEL / DUES	87,617	0.1%	86,200	0.1%	(1,417)	-1.6%	820,624	0.1%	938,890	0.1%	118,266	12.6%
OTHER	3,049	0.0%	20,758	0.0%	17,709	85.3%	71,544	0.0%	131,234	0.0%	59,690	45.5%
TOTAL ADMINISTRATIVE EXPENSES	**$ 3,824,884**	**2.3%**	**$ 4,085,545**	**4.9%**	**$ 260,662**	**6.4%**	**$ 41,562,712**	**4.1%**	**$ 41,769,178**	**4.5%**	**$ 206,466**	**0.5%**
OPERATING SURPLUS (LOSS)	$ 97,671	0.1%	$ 1,865,859	2.2%	$ (1,768,188)	-94.8%	$ 16,401,454	1.6%	$ 10,640,464	1.1%	$ 5,760,991	54.1%
OTHER INCOME/EXPENSE												
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	0.0%	(59,780)	-0.1%	-	0.0%	(597,797)	-0.1%	(597,797)	-0.1%	-	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	0.0%	(75,000)	-0.1%	-	0.0%	(750,000)	-0.1%	(750,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	262,116	0.2%	65,153	0.1%	196,964	302.3%	2,654,995	0.3%	651,527	0.1%	2,003,469	307.5%
OTHER INCOME/EXPENSE	**127,337**	**0.1%**	**(69,627)**	**-0.1%**	**196,964**	**-282.9%**	**1,307,199**	**0.1%**	**(696,270)**	**-0.1%**	**2,003,469**	**-287.7%**
NET SURPLUS (LOSS)	**$ 225,008**	**0.1%**	**$ 1,796,232**	**2.2%**	**$ (1,571,224)**	**-87.5%**	**$ 17,708,653**	**1.7%**	**$ 9,944,194**	**1.1%**	**$ 7,764,459**	**78.1%**

Balance Sheet

	April 2018	March 2018	February 2018	January 2018	June 2017
Assets					
Current Assets					
Cash and Marketable Securities	$430,143,232	$240,949,606	$203,113,259	$215,825,024	$364,609,248
Receivables	480,638,665	480,610,119	557,171,775	541,831,444	474,866,197
Prepaid Expenses and Other Current Assets	7,993,464	8,649,591	7,139,640	7,645,952	7,070,619
Total Current Assets	**918,775,361**	**730,209,316**	**767,424,674**	**765,302,419**	**846,546,064**
Long Term Assets					
Property and Equipment	32,527,805	34,170,890	31,931,664	31,747,798	21,268,887
Less: Accumulated Depreciation	(13,716,660)	(13,887,531)	(13,123,689)	(12,834,925)	(10,761,759)
Total Long Term Assets	18,811,145	20,283,360	18,807,975	18,912,873	10,507,128
Total Assets	**937,586,506**	**750,492,676**	**786,232,649**	**784,215,293**	**857,053,192**
Deferred Outflow of Resources	**14,405,010**	**14,405,010**	**14,405,010**	**14,405,010**	**9,287,513**
Total Deferred Outflows and Assets	**951,991,516**	**764,897,686**	**800,637,659**	**798,620,303**	**866,340,705**
Liabilities and Net Assets					
Current Liabilities					
Trade Payables	4,335,052	5,641,340	4,669,231	4,171,876	6,157,039
Deferred Rent	29,609	35,908	42,207	48,505	92,597
Employee Benefits	1,576,739	1,541,057	1,506,845	1,446,790	1,262,108
Retirement Obligation per GASB 45	5,416,156	5,356,376	5,296,596	5,236,817	4,818,359
Advance Premium - Healthy Kids	66,514	66,818	56,874	58,429	53,439
Deferred Revenue - Medicare		8,501,089			8,372,938
Whole Person Care	8,095,462	7,501,830	2,065,180	2,065,180	2,065,180
Payable to Hospitals	160,117,006	12,654,006	11,073,677	11,064,023	27,378,335
Due to Santa Clara County Valley Health Plan and Kaiser	32,762,318	6,052,151	4,748,303	5,669,467	9,456,454
MCO Tax Payable - State Board of Equalization	7,241,386	(219,630)	16,790,320	8,588,820	33,865,555
Due to DHCS	56,838,036	61,514,786	80,163,268	88,717,729	207,658,770
Liability for In Home Support Services (IHSS)	390,509,778	390,509,778	390,509,778	390,510,323	300,220,266
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	92,527,523	89,521,488	91,663,093	90,446,394	90,922,381
Total Current Liabilities	**761,890,104**	**591,051,520**	**610,959,896**	**610,398,878**	**694,697,946**
Non-Current Liabilities					
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	7,607,370	7,532,370	7,457,370	7,382,370	6,857,370
Total Non-Current Liabilities	**13,526,870**	**13,451,870**	**13,376,870**	**13,301,870**	**12,776,870**
Total Liabilities	**775,416,974**	**604,503,390**	**624,336,766**	**623,700,748**	**707,474,816**
Deferred Inflow of Resources	**485,329**	**485,329**	**485,329**	**485,329**	**485,329**
Net Assets / Reserves					
Invested in Capital Assets	9,623,030	9,737,811	9,814,951	9,910,932	10,507,128
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350	305,350
Unrestricted Net Equity	148,452,180	148,337,399	148,260,258	148,164,278	89,480,978
Current YTD Income (Loss)	17,708,653	17,483,645	17,435,004	16,053,666	58,087,104
Total Net Assets / Reserves	176,089,213	175,864,205	175,815,564	174,434,226	158,380,560
Total Liabilities, Deferred Inflows, and Net Assets	**951,991,516**	**780,852,925**	**800,637,659**	**798,620,303**	**866,340,705**

Cash Flow – For the Nine Months Ending March 2018

Cash Flows from Operating Activities	
Premiums Received	841,504,698
Medical Expenses Paid	(851,557,384)
Adminstrative Expenses Paid	83,534,466
Net Cash from Operating Activities	**$73,481,780**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(11,258,918)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	2,654,995
Net Increase/(Decrease) in Cash & Cash Equivalents	64,877,857
Cash & Cash Equivalents (Jun 17)	364,609,248
Cash & Cash Equivalents (Apr 18)	430,143,232
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**17,708,653**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	2,954,901
Changes in Operating Assets/Liabilities	
Premiums Receivable	(5,772,468)
Other Receivable	(2,654,995)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(1,578,972)
Deferred Outflow of Resources	(5,117,497)
Accounts Payable & Accrued Liabilities	129,436,543
State Payable	(177,444,904)
Santa Clara Valley Health Plan & Kaiser Payable	23,305,864
Net Pension Liability	750,000
Medical Cost Reserves & PDR	1,605,142
Deferred Inflow of Resources	90,289,512
Total Adjustments	**$52,818,226**
Net Cash from Operating Activities	**$73,481,780**

Statement of Operations

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Ten Months Ending Apr 30 2018

	Medi-Cal	CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)				
REVENUE	907,225,395	114,597,574.81	2,899,100	**1,024,722,070**
MEDICAL EXPENSES	854,885,467	109,364,528.82	2,507,907	**966,757,903**
(MLR)	94.2%	95.4%	86.5%	**94.3%**
GROSS MARGIN	52,339,928	5,233,046	391,193	**57,964,167**
ADMINISTRATIVE EXPENSES	36,797,049	4,648,076	117,587	**41,562,712**
(% of Revenue Allocation)				
OPERATING INCOME/(LOSS)	15,542,879	584,970	273,605	**16,401,454**
(% of Revenue Allocation)				
OTHER INCOME/(EXPENSE)	1,157,313	146,188	3,698	**1,307,199**
(% of Revenue Allocation)				
NET INCOME/(LOSS)	16,700,192	731,158	277,304	**17,708,653**
PMPM (ALLOCATED BASIS)				
REVENUE	$352.28	$1,548.05	$103.99	**$382.75**
MEDICAL EXPENSES	331.95	1,477.36	89.96	**361.10**
GROSS MARGIN	20.32	70.69	14.03	**21.65**
ADMINISTRATIVE EXPENSES	14.29	62.79	4.22	**15.52**
OPERATING INCOME/(LOSS)	6.04	7.90	9.81	**6.13**
OTHER INCOME/(EXPENSE)	0.45	1.97	0.13	**0.49**
NET INCOME/(LOSS)	6.48	9.88	9.95	**6.61**
ALLOCATION BASIS:				
MEMBER MONTHS - YTD	2,575,324	74,027	27,878	2,677,229
Revenue by LOB	88.5%	11.2%	0.3%	100.0%

Note: CMC includes Medi-Cal portion of the Coordinated Care Initiative (CCI) data.

Date: June 28, 2018

To: Governing Board, Santa Clara County Health Authority

From: Christine Tomcala, CEO & Dave Cameron, CFO

Re: **Fiscal Year 2018-19 Operating and Capital Budgets**

The enclosed package contains a draft of the fiscal year 2018-19 Operating and Capital Budgets for your review and consideration.

The proposed fiscal year 2018-19 Operating Budget anticipates revenues of $968 million, representing a 12.4% decrease over fiscal year 2017-18 Forecast revenue of $1.1 billion, and reflects the phase-out of In-Home Supportive Services (IHSS) from managed care effective January 1, 2018. The proposed budget projects total expenses of $958 million, representing an 11.3% decrease from fiscal year 2017-2018 total expenses of $1.1 billion and also reflects the phase-out of IHSS effective January 1, 2018. The proposed budget projects a net surplus of $9.1 million, or 0.9% of revenue, representing a decrease of $11.7 million from the fiscal year 2017-18 forecast.

Key fiscal year 2018-19 budget assumptions include:

Membership

- Total projected membership is expected decrease from 259,532 per the fiscal year-end 2017-18 forecast to 246,331 per the fiscal year 2018-19 budget representing 13,201 members or 5.1%. Annual member months are expected to decrease by 169,075 or 5.3%. Both reflect recent declining enrollment trends.
- Medi-Cal membership is projected to decrease 5.5%, reflecting a 6.2% decrease in Non-Dual enrollment (primarily in the Adult, Expansion & Child categories of aid) partially offset by a 0.9% increase in Dual enrollment.
- CMC membership is projected to increase by 6.4% due to additional outreach efforts.
- Healthy Kids enrollment is expected to decrease 2.0%, with most members now in the CCHIP program.

Revenue

- Revenue is expected to decrease from $1.1 billion per the fiscal year 2017-2018 forecast to $968 million per the fiscal year 2018-19 budget and reflects the phase-out of IHSS.
- Revenue reflects projected Medi-Cal rates based on the draft rates received from DHCS in April 2018 with estimates added for Countywide averaging and risk-sharing.
    - Medi-Cal Non-Dual categories of aid reflect an overall decrease of 3.0% (primarily in the Child & SPD categories of aid)
    - Medi-Cal Dual categories of aid reflect a 4% rate decrease.
- CMC revenue is based on calendar year 2018 Medicare rates received from CMS, with the Medi-Cal component based on rates released in April, further adjusted for actual enrollment in the specified population cohorts.
- Healthy Kids revenue is expected to remain flat.

Santa Clara Family Health Plan

Fiscal Year 2018-2019

Operating and Capital Budgets

Health Care Expense

- Health care expenses are expected to decrease from $1.0 billion per the fiscal year 2017-18 forecast to $902 million per the fiscal year 2018-2019 budget and reflects both the mid-year phase-out of IHSS and declining enrollment.
- Health care cost projections are based on several methods, predominantly current trends calculated from historical experience. In addition, adjustments were made to account for known changes to program structure, expected provider increases, and/or actuarial estimates for Medi-Cal Classic, Medi-Cal Expansion, CMC, and CCI.

Administrative Expense

- Administrative expenses are budgeted at 5.8% of revenue. This increases from the 4.5% forecasted for FY 17-18, primarily from the impact of IHSS revenue reduction.
- Administrative expense includes higher expenses for (1) additional personnel to fully staff Customer Service, Medical Services & Claims departments, (2) additional depreciation for new assets acquired, and (3) increased postage and printing for the Medi-Cal Evidence of Coverage (EOC). Partially offsetting these increases are reduced temporary, consulting and occupancy costs.

Operating Surplus

The fiscal year 2018-2019 budget yields a projected annual surplus of $9.1 million or 0.9% of revenue.

Capital Expenditures

The fiscal year 2018-19 budget includes capital expenditures of $4.5 million, including solar and upgraded roof for our new building of $1.2 million, and I.T. systems, hardware, and software purchases of $3.3 million.

Respectfully submitted,

Christine Tomcala, CEO
Dave Cameron, CFO

Santa Clara
Family Health Plan
The Spirit of Care

Fiscal Year 2018-2019

Proposed Operating and Capital Budgets

Governing Board Meeting

June 28, 2018

Table of Contents

FY18/19 Major Changes & Updates

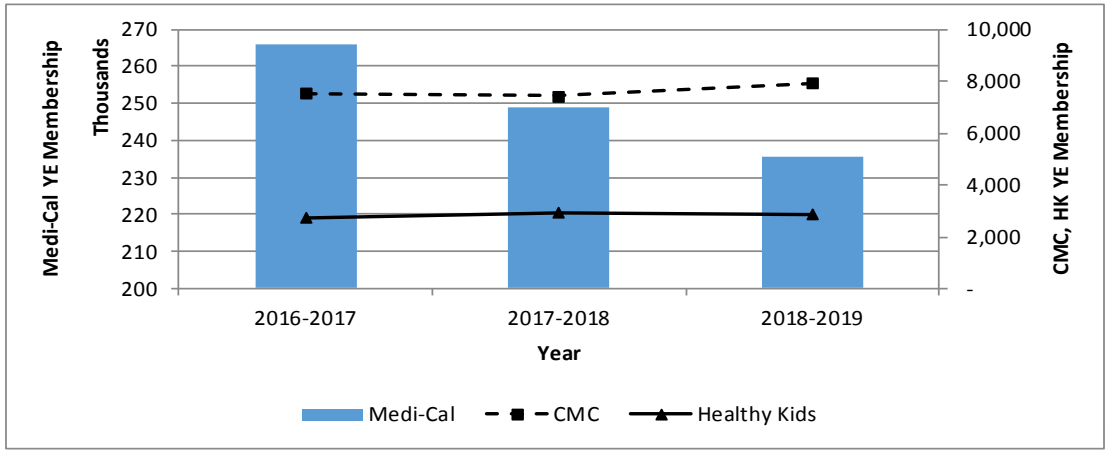
- FY18 Operational/Budget Updates:
  - Oct 2017: Non-Medical Transportation (NMT) added as a managed care benefit
  - Jan 2018: Palliative Care (SB 1004) (Advance Care Planning)
  - Jan 2018: In-Home Supportive Services (IHSS) risk removed from managed care
  - July 2018: Members without an autism diagnosis will transition from the Regional center to SCFHP for Behavioral Health Services (BHT)
  - July 2018: Application of 25/75 Risk Adjustment (25% Plan Specific/75% County Average Risk Adjusted Rate)
- FY19 Program Changes:
  - Jan 2019: Diabetes Prevention Program
  - July 2019: Health Homes Program (HHP)

Other Budget Updates

- FY2017/18: Directed Payments
  - Proposition 56 Physician Supplemental Payments
  - Public Hospital Enhanced Payment Program (EPP)
  - Public Hospital Quality Incentive Pool (QIP)
  - Private Hospital Directed Payment (PHDP)

Enrollment Assumptions

- **Medi-Cal Line of Business:**
  - Enrollment projections are based on actual data through April 2018 and trended through June 2018. The budget assumes membership will continue to decrease in most Non-Dual and Dual aid categories. Total Medi-Cal membership is expected to decline from projected FY18 close of 249,163 to 235,542 members at the close of FY19 (annual decline of 5.5%)
- **Cal MediConnect Line of Business:**
  - Due to increased outreach efforts, Cal MediConnect membership has begun to stabilize in recent months. With additional outreach, CMC membership is expected to increase from projected FY18 close of 7,435 to 7,915 at the close of FY19 (annual increase of 6.5%).
- **Healthy Kids Line of Business:**
  - Healthy Kids membership is expected to decrease slightly from projected FY18 close of 2,944 to 2,874 members at the close of FY19 (annual decrease of 2%).



Medi-Cal Enrollment Detail

	Jun 18	Jun 19	Variance	
NON DUALS	**Projected**	**Budget**	**Increase/ (Decrease)**	**%**
Adult Expansion	75,658	69,822	(5,836)	-7.7%
Adult/Family (under 19)	99,586	93,772	(5,814)	-5.8%
Adult/Family (over 19)	26,845	24,526	(2,319)	-8.6%
SPD	21,735	21,843	108	0.5%
BCCTP	15	15	0	0.0%
Long Term Care	351	361	11	3.0%
Sub-Total Non Duals	*224,189*	*210,340*	*(13,849)*	*-6.2%*
DUALS				
Adult Expansion	436	356	(80)	-18.3%
Adult/Family (21 over)	388	317	(71)	-18.3%
SPD	23,014	23,449	435	1.9%
BCCTP	2	2	(0)	-18.3%
Long Term Care	1,134	1,079	(55)	-4.9%
Sub-Total Duals	*24,974*	*25,203*	229	0.9%
Grand Total	**249,163**	**235,542**	**(13,621)**	**-5.5%**

- FY19 Budget enrollment is based on current trends.

Trended Enrollment Summary

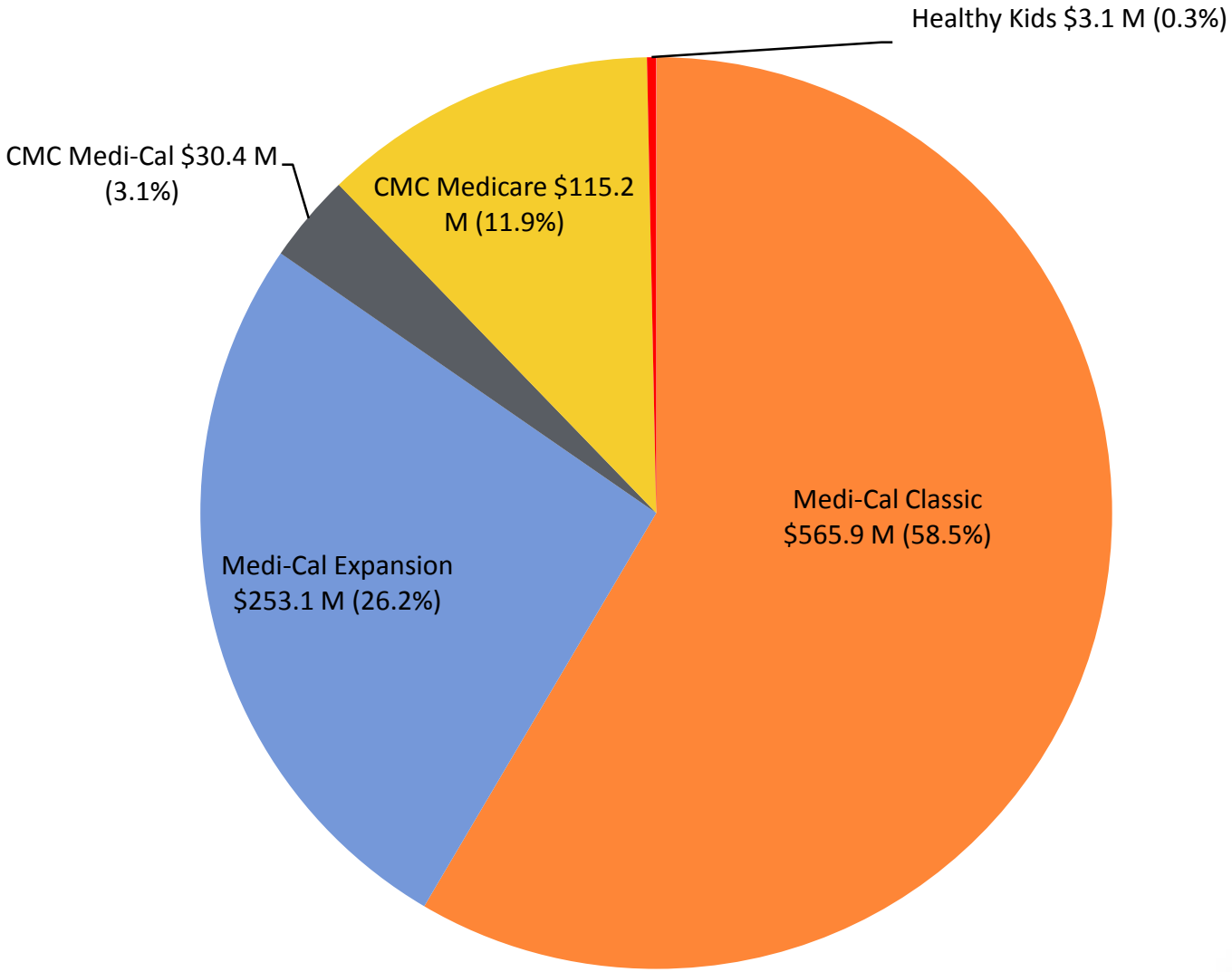
	Actual Member Months						Forecast	Budget
	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Medi-Cal	1,348,643	1,553,229	1,928,866	2,586,104	3,039,275	3,217,527	3,074,100	2,900,360
Annual Growth	*9.7%*	*15.2%*	*24.2%*	*34.1%*	*17.5%*	*5.9%*	*-4.5%*	*-5.7%*
Cal MediConnect				39,516	101,943	92,376	88,897	92,340
Annual Growth					*158.0%*	*-9.4%*	*-3.8%*	*3.9%*
Healthy Kids	77,970	69,109	63,893	57,356	52,025	35,692	33,756	34,978
Healthy Families	205,439	103,451	212	-	-	-	-	-
Healthy Workers	4,754	6,730	3,395	-	-	-	-	-
Healthy Generations	-	-	-	-	-	-	-	-
Total	1,636,806	1,732,519	1,996,366	2,682,976	3,193,243	3,345,595	3,196,753	3,027,678
Annual Growth	*7.4%*	*5.8%*	*15.2%*	*34.4%*	*19.0%*	*4.8%*	*-4.4%*	*-5.3%*
Average Covered Lives	136,401	144,377	166,364	223,581	266,104	278,800	266,396	252,307

- Following several years of tremendous growth (due in part to the ACA Expansion in FY14 and the additional of CMC in FY15), membership has continued to decline from a peak of 282,197 members as of October 2016.
- Overall enrollment is expected to decline from 259,500 at the close of FY18 to 246,331 at the close of FY19 (5.1%).

Revenue Assumptions

- Revenue is expected to decrease from $1.1 billion per the FY18 Forecast to $968 million per the FY19 Budget (an annual reduction of 12.4%). The decrease is attributable to the full phase-out of IHSS, declining Medi-Cal membership, and projected Medi-Cal rate reductions.
  - Medi-Cal rates reflect an overall 3.1% decrease reflecting a 10% reduction in the Child rate and a 1.7% decrease in the MCE rate.
  - CMC revenue is based on CY18 risk score Medicare rates, with the Medi-Cal component based on rates released for CY17, which were further adjusted for actual enrollment in the specified population cohorts.
  - Healthy Kids revenue is projected to be flat at FY 2018 PMPM rates.

Revenue Composition

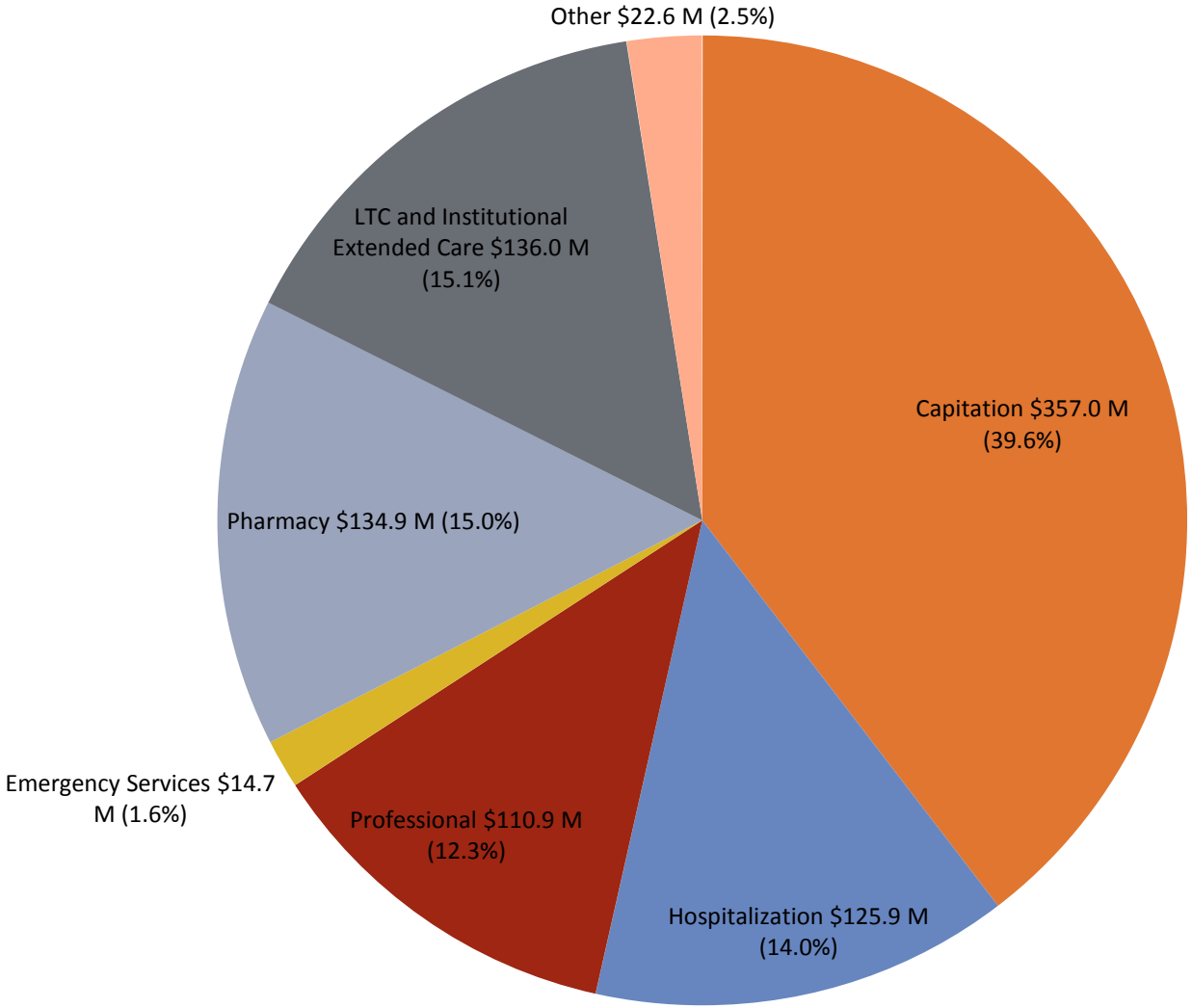


Total FY19 Revenue = $967.8 M

Health Care Expense Assumptions

- Health Care Expenses are expected to decrease from $1.0 billion per the FY18 Forecast to $902 million per the FY19 Budget (an annual reduction of 12.3%). The decrease is attributable to the phase-out of IHSS from managed care.
  - FY19 Health care expenses are projected to be 93.2% of revenue.
  - Several methods were utilized in the development of medical expense forecasts. Primarily, projections were based on trends calculated from historical experience and known contract changes.
  - Adjustments were applied to account for expected changes to operations, program structure, benefits, and regulatory policies.

Health Care Expense Composition



Total FY19 Health Care Costs = $902.0 M

Administrative Expense

Comparative Analysis

	FY18 Forecast		FY19 Budget	
Revenue	$ 1,104,758,607		$ 967,816,730	
Member Months	3,196,753		3,027,678	
FTEs (at fiscal year end)	237		304	
	EXPENSE	PMPM	EXPENSE	PMPM
Salaries & Benefits	$ 27,320,340	$ 8.55	$ 31,936,990	$ 10.55
Temporary Labor	$ 1,682,167	$ 0.53	$ 250,760	$ 0.08
Sub-total Personnel Costs	*$ 29,002,507*	*$ 9.07*	*$ 32,187,750*	*$ 10.63*
Professional Fees	$ 4,238,728	$ 1.33	$ 3,223,229	$ 1.06
Purchased Services	$ 9,697,040	$ 3.03	$ 12,092,497	$ 3.99
Advertising and Promotions	$ 137,457	$ 0.04	$ 568,383	$ 0.19
Business Fees & Insurance	$ 1,340,773	$ 0.42	$ 1,499,976	$ 0.50
Occupancy Costs	$ 1,489,443	$ 0.47	$ 464,892	$ 0.15
Supplies & Other	$ 567,688	$ 0.18	$ 881,121	$ 0.29
Depreciation	$ 3,726,201	$ 1.17	$ 4,800,000	$ 1.59
Sub-total Non-Personnel Costs	*$ 21,197,331*	*$ 6.63*	*$ 23,530,100*	*$ 7.77*
Total Administrative Expenses	$ 50,199,837	$ 15.70	$ 55,717,850	$ 18.40
Administrative Ratio	4.5%		5.8%	

FY18 Forecast represents nine months of actuals and three months of FY18 budget.

Administrative Expense Assumptions

- Personnel Expense:
  - Costs are increasing over the FY18 Forecast by 11.3%.
  - Total staff (05/31/18): 237 FTEs, 35 open positions, 30 temporary staff.
    - Several of these temporary staff are extra help who will roll off during FY19. In addition, almost a third of the temporary staff are assisting during the hiring process of permanent staff.
    - Consequently, temporary labor costs are expected to decrease significantly from $1.7M in FY18 to $251K in FY19.
  - FY19 Budget adds 31 proposed new positions:
    - Fully staff Customer Service call center and add after-hours capacity
    - Increasing Medical Services compliance requirements
    - Dedicated Claims staff for claims-related calls and refunds
    - Hiring is contingent upon continuing need at time of hire

Administrative Expense Assumptions

- Non-Personnel Expense:
  - Costs increasing over FY18 Forecast by $2.3M or 11.0%.
  - Largest increases are due to:
    - Higher depreciation of $1.1M from new FY19 assets.
    - Purchased Services costs are increasing $2.4M due to:
      - Higher postage and printing costs of $1M due to deferred EOC mailing and one-time relocation costs.
      - IT initiatives of $1M to expand capacity via enhanced web portals, member text messaging, and implementation of a G&A system.
      - General increase in business fees, phone costs, supplies, etc. as the headcount grows.
  - Decreased expenses are budgeted for Professional Services & Occupancy.
    - Professional Services
      - Reduced Consulting as key personnel are hired and special projects are completed.
      - Lower Legal costs due to increased in-house legal review and changing needs.
    - Occupancy
      - Purchase of building eliminates rent and property tax expenses.

Consolidated Budget

	FY18 Forecast	FY19 Budget
Average Monthly Enrollment	266,396	252,307
Revenues	$1,104,758,607	$967,816,730
Health Care Expenses	1,032,762,486	901,992,093
Gross Margin	71,996,121	65,824,637
Administrative Expenses	50,199,837	55,717,850
Other Expense	970,981	1,046,101
Net Surplus	$20,825,302	$9,060,686
Medical Loss Ratio	93.5%	93.2%
Administrative Ratio	4.5%	5.8%
Net Surplus %	1.9%	0.9%

- IHSS was phased out of Revenue & Health Care Expense effective January 1, 2018.

Consolidated Budget by LOB

	Consolidated	Medi-Cal		CalMediConect		Healthy Kids	
	Totals	Totals	PMPM	Totals	PMPM	Totals	PMPM
Member Months	**3,027,678**	2,900,360		92,340		34,978	
Revenues:							
Capitation and Premium Revenue	**$ 968,303,168**	$ 819,010,786	$ 282.38	$ 145,658,168	$ 1,577.41	$ 3,634,214	$ 103.90
MCO Revenue net of expense	**$ (486,438)**	$ -	$ -		$ -	$ (486,438)	$ (13.91)
Total Revenues	**$ 967,816,730**	$ 819,010,786	$ 282.38	$ 145,658,168	$ 1,577.41	$ 3,147,776	$ 89.99
Medical Expenses:							
Capitation	**$ 356,994,355**	$ 355,605,448	$ 122.61	$ -	$ -	$ 1,388,907	$ 39.71
Hospitalization	**$ 125,871,019**	$ 79,157,799	$ 27.29	$ 46,474,491	$ 503.30	$ 238,729	$ 6.83
Professional	**$ 110,907,504**	$ 74,695,033	$ 25.75	$ 35,118,481	$ 380.32	$ 1,093,989	$ 31.28
Emergency Services	**$ 14,716,680**	$ 11,034,838	$ 3.80	$ 3,619,328	$ 39.20	$ 62,514	$ 1.79
Pharmacy	**$ 134,916,702**	$ 103,670,879	$ 35.74	$ 30,771,906	$ 333.25	$ 473,917	$ 13.55
LTC and Institutional Extended Care	**$ 135,994,252**	$ 109,541,742	$ 37.77	$ 26,452,509	$ 286.47	$ -	$ -
Other	**$ 22,591,581**	$ 22,527,483	$ 7.77	$ 48,940	$ 0.53	$ 15,158	$ 0.43
Total Medical Expenses	**$ 901,992,093**	$ 756,233,222	$ 260.74	$ 142,485,656	$ 1,543.05	$ 3,273,214	$ 93.58
MLR	**93.2%**	92.3%		97.8%		104.0%	
Gross Margin	**$ 65,824,637**	$ 62,777,563	$ 21.64	$ 3,172,512	$ 34.36	$ (125,438)	$ (3.59)
Administrative Expenses	**$ 55,717,850**	$ 47,150,993	$ 16.26	$ 8,385,637	$ 90.81	$ 181,220	$ 5.18
ALR	**5.8%**	5.8%		5.8%		5.8%	
Other Expenses/(Income)	**$ 1,046,101**	$ 885,258	$ 0.31	$ 157,440	$ 1.71	$ 3,402	$ 0.10
Net Surplus (Deficit) $	**$ 9,060,686**	**$ 14,741,312**	**$ 5.08**	**$ (5,370,566)**	**$ (58.16)**	**$ (310,060)**	**$ (8.86)**
Net Surplus (Deficit) %	0.9%	1.8%		-3.7%		-9.9%	

Medi-Cal Line of Business

- Revenue of $819.0 million
  - Membership decline of 5.5% overall, with the Dual population growing 0.9% and Non-Dual population declining 6.2%. Child membership declines by 5.8% while Adult membership declines by 8.6%.
  - Revenues based on preliminary FY 2019 rates received from DHCS, which reflect an overall 3.1% decrease with a 10.0% decrease in Child rates and a 1.7% decrease in Expansion rate.
  - IHSS was phased out of managed care effective January 1, 2018.
- Medical Expense of $756.2M
  - FFS costs based on historic claims experience adjusted for utilization trends and contracted rates. Upward unit cost trends: 3% for Inpatient, Outpatient, Emergency Room and Long Term Care services.
  - Capitation payments based on expected capitation rates and network distribution as of April 2018.
  - IHSS was phased out of managed care effective January 1, 2018.
- Administrative Expense of $47.2M
  - Allocated by LOB based on premium revenue.
  - Admin cost as a % of revenue = 5.8%.

Cal MediConnect Line of Business

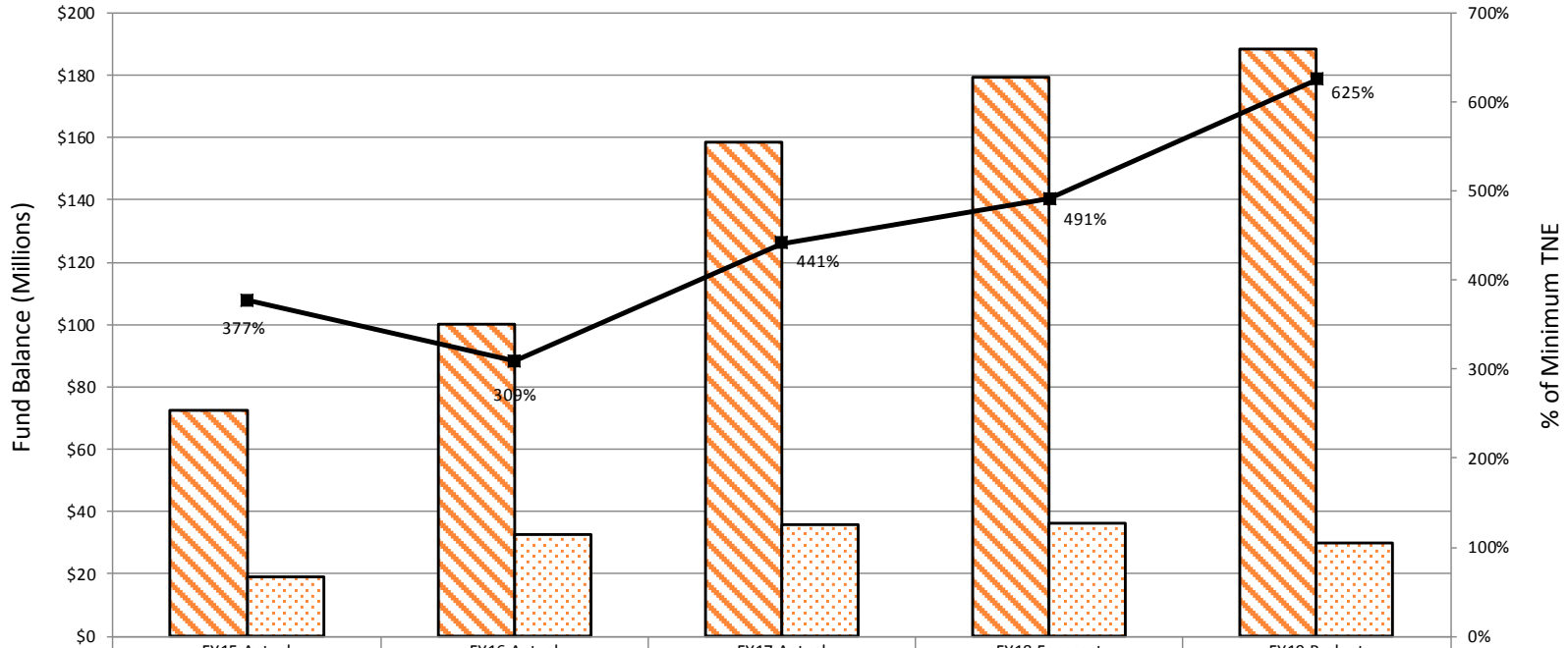
(including Medi-Cal and Medicare)

- Revenue of $145.7M
  - Membership reflects an increase of 6.4% ending at 7,915 by June 2019.
  - Medicare Revenue based on 2018 actual Medicare rates with anticipated CMS savings and quality withhold targets included.
  - Medi-Cal revenue blending based on projected membership mix and CY17 DHCS rates.
  - IHSS was phased out of managed care effective January 1, 2018.
- Medical Expense of $142.5M
  - FFS costs based on historical claims experience adjusted for utilization trends and contracted rates.
  - FFS costs based on historic claims experience adjusted for utilization trends and contracted rates. Upward unit cost trends: 2% for Inpatient, Outpatient, Emergency Room and Long Term Care services.
  - IHSS was phased out of managed care effective January 1, 2018.
- Administrative Expense of $8.4M
  - Allocated by LOB based on premium revenue.
  - Admin cost as a % of revenue = 5.8%.

Healthy Kids Line of Business

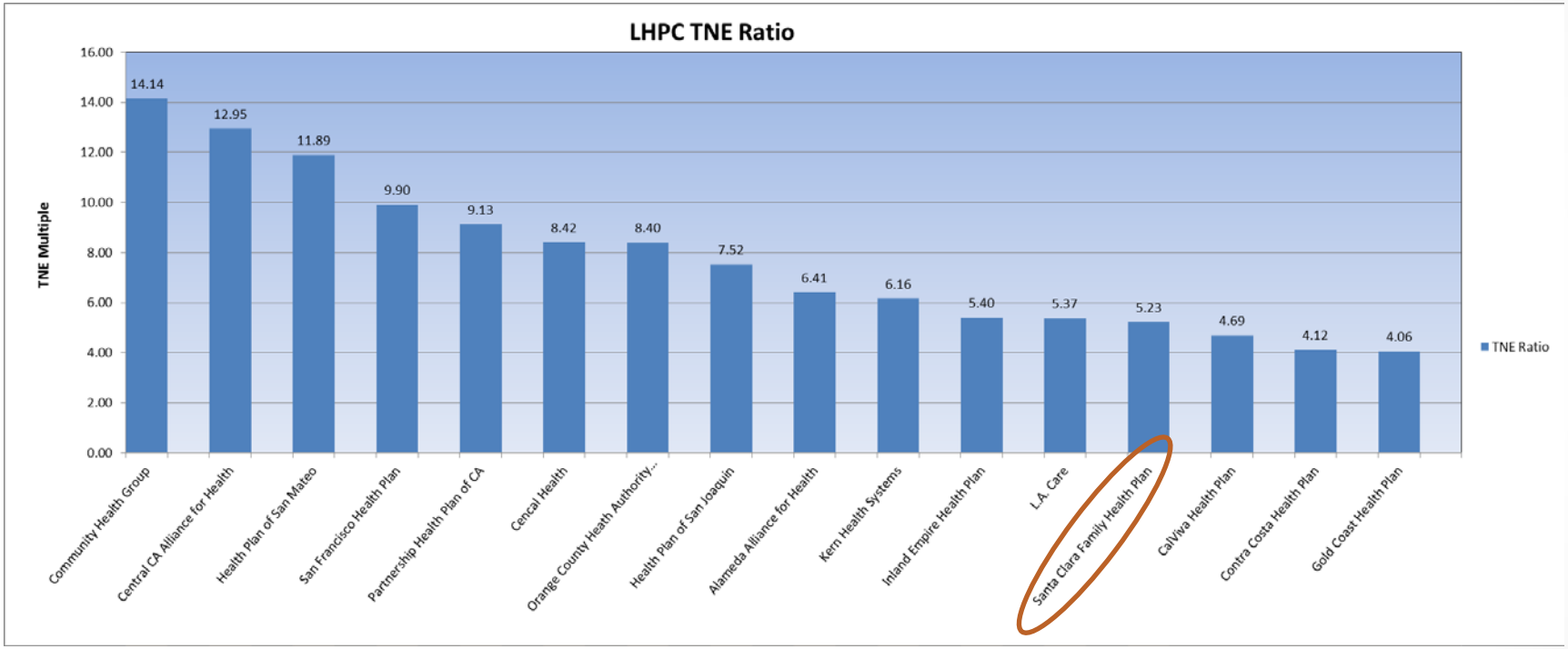
- Revenue of $3.1M
  - Net membership expected to decline 2% (60 members) to 2,874.
  - Healthy Kids revenue is projected to be flat at FY 2018 PMPM rates.
  - Subject to MCO tax (FY15 MM of 57,228 @ $8.50)
- Medical Expense of $3.27M
  - FFS Medical expenses based on historical claims experience incurred through April 2018.
  - Provider capitation payments based on current rates applied to projected network enrollment.
- Administrative Expense of $182,531
  - Allocated by LOB based on premium revenue.
  - Admin cost as a % of revenue = 5.8%.

Tangible Net Equity



	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Forecast	FY19 Budget
Fund Balance	72,630,954	100,293,456	158,380,560	179,205,862	188,266,548
Minimum TNE	19,269,000	32,503,000	35,898,000	36,507,000	30,123,909
% of Minimum TNE	377%	309%	441%	491%	625%

Tangible Net Equity Multiples
(as of 3/31/18)



Capital Budget Summary

IT Capital Budget	Budget FY19
Network Support Hardware	1,372,000
MS Windows and VM Ware Licenses	325,000
Enterprise Data Warehouse Phase II	240,000
Web Portals	235,000
Grievance & Appeals System	150,000
Licensing	145,000
CMS Encounters Software Upgrade	100,000
IVR Upgrade	100,000
Process Improvements	100,000
Server, Desktops, Other Computer Equipment	100,000
Disaster Recovery Equipment	75,000
Network, Security, Firewall, Virus Protection, etc.	75,000
Citrix Desktop Software	35,000
Desktop Support	16,000
Total IT Capital Budget	**$3,068,000**

Facilities Capital Budget	Budget FY19
Roof Top Solar Panel System	650,000
Roof Top Resurfacing Foam Layer	340,000
Enclose Outside Storage Building	200,000
Outside Lighting Perimeter and Parking Lot	25,000
Parking Lot Seal Coat and Restripping	16,000
Enclosed Cage for Outside Waste and Recyle Collection Containers	8,000
Steel Roll Up Door Installation	6,000
Portable Inverter Gasoline Generator	1,500
Total Facilities Capital Budget	**$1,246,500**

Total Capital Budget FY19	**$4,314,500**

Capital Budget – Key Components

- IT Capital Budget
  - Network Support Hardware – Of the $1.3M in network support expenses, $0.7M is vital to system stability and $0.5M is for phasing out older technology for current technology.
  - MS Windows and VM Ware Licenses are critical to the growth and maintenance of the company.
  - Web Portals – The $235K will be used to rebrand and enhance provider and member portals.
- Facilities Capital Budget
  - The bulk of the facilities capital budget will be invested in Rooftop Solar Panels which will save on future electricity bills for SCFHP.

Santa Clara
Family Health Plan

POLICY - DRAFT

Policy Title:	**Special Project Board Discretionary Fund**	**Policy No.:**	GO.02
Replaces Policy Title (if applicable):	N/A	**Replaces Policy No. (if applicable):**	N/A
Issuing Department:	Governance & Org Structure	**Policy Review Frequency:**	
Lines of Business (check all that apply):	☐ Medi-Cal	☐ Healthy Kids	☐ CMC

I. Purpose

To define and outline the requirements and criteria by which SCFHP may provide funding for special projects through a Board Discretionary Fund.

II. Policy

SCFHP has established a Board Discretionary Fund to allow the Plan to provide funding for special projects and initiatives focused on serving the health needs of the safety net population in Santa Clara County. The amount of reserves available for the Discretionary Fund will be based on the amount available, if any, over the Board designated maximum Tangible Net Equity (TNE), determined annually after release of the audited financial statements. Availability of reserves will also be subject to the Plan exceeding the Board-established liquidity target range.

It is SCFHP's policy to make strategic investments, subject to the availability of funds, in special projects that support the mission of the Plan, are consistent with annual and strategic objectives, strengthen community partnerships, and explore new and emerging models of care or facilitate expansion of best practice quality care.

The Executive/Finance Committee may approve special project investments up to $100,000. Project funding over $100,000 must be approved by the Governing Board.

Special project investments must meet all of the following criteria:

1. The funding fulfills an overriding public purpose to carry out SCFHP's mission to provide high quality, comprehensive health care coverage to those in Santa Clara County who do not have access to, or are not able to purchase, good health care at an affordable price.
2. The funding will be used to address assessed needs of the Plan and its members.
3. The special project will be consistent with the strategic and/or annual objectives of the Plan.
4. The special project will have measurable outcomes.
5. There is a lack of other resources in the community to fund the special project.
6. Continued special project funding from SCFHP would not be required for sustainability of the special project.
7. The funding will not be used for general operating costs, but may support project overhead.

8. The funding will not adversely impact the ability of SCFHP to operate and to deliver services and programs.
9. The funding will not financially benefit any Santa Clara County Health Authority official or employee.
10. The funding will not be used for political purposes (e.g., donations to political campaigns or ballot measures).

Special Projects to be funded must also meet two or more of the following considerations:

1. The special project will strengthen both the Plan and the member safety net.
2. The special project investment can be included in the Plan's claimable cost structure.
3. The special project will address regulatory or accreditation needs.
4. The funding will be used to pilot a promising approach for addressing emerging health care issues.
5. The funding will facilitate expansion of best practices/evidence-based care.
6. The special project will address social determinants of health.
7. The funding will promote quality care and cost efficiency.
8. The special project will leverage, or build on, existing partnerships or investments.

III. References

1. Tangible Net Equity Policy
2. Liquidity Policy

IV. Approval/Revision History

First Level Approval	Second Level Approval
Signature	Signature
Name	Name
Title	Title
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.1				

Santa Clara
Family Health Plan

Enterprise Data Warehouse

Santa Clara County Health Authority Governing Board Meeting

June 28, 2018

Definition

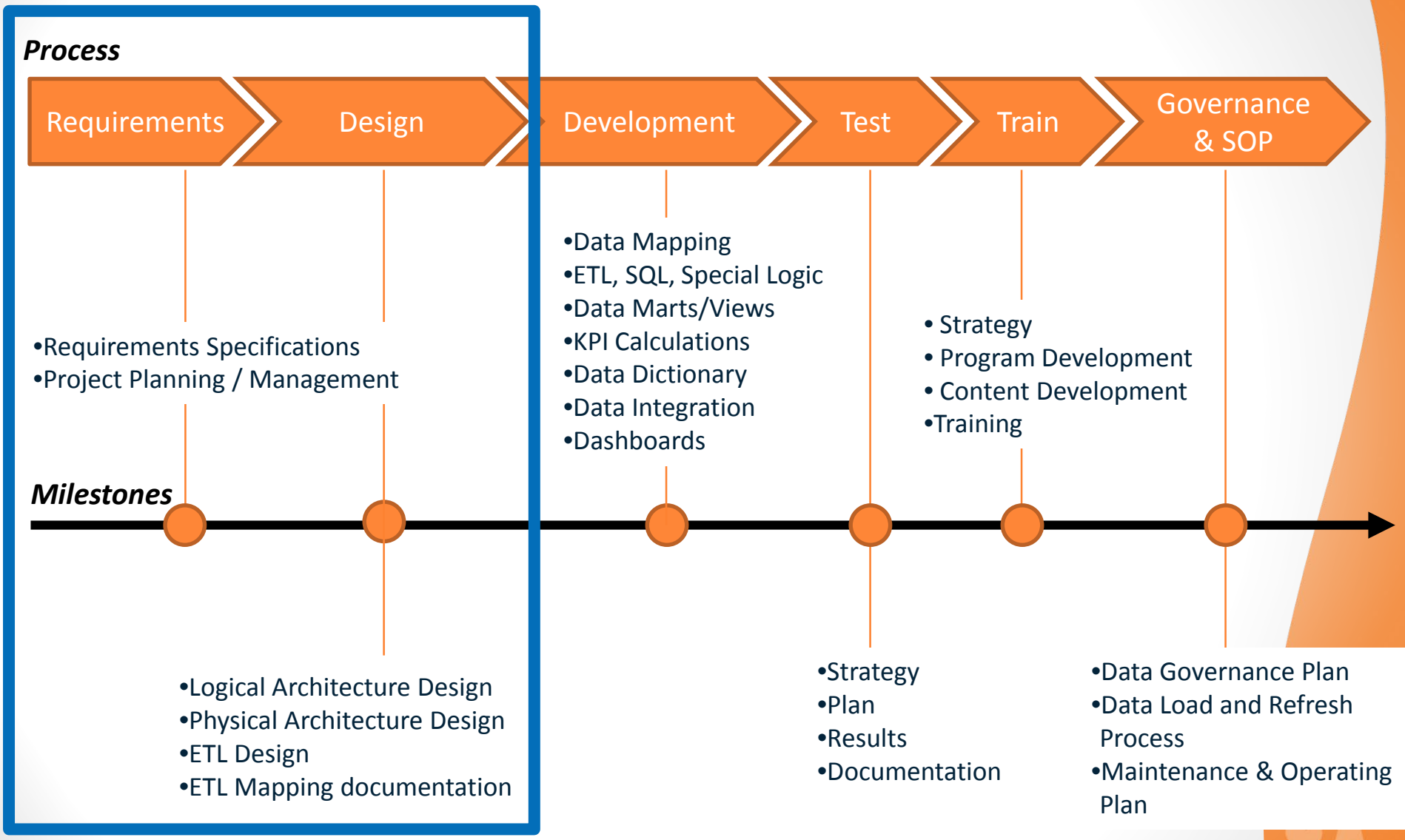
- In computing, an enterprise data warehouse (EDW), is a system used for reporting and data analysis, and is considered a core component of business intelligence. EDWs are central repositories of integrated data from one or more disparate sources. They store current and historical data in one single place that is used for creating analytical reports for employees throughout the enterprise.

Source: Wikipedia, with slight modifications

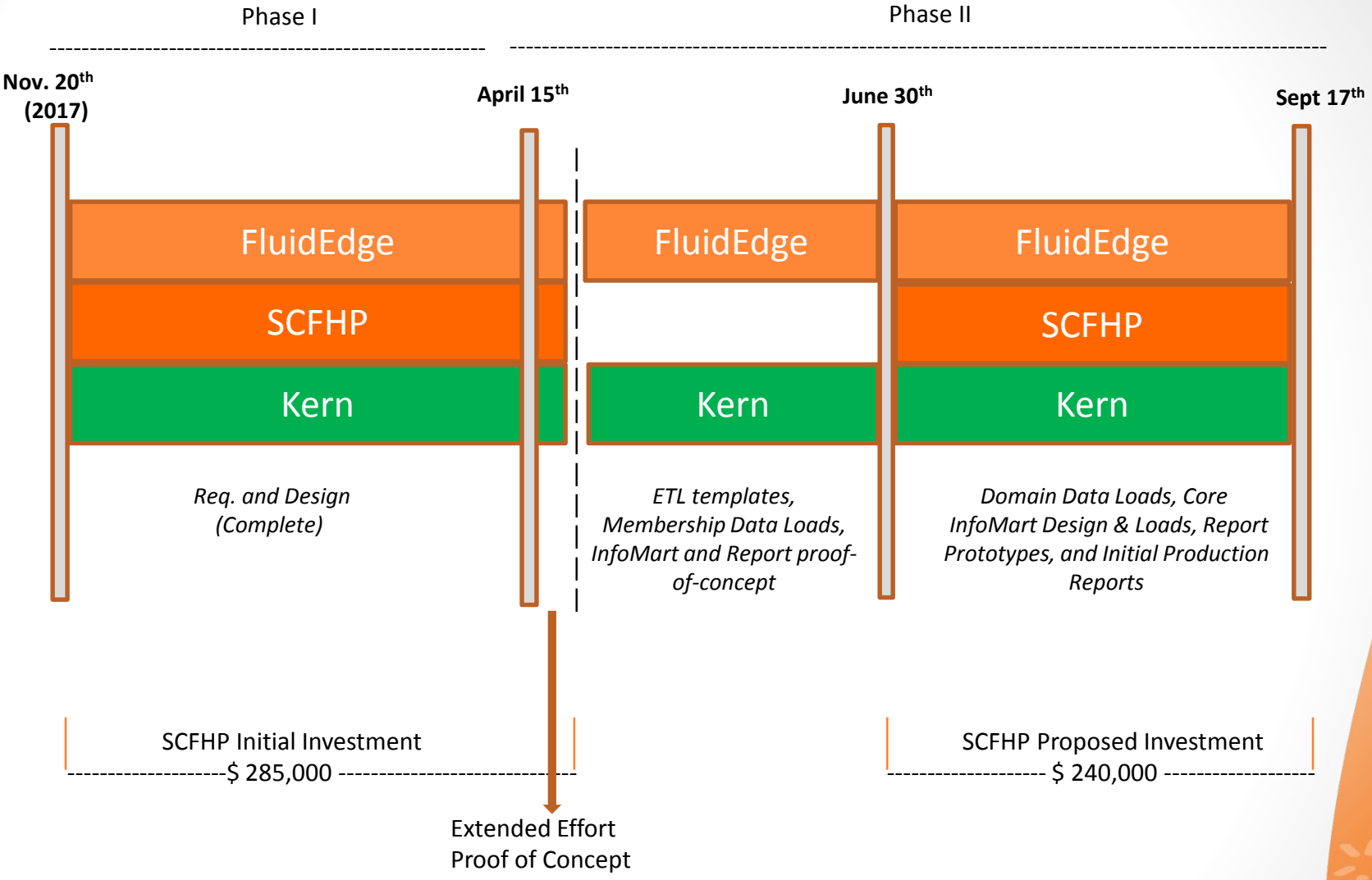
Current State

- Data Warehouse developed 9 years ago is limited to claims, provider, member, and financial data, and does not include health care, customer service or compliance data. Infrastructure built on old technology.
- November 2017 – Received Board approval to invest $285,000 for Phase I development of EDW with Kern Family Health Care and Fluid Edge.
- Enterprise Data Warehouse Project started November 2017.

DATA ANALYTICS: PHASE 1 SCOPE



EDW Project



Santa Clara Family Health Plan

Finance Committee

Proposed Action:

Authorize CEO to amend the contract with Fluid Edge for Phase II development of an Enterprise Data Warehouse in collaboration with Kern Family Health Care in an amount not to exceed $240,000.

Santa Clara
Family Health Plan

Questions?

Santa Clara Family Health Plan

FY 2017-18 FOCUS
Improve Infrastructure & Achieve Operational Excellence

	Plan Objectives	Success Measures	Preliminary Year-End Status
1	**Enhance compliance program for audit readiness**	• **≥ 95% of metrics on Compliance Dashboard in compliance** • **Implement vendor-based Fraud Waste & Abuse and Special Investigations Unit** • **90% of routine regulatory reports submitted timely, without rejection** • **Strengthen staff preparedness for onsite & virtual audit process**	o Compliance Dashboard reviewed at monthly Management Team Meetings; progress continues; target not yet met o FWA contract signed July 2017; data flow and analysis began November 2017 o 86% of CMC reports successfully submitted; Medi-Cal anticipated to be >90% o Improved focus and readiness for audits; four departmental audits conducted
2	**Optimize technology for operational efficiency**	• **Achieve a 70% Medi-Cal claims auto-adjudication rate** • **Redesign phone system by 4Q'17** • **Implement Credentialing software by 4Q'17** • **Implement Customer Service workflow software by 1Q'18** • **Implement Grievance & Appeals system solution by 1Q'18**	o Medi-Cal auto-adjudication 80-85% since December 2017 o Added on-hold message with number of callers in queue; created phone queues for members and providers by LOB; redesigned call script workflow with recordings in 3 languages; added new post-call survey (September '17 – June '18) o eVIPs Credentialing software live January 2, 2018 o Panviva Customer Service software initial modules implemented March 2018 o Beacon G&A software approved by Board in March 2018; implementation anticipated to begin July 2018
3	**Expand reporting and analytics**	• **Streamline availability & reporting of dashboard metrics** • **Continue risk adjustment initiatives for accurate, complete, & timely risk scores** • **Develop an enterprise data warehouse by June 2018**	o Medical Economics Committee reviewed metrics monthly; reported on utilization by LOB, network, and COA o Established dashboard for CMS encounter data metrics, RAPS and EDPS submissions; Plan compliant in all measures. Worked with contracted risk vendors and providers to accurately reflect member risk scores; resulted in additional revenue of $5.3m o "Phase I" EDW development completed in April 2018
4	**Relocate office**	• **Build out office with employee-friendly design features** • **Move by June 2018 with minimal business disruption**	o Office design includes ergonomic work stations, skylights, collaboration areas, increased training & conference space, outdoor deck, fitness center, Mother's/quiet/& telephone rooms, electric car chargers o On track to move at the end of July

5	**Foster membership growth and retention**	• **Implement plan to answer 80% of Customer Service calls in ≤ 30 seconds** • **Implement CMC and Medi-Cal retention activities** • **Build marketing and outreach program for CMC by September 2017** • **Engage Supplemental Security Income vendor** • **Develop a robust provider network strategy**	o Cross-functional work group convened to analyze call center performance and develop improvement plan; implementation ongoing; service level not yet met o Developed member retention plan for CMC & Medi-Cal; convened Member Engagement Workgroup; implemented CMC disenrollment survey (12/31/17 terms on); developed plan to improve capture & retention of member demographic changes o Developed CMC marketing program; hired three outreach agents beginning in July—averaging 85 new enrollees/mo. o Researched SSI vendors; pursuing meetings and proposals o PNM Director resigned in August; new Director hired in May to begin developing strategy
6	**Pursue benchmark quality performance**	• **Five Medi-Cal HEDIS measures increase a percentile tier; two achieve 90th percentile benchmark; none below the MPL (25th percentile)** • **Improve HEDIS auto-assignment measures by 2 percentage points/measure** • **Develop CMC Quality Withhold initiatives by 3Q'17**	o Five HEDIS measures moved up a tier; one achieved 90th percentile; one measure below MPL o Did not achieve target auto-assignment improvement o Anticipate return of 100% of CMC Quality Withhold in Demonstration Year 3 (up from 75% in DY2 & 50% in DY1)
7	**Collaborate with Valley Health Plan and Valley Medical Center**	• **Implement Whole Person Care expansion** • **Continue joint strategic planning with the County** • **Transition non-CCHIP Healthy Kids to Valley Kids**	o WPC partnership implemented; referred 100 LTC members to Nursing Home Diversions program; outreach visits to 20 SNFs to encourage referrals o Joint strategic planning continued through November 2017 o Transition of Healthy Kids to Valley Kids being restructured due to federal extension of CCHIP through 9/30/27
8	**Achieve budgeted financial performance**	• **Achieve FY 2017-18 Net Surplus of $13.4 million**	o Projected to exceed budgeted FY 2017-18 Net Surplus

Critical Priority

Membership Growth:	**June '18 – 259,475 members** **June '17 – 276,107 members**	**6.0% decrease in members (16,632)** **6.4% decrease in member months**
Revenue Growth:	**FY 2017-18 – $1,105 million** **FY 2016-17 – $1,212 million**	**$107 million decrease in revenue** **9.7% decrease in revenue**
Employee Hiring:	**June '18 – 237 staff/28 temps** **June '17 – 207 staff/25 temps**	**14.0 % turnover rate (31 departures)** **64 new hires**

Santa Clara Family Health Plan

DRAFT

FY 2018-19 FOCUS
Drive Quality Improvement & Achieve Operational Excellence

	Plan Objectives	Success Measures	Sponsors
1	Enhance compliance program and delegation oversight	• ≥ 95% of metrics on Compliance Dashboard in compliance • Answer 80% of Customer Service calls in ≤ 30 seconds • 90% of routine regulatory reports submitted timely, without rejection • Evaluate Compliance Program Effectiveness (CPE) and develop workplan	**Robin Larmer** – Chief Compliance & Regulatory Affairs Officer
2	Pursue benchmark quality performance	• Achieve 3-year CMC NCQA accreditation • Increase HEDIS composite average to 70% for Medi-Cal and 60% for CMC • Develop and implement provider access & availability initiatives	**Jeff Robertson, MD** – CMO
3	Expand reporting and analytics	• Develop and post dashboard metrics by department • Implement uniform Regulatory Report Template for 24 reports • Complete Phase II development of enterprise data warehouse	**Jonathan Tamayo** – CIO
4	Foster membership growth and retention	• Implement Medi-Cal retention activity plan • Achieve net increase of 500 CMC members • Develop a robust provider network strategy	**Chris Turner** – COO
5	Collaborate with Safety Net Community Partners	• Continue Whole Person Care partnership with SCCHHS to increase Long Term Care community transitions from baseline of 20 in FY 2017-18 • Implement Health Homes by July 2019 • Explore potential Satellite Office	**Christine Tomcala** – CEO
6	Achieve budgeted financial performance	• Achieve FY 2018-19 Net Surplus of $8.9 million • Maintain administrative loss ratio ≤ 6% of revenue	**Dave Cameron** – CFO

Critical Priority

Santa Clara Family Health Plan

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Fiscal Year 2018-2019 Team Incentive Compensation
June 28, 2018

Performance Level	**Payout** *(% of salary/ wages)*	**Compliance Metrics** *(% of dashboard metrics in compliance)*	**Service Level** *(calls answered in ≤ 30 seconds)*	**CMC NCQA Accreditation**	**Medi-Cal HEDIS** *(composite average)*
weighting		*40%*	*20%*	*20%*	*20%*
Maximum	5%	97% - 100%	85% - 100%	3-year	72% - 100%
Target	3%	94% - 96.9%	80% - 84.9%	---	70% - 71.9%
Minimum	1%	91% - 93.9%	75% - 79.9%	1-year	68% - 69.9%

Calculation:

- 0.40 (Compliance Metrics Payout %) + 0.20 (Service Level Payout %) + 0.20 (CMC NCQA Accreditation Payout %) + 0.20 (Medi-Cal HEDIS Payout %) = **Overall Percent Payout**
- All staff are eligible to receive the Overall Percent Payout multiplied by the salary/wages they were paid as a regular employee from July 2018 through June 2019. (Does not include PTO cash out.)

Process:

- Santa Clara Family Health Plan must achieve a **Net Operating Surplus** as a gate to any incentive award consideration.
- Incentive compensation will be determined upon receipt of the audited financial statements for the fiscal 2018-19 performance year.
- **Compliance Metrics** will be calculated as the percent of January – June 2019 compliance dashboard measures that meet or exceed regulatory requirements.
- **Service Level** will be calculated as the percentage of member and provider calls in the Customer Service and Utilization Management call queues answered in ≤ 30 seconds from January – June 2019.
- **CMC NCQA Accreditation** status will be determined by NCQA based on their survey in February 2019.
- **Medi-Cal HEDIS** performance will be calculated as the overall average of the percentage performance on each HEDIS measure.
- To be eligible to receive a payout, an employee must be employed by Santa Clara Family Health Plan in a regular position at the time of distribution.

Santa Clara
Family Health Plan
The Spirit of Care

www.scfhp.com

SCFHP Employee Satisfaction Survey
March 14 – April 9, 2018

HIGHLIGHTS

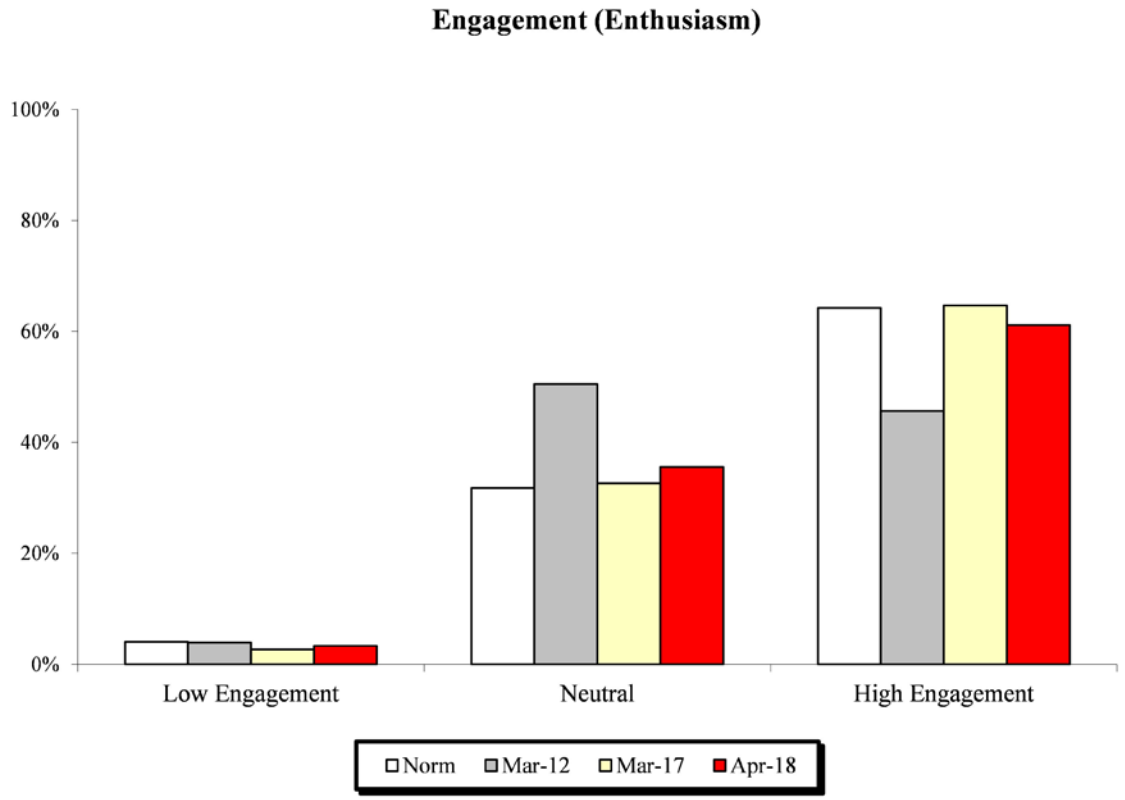
- 94% response rate (212 responses/226 employees)
- Respondent Tenure:
  - 5+ years – 24%
  - 1-5 years – 53%
  - <1 year – 24%
- Compared to 2017:
  - Regression toward the mean
  - Improvement on 11 questions (14%)
- Three Overall Ratings:
  - No significant difference from 2017 or norm
  - The percentage of **highly enthusiastic employees**, and of those **willing to recommend SCFHP to a friend** rose sharply from 2012 to 2017, but edged down slightly from 2017 to 2018, and is now a few percentage points below the norm.
  - The percentage of **highly satisfied employees** has risen steadily since 2012, and now stands at the norm.

THE FINDINGS IN DETAIL

A. OVERALL RATINGS

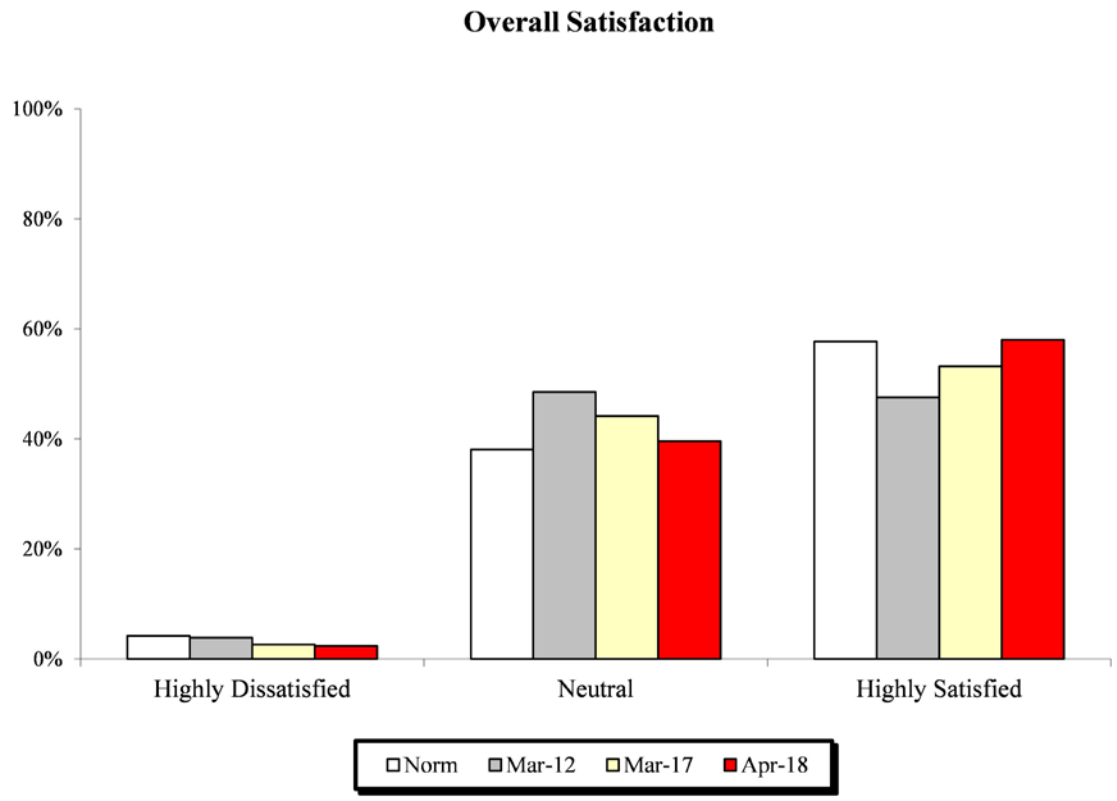
1. Engagement (Enthusiasm)

The percentage of highly enthusiastic employees rose sharply from 2012 to 2017, but edged down slightly from 2017 to 2018, and is now a few percentage points below the norm.



2. Overall Satisfaction

The percentage of highly satisfied employees has risen steadily since 2012, and now stands at the norm.



3. Willingness to Recommend SCFHP to a Friend

The trend in willingness to recommend SCFHP to a friend follows that of employee enthusiasm — rising significantly from 2012 to 2018, then easing downward from 2017 to 2018.

Willingness to Recommend SCFHP to a Friend Seeking Employment

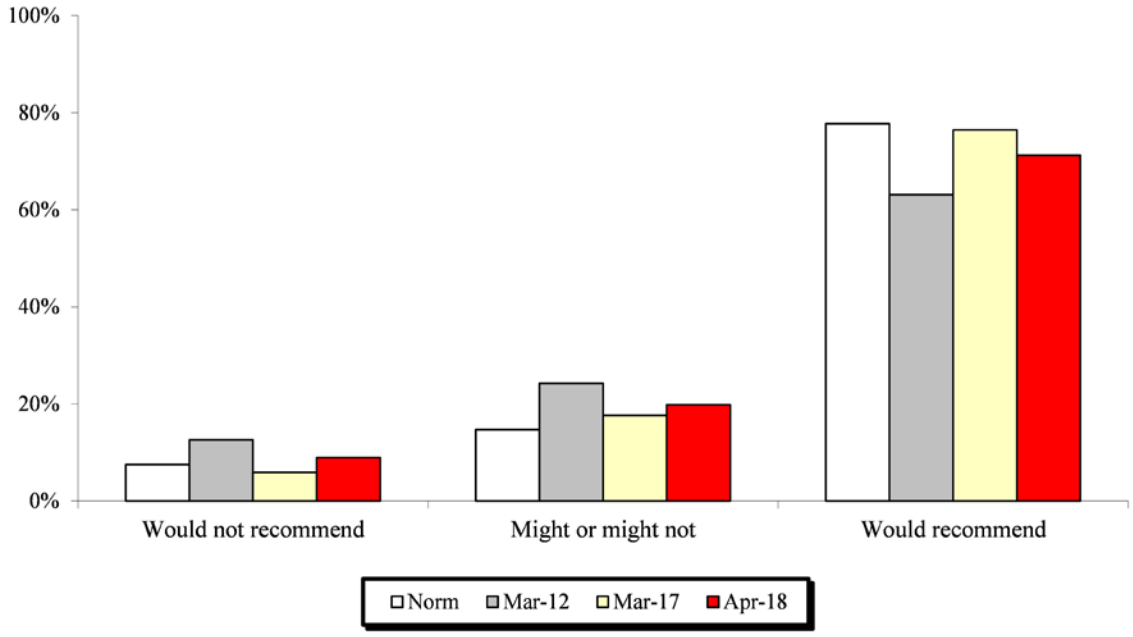


Table 1

Key Strengths
My work gives me a sense of personal accomplishment
I understand how my work supports SCFHP's strategic objectives
I understand how my work supports my department's objectives
My supervisor treats me fairly
I understand the mission and goals of SCFHP
I know what is expected of me at work
My supervisor treats me with respect
I understand how my work directly contributes to the overall success of the organization and its mission

Table 2

Key Opportunities for Improvement
There is adequate planning of departmental objectives
The Executive Team does not play favorites
"Politics" at this company are kept to a minimum
My salary is fair for the work that I do
There is adequate communication between departments
People at SCFHP are held accountable for their actions
Different groups work well together (work groups, departments, etc.)
Everyone here “pulls their own weight”

Santa Clara County Health Authority
Updates to Pay Schedule
June 28, 2018

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Case Management Program Manager	Annually	86,407	110,169	133,930
Contracting Coordinator	Annually	57,950	72,438	86,925
Manager, Provider Dispute Resolution	Annually	86,407	110,169	133,930
Manager, Provider Network Management	Annually	101,528	129,448	157,368
Medical Review Nurse	Annually	86,407	110,169	133,930
Process Improvement Project Manager	Annually	86,407	110,169	133,930
Utilization Management Review Nurse (LVN)	Annually	57,950	72,438	86,925

Santa Clara County Health Authority
Job Titles Removed from Pay Schedule
June 28, 2018

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Health Services Project Manager	Annually	86,407	110,169	133,930