Regular Meeting of the

Santa Clara County Health Authority Governing Board

Thursday, September 24, 2020, 12:00 PM – 2:30 PM
Santa Clara Family Health Plan
6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference
(669) 900-6833
Meeting ID: 932 0063 0020
https://zoom.us/j/93200630020

AGENDA

1. **Roll Call and Board Member Recognition** Administer oath for reappointments to the Governing Board for Alma Burrell, Darrell Evora, Dr. Ria Paul and Debra Porchia-Usher. Administer oath for new Governing Board Member, Michele Lew.	Mr. Brownstein	12:00	10 min
2. **Public Comment** Members of the public may speak to any item not on the agenda; two minutes per speaker. The Governing Board reserves the right to limit the duration of the public comment period to 30 minutes.	Mr. Brownstein	12:10	5 min
3. **Approve Consent Calendar and Changes to the Agenda** Items removed from the Consent Calendar will be considered as regular agenda items.	Mr. Brownstein	12:15	5 min

Possible Action: Approve Consent Calendar

- **a.** Approve minutes of the June 25, 2020 **Governing Board** Meeting
- **b.** Accept minutes of the July 23, 2020 **Executive/Finance Committee** Meeting
  - Ratify approval of the May 2020 Financial Statements
- **c.** Accept minutes of the August 27, 2020 **Executive/Finance Committee** Meeting
  - Ratify approval of the Consent Calendar
    - Quarterly Investment Compliance Report
    - Network Detection and Prevention Update
    - Fiscal Year 2020-2021 Plan Objectives
  - Ratify approval of the June 2020 Pre-Audit Financial Statements
  - Ratify approval of the East Side Access: Community Wireless Project funding request
  - Ratify approval of the resolution to endorse ballot measure Proposition16
- **d.** Accept minutes of the September 4, 2020 **Compliance Committee** Meeting
- **e.** Accept minutes of the August 12, 2020 **Quality Improvement Committee** Meeting

- Ratify acceptance of the 2019 Population Health Management Impact Report
- Ratify acceptance of the Cal MediConnect (CMC) Availability of Practitioners Evaluation
- Ratify acceptance of Committee Reports
  - Utilization Management Committee April 15, 2020
  - Pharmacy & Therapeutics Committee Minutes – May 18, 2020 and September 17, 2020.
  - Credentialing Committee – June 3, 2020

f. Accept minutes of the August 12, 2020 **Provider Advisory Council Committee** Meeting
g. Accept minutes of the September 8, 2020 **Consumer Advisory Committee** Meeting
h. Approve **Publicly Available Salary Schedule**
i. Approve **401(a) Resolution**
j. Approve **2021 Board & Committee Meeting Calendar**

4. CEO Update Discuss status of current topics and initiatives.	Ms. Tomcala	12:20	10 min
5. Quality Update Discuss summary of preventative care outreach activities.	Dr. Nakahira	12:30	10 min
6. Compliance Report Review and discuss compliance activities and notifications.	Mr. Haskell	12:40	10 min
7. Government Relations Update Discuss state budget status and other local, state, and federal legislative and policy issues impacting the Plan and its members.	Mr. Haskell	12:50	10 min
8. July 2020 Financial Statements Review July 2020 Financial Statements. **Possible Action:** Approve the July 2020 Financial Statements	Mr. Jarecki	1:00	10 min
9. Fiscal Year 2020-2021 Budget Update Review the Fiscal Year 2020-2021 budget.	Mr. Jarecki	1:10	10 min
10. Fiscal Year 2019-2020 Team Incentive Compensation Review performance on team incentive metrics. **Possible Action:** Approve FY '19-'20 Team Incentive Payout	Ms. Tomcala	1:20	10 min
11. Fiscal Year 2020-2021 Team Incentive Compensation Consider proposed team incentive compensation program. **Possible Action:** Approve FY '20-'21 Team Incentive Compensation Program	Ms. Tomcala	1:30	10 min

Announcement Prior to Recessing into Closed Session
Announcement that the Governing Board will recess into closed session to discuss Item No.12 below:

12. Adjourn to Closed Session a. **Contract Rates** (Welfare and Institutions Code Section 14087.38(n)): It is the intention of the Governing Board to meet in Closed Session to discuss plan partner rates.		1:40	
13. Report from Closed Session	Mr. Brownstein	2:25	5 min
14. Adjournment		2:30	

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 Committee 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 6201 San Ignacio Ave, San Jose, CA 95119.
- This agenda and meeting documents are available at www.scfhp.com.

Regular Meeting of the

Santa Clara County Health Authority
Executive/Finance Committee

Thursday, July 23, 2020, 11:30 PM – 1:30 PM
Santa Clara Family Health Plan - Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

Minutes

Members Present
Dolores Alvarado, Chair
Bob Brownstein
Dave Cameron
Sue Murphy

Members Absent
Liz Kniss

Staff Present
Christine Tomcala, Chief Executive Officer
Neal Jarecki, Chief Financial Officer
Laurie Nakahira, D.O., Chief Medical Officer
Chris Turner, Chief Operating Officer
Ngoc Bui-Tong, VP, Strategies & Analytics
Teresa Chapman, VP, Human Resources
Laura Watkins, VP, Marketing & Enrollment
Barbara Granieri, Controller
Tyler Haskell, Director, Government Relations
Johanna Liu, Director, Quality & Process Improvement
Jordan Yamashita, Compliance Officer
Jayne Giangreco, Manager, Administrative Services
Rita Zambrano, Executive Assistant

Others Present
Carlyn Obringer, Government & Community Engagement Manager at Blue Shield of California

1. Roll Call

Dolores Alvarado, Chair, called the meeting to order at 11:33 am. Roll call was taken and a quorum was established.

Ms. Alvarado left the meeting due to technical difficulties.

2. Compliance Update

Jordan Yamashita, Compliance Officer, discussed the Centers for Medicare and Medicaid Services (CMS) Program Audit, noting the Plan is underway with activities related to the CMS Program Audit Revalidation. There are two parts to the Revalidation Audit; the first part evaluated the Plan's deficiencies related to Coverage Determinations, Appeals and Grievances (CDAG) and Compliance Program Effectiveness (CPE). ATTAC, the consulting firm directing the audit activities on behalf of CMS, completed all fieldwork and provided a final audit report to the Plan on June 16, 2020. The report noted that the CPE audit resulted in no findings. The CDAG portion of the audit resulted in two new findings and one repeat finding. Supplemental documentation related to the CDAG findings was submitted on July 17, 2020. The second part of the Revalidation Audit is related to the Care Coordination and Quality Improvement Program Effectiveness (CCQIPE) Conditions. The Plan has been working to sustain full compliance with respect to the relevant tasks. The three-month audit "clean period" runs from May 1, 2020 through July 31, 2020. Monitoring reports indicate that the organization is well-situated to have a successful Revalidation Audit of these conditions. The Revalidation Audit fieldwork for the CCQIPE Conditions will

begin in August 2020, with ATTAC's Final Report for the CCQIPE Conditions due to CMS on or before September 25, 2020.

Ms. Yamashita also reported that the Plan's 2020 Medicare Data Validation (MDV) Audit for the Cal MediConnect (CMC) line of business just concluded. CMS reduced the 2020 MDV audit scope as a result of the COVID-19 pandemic. The MDV Audit validated Part C accuracy and completeness (inpatient and outpatient medical care) and Part D (prescription drug) data reported to CMS. On June 18, 2020, Advent, the organization conducting the audit on behalf of CMS, notified SCFHP that the Plan successfully passed the data validation audit.

Ms. Yamashita further reported on the Department of Health Care Services (DHCS) Medi-Cal Managed Care Audit, noting the Plan has completed all initial activities related to our 2020 annual DHCS audit for the Medi-Cal line of business. DHCS held an exit conference on July 21, 2020. The preliminary final report detailed seven findings, a 50% reduction from 14 findings in the 2019 audit. The Plan will work with DHCS to implement corrective actions to address the deficiencies.

Lastly, Ms. Yamashita reported on the Department of Managed Health Care (DMHC) Medi-Cal Managed Care Audit, noting DMHC scheduled the Plan's follow-up audit in March 2021.

Ms. Alvarado rejoined the meeting and resumed agenda item #1.

Ms. Alvarado administered the oath and affirmed Bob Brownstein's reappointment to the Santa Clara County Health Authority Board. Mr. Brownstein subsequently administered the oath to new Board member, Dave Cameron, and welcomed him to the Santa Clara County Health Authority Board and Executive/Finance Committee.

3. Public Comment

There was no public comment

4. Meeting Minutes

The Committee reviewed the meeting minutes of the May 28, 2020 Executive/Finance Committee.

It was moved, seconded and the May 28, 2020 Executive/Finance Committee Minutes were **unanimously approved.**

Motion: Ms. Murphy
Second: Mr. Brownstein
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Murphy
Absent: Ms. Kniss

5. CEO Update

Ms. Tomcala, CEO, presented the SCFHP COVID-19 Responses. Dr. Laurie Nakahira, Chief Medical Officer, discussed a cumulative snapshot of currently available COVID-19 data. Concern was raised regarding the incomplete data currently available.

Ms. Tomcala provided an update on Medi-Cal enrollment from DHCS, noting total enrollment is down from 2019. DHCS has indicated HHS would be extending the Public Health Emergency Order until October 24, which will extend the freeze on redeterminations.

Ms. Tomcala read excerpts of the thank you letters received from the Community Clinics in recognition of the $2 million grant.

6. Government Relations Update

Tyler Haskell, Government Relations Director, presented an update on federal and state legislative activity and administrative developments.

SCFHP is tracking and working on positioning and amendments for a few key bills in the State Legislature, including a new bill to make permanent telehealth capabilities granted during the early part of the pandemic

response, a bill that would impose new reporting requirements on managed care plans relating to blood lead screenings, and a bill that would require health plans to provide live e-consults with psychiatrists for post-partum members.

It was reported that DHCS has a new Director, Will Lightbourne, a former Santa Clara County Social Services Director, and former Brown Administration department head, who previously served on the SCCHA Governing Board. DHCS is developing a new Long-Term Care-at-Home benefit, which seeks to provide skilled nursing services to members at their homes instead of in a Skilled Nursing Facility setting. On July 22, DHCS released its proposed 1115 waiver extension, which will be submitted to CMS on September 15, after public hearings in August. The Department is seeking a status quo extension, except for the PRIME hospital directed payment, which DHCS is proposing to move from the 1115 waiver into the 1915b (managed care) waiver.

On federal issues, Congress is focusing on passing a fourth COVID relief package. However, it is off to a rocky start, with Senate Republicans and the White House having trouble agreeing on an initial proposal. Under consideration for the bill are more stimulus checks, a payroll tax cut, liability protection for businesses, funding for COVID testing, funding for school reopening assistance, phasing out enhanced Unemployment Insurance benefits, and budget relief for state and local governments. There will likely be no other significant health legislation this year. Additionally, CMS is seeking to continue some telehealth payment modalities granted earlier this year, and the effort has tempered with the falling telehealth utilization.

7. May 2020 Financial Statements

Neal Jarecki, Chief Financial Officer, presented the May 2020 financial statements, which reflected a current month net loss of $174 thousand ($806 thousand unfavorable to budget) and a fiscal year-to-date net surplus of $2.1 million ($5.1 million unfavorable to budget).

Enrollment increased by 5,719 members from the prior month to 249,493 members (11,740 favorable to the FY20 budget). The Plan has seen recent growth due to (1) new undocumented Medi-Cal Adult members beginning in February, and (2) DHCS directed the County to suspend Medi-Cal disenrollment's, which has increased enrollment by approximately 4,000 members per month beginning in March. CMC enrollment increased due to continued outreach efforts.

Revenue reflected a favorable current month variance of $6.0 million (6.8%), due largely to a combination of higher enrollment, FY20 capitation rates in excess of budget, higher supplemental Medi-Cal revenues, and increased Prop 56 revenue (offset by higher Prop 56 medical expense).

Medical expense reflected an unfavorable current month variance of $7.1 million (8.6%), due to a combination of higher enrollment, certain higher fee-for-service expenses versus budget, and increased Prop 56 expense (offsetting higher Prop 56 revenue).

Administrative expense reflected a favorable current month variance of $392 thousand (7.2%) due largely to certain non-personnel expenses lower than budgeted.

The balance sheet reflected a current ratio of 1.25:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity was $204.2 million, which represented approximately two months of the Plan's total monthly expenses. Year-to-date capital investments of $2.3 million were comprised largely of building improvements and I.T. hardware.

It was moved, seconded and the May 2020 Financial Statements were **unanimously approved.**

Motion: Mr. Brownstein
Second: Mr. Cameron
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Murphy
Absent: Ms. Kniss

8. Quality Update

Laurie Nakahira, D.O., Chief Medical Officer, provided an analysis on the four Medi-Cal CY'19 HEDIS measures below MPL. The analysis focused on health disparities and root causes. Dr. Nakahira spoke to the next steps, noting meetings with cultural champions in our community to identify additional barriers and opportunities, and initiating projects with appropriate clinics or groups to impact improvement. For the lower performing groups, we will look at additional trends to target interventions. The Committee offered advice and recommendations.

9. Fiscal Year 2020-2021 Plan Objectives

Ms. Tomcala noted the Board had questions on the proposed employee satisfaction objective and delegated final approval to the Executive/Finance Committee. Ms. Tomcala highlighted proposed revisions and shared a summary of the three overall metrics of Plan performance on the employee satisfaction survey. SCFHP scored at the norm for these three overall measures in 2019. The Plan did not field the employee satisfaction survey this year, as it was scheduled during the time staff were actively transitioning to work from home due to COVID. The full survey will be conducted again next March/April, with one or more spot surveys fielded during the year.

Ms. Tomcala discussed calculation of the proposed success measure for Committee feedback. Ms. Murphy suggested either meeting the California health plan norm or increasing performance by 1.5% if we are already hitting the California health plan norm. She also suggested assessing whether the staff feels safe and has the tools and equipment to do their jobs in the current environment.

Teresa Chapman, VP of Human Resources, reported she is looking into an Employee Wellness Enhancement System focusing on the workplace and working from home. The program helps engage and motivate employees, with a strong emphasis on overall well-being, and will target initiatives to foster support.

It was moved, seconded and the FY'21 Plan Objectives were **unanimously approved,** taking into consideration the comments and suggestions from the committee members

Motion: Ms. Murphy
Second: Mr. Cameron
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Murphy
Absent: Ms. Kniss

10. Adjournment

The meeting was adjourned at 1:28 pm.

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Susan G. Murphy, Secretary

Unaudited Financial Statements
For Eleven Months Ended May 31, 2020

Agenda

Table of Contents	Page
Financial Highlights	3 - 4
Detail Analyses:	5
Enrollment	6
Enrollment by Category of Aid	7
Revenue	8
Medical Expense	9
Administrative Expense	10
Balance Sheet	11
Tangible Net Equity	12
Reserves Analysis	13
Capital Expenditures	14
Financial Statements:	15
Income Statement	16
Balance Sheet	17
Cash Flow Statement	18
Statement of Operations by Line of Business	19

Financial Highlights

	MTD		YTD	
Revenue	$94 M		$1,012 M	
Medical Expense (MLR)	$90 M	95.0%	$959 M	94.8%
Administrative Expense (% Rev)	$5.0 M	5.3%	$54.8 M	5.4%
Other Income/Expense	$105K		$4.4 M	
Net Surplus (Loss)	**($174K)**		**$2.1 M**	

Cash and Investments	$332 M
Receivables	$515 M
Total Current Assets	$856 M
Current Liabilities	$684 M
Current Ratio	1.25
Tangible Net Equity	$204 M
% of DMHC Requirement	**657.2%**

Financial Highlights

Net Surplus (Loss)	Month: Loss of $174K is $806K or 127.5% unfavorable to budget of $632K. YTD: Surplus of $2.1M is $5.1M or 70.9% unfavorable to budget of $7.2M.
Enrollment	Month: Membership was 249,493 (11,740 or 4.9% favorable budget of 237,753). YTD: Membership was 2,687,734 (21,381 or 0.8% favorable budget of 2,666,353).
Revenue	Month: $94.5M ($6.0M or 6.8% favorable to budget of $88.4M). YTD: $1,011.9M ($34.1M or 3.5% favorable to budget of $977.8M).
Medical Expenses	Month: $89.7M ($7.1M or 8.6% unfavorable to budget of $82.6M). YTD: $959.4M ($44.3M or 4.8% unfavorable to budget of $915.1M).
Administrative Expenses	Month: $5.0M ($392K or 7.2% favorable to budget of $5.4M). YTD: $54.8M ($3.5M or 5.9% favorable to budget of $58.2M).
Tangible Net Equity	TNE was $204.2M (657.2% of minimum DMHC requirement of $31.1M).
Capital Expenditures	YTD Capital Investments of $2.3M vs. $4.8M annual budget, primarily building improvements and hardware.

Detail Analyses

Enrollment

- Total enrollment of 249,493 members is higher than budget by 11,740 or 4.9%. Since June 30, 2019, total enrollment has slightly increased by 288 members or 0.1%.
- Medi-Cal enrollment has been increasing since January, reflecting newly-eligible and COVID enrollments (beginning in March annual redeterminations of eligibility was suspended). In October 2019, approximately 3,500 Healthy Kids members transitioned to Medi-Cal.
- Since the beginning of the fiscal year, Medi-Cal Non-Dual enrollment has increased 1.1%, Dual enrollment has increased 2.2%, and CMC enrollment has grown 10.2%.

	For the Month May 2020				For Eleven Months Ending May 31, 2020					
	Actual	Budget	Variance	Variance (%)	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY19 vs. FY20
Medi-Cal	240,656	229,256	11,400	5.0%	2,584,802	2,565,312	19,490	0.8%	2,667,123	(3.1%)
Cal Medi-Connect	8,837	8,497	340	4.0%	92,404	90,997	1,407	1.5%	84,816	8.9%
Healthy Kids	0	0	0	0.0%	10,528	10,044	484	4.8%	36,597	(71.2%)
Total	**249,493**	**237,753**	**11,740**	**4.9%**	**2,687,734**	**2,666,353**	**21,381**	**0.8%**	**2,788,536**	**(3.6%)**

Santa Clara Family Health Plan Enrollment By Network
May 2020

Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,865	13%	8,837	100%	-	0%	39,702	16%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	120,381	50%	-	0%	-	0%	120,381	48%
Palo Alto Medical Foundation	6,583	3%	-	0%	-	0%	6,583	3%
Physicians Medical Group	42,040	17%	-	0%	-	0%	42,040	17%
Premier Care	14,802	6%	-	0%	-	0%	14,802	6%
Kaiser	25,985	11%	-	0%	-	0%	25,985	10%
Total	**240,656**	**100%**	**8,837**	**100%**	**-**	**0%**	**249,493**	**100%**
Enrollment at June 30, 2019	237,697		8,022		3,486		249,205	
Net Δ from Beginning of FY20	1.2%		10.2%		(100.0%)		0.1%	

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

Enrollment By Aid Category

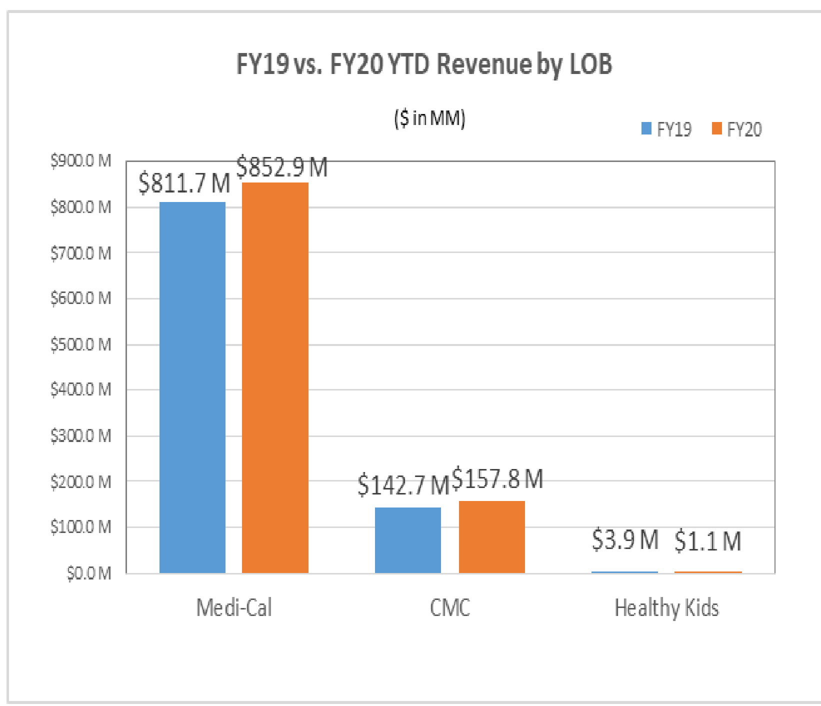
SCFHP TRENDED ENROLLMENT BY COA YTD MAY-2020

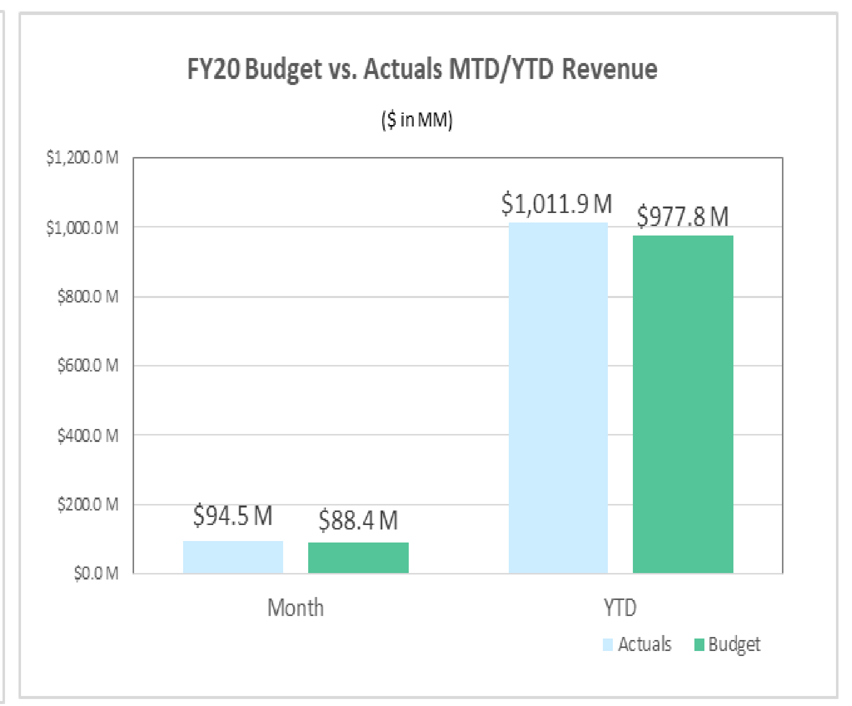
		2019-05	2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04	2020-05	FYTD var	%
NON DUAL	Adult (over 19)	25,198	25,204	24,989	24,888	24,689	24,492	24,207	23,999	23,620	23,604	23,873	24,051	25,253	49	0.2%
	Child (under 19)	94,255	94,026	93,536	92,668	92,092	95,000	93,829	93,477	92,339	92,248	92,843	93,374	95,145	1,119	1.2%
	Aged - Medi-Cal Only	10,871	10,995	10,948	10,958	10,855	10,850	10,897	10,903	10,904	10,831	10,753	10,801	11,044	50	0.5%
	Disabled - Medi-Cal Only	10,780	10,819	10,774	10,833	10,814	10,836	10,865	10,839	10,845	10,854	10,882	10,851	10,902	84	0.8%
	Adult Expansion	71,364	71,465	71,082	70,635	70,418	70,285	69,889	69,069	68,130	68,372	69,272	70,458	72,546	1,081	1.5%
	BCCTP	11	11	10	10	10	10	12	11	11	11	11	11	11	0	0.0%
	Long Term Care	370	372	372	364	366	372	371	373	379	373	367	380	398	26	7.0%
	Total Non-Duals	**212,848**	**212,891**	**211,711**	**210,356**	**209,244**	**211,845**	**210,070**	**208,671**	**206,228**	**206,293**	**208,001**	**209,926**	**215,299**	**2,408**	**1.1%**
DUAL	Adult (21 Over)	354	352	351	345	351	341	350	341	330	328	320	311	320	(32)	(9.1%)
	SPD (21 Over)	23,009	22,988	23,087	23,230	23,445	23,531	23,577	23,498	23,472	23,540	23,541	23,443	23,595	607	2.6%
	Adult Expansion	252	253	209	226	201	122	82	177	139	130	136	134	190	(63)	(24.9%)
	BCCTP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
	Long Term Care	1,192	1,213	1,220	1,232	1,237	1,256	1,271	1,308	1,266	1,257	1,231	1,235	1,252	39	3.2%
	Total Duals	**24,807**	**24,806**	**24,867**	**25,033**	**25,234**	**25,250**	**25,280**	**25,324**	**25,207**	**25,255**	**25,228**	**25,123**	**25,357**	**551**	**2.2%**
	Total Medi-Cal	**237,655**	**237,697**	**236,578**	**235,389**	**234,478**	**237,095**	**235,350**	**233,995**	**231,435**	**231,548**	**233,229**	**235,049**	**240,656**	**2,959**	**1.2%**
	Healthy Kids	**3,507**	**3,486**	**3,501**	**3,509**	**3,512**	**2**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**-3,486**	**(100.0%)**
CMC	CMC Non-Long Term Care	7,706	7,815	7,869	7,921	7,982	8,016	8,069	8,206	8,177	8,261	8,388	8,511	8,625	810	10.4%
	CMC - Long Term Care	209	207	207	213	212	217	220	222	224	225	213	214	212	5	2.4%
	Total CMC	**7,915**	**8,022**	**8,076**	**8,134**	**8,194**	**8,233**	**8,289**	**8,428**	**8,401**	**8,486**	**8,601**	**8,725**	**8,837**	**815**	**10.2%**
	Total Enrollment	**249,077**	**249,205**	**248,155**	**247,032**	**246,184**	**245,330**	**243,641**	**242,425**	**239,836**	**240,034**	**241,830**	**243,774**	**249,493**	**288**	**0.1%**

Revenue

Current month revenue of $94.5M is $6.0M or 6.8% favorable to budget of $88.4M. The current month variance was primarily due to the following:

- Higher FY20 base rates in the Medi-Cal Non-Dual categories of aid and higher enrollment than budget, net favorable of $3.8M.
- Higher FY20 Medi-Cal Dual base rate and higher enrollment than budget, net favorable of $1.2M.
- Increased Prop 56 revenue accrual of $1.0M due to rate increase (with an offsetting increase to medical expense).

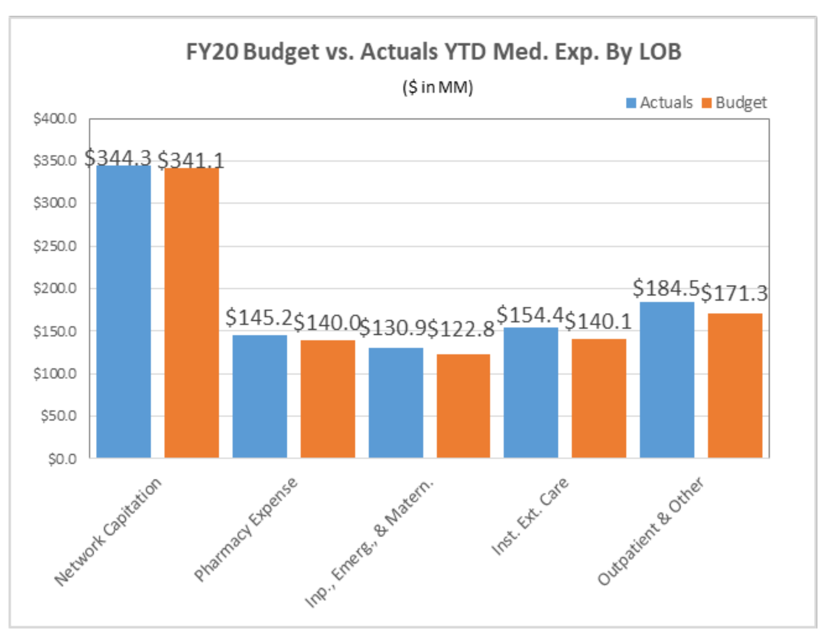


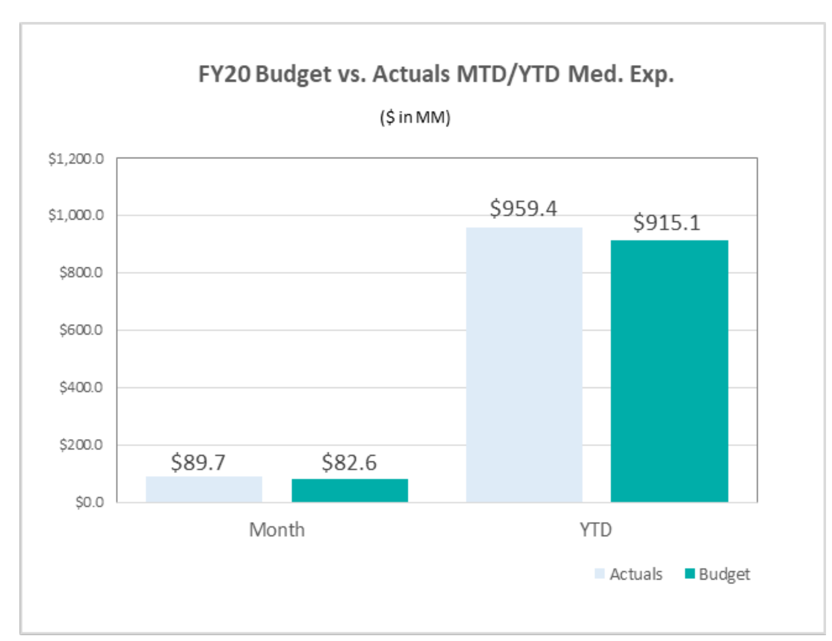


Medical Expense

Current month medical expense of $89.7M is $7.1M or 8.6% unfavorable to budget of $82.6M. The current month variance was due largely to:

- Certain higher fee-for-service expenses, including Inpatient, LTC and Other MLTSS, were $4.9M unfavorable to budget.
- Increased BHT utilization of $551K is unfavorable to budget (with offsetting increase to revenue).
- Increased FY20 Prop 56 expense accrual of $1.0M (with offsetting increase to revenue).
- An unbudgeted initiative for other health coverage (OHC) claim recoveries, which reduces net medical expense, yielded $159K during May.

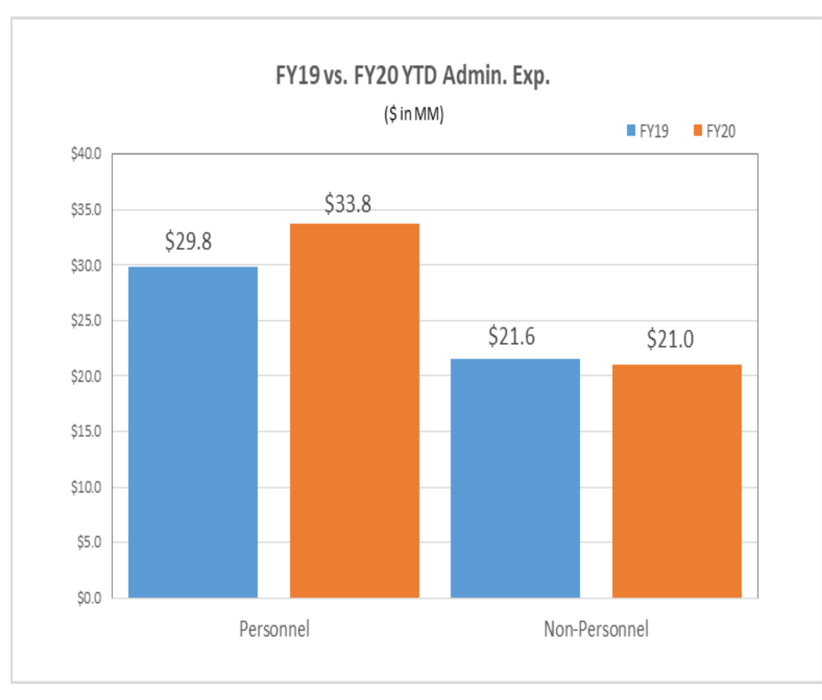


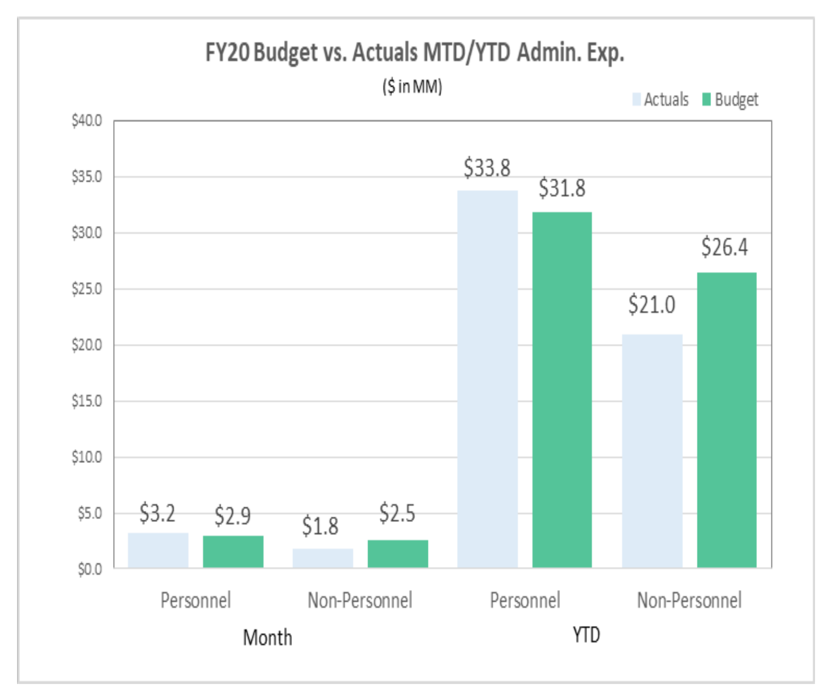


Administrative Expense

Current month admin expense of $5.0M is $392K or 7.2% favorable to budget of $5.4M. The current month variances were primarily due to the following:

- Personnel expenses were $307K or 10.6% unfavorable to budget due to slightly higher average salaries partially offset by a lower head count.
- Non-Personnel expenses were $700K or 27.9% favorable to budget due to reduced contract services and lower pharmacy administrative fees than budgeted (dispensing fees are now an allowable medical expense).





Balance Sheet

- Current assets totaled $856.3M compared to current liabilities of $684.1M, yielding a current ratio (Current Assets/Current Liabilities) of 1.25:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance increased by $32.9M compared to the cash balance as of year-end June 30, 2019 due to timing of payments received and paid.
- Current Cash & Equivalents components and yields were as follows:

Description	Cash & Investments	Current Yield %	Interest Income	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$105,514,853	1.80%	$100,000	$1,364,268
Wells Fargo Investments	$199,327,807	0.88%	$115,441	$2,626,719
	$304,842,660		$215,441	$3,990,986
Cash & Equivalents				
Bank of the West Money Market	$790,037	0.07%	$195	$66,048
Wells Fargo Bank Accounts	$26,371,222	0.06%	$2,628	$1,337,912
	$27,161,260		$2,823	$1,403,960
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$107	$1,473
Petty Cash	$500	0.00%	$0	$0
Month-End Balance	**$332,309,770**		**$218,371**	**$5,396,420**

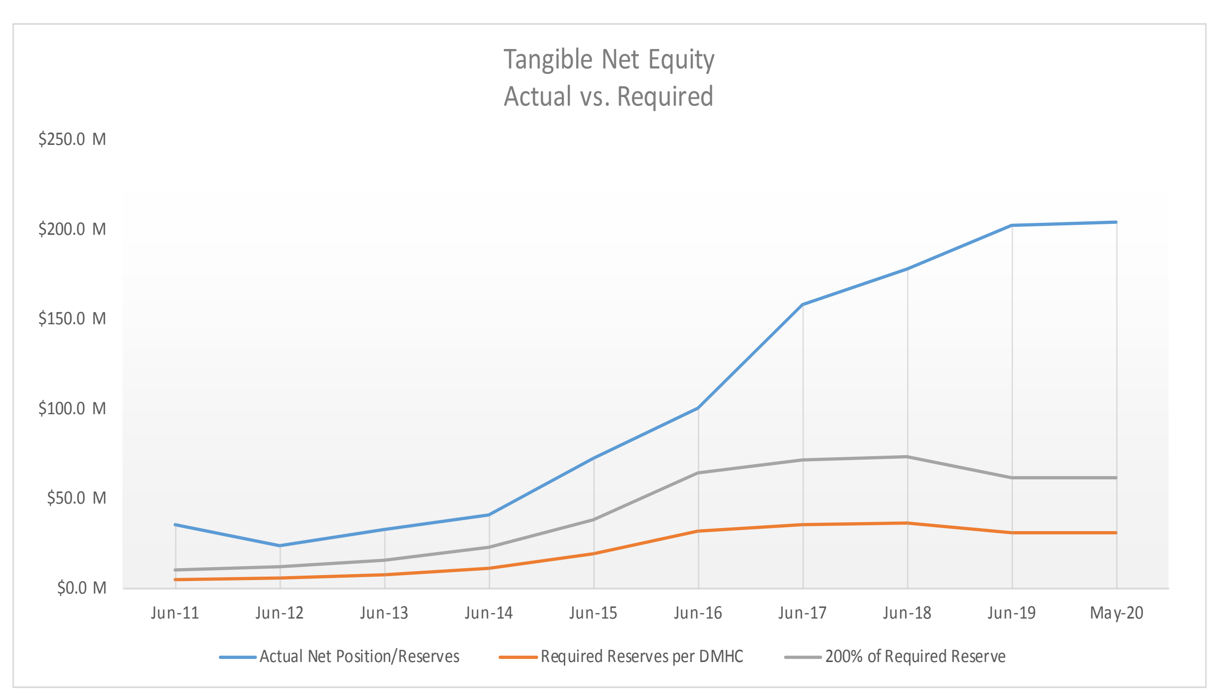
- County of Santa Clara Comingled Pool funds have longer term investments which are still yielding a higher rate than current yield rates.
- Overall cash and investment yield is slightly lower than budget (1.10% actual vs. 1.4% budgeted).

Tangible Net Equity

- TNE was $204.2M - representing approximately two months of the Plan's total expenses.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of May 31, 2020

	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	May-20
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	$178.0 M	$202.1 M	$204.2 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	$36.8 M	$30.9 M	$31.1 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	$73.6 M	$61.8 M	$62.1 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	654.4%	657.2%



Reserves Analysis

SCFHP RESERVES ANALYSIS MAY 2020

Financial Reserve Target #1: Tangible Net Equity	Approved	Balance
Board Designated Special Project Funding for CBOs	$4,000,000	$3,459,274
Board Designated Innovation & COVID-19 Fund	16,000,000	13,950,001
Invested in Capital Assets (Net Book Value)		26,569,725
Restricted under Knox-Keene agreement		305,350
Unrestricted Net Equity		159,930,100
Total TNE		204,214,449
Current Required TNE		31,073,179
TNE %		657.2%
SCFHP Target TNE Range:		
350% of Required TNE (Low)		108,756,125
500% of Required TNE (High)		155,365,893
Total TNE Above/(Below) SCFHP Low Target		**95,458,324**
Total TNE Above/(Below) High Target		**$48,848,556**

Financial Reserve Target #2: Liquidity	
Cash & Investments	$332,309,770
Less Pass-Through Liabilities	
MCO Tax Payable to State of CA	(40,512,850)
Whole Person Care / Prop 56	(36,230,332)
Other Pass-Through Liabilities (Note 2)	(2,779,005)
Total Pass-Through Liabilities	**(79,522,187)**
Net Cash Available to SCFHP	252,787,583
SCFHP Target Liquidity (Note 3)	
45 Days of Total Operating Expense	(132,091,681)
60 Days of Total Operating Expense	(176,122,242)
Liquidity Above/(Below) SCFHP Low Target	**120,695,901**
Liquidity Above/(Below) High Target	**$76,665,341**

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund for Special Projects of $2.2M. In December 2019, the Governing Board also approved additional $1.8M for Special Project fund ($4M total) and $16M for Innovation Fund.

Note 2: Other Pass-Through Liabilities include HQAF and Rate Range payables.

Note 3: SCFHP Target Liquidity is based on total monthly budgeted expenses.

Capital Expenditures

- Majority of the capital variances are building improvements and software due to timing of certain projects having been postponed.

Expenditure	YTD Actual	Annual Budget
Hardware	$479,907	$620,000
Software	$241,172	$1,029,000
Building Improvements	$1,577,994	$3,149,500
TOTAL	**$2,299,072**	**$4,798,500**

Financial Statements

Income Statement

Santa Clara County Health Authority

INCOME STATEMENT

For Eleven Months Ending May 31, 2020

	May-2020 Actuals	% of Rev	May-2020 Budget	% of Rev	Current Month Variance $	Current Month Variance %	YTD May-2020 Actuals	% of Rev	YTD May-2020 Budget	% of Rev	YTD Variance $	YTD Variance %
REVENUES												
MEDI-CAL	$ 79,564,005	84.2%	$ 73,742,293	83.4%	$ 5,821,712	7.9%	$ 852,949,147	84.3%	$ 821,510,451	84.0%	$ 31,438,696	3.8%
CMC MEDI-CAL	3,147,395	3.3%	2,962,496	3.3%	184,899	6.2%	32,895,001	3.3%	31,726,286	3.2%	1,168,715	3.7%
CMC MEDICARE	11,777,164	12.5%	11,744,383	13.3%	32,781	0.3%	124,917,571	12.3%	123,522,639	12.6%	1,394,932	1.1%
TOTAL CMC	14,924,559	15.8%	14,706,880	16.6%	217,680	1.5%	157,812,572	15.6%	155,248,925	15.9%	2,563,647	1.7%
HEALTHY KIDS	0	0.0%	0	0.0%	0	0.0%	1,123,789	0.1%	1,043,572	0.1%	80,218	7.7%
TOTAL REVENUE	**$ 94,488,564**	**100.0%**	**$ 88,449,173**	**100.0%**	**$ 6,039,391**	**6.8%**	**$ 1,011,885,508**	**100.0%**	**$ 977,802,947**	**100.0%**	**$ 34,082,561**	**3.5%**
MEDICAL EXPENSES												
MEDI-CAL	$ 74,640,940	79.0%	$ 69,034,200	78.0%	$ (5,606,739)	-8.1%	$ 809,009,171	80.0%	$ 768,309,743	78.6%	$ (40,699,428)	-5.3%
CMC MEDI-CAL	2,713,004	2.9%	3,121,482	3.5%	408,478	13.1%	30,791,212	3.0%	33,444,907	3.4%	2,653,696	7.9%
CMC MEDICARE	12,388,073	13.1%	10,487,810	11.9%	(1,900,263)	-18.1%	118,721,445	11.7%	112,202,538	11.5%	(6,518,907)	-5.8%
TOTAL CMC	15,101,077	16.0%	13,609,292	15.4%	(1,491,785)	-11.0%	149,512,656	14.8%	145,647,445	14.9%	(3,865,211)	-2.7%
HEALTHY KIDS	(354)	0.0%	0	0.0%	354	0.0%	872,202	0.1%	1,123,405	0.1%	251,203	22.4%
TOTAL MEDICAL EXPENSES	**$ 89,741,663**	**95.0%**	**$ 82,643,493**	**93.4%**	**$ (7,098,170)**	**-8.6%**	**$ 959,394,029**	**94.8%**	**$ 915,080,593**	**93.6%**	**$ (44,313,436)**	**-4.8%**
MEDICAL OPERATING MARGIN	**$ 4,746,902**	**5.0%**	**$ 5,805,680**	**6.6%**	**$ (1,058,779)**	**-18.2%**	**$ 52,491,479**	**5.2%**	**$ 62,722,354**	**6.4%**	**$ (10,230,876)**	**-16.3%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 3,213,604	3.4%	$ 2,906,109	3.3%	$ (307,495)	-10.6%	$ 33,792,539	3.3%	$ 31,839,300	3.3%	$ (1,953,239)	-6.1%
RENTS AND UTILITIES	41,342	0.0%	12,683	0.0%	(28,659)	-226.0%	229,447	0.0%	130,617	0.0%	(98,830)	-75.7%
PRINTING AND ADVERTISING	4,975	0.0%	71,613	0.1%	66,638	93.1%	96,305	0.0%	815,243	0.1%	718,938	88.2%
INFORMATION SYSTEMS	254,011	0.3%	299,410	0.3%	45,399	15.2%	2,750,292	0.3%	3,350,510	0.3%	600,218	17.9%
PROF FEES/CONSULTING/TEMP STAFFING	924,456	1.0%	1,364,734	1.5%	440,278	32.3%	11,209,350	1.1%	13,821,976	1.4%	2,612,626	18.9%
DEPRECIATION/INSURANCE/EQUIPMENT	267,951	0.3%	347,168	0.4%	79,218	22.8%	3,594,189	0.4%	4,096,804	0.4%	502,614	12.3%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	52,618	0.1%	84,740	0.1%	32,122	37.9%	648,775	0.1%	1,002,550	0.1%	353,775	35.3%
MEETINGS/TRAVEL/DUES	84,863	0.1%	132,171	0.1%	47,309	35.8%	997,901	0.1%	1,381,970	0.1%	384,069	27.8%
OTHER	181,374	0.2%	199,000	0.2%	17,626	8.9%	1,457,139	0.1%	1,794,251	0.2%	337,112	18.8%
TOTAL ADMINISTRATIVE EXPENSES	**$ 5,025,193**	**5.3%**	**$ 5,417,628**	**6.1%**	**$ 392,435**	**7.2%**	**$ 54,775,937**	**5.4%**	**$ 58,233,220**	**6.0%**	**$ 3,457,283**	**5.9%**
OPERATING SURPLUS (LOSS)	**$ (278,292)**	**-0.3%**	**$ 388,052**	**0.4%**	**$ (666,344)**	**-171.7%**	**$ (2,284,459)**	**-0.2%**	**$ 4,489,134**	**0.5%**	**$ (6,773,593)**	**-150.9%**
ALLOWANCE FOR UNCOLLECTED PREMIUM	0	0.0%	0	0.0%	0	0.0%	42330	0.0%	0	0.0%	(42,330)	0.0%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	59,780	0.1%	60,000	0.1%	220	0.4%	672,797	0.1%	660,000	0.1%	(12,797)	-1.9%
GASB 68 - UNFUNDED PENSION LIABILITY	75,000	0.1%	75,000	0.1%	0	0.0%	809,780	0.1%	825,000	0.1%	15,220	1.8%
NON-OPERATING EXPENSES	**$ 134,780**	**0.1%**	**$ 135,000**	**0.2%**	**$ 220**	**0.2%**	**$ 1,524,906**	**0.2%**	**$ 1,485,000**	**0.2%**	**$ (39,906)**	**-2.7%**
INTEREST & OTHER INCOME	239,473	0.3%	379,225	0.4%	(139,753)	-36.9%	5,898,061	0.6%	4,171,476	0.4%	1,726,585	41.4%
NET NON-OPERATING ACTIVITIES	**$ 104,693**	**0.1%**	**$ 244,225**	**0.3%**	**$ (139,532)**	**-57.1%**	**$ 4,373,155**	**0.4%**	**$ 2,686,476**	**0.3%**	**$ 1,686,679**	**62.8%**
NET SURPLUS (LOSS)	**$ (173,599)**	**-0.2%**	**$ 632,277**	**0.7%**	**$ (805,876)**	**-127.5%**	**$ 2,088,696**	**0.2%**	**$ 7,175,610**	**0.7%**	**$ (5,086,914)**	**-70.9%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY
For Eleven Months Ending May 31, 2020

	May-2020	Apr-2020	Mar-2020	May-2019
Assets				
Current Assets				
Cash and Investments	332,309,770	373,998,823	300,653,651	305,353,492
Receivables	514,792,547	512,264,590	583,619,915	468,953,769
Prepaid Expenses and Other Current Assets	9,197,248	10,805,210	11,735,059	8,196,534
Total Current Assets	**856,299,565**	**897,068,624**	**896,008,625**	**782,503,795**
Long Term Assets				
Property and Equipment	47,057,842	46,874,600	46,531,020	43,624,427
Accumulated Depreciation	(20,488,117)	(20,234,109)	(19,978,087)	(17,053,735)
Total Long Term Assets	26,569,725	26,640,491	26,552,933	26,570,692
Total Assets	**882,869,290**	**923,709,114**	**922,561,558**	**809,074,487**
Deferred Outflow of Resources	**9,237,609**	**9,237,609**	**9,237,609**	**14,535,240**
Total Assets & Deferred Outflows	**892,106,899**	**932,946,723**	**931,799,167**	**823,609,727**
Liabilities and Net Assets:				
Current Liabilities				
Trade Payables	8,754,864	11,118,630	10,498,821	4,450,765
Employee Benefits	2,236,330	2,013,844	1,952,566	1,713,820
Retirement Obligation per GASB 75	3,348,012	3,288,233	3,228,453	4,208,371
Advance Premium - Healthy Kids	0	0	0	97,693
Deferred Revenue - Medicare	262,932	262,932	500,000	8,950,629
Whole Person Care / Prop 56	36,230,332	35,440,767	32,701,914	15,893,653
Pass-Throughs Payable	2,779,005	39,857,332	54,383,626	2,053,949
Due to Santa Clara County Valley Health Plan and Kaiser	35,214,782	32,843,615	29,553,631	16,286,633
MCO Tax Payable - State Board of Equalization	40,512,850	32,410,280	24,307,710	17,569,259
Due to DHCS	31,650,545	38,041,327	37,964,537	36,800,474
Liability for In Home Support Services (IHSS)	416,092,527	416,092,527	416,092,527	416,092,527
Current Premium Deficiency Reserve (PDR)	8,294,025	8,294,025	8,294,025	8,294,025
Medical Cost Reserves	98,732,818	105,190,703	101,899,745	89,581,155
Total Current Liabilities	**684,116,996**	**724,854,213**	**721,377,554**	**621,992,953**
Non-Current Liabilities				
Net Pension Liability GASB 68	780,905	709,913.90	638,923	2,649,796
Total Non-Current Liabilities	**780,905**	**709,914**	**638,923**	**2,649,796**
Total Liabilities	**684,897,902**	**725,564,127**	**722,016,477**	**624,642,749**
Deferred Inflow of Resources	**2,994,548**	**2,994,548**	**2,994,548**	**4,034,640**
Net Assets				
Board Designated Fund: Special Project Funding for CBOs	3,459,274	3,459,274	3,820,000	0
Board Designated Fund: Innovation & COVID-19 Fund	13,950,001	13,950,001	16,000,000	0
Invested in Capital Assets (NBV)	26,569,725	26,640,491	26,552,933	26,570,692
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	157,841,404	157,770,638	155,447,470	151,139,821
Current YTD Income (Loss)	2,088,696	2,262,295	4,662,389	16,916,475
Total Net Assets / Reserves	**204,214,449**	**204,388,048**	**206,788,142**	**194,932,338**
Total Liabilities, Deferred Inflows and Net Assets	**892,106,899**	**932,946,723**	**931,799,167**	**823,609,727**

Cash Flow Statement

	May-2020	Year-to-date
Cash Flows from Operating Activities		
Premiums Received	$93,672,396	$1,267,179,394
Medical Expenses Paid	(93,828,381)	(932,515,623)
Adminstrative Expenses Paid	(41,589,299)	(305,375,494)
Net Cash from Operating Activities	**($41,745,284)**	**$29,288,277**
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(183,242)	(2,299,072)
Cash Flows from Investing Activities		
Interest Income and Other Income (Net)	239,473	5,898,061
Net Increase/(Decrease) in Cash & Cash Equivalents	**(41,689,054)**	**32,887,266**
Cash & Investments (Beginning)	373,998,823	299,422,504
Cash & Investments (Ending)	**$332,309,770**	**$332,309,770**
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating Income/(Loss)	($413,071)	($3,809,365)
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities		
Depreciation	254,007	3,121,586
Changes in Operating Assets/Liabilities		
Premiums Receivable	(2,527,957)	236,273,578
Prepaids & Other Assets	1,607,963	2,942,839
Accounts Payable & Accrued Liabilities	(38,362,288)	(255,919,982)
State Payable	1,711,789	19,020,308
IGT, HQAF & Other Provider Payables	2,371,167	16,000,605
Net Pension Liability	70,991	780,905
Medical Cost Reserves & PDR	(6,457,885)	10,877,801
Total Adjustments	**(41,332,213)**	**33,097,642**
Net Cash from Operating Activities	**($41,745,284)**	**$29,288,277**

Statement of Operations by Line of Business - YTD

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Eleven Months Ending May 31, 2020

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	$852,949,147	$32,895,001	$124,917,571	$157,812,572	$1,123,789	**$1,011,885,508**
MEDICAL EXPENSE	$809,009,171	$30,791,212	$118,721,445	$149,512,656	$872,202	**$959,394,029**
(MLR)	94.8%	93.6%	95.0%	94.7%	77.6%	94.8%
GROSS MARGIN	$43,939,976	$2,103,789	$6,196,126	$8,299,915	$251,587	**$52,491,479**
ADMINISTRATIVE EXPENSE	$46,172,307	$1,780,690	$6,762,106	$8,542,796	$60,834	**$54,775,937**
(% of Revenue Allocation)						
OPERATING INCOME/(LOSS)	($2,232,332)	$323,099	($565,980)	($242,881)	$190,754	**($2,284,459)**
(% of Revenue Allocation)						
OTHER INCOME/(EXPENSE)	$3,686,265	$142,165	$539,867	$682,032	$4,857	**$4,373,155**
(% of Revenue Allocation)						
NET INCOME/(LOSS)	$1,453,934	$465,265	($26,113)	$439,152	$195,611	**$2,088,696**
PMPM (ALLOCATED BASIS)						
REVENUE	$329.99	$355.99	$1,351.86	$1,707.85	$106.74	**$376.48**
MEDICAL EXPENSES	$312.99	$333.22	$1,284.81	$1,618.03	$82.85	**$356.95**
GROSS MARGIN	$17.00	$22.77	$67.05	$89.82	$23.90	**$19.53**
ADMINISTRATIVE EXPENSES	$17.86	$19.27	$73.18	$92.45	$5.78	**$20.38**
OPERATING INCOME/(LOSS)	($0.86)	$3.50	($6.13)	($2.63)	$18.12	**($0.85)**
OTHER INCOME/(EXPENSE)	$1.43	$1.54	$5.84	$7.38	$0.46	**$1.63**
NET INCOME/(LOSS)	$0.56	$5.04	($0.28)	$4.75	$18.58	**$0.78**
ALLOCATION BASIS:						
MEMBER MONTHS - YTD	2,584,802	92,404	92,404	92,404	10,528	2,687,734
REVENUE BY LOB	84.3%	3.3%	12.3%	15.6%	0.1%	100.0%

Regular Meeting of the

Santa Clara County Health Authority Executive/Finance Committee

Thursday, August 27, 2020, 11:30 PM – 1:30 PM
Santa Clara Family Health Plan - Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

Minutes

Members Present
Dolores Alvarado, Chair
Bob Brownstein
Dave Cameron

Members Absent
Sue Murphy
Liz Kniss

Staff Present
Christine Tomcala, Chief Executive Officer
Neal Jarecki, Chief Financial Officer
Laurie Nakahira, D.O., Chief Medical Officer
Jonathan Tamayo, Chief Information Officer
Chris Turner, Chief Operating Officer
Ngoc Bui-Tong, VP, Strategies & Analytics
Teresa Chapman, VP, Human Resources
Laura Watkins, VP, Marketing & Enrollment
Barbara Granieri, Controller
Tyler Haskell, Director, Government Relations and Interim Compliance Officer
Johanna Liu, Director, Quality & Process Improvement
Jayne Giangreco, Manager, Administrative Services
Rita Zambrano, Executive Assistant

Others Present
Carlyn Obringer, Government & Community Engagement Manager at Blue Shield of California

1. **Roll Call**

   Dolores Alvarado, Chair, called the meeting to order at 11:32 am. Roll call was taken and a quorum was established.

2. **Public Comment**

   There were no public comments.

3. **Adjourn to Closed Session**
   a. **Contract Rates**
      The Executive/Finance Committee met in Closed Session to discuss plan partner rates.

4. **Report from Closed Session**

   Ms. Alvarado reported the Executive/Finance Committee met in Closed Session to discuss plan partner rates.

5. **Approve Consent Calendar and Changes to the Agenda**

   Ms. Alvarado presented the Consent Calendar and indicated all agenda items would be approved in one motion.

   a. Approve minutes of the **July 23, 2020 Executive/Finance Committee** meeting
   b. Approve the **Quarterly Investment Compliance Report**
   c. Accept the **Network Detection and Prevention Update**

d. Approve the **Fiscal Year 2020-2021 Plan Objectives**

It was moved, seconded, and the Consent Calendar was **unanimously approved.**

Motion: Mr. Brownstein
Second: Mr. Cameron
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron
Absent: Ms. Murphy, Ms. Smith

6. CEO Update

Ms. Tomcala reported that Jordan Yamashita, Compliance Officer, has left the Plan and Tyler Haskell, Director, Government Relations, has agreed to serve as Interim Compliance Officer until the position is filled.

Ms. Tomcala provided an overview of COVID-19 data, noting DHCS' request in March 2020, and the Plan's subsequent request to provider partners and the County. She noted the data received has improved, and work continues with provider partners in an effort to have complete and consistent data.

Ms. Tomcala shared a status update on the Community Resource Center (CRC), noting occupancy is projected for mid-October.

7. Partnering on Race & Health Disparities Initiative

Tyler Haskell, Director, Government Relations, discussed a recent Board of Supervisors' referral, which directed the County Health System to create a plan addressing disparities in health care outcomes that exist among different racial groups in the County. Since the referral named SCFHP as a potential collaborator, Mr. Haskell used the public comment period at a recent Board of Supervisors (BOS) meeting to communicate some of the Plan's actions in this area to the BOS. He mentioned our use of data analysis to find disparities, our work with certain community leaders, our work with the County's Black Infant Health program, our plans to join a Stanford collaborative seeking to reduce disparities in COVID testing, and our plans to improve diabetes screening for our Latino population.

Discussion ensued regarding opportunities for transformational change.

8. Government Relations Update

Mr. Haskell presented an update on federal and state legislative and administrative developments. Mr. Haskell discussed eight bills and their respective impacts on Medi-Cal, should they become law. He announced that the Department of Health Care Services will no longer be pursuing a Long-Term Care At Home benefit. He also discussed a new statewide COVID testing program announced by the Governor, which aims to provide shorter results turnaround times and increase the overall volume of tests at a relatively low unit cost. Mr. Haskell gave an update about the next possible federal legislative COVID response, which has been on hold due to lack of consensus in the Senate Majority. Relatedly, the County is awaiting federal and state action before taking its own final actions on the County budget. However, recently, it officially passed a County budget for the 2020-2021 fiscal year and took some steps to reduce its budget deficit by deleting vacant positions.

9. Compliance Update

Mr. Haskell, Interim Compliance Officer, presented an update on recent and ongoing compliance audits. The Plan is in the final stages of the CMS Program Audit revalidation, during which we will validate our compliance in two remaining areas: Case Management and Grievances and Appeals. The data revalidation audit of the Case Management conditions will take place on Monday, August 31, while the field work for the Grievances and Appeals conditions will begin in September. Mr. Haskell announced that the Plan recently received the final annual DHCS audit report, which showed a total of six findings, which is down from 14 in last year's audit.

10. June 2020 Financial Statements

Neal Jarecki, Chief Financial Officer, presented the pre-audit June 2020 financial statements, which reflected a current month net surplus of $5 million ($4.5 million favorable to budget) and a fiscal year-to-date net surplus of $7.1 million ($627 thousand unfavorable to budget).

Enrollment increased by 4,382 members from the prior month to 253,875 members (17,030 favorable to the FY20 budget of 236,845). The Plan has seen recent growth due to (1) DHCS' direction to Counties to suspend Medi-Cal disenrollment's during COVID (which has increased enrollment by approximately 4,000 members per month beginning in March), (2) a small increase in Medi-Cal enrollment due to COVID but not associated with suspended disenrollment's, and (3) new undocumented Medi-Cal Adult members (beginning in February). CMC enrollment has increased due to continued outreach efforts.

Revenue reflected a favorable current month variance of $610 thousand (0.7%) due largely to a combination of higher enrollment, FY20 capitation rates in excess of budget, higher supplemental Medi-Cal revenues, increased Prop 56 revenue (offset by higher Prop 56 medical expense), and revisions to Medicare estimates, reduced by the retroactive 1.5% retroactive Medi-Cal rate decrease for FY20.

Medical expense reflected a favorable current month variance of $7.0 million (8.5%) due to a combination of higher enrollment, certain higher fee-for-service expenses versus budget, changes to estimates, and increased Prop 56 expense (offsetting higher Prop 56 revenue).

Administrative expense reflected a favorable current month variance of $160 thousand (2.9%) due largely to certain non-personnel expenses lower than budgeted.

The balance sheet reflected a current ratio of 1.25:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity was $209.2 million, which represented approximately two months of the Plan's total monthly expenses. Within TNE, Unrestricted Net Assets represented $165.1 million. Year-to-date capital investments of $2.5 million were comprised largely of building improvements and I.T. hardware & software.

Mr. Jarecki noted that the year-end financial audit is currently ongoing. The Plan's auditors, Moss Adams LLP, will present the final financial results at the October 2020 Executive/Finance meeting.

It was moved, seconded, and the June 2020 Financial Statements were **unanimously approved.**

Motion: Mr. Brownstein
Second: Mr. Cameron
Ayes: Ms. Alvarado, Mr. Brownstein, Dave Cameron
Absent: Ms. Kniss, Ms. Murphy

Ms. Alvarado noted she will leave the meeting early and requested that agenda items 13 & 14 be brought forward for review.

11. COVID-19 Funding Request

Ms. Tomcala reviewed and discussed the East Side Access: Community Wireless Project funding request, noting the project will build a Wi-Fi infrastructure to provide free broadband access to East Side families and community members who otherwise are challenged to schedule medical appointments and engage in telehealth services, as well as complete job applications on-line, among other basic needs. The request is for $150,000 ($50,000/year for three years) starting in September 2020 through September 2022.

It was moved, seconded, and the East Side Access: Community Wireless Project funding request was **unanimously approved.**

Motion: Mr. Brownstein
Second: Ms. Alvarado
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron
Absent: Ms. Kniss, Ms. Murphy

12. Ballot Measure Support Proposal

Bob Brownstein, Board Member, presented a proposal to support Proposition 16, which would repeal Proposition 209 and remove the ban on affirmative action from the California Constitution. This ban currently prohibits state government institutions from considering race, sex, or ethnicity, specifically in the areas of public employment, public contracting, and public education.

The California Legislature passed legislation in 2020, resulting in Proposition 16, the Repeal Proposition 209

Affirmative Action Amendment, which is on the November 3, 2020 ballot. The federal law would become the controlling authority on affirmative action in California. Federal courts ruled racial quotas and point systems in higher education admissions are unconstitutional and have upheld narrowly tailored programs designed to serve a compelling state interest (such as educational diversity).

It was moved, seconded, and unanimously approved to adopt a resolution to endorse Proposition 16, the Repeal Proposition 209 Affirmative Action Amendment, on the November ballot, and to direct staff to inform the Proposition 16 campaign of SCFHP's endorsement.

Motion: Mr. Brownstein
Second: Ms. Alvarado
Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron
Absent: Ms. Kniss, Ms. Murphy

Dolores Alvarado left the meeting at 1:17 pm.

Mr. Brownstein resumed the meeting and noted that the remaining topics would be a discussion only, due to lack of a quorum.

13. Fiscal Year 2019-2020 Team Incentive Compensation

Ms. Tomcala highlighted Plan performance on the FY'19-'20 Team Incentive Compensation measures. The team met the target of no more than four measures below the 50th percentile in Medi-Cal HEDIS, exceeded the target for CMC HEDIS with a composite average of 71.72%, exceeded the Medi-Cal member call performance target with an average speed of answer of 62 seconds, and achieved the minimum payout tier on Compliance with 93.8% of dashboard metrics in compliance during the fiscal year.

Ms. Tomcala noted the payout is contingent on a net operating surplus on the audited financial statements for the fiscal year, which is anticipated. She acknowledged upcoming financial challenges as a result of COVID-19 budget impacts, and also discussed reasons for recommending Board approval of a payout, due to the commitment to staff and hard work undertaken to achieve the performance metrics. Dave Cameron, Board Member, noted based on everything that had to be done, and given the circumstances, this is an outstanding achievement. Mr. Brownstein concurred and pointed out these were genuinely challenging targets, staff worked hard to reach them, and to the extent the Plan has the resources, staff should receive the incentive compensation. Ms. Tomcala thanked them for their input.

14. Fiscal Year 2020-2021 Team Incentive Compensation

Ms. Tomcala put forward a FY'20-'21 Team Incentive Compensation proposal for consideration. She spoke to the three proposed measures, and discussed scaling back the payout opportunity to 3% given the financial impact of the pandemic. The potential payout would exclude the executive team.

Mr. Brownstein indicated the proposal was appropriate, and suggested if the Plan is financially challenged at the end of next fiscal year, consideration could be given to carrying over the payout to the next fiscal year. Mr. Cameron expressed support for the recommendation, recognizing the need to motivate staff to meet all these objectives as the bar is raised on Plan performance expectations. Ms. Tomcala thanked the committee members for their feedback.

15. Adjournment

The meeting was adjourned at 1:29 pm.

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Susan G. Murphy, Secretary

Santa Clara Family Health Plan
Quarterly Investment Compliance Report
for the Quarter Ended June 30, 2020

1. OVERVIEW

The California Government Code (the Code), Section 53646, which governs Santa Clara Family Health Plan's (the Plan's) investments, states that the Chief Financial Officer may render a quarterly report on the status of investment portfolio and excess cash to its Governing Board.

This quarterly report contains a listing of investments, fund balances, activity, and return on investments made by the Plan. Quarterly reports also reflect the current positions and past performance of a portfolio of investments for the period of time under consideration.

This quarterly report also includes 1) a statement of compliance with the investment policy or an explanation for non-compliance; and 2) a statement of SCFHP's ability to meet its expenditure requirements for the next six months (and an explanation of why sufficient money would not be available, if that were the case).

The Plan's investments and excess cash accounts currently include:

1. County of Santa Clara Comingled Investment Pool (County Pool)
2. Wells Fargo Investment Management Portfolio (Portfolio)
3. Wells Fargo Stagecoach Money Market Fund (Sweep)

2. COMPLIANCE WITH ANNUAL INVESTMENT POLICY

Based upon our independent compliance review of the quarterly investment reports prepared for the County Pool, and Portfolio investments and the Sweep account, all investments were in compliance with the Santa Clara Family Health Plan's 2020 Annual Investment Policy adopted April 23, 2020. Investments made by Wells Fargo Asset Management are made in keeping with the Annual Investment Policy and the California Government Code.

As required by the Code, the quarter end listing of the portfolio holdings is attached to this report.

3. PORTFOLIO SUMMARY

As of June 30, 2020, the market values of the investments of the SCFHP in the County Pool, the Wells' managed portfolio and the Wells' Stagecoach Money Market Fund (Sweep Account) are as follows:

County Commingled Investment Pool (County Pool)	Wells Fargo Asset Management Portfolio (Portfolio)	Wells Fargo Stagecoach Money Market Fund (Sweep Account)	Total
$105,759,086	$199,883,355	$38,477,647	$344,120,088

4. SIX MONTH CASH SUFFICIENCY

The Plan's CFO confirmed to Sperry Capital that the Plan has sufficient cash on-hand plus projected revenues to meet its operating expenditure requirements for at least the next six months.

5. DIVERSIFICATION COMPLIANCE

As of June 30, 2020, the investment composition of the Wells Portfolio and Sweep accounts is compliant with the SCFHP Annual Investment Policy 2020.

The published Quarterly Investment Report as of June 30, 2020 for the Commingled Investment Pool indicates compliance with the County Treasurer's Investment Policy and Diversification parameters. There is no maximum percentage requirement for investment in the Commingled Investment Pool.

Three Harbor Drive, Suite 101
Sausalito, CA 94965
Tel: 415.339.9202 Fax: 415.339.6030

6. ACTUAL VS. DIVERSIFICATION REQUIREMENTS

Investment Type	Maximum Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirements	Portfolio As of 06-30-2020	Compliance
Wells Stagecoach MMF	N/A	20%	**	38,477,647	Yes
Wells Govt MMF	N/A	20%	**	142,239	Yes
Commingled Investment Pool	N/A	None	None	105,759,086	Yes
U.S. Treasury Obligations	5 years	None	None	42,050,788	Yes
U.S. Agency Obligations	5 years	None	None	108,434,027	Yes
Commercial Paper	270 days	25% of the agency's money	Highest letter and number rating by a national rating agency	10,995,235	Yes
CA Local Agency Obligations	5 years	None	None	5,003,748	Yes
CA State Obligation	5 years	None	None for CA	4,015,022	
Medium-Term Notes	5 years	30% (with not more than 20% in any 1 institution)	"A" rating or better	34,790,027	Yes
Asset-Backed Securities	5 years	20%	"AA" rating or better	1,203,170	Yes
Cash		None		-6,750,901	Yes

***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.*

7. PERFORMANCE

For the quarter ended June 30, 2020

Wells Fargo Asset Managed Portfolio

Annualized Yield = 0.56%* (0.14% = quarter-end; net of fees)
Primary Benchmark: ICE BofA Merrill Lynch 3-Month T-Bill: 0.02%
Average Duration: 0.31 years*
Average Effective Maturity: 0.31 years*

**provided by Wells Fargo Asset Management*

Santa Clara County Commingled Investment Pool

Annualized Yield = 1.61%
Weighted average life = 1.39 years (508 days)
Benchmark: LAIF = 1.41%; weighted average life = 0.52 years (190 days)
Benchmark: 2-year T-Note = 0.17%

Stagecoach Sweep Account (Wells Money Market Mutual Fund)

Annualized Yield = 0.051%

ATTACHMENT

Portfolio listing of the Wells Fargo Asset Managed Portfolio as of June 30, 3020

Sperry Capital Inc. Disclaimer: *Sperry Capital provides this Investment Summary Report for the sole use by the Santa Clara Family Health Plan and is not intended for distribution other than to members of the Board and Financial Committees of the Santa Clara Family Health Plan. This report is based on information prepared and distributed by and market valuations provided by Wells Fargo Asset Management and the Santa Clara County Treasurer's Pool, for those funds held by those entities respectively. Sperry Capital does not provide investment advice or profess an opinion as to asset allocation, appropriateness of investment or recommend alternative investment strategies. Sources for the material contained herein are deemed reliable but cannot be guaranteed*

Portfolio Holdings

US Dollar

As of 30 June 2020

WC-Santa Clara Family HealthPI

Account: XXXX5000

Investment Strategy: Short Duration Fixed Income

Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index

Cash

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
CCYUSD Cash	0.08 0.08	0.00 AAA	06/30/2020 06/30/2020	0.08	1.0000 0.00	0.00 0.00	0.08 0.08
CCYUSD Payable	-6,750,961.94 -6,750,961.94	0.00 AAA	06/30/2020 06/30/2020	-6,750,961.94	1.0000 0.00	0.00 0.00	-6,750,961.94 -6,750,961.94
CCYUSD Receivable	60.51 60.51	0.00 AAA	06/30/2020 06/30/2020	60.51	1.0000 0.00	0.00 0.00	60.51 60.51
CCYUSD ---	**-6,750,901.35 -6,750,901.35**	**0.00 AAA**	**06/30/2020 06/30/2020**	**-6,750,901.35**	**1.0000 0.00**	**0.00 0.00**	**-6,750,901.35 -6,750,901.35**

MMFund

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
94975P405 WELLSFARGO:GOVT MM I	142,239.52 142,239.52	0.05 AAA	06/30/2020 06/30/2020	142,239.52	1.0000 2.54	0.00 0.00	142,239.52 142,239.52
94975P405 WELLSFARGO:GOVT MM I	**142,239.52 142,239.52**	**0.05 AAA**	**06/30/2020 06/30/2020**	**142,239.52**	**1.0000 2.54**	**0.00 0.00**	**142,239.52 142,239.52**

Fixed Income

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
06051GFT1 BANK OF AMERICA CORP	3,000,000.00 3,000,000.00	2.63 A	10/19/2020 10/19/2020	3,005,940.03	100.6797 0.38	15,750.00 14,450.22	3,020,390.25 3,036,140.25
06406HDD8 BANK OF NEW YORK MELLON CORP	2,000,000.00 2,000,000.00	2.60 A+	08/17/2020 07/17/2020	2,000,588.49	100.0893 0.72	19,355.56 1,198.39	2,001,786.88 2,021,142.44
06406FAA1 BANK OF NEW YORK MELLON CORP	760,000.00 760,000.00	2.50 A+	04/15/2021 03/15/2021	770,708.66	101.5245 0.34	4,011.11 877.38	771,586.05 775,597.16
13017HAF3 CALIFORNIA EARTHQUAKE AUTH REV	4,000,000.00 4,000,000.00	1.30 A-1+	07/01/2020 07/01/2020	4,000,000.00	100.0000 1.30	15,022.22 0.00	4,000,000.00 4,015,022.22
17325FAQ1 CITIBANK NA	3,050,000.00 3,050,000.00	3.40 A+	07/23/2021 06/23/2021	3,141,500.00	102.9822 0.35	45,512.78 -542.66	3,140,957.34 3,186,470.12
30229ALP2 Exxon Mobil Corporation	2,000,000.00 2,000,000.00	0.00 A-1+	11/23/2020 11/23/2020	1,997,180.55	99.8856 0.29	0.00 532.11	1,997,712.66 1,997,712.66
3133EJYY9 FEDERAL FARM CREDIT BANKS FUNDING CORP	2,000,000.00 2,000,000.00	2.69 AAA	09/04/2020 09/04/2020	2,002,887.86	100.4532 0.14	17,485.00 6,176.62	2,009,064.48 2,026,549.48
313312ZY9 FEDERAL FARM CREDIT BANKS FUNDING CORP	5,000,000.00 5,000,000.00	0.00 A-1+	07/28/2020 07/28/2020	4,992,934.86	99.9910 0.12	0.00 6,615.14	4,999,550.00 4,999,550.00
313312N97 FEDERAL FARM CREDIT BANKS FUNDING CORP	1,000,000.00 1,000,000.00	0.00 A-1+	11/10/2020 11/10/2020	994,102.95	99.9377 0.17	0.00 5,273.72	999,376.67 999,376.67

The information contained in this report represents estimated trade date investment calculations. Certain calculations may not be available for all time periods. Please refer to your custody statement for official portfolio holdings and transactions. Note that certain accounting methods may cause differences between this investment report and your custody statement.

Portfolio Holdings

US Dollar
As of 30 June 2020

WC-Santa Clara Family HealthPl
Account: XXXX5000
Investment Strategy: Short Duration Fixed Income
Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
313313DU9 FEDERAL FARM CREDIT BANKS FUNDING CORP	1,000,000.00 1,000,000.00	0.00 A-1+	04/01/2021 04/01/2021	997,715.81	99.8706 0.17	0.00 990.30	998,706.11 998,706.11
313312L65 FEDERAL FARM CREDIT BANKS FUNDING CORP	5,000,000.00 5,000,000.00	0.00 A-1+	10/22/2020 10/22/2020	4,997,959.52	99.9529 0.15	0.00 -313.67	4,997,645.85 4,997,645.85
313312Q60 FEDERAL FARM CREDIT BANKS FUNDING CORP	5,000,000.00 5,000,000.00	0.00 A-1+	11/23/2020 11/23/2020	4,997,180.26	99.9315 0.17	0.00 -603.86	4,996,576.40 4,996,576.40
313313CA4 FEDERAL FARM CREDIT BANKS FUNDING CORP	5,000,000.00 5,000,000.00	0.00 A-1+	02/18/2021 02/18/2021	4,994,199.27	99.8904 0.17	0.00 322.93	4,994,522.20 4,994,522.20
313384G86 FEDERAL HOME LOAN BANKS	1,900,000.00 1,900,000.00	0.00 A-1+	09/22/2020 09/22/2020	1,899,342.88	99.9677 0.14	0.00 43.84	1,899,386.72 1,899,386.72
313385BM7 FEDERAL HOME LOAN BANKS	5,000,000.00 5,000,000.00	0.00 A-1+	02/05/2021 02/05/2021	4,954,542.21	99.8966 0.17	0.00 40,286.94	4,994,829.15 4,994,829.15
313384D71 FEDERAL HOME LOAN BANKS	14,000,000.00 14,000,000.00	0.00 A-1+	08/28/2020 08/28/2020	13,996,729.25	99.9758 0.15	0.00 -112.63	13,996,616.62 13,996,616.62
313384M97 FEDERAL HOME LOAN BANKS	15,200,000.00 15,200,000.00	0.00 A-1+	11/02/2020 11/02/2020	15,195,714.71	99.9414 0.17	0.00 -4,615.23	15,191,099.49 15,191,099.49
313385AN6 FEDERAL HOME LOAN BANKS	5,000,000.00 5,000,000.00	0.00 A-1+	01/13/2021 01/13/2021	4,994,826.80	99.9020 0.18	0.00 273.20	4,995,100.00 4,995,100.00
313384ZR3 FEDERAL HOME LOAN BANKS	20,000,000.00 20,000,000.00	0.00 A-1+	07/21/2020 07/21/2020	19,998,833.24	99.9933 0.12	0.00 -166.64	19,998,666.60 19,998,666.60
313384D63 FEDERAL HOME LOAN BANKS	5,000,000.00 5,000,000.00	0.00 A-1+	08/27/2020 08/27/2020	4,998,852.02	99.9762 0.15	0.00 -39.52	4,998,812.50 4,998,812.50
313396A60 FEDERAL HOME LOAN MORTGAGE CORP	10,000,000.00 10,000,000.00	0.00 A-1+	08/03/2020 08/03/2020	9,985,904.16	99.9862 0.14	0.00 12,720.84	9,998,625.00 9,998,625.00
313396C68 FEDERAL HOME LOAN MORTGAGE CORP	250,000.00 250,000.00	0.00 A-1+	08/19/2020 08/19/2020	249,959.16	99.9796 0.15	0.00 -10.20	249,948.96 249,948.96
313588E43 FEDERAL NATIONAL MORTGAGE ASSOCIATION	8,100,000.00 8,100,000.00	0.00 A-1+	09/02/2020 09/02/2020	8,097,944.52	99.9755 0.14	0.00 70.98	8,098,015.50 8,098,015.50
4042Q1AE7 HSBC BANK USA NA	2,000,000.00 2,000,000.00	4.88 A	08/24/2020 08/24/2020	2,008,081.32	100.6340 0.63	34,395.83 4,598.68	2,012,680.00 2,047,075.83
44932HAK9 IBM CREDIT LLC	1,150,000.00 1,150,000.00	3.45 A	11/30/2020 11/30/2020	1,163,393.35	101.2761 0.38	3,416.46 1,281.70	1,164,675.05 1,168,091.50
458140AQ3 INTEL CORP	3,000,000.00 3,000,000.00	2.45 A+	07/29/2020 07/29/2020	3,001,055.05	100.1651 0.40	31,033.33 3,897.62	3,004,952.67 3,035,986.00
24422ESL4 JOHN DEERE CAPITAL CORP	500,000.00 500,000.00	2.80 A	03/04/2021 03/04/2021	503,504.87	101.6700 0.33	4,550.00 4,845.33	508,350.21 512,900.21
24422EUN7 JOHN DEERE CAPITAL CORP	1,731,000.00 1,731,000.00	1.73 A	07/10/2020 07/10/2020	1,731,135.16	100.0060 1.52	6,493.54 -31.60	1,731,103.57 1,737,597.11
24422EUV9 JOHN DEERE CAPITAL CORP	1,500,000.00 1,500,000.00	2.30 A	06/07/2021 06/07/2021	1,527,795.00	101.7069 0.47	2,395.83 -2,190.97	1,525,604.02 1,527,999.86
46625HNX4 JPMORGAN CHASE & CO	3,000,000.00 3,000,000.00	2.55 A	10/29/2020 09/29/2020	3,003,340.27	100.5101 0.48	13,175.00 11,961.32	3,015,301.59 3,028,476.59
50000DJ15 Koch Industries, Inc.	4,000,000.00 4,000,000.00	0.00 A-1+	09/01/2020 09/01/2020	3,998,553.33	99.9767 0.14	0.00 515.67	3,999,069.00 3,999,069.00

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Portfolio Holdings

US Dollar

As of 30 June 2020

WC-Santa Clara Family HealthPI

Account: XXXX5000

Investment Strategy: Short Duration Fixed Income

Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
542424WH5 LONG BEACH CALIF HBR REV	1,500,000.00 1,500,000.00	4.00 AA	07/15/2021 07/15/2021	1,547,116.44	103.4540 0.57	7,000.00 4,693.56	1,551,810.00 1,558,810.00
544647BY5 LOS ANGELES CALIF UNI SCH DIST	1,675,000.00 1,675,000.00	2.38 AA+	07/01/2020 07/01/2020	1,675,000.00	100.0000 2.37	6,740.71 0.00	1,675,000.00 1,681,740.71
637432NF8 NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2,909,000.00 2,909,000.00	2.30 A+	11/01/2020 10/01/2020	2,911,563.06	100.4591 0.48	11,151.17 10,793.44	2,922,356.50 2,933,507.67
69371RN85 PACCAR FINANCIAL CORP	1,000,000.00 1,000,000.00	2.05 A+	11/13/2020 11/13/2020	1,000,946.01	100.6251 0.35	2,733.33 5,304.79	1,006,250.80 1,008,984.13
69371RP26 PACCAR FINANCIAL CORP	2,000,000.00 2,000,000.00	3.10 A+	05/10/2021 05/10/2021	2,044,866.15	102.3043 0.42	8,783.33 1,219.81	2,046,085.96 2,054,869.29
79730CJD7 SAN DIEGO CALIF PUB FACS FING AUTH WTR REV	1,000,000.00 1,000,000.00	1.03 AA	08/01/2020 08/01/2020	1,000,000.00	100.0290 0.69	1,431.94 290.00	1,000,290.00 1,001,721.94
857477AV5 STATE STREET CORP	2,000,000.00 2,000,000.00	1.95 A+	05/19/2021 05/19/2021	2,029,100.00	101.4354 0.33	4,658.33 -392.14	2,028,707.86 2,033,366.19
89238TAD5 TAOT 2018-B A3	1,400,000.00 1,183,575.59	2.96 AAA	09/15/2022 12/26/2020	1,202,073.15	101.5240 -0.14	1,557.06 -460.22	1,201,612.93 1,203,169.99
88602TJF1 Thunder Bay Funding, LLC	3,000,000.00 3,000,000.00	0.00 A-1+	09/15/2020 09/15/2020	2,998,670.00	99.9609 0.19	0.00 155.74	2,998,825.74 2,998,825.74
89236TCZ6 TOYOTA MOTOR CREDIT CORP	2,625,000.00 2,625,000.00	1.90 A+	04/08/2021 04/08/2021	2,647,384.78	101.1455 0.41	11,498.96 7,684.99	2,655,069.77 2,666,568.73
89233GHC3 Toyota Motor Credit Corporation	2,000,000.00 2,000,000.00	0.00 A-1+	08/12/2020 08/12/2020	1,997,666.67	99.9814 0.16	0.00 1,960.67	1,999,627.34 1,999,627.34
912828NT3 UNITED STATES TREASURY	5,500,000.00 5,500,000.00	2.63 AAA	08/15/2020 08/15/2020	5,506,657.59	100.3020 0.23	54,338.94 9,952.41	5,516,610.00 5,570,948.94
912828B58 UNITED STATES TREASURY	1,700,000.00 1,700,000.00	2.13 AAA	01/31/2021 01/31/2021	1,704,350.45	101.1211 0.21	15,085.16 14,708.25	1,719,058.70 1,734,143.86
9128282Z2 UNITED STATES TREASURY	5,000,000.00 5,000,000.00	1.63 AAA	10/15/2020 10/15/2020	4,997,086.37	100.4152 0.20	17,093.58 23,673.63	5,020,760.00 5,037,853.58
9128286V7 UNITED STATES TREASURY	5,900,000.00 5,900,000.00	2.13 AAA	05/31/2021 05/31/2021	5,992,497.27	101.7812 0.18	10,619.19 12,593.53	6,005,090.80 6,015,709.99
912796XG9 UNITED STATES TREASURY	12,700,000.00 12,700,000.00	0.00 A-1+	08/27/2020 08/27/2020	12,697,788.08	99.9778 0.14	0.00 -607.48	12,697,180.60 12,697,180.60
9127964K2 UNITED STATES TREASURY	11,000,000.00 11,000,000.00	0.00 A-1+	10/27/2020 10/27/2020	10,994,050.83	99.9541 0.14	0.00 900.17	10,994,951.00 10,994,951.00
92826CAB8 VISA INC	2,000,000.00 2,000,000.00	2.20 AA-	12/14/2020 11/14/2020	2,002,459.07	100.6588 0.42	2,077.78 10,716.91	2,013,175.98 2,015,253.76
9523472A9 WEST CONTRA COSTA CALIF UNI SCH DIST	760,000.00 760,000.00	1.18 A+	08/01/2020 08/01/2020	760,000.00	100.0330 0.80	1,224.78 250.80	760,250.80 761,475.58
--- ---	205,810,000.00 205,593,575.59	0.76 AA+	10/22/2020 10/17/2020	205,911,681.48	100.2633 0.26	368,590.95 211,744.82	206,123,426.30 206,492,017.25

The information contained in this report represents estimated trade date investment calculations. Certain calculations may not be available for all time periods. Please refer to your custody statement for official portfolio holdings and transactions. Note that certain accounting methods may cause differences between this investment report and your custody statement.

Portfolio Holdings

US Dollar

As of 30 June 2020

WC-Santa Clara Family HealthPI

Account: XXXX5000

Investment Strategy: Short Duration Fixed Income

Primary Benchmark: ICE BofA 3-Month US Treasury Bill Index

Summary

Identifier, Description	Base Original Units, Base Current Units	Coupon, Rating	Final Maturity, Effective Maturity	Base Book Value	Market Price, Yield	Base Accrued Balance, Base Net Total Unrealized Gain/Loss	Base Market Value, Base Market Value + Accrued
---	199,201,338.17	0.79	10/26/2020	199,303,019.65	103.5452	368,590.95	199,514,764.47
---	198,984,913.76	AA+	10/20/2020		0.27	211,744.82	199,883,355.42

* Grouped by: Asset Class. * Groups Sorted by: Asset Class. * Weighted by: Base Market Value + Accrued. * Holdings Displayed by: Position.

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Network Detection and Prevention Report

August 2020

Executive/Finance Committee Meeting

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:

Critical/High

These attacks are the most dangerous. They can take down our entire network or disable servers. Can take the form of 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 performance. For example, various DNS (Domain Naming Service), FTP (File Transfer Protocol), and Telnet attacks.

Low/Informational

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. The new informational category is from the recently implemented Palo Alto Firewall. These events are of low to no threat and are more of an FYI for reporting.

Attack Statistics Combined

April/May/June/July

	Number of Different Types of Attacks				Total Number of Attempts				Percent of Attempts			
Severity Level	Apr	May	June	July	Apr	May	June	July	Apr	May	June	July
Critical	16	12	16	13	329	228	124	111	0.10	0.032	0.018	0.017
High	10	11	15	15	217	698	1,204	1,820	0.07	0.098	0.18	0.28
Medium	24	13	16	13	24,355	21,482	17,599	16,605	7.62	3.03	2.61	2.54
Low	5	6	5	6	689	427	553	636	0.21	0.06	0.082	0.098
Informational	20	19	23	19	296,002	684,306	655,524	632,234	92.04	96.77	97.11	97.05

Summary – Compare July to previous month of June 2020

- Critical Severity Level – number of threat attempts is **11.7%** lower
- High Severity Level - number of threat attempts is **33.8**% higher
- Medium Severity Level - number of threat attempts **5.9%** lower
- Low Severity Level - number of threat attempts is **13%** higher

Top 5 Events for May, June and July

Critical Events – total 351 events

Top 5 Critical vulnerability events
- 218 events for “Draytek Vigor Remote Command Execution Vulnerability” (code-execution)
- 49 events for “Zyxel Multiple Products Command Injection Vulnerability” (code-execution)
- 34 events for “UDP Flood” (Botnet)
- 33 events for “CobaltStrike.Gen Command and Control Traffic” ” (code-execution)
- 17 events for “NJRat.Gen Command and Control Traffic” (code-execution)

High Events – total 3,494 events

Top 5 High vulnerability events
- 2,146 events for “SIP INVITE Method Request Flood Attempt” (Brute Force)
- 1,174 events for “'SIP Bye Message Brute Force Attack” (brute-force)
- 120 events for “HTTP Unix Shell IFS Remote Code Execution Detection” (code-execution)
- 38 events for “MVPower DVR TV Shell Unauthenticated Command Execution Vulnerability” (code-execution)
- 16 events for “Netis/Netcore Router Default Credential Remote Code Execution Vulnerability” (code-execution)

Medium Events – total 92602 events

Top 5 Medium vulnerability events
- 84,877 events for ”SIPVicious Scanner Detection” (Info-Leak)
- 3,698 events for “Metasploit VxWorks WDB Agent Scanner Detection” (Info-Leak)
- 2,961 events for “RPC Portmapper DUMP Request Detected” (Info-Leak)
- 995 events for “ZGrab Application Layer Scanner Detection” (Info-Leak)
- 71 events for “Masscan Port Scanning Tool Detection” (Info-Leak)

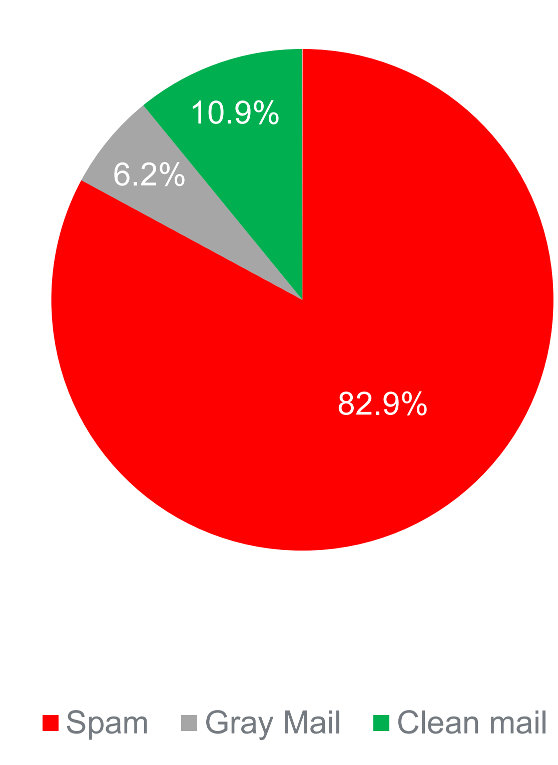
Attack Attempts Definitions

Code-execution – Attempt to install or run an application.
Brute Force – Vulnerability attempt to obtain user credentials.
Info-Leak – attempt to obtain user or sensitive information.
Botnet – used to perform distributed denial-of-service attack (DDoS attack), steal data and send spam.

Email Security – July Statistics

Overview > Incoming Mail Summary

Message Category	%	Messages
Stopped by Reputation Filtering	72.9%	476.0k
Stopped as Invalid Recipients	0.0%	2
Spam Detected	10.0%	65.6k
Virus Detected	0.0%	1
Detected by Advanced Malware Protection	0.0%	3
Messages with Malicious URLs	0.1%	414
Stopped by Content Filter	0.0%	267
Stopped by DMARC	0.0%	0
S/MIME Verification/Decryption Failed	0.0%	0
Total Threat Messages:	**82.9%**	**541.9k**
Marketing Messages	3.7%	23.9k
Social Networking Messages	0.1%	612
Bulk Messages	2.4%	15.9k
Total Graymails:	**6.2%**	**40.4k**
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	10.9%	71.1k
Total Attempted Messages:		**653.4k**



July

During the month.

- 82.9% of threat messages had been blocked.
- 6.2% were Graymails *(Graymail is solicited bulk email messages that don't fit the definition of email spam).*
- 10.9% were clean messages that delivered.
- Additionally there were about 9 suspicious spam/phishing messages manually added to the Blacklist of our Cisco Email Security Appliance for this month.

Questions

FY 2020-21 FOCUS

Drive Quality Improvement & Achieve Operational Excellence

DRAFT

	Plan Objectives	Success Measures
1	Pursue benchmark quality performance	• Increase screenings to ≥11,000 developmental, ≥5,000 trauma, and ≥9,500 blood lead (children 0-3) • Achieve HEDIS average performance score of 2.52 for Medi-Cal and 2.02 for Cal MediConnect • Reduce Medi-Cal Plan All-Cause Readmissions (PCR) to 7.48% • Achieve 75% of points required for Medi-Cal NCQA Interim Accreditation
2	Enhance compliance program and delegation oversight	• ≥ 95% of metrics on Compliance Dashboard in compliance • Implement delegate oversight dashboard by December 2020
3	Improve IT infrastructure	• Add Pharmacy, Case Management, and G&A data to Enterprise Data Warehouse; produce reports • Implement vendor solution for Fast Healthcare Interoperability Resource (FHIR) by March 2021 • Develop authorization submission capability in provider portal by March 2021
4	Foster membership growth and retention	• Increase Medi-Cal market share to 80% • Achieve net increase of 600 CMC members • Expand provider network in accordance with DHCS standards at network level • Implement new provider payment transaction vendor by March 2021 to improve provider satisfaction • Develop Dual Eligible Special Needs Plan (D-SNP) implementation plan for 2023 by January 2021
5	Collaborate with Community Partners to Strengthen the Safety Net	• Open Community Resource Center; partner with CBOs on health education & fitness programming • Implement YMCA membership benefit for Medi-Cal and CMC members
6	Achieve budgeted financial performance	• FY 2020-21 Net Deficit ≤ $14 million (1.2% of revenue) • Maintain administrative loss ratio ≤ 7% of revenue
7	Increase Employee Satisfaction	• Achieve weighted average of three overall ratings on 2021 employee satisfaction survey that is 2% above the norm of California health plans surveyed

Critical Priority

EMPLOYEE SATISFACTION SURVEY

Ref	Metric	CA Health Plans Surveyed 2019 Norm	SCFHP Survey 2019	Weighting
1	Overall Satisfaction - Highly Satisfied	55%	52%	50%
2	High Engagement	54%	57%	25%
3	Would Recommend SCFHP	71%	70%	25%
	Total/Average	**60.00%**	**59.67%**	

NOTE: SCFHP results for the three overall ratings showed no statistically significant difference from 2018 survey results or the 2019 norm for California health plans surveyed.

<u>**FY'21 PLAN OBJECTIVE**</u>	<u>**SUCCESS MEASURE**</u>
Increase Employee Satisfaction	Achieve weighted average of three overall ratings on 2021 employee satisfaction survey that is 2% above the norm of California health plans surveyed

Unaudited Financial Statements
For Twelve Months Ended June 30, 2020

Agenda

Table of Contents	Page
Financial Highlights	3 - 4
Detail Analyses:	5
Enrollment	6
Enrollment by Category of Aid	7-8
Revenue	9
Medical Expense	10
Administrative Expense	11
Balance Sheet	12
Tangible Net Equity	13
Reserves Analysis	14
Capital Expenditures	15
Financial Statements:	16
Income Statement	17
Balance Sheet	18
Cash Flow Statement	19
Statement of Operations by Line of Business	20

Financial Highlights

	MTD		YTD	
Revenue	$88 M		$1,100 M	
Medical Expense (MLR)	$76 M	86.1%	$1,035 M	94.1%
Administrative Expense (% Rev)	$5.7 M	6.5%	$60.5 M	5.5%
Other Income/Expense	($1.6 M)		$2.8 M	
Net Surplus (Loss)	**$5.0 M**		**$7.1 M**	
Cash and Investments			$334 M	
Receivables			$538 M	
Total Current Assets			$881 M	
Current Liabilities			$704 M	
Current Ratio			1.25	
Tangible Net Equity			$209 M	

Financial Highlights

Net Surplus (Loss)	Month: Surplus of $5.0M is $4.5M or 843.2% favorable to budget of $529K. YTD: Surplus of $7.1M is $627K or 8.1% unfavorable to budget of $7.7M.
Enrollment	Month: Membership was 253,875 (17,030 or 7.2% favorable budget of 236,845). YTD: Membership was 2,941,609 (38,411 or 1.3% favorable budget of 2,903,198).
Revenue	Month: $87.8M ($610K or 0.7% unfavorable to budget of $88.4M). YTD: $1,099.7M ($33.5M or 3.1% favorable to budget of $1,066.2M).
Medical Expenses	Month: $75.6M ($7.0M or 8.5% favorable to budget of $82.6M). YTD: $1,035.0M ($37.3M or 3.7% unfavorable to budget of $997.7M).
Administrative Expenses	Month: $5.7M ($160K or 2.9% unfavorable to budget of $5.5M). YTD: $60.5M ($3.3M or 5.2% favorable to budget of $63.8M).
Tangible Net Equity	TNE was $209.2M (represents approximately two months of total expenses).
Capital Expenditures	YTD Capital Investments of $2.5M vs. $4.8M annual budget, primarily building improvements and hardware.

Detail Analyses

Enrollment

- Total enrollment of 253,875 members is higher than budget by 17,030 or 7.2%. Since June 30, 2019, total enrollment has slightly increased by 4,670 members or 1.9%.
- Medi-Cal enrollment has been increasing since January, reflecting newly-eligible and COVID enrollment (beginning in March annual redeterminations of eligibility was suspended). In October 2019, approximately 3,500 Healthy Kids members transitioned to Medi-Cal.
- Since the beginning of the fiscal year, Medi-Cal Non-Dual enrollment has increased 3.1%, Dual enrollment has increased 2.1%, and CMC enrollment has grown 12.0%.

	For the Month June 2020				For Twelve Months Ending June 30, 2020					
	Actual	Budget	Variance	Variance (%)	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY19 vs. FY20
Medi-Cal	244,888	228,302	16,586	7.3%	2,829,690	2,793,614	36,076	1.3%	2,904,820	(2.6%)
Cal Medi-Connect	8,987	8,543	444	5.2%	101,391	99,540	1,851	1.9%	92,838	9.2%
Healthy Kids	0	0	0	0.0%	10,528	10,044	484	4.8%	40,083	(73.7%)
Total	**253,875**	**236,845**	**17,030**	**7.2%**	**2,941,609**	**2,903,198**	**38,411**	**1.3%**	**3,037,741**	**(3.2%)**

Santa Clara Family Health Plan Enrollment By Network
June 2020

Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	31,263	13%	8,987	100%	-	0%	40,250	16%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	122,808	50%	-	0%	-	0%	122,808	48%
Palo Alto Medical Foundation	6,633	3%	-	0%	-	0%	6,633	3%
Physicians Medical Group	42,632	17%	-	0%	-	0%	42,632	17%
Premier Care	15,011	6%	-	0%	-	0%	15,011	6%
Kaiser	26,541	11%	-	0%	-	0%	26,541	10%
Total	**244,888**	**100%**	**8,987**	**100%**	**-**	**0%**	**253,875**	**100%**
Enrollment at June 30, 2019	237,697		8,022		3,486		249,205	
Net Δ from Beginning of FY20	3.0%		12.0%		(100.0%)		1.9%	

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

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD JUNE-2020

		2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04	2020-05	2020-06	FYTD var	%
NON DUAL	Adult (over 19)	25,204	24,989	24,888	24,689	24,492	24,207	23,999	23,620	23,604	23,873	24,051	25,253	26,299	1,095	4.3%
	Child (under 19)	94,026	93,536	92,668	92,092	95,000	93,829	93,477	92,339	92,248	92,843	93,374	95,145	96,173	2,147	2.3%
	Aged - Medi-Cal Only	10,995	10,948	10,958	10,855	10,850	10,897	10,903	10,904	10,831	10,753	10,801	11,044	11,207	213	1.9%
	Disabled - Medi-Cal Only	10,819	10,774	10,833	10,814	10,836	10,865	10,839	10,845	10,854	10,882	10,851	10,902	10,922	104	1.0%
	Adult Expansion	71,465	71,082	70,635	70,418	70,285	69,889	69,069	68,130	68,372	69,272	70,458	72,546	74,553	3,088	4.3%
	BCCTP	11	10	10	10	10	12	11	11	11	11	11	11	11	0	0.0%
	Long Term Care	372	372	364	366	372	371	373	379	373	367	380	398	405	33	8.9%
	Total Non-Duals	**212,891**	**211,711**	**210,356**	**209,244**	**211,845**	**210,070**	**208,671**	**206,228**	**206,293**	**208,001**	**209,926**	**215,299**	**219,570**	**6,679**	**3.1%**
DUAL	Adult (21 Over)	352	351	345	351	341	350	341	330	328	320	311	320	321	(31)	(8.8%)
	SPD (21 Over)	22,988	23,087	23,230	23,445	23,531	23,577	23,498	23,472	23,540	23,541	23,443	23,595	23,508	520	2.3%
	Adult Expansion	253	209	226	201	122	82	177	139	130	136	134	190	241	(12)	(4.7%)
	BCCTP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
	Long Term Care	1,213	1,220	1,232	1,237	1,256	1,271	1,308	1,266	1,257	1,231	1,235	1,252	1,248	35	2.9%
	Total Duals	**24,806**	**24,867**	**25,033**	**25,234**	**25,250**	**25,280**	**25,324**	**25,207**	**25,255**	**25,228**	**25,123**	**25,357**	**25,318**	**512**	**2.1%**
	Total Medi-Cal	**237,697**	**236,578**	**235,389**	**234,478**	**237,095**	**235,350**	**233,995**	**231,435**	**231,548**	**233,229**	**235,049**	**240,656**	**244,888**	**7,191**	**3.0%**
	Healthy Kids	**3,486**	**3,501**	**3,509**	**3,512**	**2**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**-3,486**	**(100.0%)**
CMC	CMC Non-Long Term Care	7,815	7,869	7,921	7,982	8,016	8,069	8,206	8,177	8,261	8,388	8,511	8,625	8,775	960	12.3%
	CMC - Long Term Care	207	207	213	212	217	220	222	224	225	213	214	212	212	5	2.4%
	Total CMC	**8,022**	**8,076**	**8,134**	**8,194**	**8,233**	**8,289**	**8,428**	**8,401**	**8,486**	**8,601**	**8,725**	**8,837**	**8,987**	**965**	**12.0%**
	Total Enrollment	**249,205**	**248,155**	**247,032**	**246,184**	**245,330**	**243,641**	**242,425**	**239,836**	**240,034**	**241,830**	**243,774**	**249,493**	**253,875**	**4,670**	**1.9%**

Enrollment Trend

Jan 20 - Jun 20

MC Volume: 0, 20,000, 40,000, 60,000, 80,000, 100,000, 120,000, 140,000, 160,000, 180,000, 200,000, 220,000, 240,000, 260,000

CMC Volume: 7,500, 8,000, 8,500, 9,000, 9,500

Medi-Cal

CMC

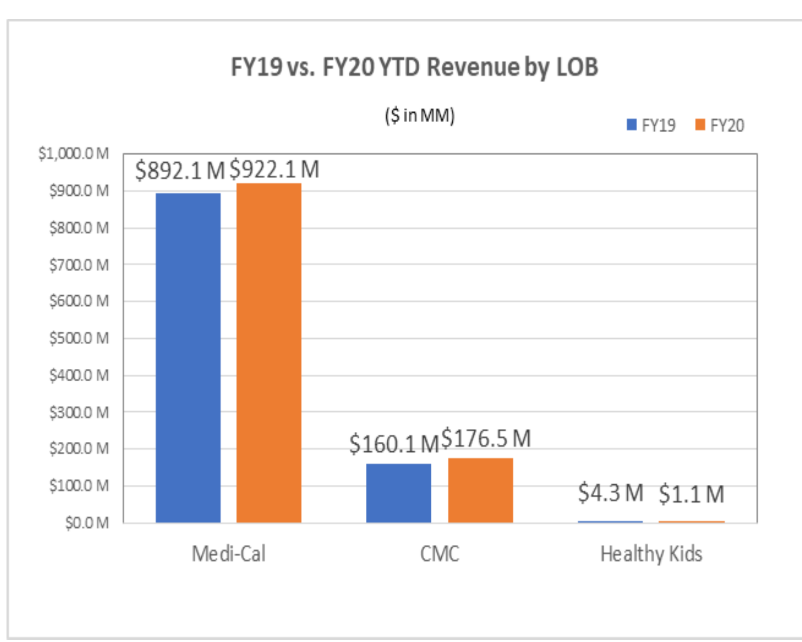
Month: Jan-20, Feb-20, Mar-20, Apr-20, May-20, Jun-20

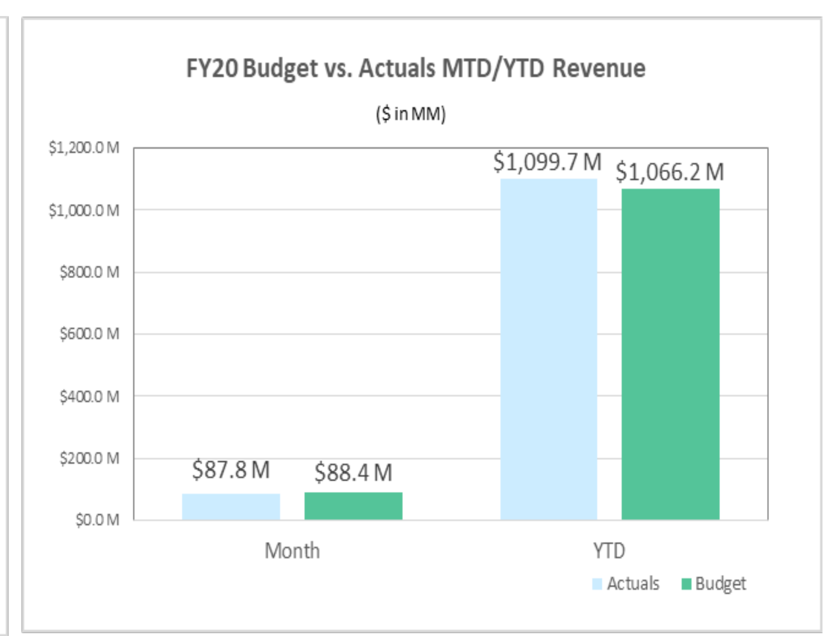
MC Actual, MC Budget, CMC Actual, CMC Budget

Revenue

Current month revenue of $87.8M is $610K or 0.7% unfavorable to budget of $88.4M. The current month variance was primarily due to the following:

- CMC Medicare CY19 Part-C and Part-D RA Reconciliation, net favorable of $4.9M.
- Higher FY20 MC Dual base rate and enrollment than budget, net favorable of $1.1M.
- Increased Prop 56 revenue accrual of $756K due to rate increase (with an offsetting increase to medical expense).
- 1.5% MC Non-Dual base rate reduction retro actively to July 2019 and CMC Medi-Cal prior year retro adjustments; combined with higher enrollment than budget, net unfavorable of $7.4M.

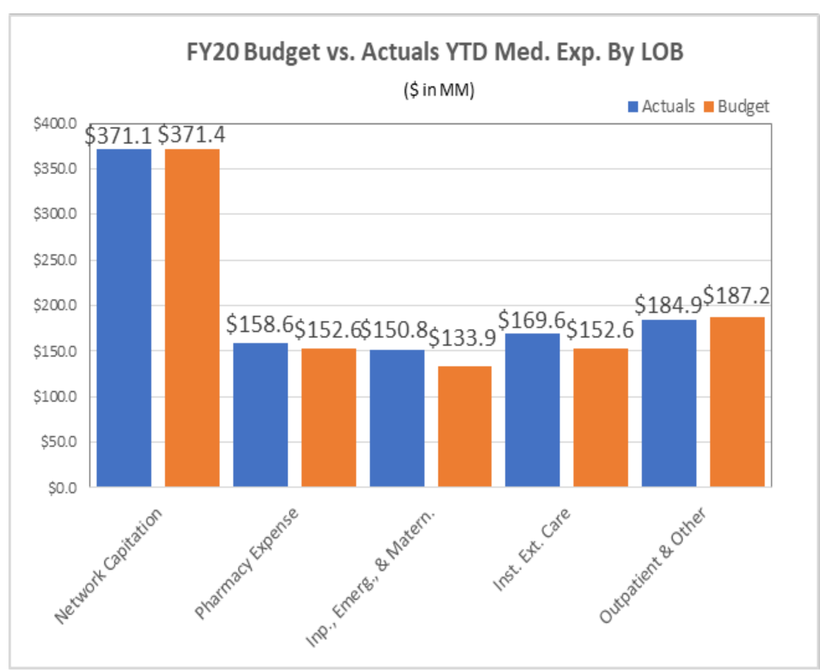


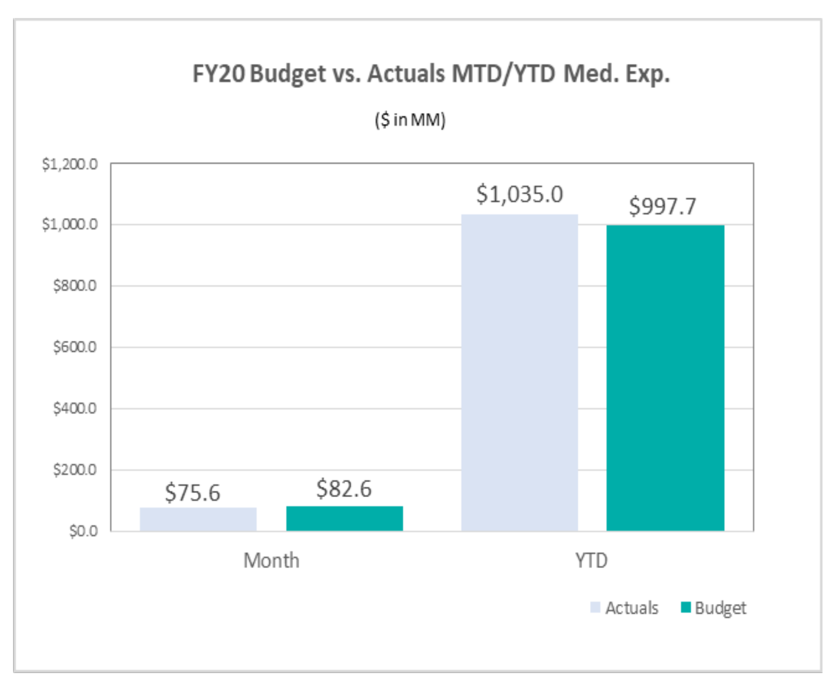


Medical Expense

Current month medical expense of $75.6M is $7.0M or 8.5% favorable to budget of $82.6M. The current month variance was due largely to:

- Certain higher fee-for-service expenses, including Inpatient Hospital and Long-Term-Care (LTC), were $7.3M unfavorable to budget.
- Increased BHT utilization of $533K is unfavorable to budget (with offsetting increase to revenue).
- Favorable FY20 Prop 56 expense accrual of $3.1M due to year-end reconciliation.
- Estimated member incentive and quality accruals adjusted to actuals.

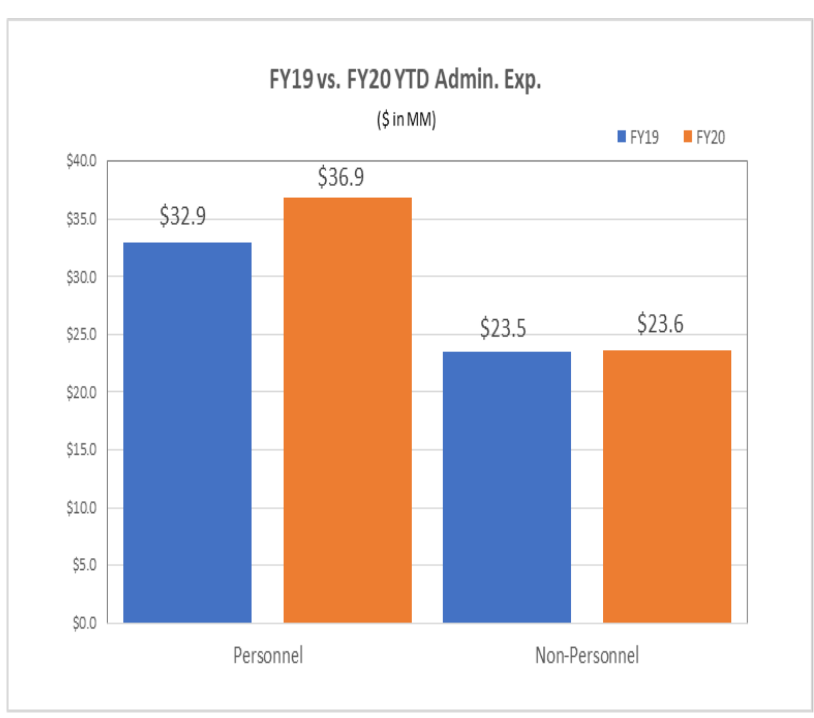


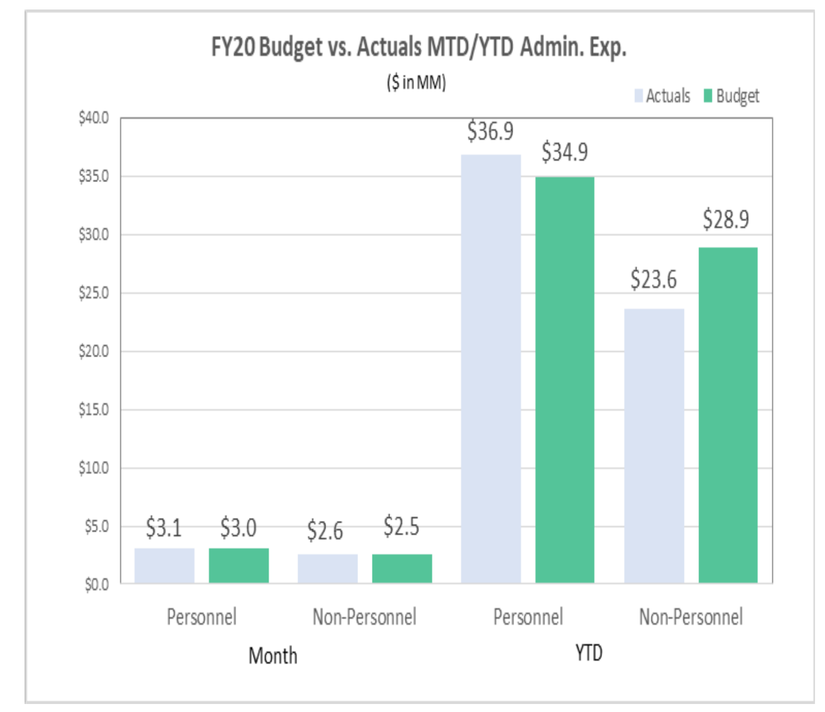


Administrative Expense

Current month admin expense of $5.7M is $160K or 2.9% unfavorable to budget of $5.5M. The current month variances were primarily due to the following:

- Personnel expenses were $57K or 1.9% unfavorable to budget due to slightly higher average salaries partially offset by a lower head count.
- Non-Personnel expenses were $103K or 4.1% unfavorable to budget due to year-end accruals of member incentives, netted with reductions in contract services and lower pharmacy administrative fees than budgeted (dispensing fees are now recorded as medical expense).





Balance Sheet

- Current assets totaled $881.3M compared to current liabilities of $704.0M, yielding a current ratio (Current Assets/Current Liabilities) of 1.25:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance increased by $34.5M compared to the cash balance as of year-end June 30, 2019 due to timing of payments received and paid.
- Current Cash & Equivalents components and yields were as follows:

Description	Cash & Investments	Current Yield %	Interest Income	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$105,759,086	1.54%	$437,140	$1,801,408
Wells Fargo Investments	$199,883,355	0.70%	$41,966	$2,668,685
	$305,642,441		$479,106	$4,470,093
Cash & Equivalents				
Bank of the West Money Market	$283,287	0.07%	$173	$66,221
Wells Fargo Bank Accounts	$27,727,892	0.05%	$1,828	$1,339,739
	$28,011,179		$2,000	$1,405,960
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$107	$1,473
Petty Cash	$500	0.00%	$0	$0
Month-End Balance	**$333,959,470**		**$481,213**	**$5,877,526**

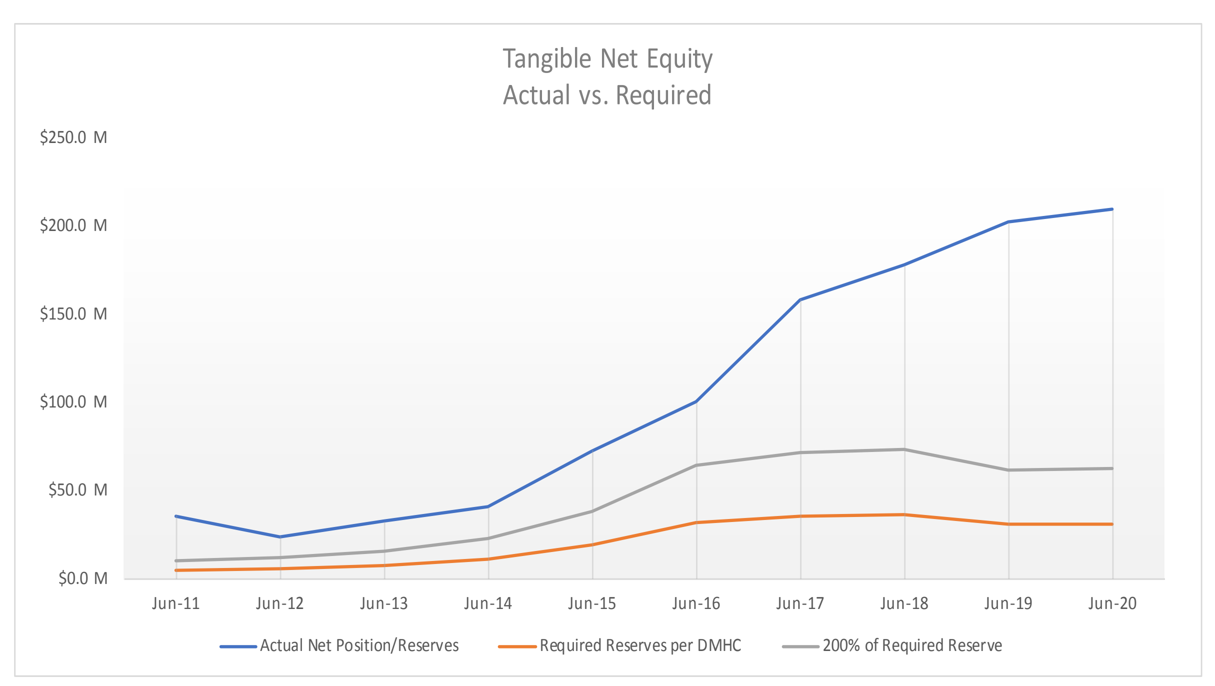
- County of Santa Clara Comingled Pool funds have longer term investments which are currently yielding a higher rate than WFB investments.
- Overall cash and investment yield is lower than budget (0.91% actual vs. 1.4% budgeted).

Tangible Net Equity

- TNE was $209.2M - representing approximately two months of the Plan's total expenses.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of June 30, 2020

	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20
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	$178.0 M	$202.1 M	$209.2 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	$36.8 M	$30.9 M	$31.3 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	$73.6 M	$61.8 M	$62.6 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	654.4%	668.7%



Reserves Analysis

SCFHP RESERVES ANALYSIS JUNE 2020

Financial Reserve Target #1: Tangible Net Equity	Approved	Expended	Balance
Unrestricted Net Assets			**$ 165,074,404** *
Board Designated Funds (Note 1):			
Special Project Funding for CBOs	$4,000,000	$540,726	$3,459,274
Innovation & COVID-19 Fund	$16,000,000	$2,119,999	$13,880,001
Subtotal	$20,000,000	$2,660,725	$17,339,275
Net Book Value of Fixed Assets			$26,484,767
Restricted Under Knox-Keene Agreement			$305,350
Total Tangible Net Equity (TNE)			$209,203,795
Current Required TNE			$31,286,384
TNE %			668.7%
SCFHP Target TNE Range:			
350% of Required TNE (Low)			$109,502,344
500% of Required TNE (High)			$156,431,920
Total TNE Above/(Below) SCFHP Low Target			**$99,701,451**
Total TNE Above/(Below) High Target			**$52,771,875**
Financial Reserve Target #2: Liquidity			
Cash & Investments			$333,959,470
Less Pass-Through Liabilities			
MCO Tax Payable to State of CA			(48,615,420)
Whole Person Care / Prop 56			(34,895,049)
Other Pass-Through Liabilities (Note 2)			(801,274)
Total Pass-Through Liabilities			**(84,311,743)**
Net Cash Available to SCFHP			249,647,726
SCFHP Target Liquidity (Note 3)			
45 Days of Total Operating Expense			(132,228,017)
60 Days of Total Operating Expense			(176,304,023)
Liquidity Above/(Below) SCFHP Low Target			**117,419,709**
Liquidity Above/(Below) High Target			**$73,343,703**

*** Unrestricted Net Assets represents less than two months of total expenses.**

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund for Special Projects of $2.2M. In December 2019, the Governing Board also approved additional $1.8M for Special Project fund ($4M total) and $16M for Innovation Fund.

Note 2: Other Pass-Through Liabilities include HQAF and Rate Range payables.

Note 3: SCFHP Target Liquidity is based on total monthly budgeted expenses.

Capital Expenditures

- Majority of the capital variances are building improvements and software due to timing of certain projects having been postponed.

Expenditure	YTD Actual	Annual Budget
Hardware	$527,086	$620,000
Software	$271,300	$1,029,000
Building Improvements	$1,664,409	$3,149,500
TOTAL	**$2,462,795**	**$4,798,500**

Postponed / Ongoing Projects:

- Building Improvements: Trash enclosure, solar system, AV installations, sound proofing, new roof hatch access, and building directional signage.

- Software: EDI process improvement, portal enhancement, network security enhancement, HEDIS vendor implementation, payable process improvement, and email encryption solution.

Financial Statements

Income Statement

Santa Clara County Health Authority
INCOME STATEMENT
For Twelve Months Ending June 30, 2020

	Jun-2020 Actuals	% of Rev	Jun-2020 Budget	% of Rev	Current Month Variance $	Current Month Variance %	YTD Jun-2020 Actuals	% of Rev	YTD Jun-2020 Budget	% of Rev	YTD Variance $	YTD Variance %
REVENUES												
MEDI-CAL	$ 69,146,324	78.7%	$ 73,650,253	83.3%	$ (4,503,929)	-6.1%	$ 922,095,471	83.8%	$ 895,160,703	84.0%	$ 26,934,767	3.0%
CMC MEDI-CAL	1,944,580	2.2%	2,978,534	3.4%	(1,033,954)	-34.7%	34,839,582	3.2%	34,704,820	3.3%	134,762	0.4%
CMC MEDICARE	16,735,577	19.1%	11,807,964	13.4%	4,927,613	41.7%	141,653,148	12.9%	135,330,603	12.7%	6,322,545	4.7%
TOTAL CMC	18,680,158	21.3%	14,786,498	16.7%	3,893,660	26.3%	176,492,730	16.0%	170,035,423	15.9%	6,457,307	3.8%
HEALTHY KIDS	0	0.0%	0	0.0%	0	0.0%	1,123,789	0.1%	1,043,572	0.1%	80,218	7.7%
TOTAL REVENUE	**$ 87,826,482**	**100.0%**	**$ 88,436,751**	**100.0%**	**$ (610,269)**	**-0.7%**	**$ 1,099,711,989**	**100.0%**	**$ 1,066,239,698**	**100.0%**	**$ 33,472,291**	**3.1%**
MEDICAL EXPENSES												
MEDI-CAL	$ 62,873,571	71.6%	$ 68,930,209	77.9%	$ 6,056,637	8.8%	$ 871,882,743	79.3%	$ 837,239,951	78.5%	$ (34,642,791)	-4.1%
CMC MEDI-CAL	2,381,435	2.7%	3,138,083	3.5%	756,648	24.1%	33,172,647	3.0%	36,582,991	3.4%	3,410,344	9.3%
CMC MEDICARE	10,329,430	11.8%	10,548,282	11.9%	218,853	2.1%	129,050,874	11.7%	122,750,820	11.5%	(6,300,054)	-5.1%
TOTAL CMC	12,710,865	14.5%	13,686,366	15.5%	975,501	7.1%	162,223,521	14.8%	159,333,811	14.9%	(2,889,711)	-1.8%
HEALTHY KIDS	82	0.0%	0	0.0%	(82)	0.0%	872,284	0.1%	1,123,405	0.1%	251,121	22.4%
TOTAL MEDICAL EXPENSES	**$ 75,584,518**	**86.1%**	**$ 82,616,574**	**93.4%**	**$ 7,032,056**	**8.5%**	**$ 1,034,978,548**	**94.1%**	**$ 997,697,167**	**93.6%**	**$ (37,281,380)**	**-3.7%**
MEDICAL OPERATING MARGIN	**$ 12,241,963**	**13.9%**	**$ 5,820,176**	**6.6%**	**$ 6,421,787**	**110.3%**	**$ 64,733,442**	**5.9%**	**$ 68,542,531**	**6.4%**	**$ (3,809,089)**	**-5.6%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 3,085,685	3.5%	$ 3,028,759	3.4%	$ (56,926)	-1.9%	$ 36,878,224	3.4%	$ 34,868,059	3.3%	$ (2,010,165)	-5.8%
RENTS AND UTILITIES	43,867	0.0%	2,383	0.0%	(41,484)	-1740.8%	273,314	0.0%	133,000	0.0%	(140,314)	-105.5%
PRINTING AND ADVERTISING	36,640	0.0%	71,115	0.1%	34,475	48.5%	132,945	0.0%	886,358	0.1%	753,413	85.0%
INFORMATION SYSTEMS	287,960	0.3%	299,410	0.3%	11,450	3.8%	3,038,252	0.3%	3,649,920	0.3%	611,668	16.8%
PROF FEES/CONSULTING/TEMP STAFFING	1,228,965	1.4%	1,388,977	1.6%	160,012	11.5%	12,438,316	1.1%	15,210,953	1.4%	2,772,637	18.2%
DEPRECIATION/INSURANCE/EQUIPMENT	301,852	0.3%	347,736	0.4%	45,884	13.2%	3,896,041	0.4%	4,444,540	0.4%	548,499	12.3%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	33,872	0.0%	84,740	0.1%	50,868	60.0%	682,647	0.1%	1,087,290	0.1%	404,643	37.2%
MEETINGS/TRAVEL/DUES	89,700	0.1%	112,067	0.1%	22,367	20.0%	1,087,601	0.1%	1,494,037	0.1%	406,436	27.2%
OTHER	587,308	0.7%	200,250	0.2%	(387,058)	-193.3%	2,044,448	0.2%	1,994,501	0.2%	(49,947)	-2.5%
TOTAL ADMINISTRATIVE EXPENSES	**$ 5,695,849**	**6.5%**	**$ 5,535,437**	**6.3%**	**$ (160,412)**	**-2.9%**	**$ 60,471,786**	**5.5%**	**$ 63,768,658**	**6.0%**	**$ 3,296,871**	**5.2%**
OPERATING SURPLUS (LOSS)	**$ 6,546,114**	**7.5%**	**$ 284,739**	**0.3%**	**$ 6,261,375**	**2199.0%**	**$ 4,261,655**	**0.4%**	**$ 4,773,873**	**0.4%**	**$ (512,218)**	**-10.7%**
ALLOWANCE FOR UNCOLLECTED PREMIUM	0	0.0%	0	0.0%	0	0.0%	42330	0.0%	0	0.0%	(42,330)	0.0%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	2,059,780	2.3%	60,000	0.1%	(1,999,780)	-3333.0%	2,732,576	0.2%	720,000	0.1%	(2,012,576)	-279.5%
GASB 68 - UNFUNDED PENSION LIABILITY	75,000	0.1%	75,000	0.1%	0	0.0%	884,780	0.1%	900,000	0.1%	15,220	1.7%
NON-OPERATING EXPENSES	**$ 2,134,780**	**2.4%**	**$ 135,000**	**0.2%**	**$ (1,999,780)**	**-1481.3%**	**$ 3,659,686**	**0.3%**	**$ 1,620,000**	**0.2%**	**$ (2,039,686)**	**-125.9%**
INTEREST & OTHER INCOME	578,012	0.7%	379,225	0.4%	198,787	52.4%	6,476,073	0.6%	4,550,701	0.4%	1,925,372	42.3%
NET NON-OPERATING ACTIVITIES	**$ (1,556,768)**	**-1.8%**	**$ 244,225**	**0.3%**	**$ (1,800,993)**	**-737.4%**	**$ 2,816,387**	**0.3%**	**$ 2,930,701**	**0.3%**	**$ (114,314)**	**-3.9%**
NET SURPLUS (LOSS)	**$ 4,989,346**	**5.7%**	**$ 528,964**	**0.6%**	**$ 4,460,382**	**843.2%**	**$ 7,078,042**	**0.6%**	**$ 7,704,574**	**0.7%**	**$ (626,532)**	**-8.1%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY
For Twelve Months Ending June 30, 2020

	Jun-2020	May-2020	Apr-2020	Jun-2019
Assets				
Current Assets				
Cash and Investments	333,959,470	332,309,770	373,998,823	299,422,504
Receivables	537,525,765	514,792,547	512,264,590	751,066,126
Prepaid Expenses and Other Current Assets	9,794,696	9,197,248	10,805,210	12,140,087
Total Current Assets	**881,279,930**	**856,299,565**	**897,068,624**	**1,062,628,716**
Long Term Assets				
Property and Equipment	47,221,565	47,057,842	46,874,600	44,758,770
Accumulated Depreciation	(20,736,798)	(20,488,117)	(20,234,109)	(17,366,530)
Total Long Term Assets	26,484,767	26,569,725	26,640,491	27,392,239
Total Assets	**907,764,697**	**882,869,290**	**923,709,114**	**1,090,020,956**
Deferred Outflow of Resources	**9,237,609**	**9,237,609**	**9,237,609**	**9,237,609**
Total Assets & Deferred Outflows	**917,002,306**	**892,106,899**	**932,946,723**	**1,099,258,565**
Liabilities and Net Assets:				
Current Liabilities				
Trade Payables	10,184,853	8,754,864	11,118,630	6,205,578
Employee Benefits	2,174,389	2,236,330	2,013,844	1,821,153
Retirement Obligation per GASB 75	4,126,292	3,348,012	3,288,233	3,943,286
Advance Premium - Healthy Kids	0	0	0	91,917
Deferred Revenue - Medicare	191,510	262,932	262,932	0
Whole Person Care / Prop 56	34,895,049	36,230,332	35,440,767	17,810,066
Pass-Throughs Payable	801,274	2,779,005	39,857,332	279,667,432
Due to Santa Clara County Valley Health Plan and Kaiser	32,545,075	35,214,782	32,843,615	19,214,176
MCO Tax Payable - State Board of Equalization	48,615,420	40,512,850	32,410,280	26,353,889
Due to DHCS	48,513,577	31,650,545	38,041,327	26,789,199
Liability for In Home Support Services (IHSS)	419,268,582	416,092,527	416,092,527	416,092,527
Current Premium Deficiency Reserve (PDR)	8,294,025	8,294,025	8,294,025	8,294,025
Medical Cost Reserves	94,318,096	98,732,818	105,190,703	87,855,016
Total Current Liabilities	**703,952,066**	**684,116,996**	**724,854,213**	**894,138,263**
Non-Current Liabilities				
Net Pension Liability GASB 68	851,897	780,905.29	709,914	0
Total Non-Current Liabilities	**851,897**	**780,905**	**709,914**	**0**
Total Liabilities	**704,803,963**	**684,897,902**	**725,564,127**	**894,138,263**
Deferred Inflow of Resources	**2,994,548**	**2,994,548**	**2,994,548**	**2,994,548**
Net Assets				
Board Designated Fund: Special Project Funding for CBOs	3,459,274	3,459,274	3,459,274	2,200,000
Board Designated Fund: Innovation & COVID-19 Fund	13,880,001	13,950,001	13,950,001	0
Invested in Capital Assets (NBV)	26,484,767	26,569,725	26,640,491	27,392,239
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	157,996,362	157,841,404	157,770,638	148,118,273
Current YTD Income (Loss)	7,078,042	2,088,696	2,262,295	24,109,891
Total Net Assets / Reserves	**209,203,795**	**204,214,449**	**204,388,048**	**202,125,753**
Total Liabilities, Deferred Inflows and Net Assets	**917,002,306**	**892,106,899**	**932,946,723**	**1,099,258,565**

Cash Flow Statement

	Jun-2020	Year-to-date
Cash Flows from Operating Activities		
Premiums Received	$90,058,866	$1,357,238,260
Medical Expenses Paid	(79,492,891)	(1,012,008,514)
Adminstrative Expenses Paid	(9,330,563)	(314,706,057)
Net Cash from Operating Activities	**$1,235,412**	**$30,523,689**
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(163,723)	(2,462,795)
Cash Flows from Investing Activities		
Interest Income and Other Income (Net)	578,012	6,476,073
Net Increase/(Decrease) in Cash & Cash Equivalents	**1,649,700**	**34,536,966**
Cash & Investments (Beginning)	332,309,770	299,422,504
Cash & Investments (Ending)	**$333,959,470**	**$333,959,470**
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating Income/(Loss)	$4,411,334	$601,969
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities		
Depreciation	248,682	3,370,268
Changes in Operating Assets/Liabilities		
Premiums Receivable	(22,733,217)	213,540,361
Prepaids & Other Assets	(597,448)	2,345,391
Accounts Payable & Accrued Liabilities	(1,222,159)	(257,142,141)
State Payable	24,965,602	43,985,910
IGT, HQAF & Other Provider Payables	(2,669,707)	13,330,899
Net Pension Liability	70,991	851,897
Medical Cost Reserves & PDR	(4,414,722)	6,463,079
Total Adjustments	**(3,175,923)**	**29,921,719**
Net Cash from Operating Activities	**$1,235,412**	**$30,523,689**

Statement of Operations by Line of Business - YTD

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Twelve Months Ending June 30, 2020

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	$922,095,471	$34,839,582	$141,653,148	$176,492,730	$1,123,789	**$1,099,711,989**
MEDICAL EXPENSE	$871,882,743	$33,172,647	$129,050,874	$162,223,521	$872,284	**$1,034,978,548**
(MLR)	94.6%	95.2%	91.1%	91.9%	77.6%	94.1%
GROSS MARGIN	$50,212,728	$1,666,935	$12,602,274	$14,269,208	$251,505	**$64,733,442**
ADMINISTRATIVE EXPENSE	$50,704,876	$1,915,785	$7,789,329	$9,705,114	$61,796	**$60,471,786**
(% of Revenue Allocation)						
OPERATING INCOME/(LOSS)	($492,148)	($248,850)	$4,812,944	$4,564,094	$189,710	**$4,261,655**
(% of Revenue Allocation)						
OTHER INCOME/(EXPENSE)	$2,361,507	$89,225	$362,777	$452,002	$2,878	**$2,816,387**
(% of Revenue Allocation)						
NET INCOME/(LOSS)	$1,869,359	($159,625)	$5,175,721	$5,016,096	$192,588	**$7,078,042**
PMPM (ALLOCATED BASIS)						
REVENUE	$325.86	$343.62	$1,397.10	$1,740.71	$106.74	**$373.85**
MEDICAL EXPENSES	$308.12	$327.18	$1,272.80	$1,599.98	$82.85	**$351.84**
GROSS MARGIN	$17.74	$16.44	$124.29	$140.73	$23.89	**$22.01**
ADMINISTRATIVE EXPENSES	$17.92	$18.90	$76.82	$95.72	$5.87	**$20.56**
OPERATING INCOME/(LOSS)	-$0.17	-$2.45	$47.47	$45.01	$18.02	**$1.45**
OTHER INCOME/(EXPENSE)	$0.83	$0.88	$3.58	$4.46	$0.27	**$0.96**
NET INCOME/(LOSS)	$0.66	-$1.57	$51.05	$49.47	$18.29	**$2.41**
ALLOCATION BASIS:						
MEMBER MONTHS - YTD	2,829,690	101,391	101,391	101,391	10,528	2,941,609
REVENUE BY LOB	83.8%	3.2%	12.9%	16.0%	0.1%	100.0%

Santa Clara County Health Authority
COVID-19 Funding Request Summary

Organization Name:	East Side Union High School District
Project Name:	East Side Access: Community Wireless Project
Contact Name and Title:	Chris D. Funk, Superintendent
Requested Amount:	$150,000 ($50,000/year for three years)
Time Period for Project Expenditures:	September 2020 – September 2022
Proposal Submitted to:	Executive/Finance Committee
Date Proposal Submitted for Review:	August 27, 2020

Summary of Proposal:

The East Side Access: Community Wireless Project, led by East Side Union High School District (ESUHSD) and the City of San Jose, is building a Wi-Fi infrastructure to provide free broadband access to East Side families and community members.

There is an opportunity gap between homes that have internet access versus homes that do not. The digital gap further increases the persistent achievement gap that exists in schools that serve a large population of students of color and students living in poverty. These underserved and under-resourced communities are being hit the hardest by COVID-19. Families that do not have access to the internet struggle with the move to "distance learning" that includes interacting through the use of computer and communication technology. They also struggle to meet basic needs such as scheduling a medical appointment, searching for employment, and completing job applications on-line.

Summary of Projected Outcome/Impact:

There are approximately 80,000 residents living in the neighborhoods where wireless access points are being installed. Approximately 15% of these residents do not currently have access to the internet, and will gain access through this project. There are 38,000 students (kindergarten through high school), in the participating school districts. Approximately 7,000 do not currently have access to the internet, and will gain access through this project.

Evaluation Relative to SCFHP COVID-19 Funding Criteria

Criteria	Met/Not Met
1. Demonstrate the need is directly related to the COVID-19 pandemic.	Met
2. Demonstrate the project targets those in the most acute need.	Met
3. Indicate if a one-time need; if longer-term program, how will the need be sustained with resources other than SCFHP.	Met (for the first three years)
4. Demonstrate the applicant is making maximum use of own resources, including reserves and emergency funds.	Met
5. Indicate if funding is being sought from other potential sources.	Met (bond funding being sought)
6. Indicate if a loan/advance could meet the need.	Met (bond funding being sought)
7. Indicate if the request is health care-related (e.g., provider network stabilization).	Indirectly related (access to telehealth, electronic appointment scheduling)
8. Funds are not to be used for other expenses and may not supplant normal recurring funding.	Met
9. Funds are to be used exclusively for direct service provision and not for indirect overhead.	Met

Preparing every student to thrive in a global society.

August 12, 2020

Ms. Christine Tomcala
CEO SCFHP
6201 San Ignacio Avenue
San Jose, CA 95119

Re: Grant Funding - Access Eastside Community Wireless Project

Dear Ms. Tomcala,

Thank you all for your consideration in supporting the East Side Access: Community Wireless Project. As you are aware, East Side Union High School District (ESUHSD) and the City of San Jose have come up with a unique solution. Together, we are building one of the nation's first school district-funded municipal Wi-Fi infrastructures, bringing free broadband access to hundreds of families and thousands of community members.

How does it work? Installing Wireless Access Points to 200 or more light posts and traffic lights per neighborhood, we access the City of San Jose's digital network. Our students join the district's digital platform using our filters while the community accesses the City's open internet.

Funding Expectations: ESUHSD and the City fund the infrastructure and the first two years of operations and maintenance through our technology bond. Members of the East Side Alliance (ESA) provide operations and maintenance costs for years 3, 4, 5. We engineer the wireless based on where our families live. We study the home addresses and then create the network where people are located. The ESA is comprised of ESUHSD, Alum Rock Union School District, Berryessa Union School District, Evergreen School District, Franklin-McKinley School District, Mt. Pleasant Elementary School District, Oak Grove School District and Orchard School District.

Participating districts can utilize ESUHSD's Identity Management system or we can work with the districts to direct their user traffic to their Identity Management system. We have attempted to create a simplified formula that is fair and based on the participation level for each district.

As we add additional sites/neighborhoods, the costs will be adjusted for the districts that are served by those areas. The average maintenance cost at this time is projected to be $50,000 per neighborhood. Each District would pay their pro rata share.

East Side Union High School District Board of Trustees
Lan Nguyen, President | Van T. Le, Vice President | J. Manuel Herrera, Clerk | Pattie Cortese, Member | Lorena Chavez, Member
Chris D. Funk, Superintendent

High School				**Total Contribution Over Three-Year Period by Feeder District**	
Andrew Hill	Franklin-McKinley SD	Oak Grove SD		Alum Rock Contribution	**$313,000**
Evergreen Valley	Evergreen SD			Berryessa Contribution	**$119,054**
Independence	Berryessa Union SD	Alum Rock Union SD	Orchard SD	Oak Grove Contribution	**$156,650**
James Lick	Alum Rock Union SD			Evergreen Contribution	**$156,650**
Oak Grove	Oak Grove SD			Franklin-McKinley Contribution	**$344,630**
Wm. C. Overfelt	Alum Rock Union SD	Evergreen SD		Orchard Contribution	**$28,197**
Yerba Buena	Franklin-McKinley SD				

The City has identified fiber issues or vacancies that we will mitigate and resolve in the Silver Creek High School and Mt. Pleasant High School neighborhoods. We do not know those costs and have not yet factored them. We can assume that the neighborhoods will cost $50,000 per year for operations & maintenance, but the installation costs for the fiber have not been developed to the degree that we have a timetable for installation.

Why is the project so important? COVID-19 effectively shut down schools in California and across the nation since last March. This fall, over 90% of school districts in California are starting with distance learning.

There is a clear opportunity gap that exists in homes that have internet versus homes that do not. The digital gap further increases the persistent achievement gap that exists in schools that serve a large population of students of color and students living in poverty. These underserved and under-resourced communities are being hit the hardest by the Novel Coronavirus.

The transition from modern classroom to online learning creates costs and shifts in structure, training and mindset. The unknown is always the infrastructure at home. Our classrooms are modern, well lit, safe and equipped with power and robust internet connections. Our students' homes are too often not equipped to be adequate learning spaces

The California Department of Education defines "distance learning" as instruction in which the student and instructor are in different locations. This may include interacting through the use of computer and communications technology, as well as delivering instruction and check-in time with their teacher. Distance learning may include video or audio instruction in which the primary mode of communication between the student and instructor is online interaction, instructional television, video, telecourses, or other instruction that relies on computer or communications technology. It may also include the use of print materials incorporating assignments that are the subject of written or oral feedback.

Even though we are tasked to prepare our students to be active community members in this digital world, public schools are least prepared for this requirement because, as a state and a nation, we do not fund technology in schools. In addition, families that do not have access to the internet struggle to meet basic needs such as scheduling a medical appointment, avoiding COVID-19, searching for employment and completing job applications online.

Our request is for **$50,000** per year for three years **($150,000)** to support the ongoing maintenance and operations cost for the East Side Alliance.

Sincerely,

Chris D. Funk
Superintendent

cc: Bob Brownstein, Chair SCFHP Board of Directors

Santa Clara County Health Authority
COVID-19 Funding Request

Organization Name: East Side Union High School District (ESUHSD)
Project Name: East Side Access: Community Wireless Project

Supplemental information provided by Chris Funk, Superintendent, ESUHSD, in support of ESUHSD's grant request.

1. **Implementation timeline and neighborhoods served**

Implementation	Neighborhood	Associated School Districts
October 2018 (students) April 2019 (community)	James Lick	ESUHSD, Alum Rock
June 2020	Overfelt	ESUHSD, Alum Rock
December 2020	Yerba Buena	ESUHSD, Franklin-McKinley
June 2021	Independence, Andrew Hill, Oak Grove	ESUHSD, Alum Rock, Franklin-McKinley, Oak Grove
December 2021	Mt Pleasant, Silver Creek	ESUHSD, Mt Pleasant, Evergreen Valley

2. **Installation costs and funding**
   $8.3 million, with City of San Jose contributing $3.4 million and ESUHSD contributing the balance.

3. **Operations and maintenance costs and funding**
   Annual maintenance and operations costs project to be $50k per neighborhood, with pro rata funding coming from School Districts.

School District	Pro Rata Amount for Operations and Maintenance for Three Years	Funding Status
Alum Rock	$313,000	Not committed
Berryessa	$119,054	Committed
Evergreen	156,650	Committed (bond on November ballot
Franklin-McKinley	344,630	Committed
Mt Pleasant	78,325	Committed (bond on November ballot)
Oak Grove	156,650	Committed
Orchard	28,197	Not committed (small district, no funds)
Total	**$1,196,506**	$620,334 committed with funding source $234,975 committed with bond on Nov ballot $341,197 not committed

4. Projected outcome/impact (estimates)

- Residents
    - 80,000 residents living in neighborhoods to be covered by access points
    - 12,000 residents (15%) do not currently have internet access (12,000)
- Students
    - 38,000 students (kindergarten through high school)
    - 7,000 do not currently have internet access
- $150,000 for operations and maintenance for three years funds approximately 12.5% of projected three-year operations and maintenance costs, providing internet access for residents and students who do not currently have access:
    - 12.5% of 12,000 residents = 1,500 residents
    - 12.5% of 7,000 students = 875 students

Proposition 16

August 27, 2020

SUMMARY

In 1996, California voters passed Proposition 209, a constitutional amendment stating that discrimination and preferential treatment on the basis of a person's or group's race, sex, color, ethnicity, or national origin were prohibited in public employment, public education, and public contracting. The California Supreme Court subsequently defined "discrimination" in this context to mean making "distinctions in treatment; [showing] partiality (in favor of) or prejudice (against)" and defined "preferential" as "giving priority or advantage to one person…over others." Therefore, Prop 209 effectively prohibited the use of affirmative action in California.

In 2020, the California Legislature passed legislation resulting in Proposition 16, which will be on the November 2020 ballot. Proposition 16 would repeal Proposition 209 (1996), removing the ban on affirmative action from the California Constitution. If passed, federal law would become the controlling authority on affirmative action in California. Federal courts have ruled that racial quotas and point systems in higher education admissions are unconstitutional, but have upheld narrowly tailored programs designed serve a compelling state interest (such as educational diversity).

ARGUMENTS IN SUPPORT

- Prop 16 will allow California to have more effective policies aimed at eliminating discrimination in state contracts, hiring, and college admissions.
- These policies could help remedy gender bias and racism, leading to a more accurate reflection of our shared values.
- Repealing Prop 209 would remove a barrier to equal opportunity policies that only eight states have, thus increasing California's ability to level the playing field.

ARGUMENTS IN OPPOSITION

- Because Asian-Americans are overrepresented in the University of California system, with 40% of enrollees versus 15% of the State's population, efforts to increase enrollment among underrepresented populations will come at their expense.
- California could implement policies that violate the 14th Amendment.
- Prop 16 would de-prioritize comprehensive education reform as a solution to racial inequality, and lead to government-sanctioned racism and sexism.

2019 POPULATION HEALTH MANAGEMENT IMPACT ANALYSIS

Quality Improvement Committee
August 12, 2020

PHM 6 Population Health Management Impact Report

BACKGROUND INTRODUCTION…………………………………………………….....3

PURPOSE……………………………………………………………………….…....3

PHM Focus Areas & Target Populations………………………………..…........4

Focus Area 1: Managing Multiple Chronic Illnesses………………………………....4

Focus Area 2: Managing Members with Emerging Risk…………………………......7

Focus Area 3: Keeping Members Healthy……………………………………….....9

Focus Area 4: Patient Safety or Outcomes across Settings………………………12

Focus Area 5: Member Experience with Case Management Services ..………..14

PHM 6: Population Health Management Impact Analysis

BACKGROUND/INTRODUCTION

Santa Clara Family Health Plan (SCFHP) is a public, not-for-profit managed care health plan committed to making high quality health care services accessible and affordable to residents most in need in Santa Clara County. Established in January 1997, SCFHP was created by the Santa Clara County Board of Supervisors whom elects a board of directors for residents and reflects the cultural and linguistic diversity of the community. In addition, SCFHP providers, employees, and Board of Governors live in the areas that the health plan serves.

In 2019, SCFHP provided health care coverage to over 8,428 seniors and persons with disabilities through the Cal MediConnect program (CMC). The CMC program manages Medicare and MediCal benefits for CMC members. Members choose from a network of over 520 Primary Care doctors, 190 Physician Assistants and Nurse Practitioners, 2,487 Specialists, 9 hospitals, 30 community health centers, and more than 217 pharmacies throughout Santa Clara County. Through active partnerships with healthcare providers and community partnerships, SCFHP achieved a seal of NCQA accreditation in 2018 and demonstrates that the managed care model can achieve the highest standard of care and successfully meets the individual needs of health plan members through its Population Health Program as outlined in the Population Health Strategy.

PURPOSE

SCFHP annually measures the effectiveness of its Population Health Strategy to ensure that they are providing valuable and meaningful services to its members. This is done through the measurement of effectiveness of program services and activities to meet benchmark goals developed around specific areas of focus and targeted populations. The annual PHM Impact Analysis analyzes the impact of achieving quality outcomes for members through care management services and outlines new strategies to implement when opportunities for improvement are identified. This is performed through interpretation and quantitative comparison of results with established benchmarks set for relevant clinical measures, cost/utilization measures and member experience measures.

- Cost/utilization measures cost, resource use by occurrence or outcomes that demonstrate a desirable increase or decrease in utilization.
- Clinical measures the comparison of incidence or prevalence rates for desirable or undesirable health outcomes or the clinical performance based on practice guidelines and clinical specifications for 4 focus areas designated by the PHM Strategy.
- Experience measures member feedback sourced from member satisfaction surveys and member complaints flagged by Grievance and Appeals specific to Complex Case Management (CCM).

This annual PHM Impact Analysis is reviewed at the Quality Improvement Committee (QIC), chaired by the Chief Medical Officer and drives the PHM Strategy for the following year. Impact analysis includes a quantitative and qualitative analysis of Case Management programs performed by the Population Health Management (PHM) Workgroup which includes the Manager and Director of Case Management, Director of Quality & Process Improvement,

Director of Long Term Services and Supports, Manager of Behavioral Health and NCQA Project Manager.

PHM Focus Areas & Target Populations

2019 Population Health Strategy outlines 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. 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. SCFHP's plan of action for each of the Focus Areas include measurable goals for specific targeted Cal MediConnect (CMC) populations.

Focus Areas:

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

Focus Area 1: Managing Multiple Chronic Illnesses

Focus Area Goal: Reduce the number of members with multiple unmanaged chronic conditions who also have had 3 or more avoidable ED visits in the past year, by 10 percentage points.

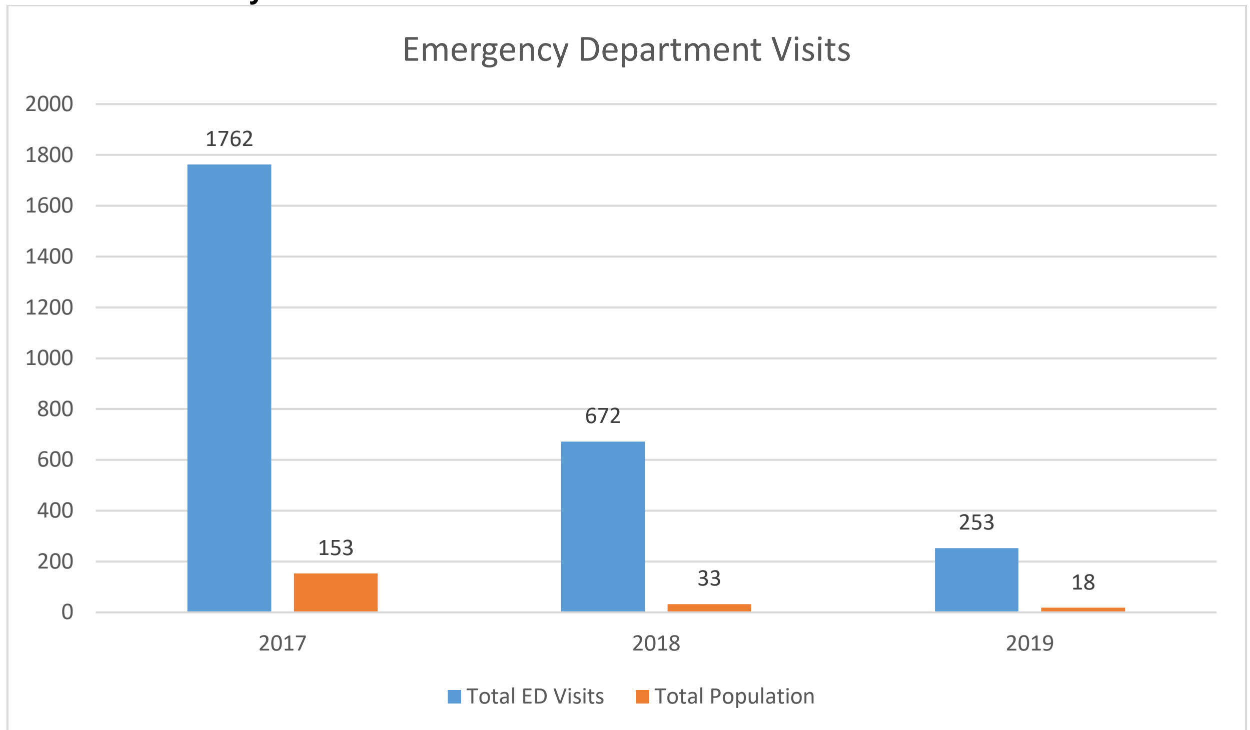
Goal Relevance Statement: SCFHP population has observed that it has a high rate of avoidable Emergency Department visits for members dealing with one or more unmanaged chronic disease. Through the PHM Strategy Tier structure the member with the highest prevalence of avoidable ED use with one or more unmanaged chronic condition have been stratified as eligible for Tier 1 Complex Case Management (CCM) and Tier 2 Moderate CM

Population Targeted: Complex Case Managed and Moderate CM enrollees who had one or more unmanaged chronic condition(s) that resulted 3 or more ED visits in 2019.

Tier 1 & 2 Programs and Services: Complex Case Management (CCM), Moderate Case Management, Medication Therapy Management (MTM), 24 Hour Nurse Advice Line.

Utilization Measure - Methodology: This study compares the percentage of ED utilization in 12 months prior to participation in Tier 1 & 2 CM compared to the percentage of ED visits the same targeted population in the following year. ED claims encounter data was calculated for members stratified as Tier 1 CCM or Tier 2 Moderate CM who actively participated for 6 months or more between January 2019 and December 2019.

Quantitative Analysis:



This graph illustrates a 78% reduction in the Complex & Moderate Cases Management population who experienced 3 + ED visits from CY 2017 to 2018 and a 62% reduction of total ED visit in the same population from 2017 to 2018.

From CY 2018 to CY 2019, there was a 45% reduction in the Complex & Moderate Cases Management population who experienced 3 + ED visits and a 62% reduction of total ED visits in CY 2019. There were about 20 ED visits per member in CY 2018 and 14 ED visits per member in CY 2019. This outcome exceeds the measurement goal of 10 percentage points.

PHM Work Group Qualitative Analysis & Opportunities for Improvement:

Priority	Barrier	Opportunity	Action	Status
1	Lack of knowledge or understanding of covered preventative, urgent –non emergent network services or providers.	Provide targeted members with information about the 24 hour RN advice line. Provide a list of urgent care providers to members upon enrollment.	Newly eligible members will receive information about the 24 hour RN advice line, Urgent Care providers and CM department contact during HRA outreach regardless of their willingness to participate in CM/CCM services.	Completed Q1 of 2019
2	Increased percentage of targeted members did not participate in CCM or Moderate CM programs.	CCM and Moderate CM program participation can be expanded by engaging members immediately following discharge from the ED Development of a monthly Risk change report to identify members with multiple ED visits	Work with participating providers on getting a post discharge ED census. Members identified on the monthly risk change report are assigned to CM for targeted outreach and intervention through the ICP/ICT process	Implementation started in Q4 of 2019 Extended to 2020 –IT was not able to procure this data consistently New Intervention: Monthly Risk Change report Completed Q3 2019
3	Lack of Primary Care Provider (PCP) Engagement.	Notify Primary Care Providers of patients with high ED utilization to increase awareness in potential treatment plan gaps.	Send ED discharge notifications to PCPs via the ICP	Completed Q4 of 2019
4	Out of Network utilization	Work with internal Provider Network Management / Utilization Management departments and Kaiser Hospital	Identify and target members using Kaiser ED instead of in-network Primary Care services for CM outreach and intervention	Planned Implementation Q2 2020
5.	Lack of ED follow up	Be notified of member who have utilized the 24 hour nurse advice line	Receive a daily disposition report of members who use the 24 hour nurse advice line with a disposition of accessing ED services for CM follow up	Implemented Q1 2020

The PHM monthly Adverse Risk Change report is an effective way to identify members who utilize the ED in lieu of primary, pharmacy or specialty care services. Each month a list of new members with increased avoidable ED use and contributing risk factors such as increased medication prescriptions and new Chronic Conditions diagnoses is created. Members with an adverse risk change are identified and targeted for outreach and enrollment in Complex and Moderate CM services for evaluation to identify barriers to accessing primary care including urgent care, specialty care & pharmacy services.

Increased daily reporting from the 24 hour nurse advice line enables CMs to conduct outreach to members with an emergency services disposition to evaluate for more intensive CM program alignment. Members enrolled in complex case management have complex conditions coupled with social and behavioral health barriers; nonetheless, the CCM & Moderate CM program demonstrated significant reduction in ED over utilization among those enrolled. Enrollees and their caregivers have benefited from intensive RN and Social Work support provided to address complex unmanaged medical and psychosocial needs. CCM and Moderate CM programs reduce risk by linking members with doctors, pharmacy, specialty and DME providers through an interdisciplinary process that works to establish relationships with providers that will follow the member through the continuum of care.

The total number of secondary emergency department visits was reduced due to the program enrollment. This is most likely attributed to early identification, care coordination and education provided by the case managers. The reduction in the post enrollment period was most likely reduced through the facilitation of increased outpatient care for the members and coordination between network providers. For example, the intensive case management services provided by the behavioral health team for those members with a serious and persistent mental illness (SMI) has addressed lowering ED usage by communicating the visits with their BH provider or county case manager with the goal of collaborating the physical and behavioral medicine teams. The communication may include identifying barriers to care, assisting with understanding physical medical needs/recommendations, accompanying the member to appointments to help with fear or understanding the diagnosis/prognosis. Without a daily census it would be difficult to identify members to enroll case management in a time frame that would allow for meaningful engagement. SCFHP is currently exploring other opportunities given the challenges of obtaining an ED census from hospitals.

Recommendation PHM work group recommends to continuing to review this measure and the impacts of the planned actions for this Focus Area of the 2020 PHM Strategy.

Focus Area 2: Managing Members with Emerging Risk

Focus Area Goal: Increase glycated hemoglobin (HbA1c) control rate by 2 percentage points compared to baseline

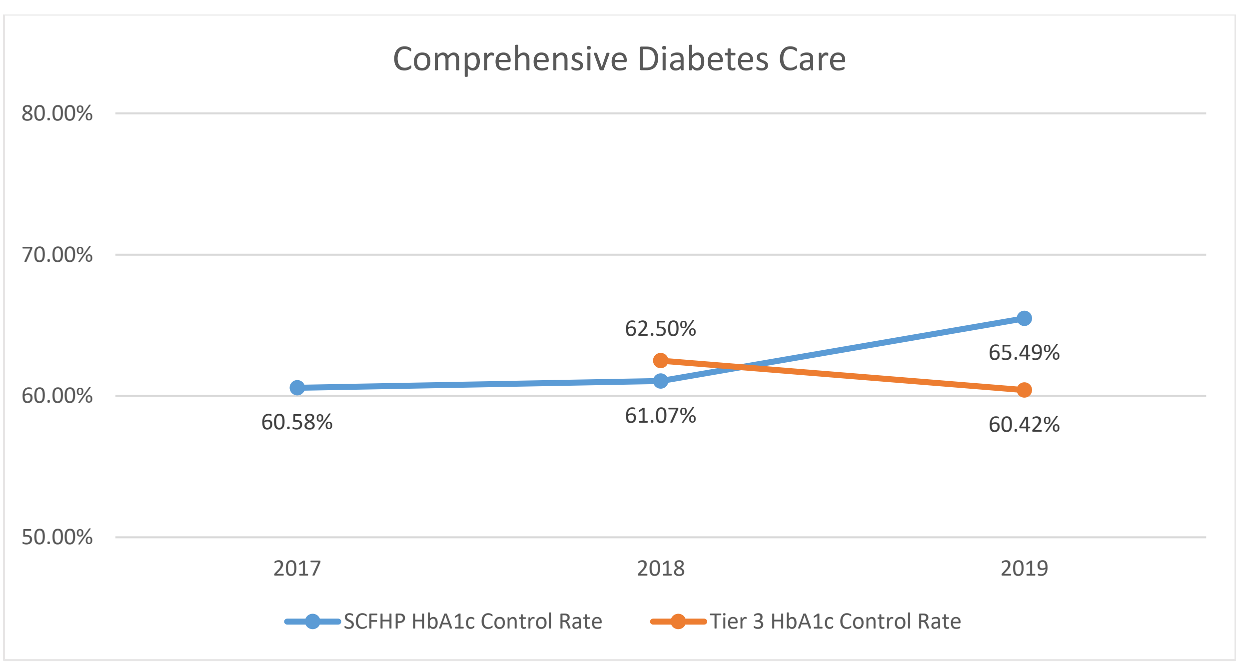
Goal Relevance Statement: Within SCFHP CMC line of business, there are 1,646 or 18% of members that meet the HEDIS definition of diabetes. The plan also has a larger population of Hispanic and Asian members who are at higher risk for diabetes. Uncontrolled diabetes can lead to cardiac disease and progressive decline in health. This Focus Area is aligned with HEDIS efforts to decrease HbA1c and improve diabetic health outcomes for members. Through the PHM Strategy members with controlled diabetes are eligible for Tier 3 basic case management to receive support to increase self-management to improve their overall health.

Population Targeted: Members stratified in Tier 3 with a controlled chronic condition of diabetes.

Tier 3 Programs & Services: Basic Case Management, Health Education, Provider Engagement, Behavioral Health (SMI), Gaps in Care

Control Rate - Methodology: Data is gathered through claim/encounter data and pharmacy data. SCFHP uses both methods to identify the eligible population. Claims data includes members who are is identified through either method are included the sample. Members who have at least one acute inpatient encounter or at least 2 outpatient on different dates of services due diabetes diagnosis. Pharmacy data includes members who were dispensed insulin or hypoglycemic / antihyperglycemics on an ambulatory basis during the measurement year. CPT codes are isolated to identify members most recent HbA1c level is <8.0% out of those that are not < 8.0% or is missing a result, or if an HbA1c test was not done during the measurement year. Medical records are reviewed, documentation in the medical record must include a note indicating the date when the HbA1c test was performed and the result. In 2018, this metric looked at all CMC members; however, in 2019 the comparison included only those CMC Members in Tier 3

Quantitative Analysis:



The Comprehensive Diabetes Care Graph illustrates in 2017 Comprehensive Diabetes Care (CDC) Control Rate was 60.58% compared to 2018 Comprehensive Diabetes Control rate which was 61.07% resulting in a 0.81% or a 0.49 percentage point increase in HbA1c over the measurement year.

In 2019, the goal focused on Tier 3 members, the CDC rate was 60.42%, resulting in a 3.3% or 2.08 percentage point decrease in HbA1c compared to 2018, which had a rate of 62.50%. This outcome does not meet the goal of a 2 percentage point increase.

PHM Work Group Qualitative Analysis & Opportunities for Improvement:

Priority	Barrier	Opportunity	Action	Status
1	Lack of reporting on what members are enrolled in Diabetic Health Education classes with improved HbA1c self-management verses members who have been referred to Health Education classes but opt-out.	Report development to identify members who have been referred to DM Health Education who have been enrolled in classes. This report will also identify members that do not choose to participate that may benefit from further engagement form CM.	Coordinate with Health Education team to develop reporting.	Planned Implementation in Q3 2020
2	Many members with Diabetic retinopathy experience barriers to medication adherence due lack of knowledge of medication assistive devices.	To increase staff knowledge of how to address barriers to medication adherence in members that require medication assistive devices to increase self-management and mitigate risk.	Schedule care manager in-service on best practices and covered and non-covered DME resources to support medication adherence in members requiring assistive devices.	Implementation Q4 2019 Continue in 2020
3	Members do not remember to have HbA1c testing completed	Offer gift cards for completion of CDC-HbA1c test through the Wellness Rewards Program Develop an outreach call campaign to remind members about HbA1c testing.	Mail out letters to qualifying members Coordinate with business units to coordinate call campaign	Planned for August 2020

The PHM monthly tier stratification report is an effective way to identify members who may be experiencing barriers to diabetes self-management. Further outreach to members who have a history of self-managed diabetes but may be experiencing new challenges has increased the number of members who engage in case management activities like completing the Health Risk Assessment (HRA) or working with a case manager to develop diabetes action plans and ICPs. These activities include referrals to Diabetes Education programs, community based healthy food programs & physical fitness programs to help reduce the risk that their condition becomes unmanaged. Case Managers also address access to effective blood glucose monitoring devices and support members' adherence to follow their prescribing physician treatment plan.

Members that engage in these activities have a higher rate of diabetic control then those who don't. We have identified three opportunities to improve PHM program effectiveness. 1) The development of reporting to identify members that do not follow through with case management recommendations and will allow for a targeted outreach approach to offer support. 2) PHM staff

will be provided additional training on case management best practices and in-services on the latest technologies in specialty diabetic supplies and resources to support new approaches to diabetic management. 3) Members will receive reminders to complete HbA1c testing and be incentivized through the Wellness Rewards program ran by Health Education.

Recommendation: PHM work group recommends to continuing to review this measure while considering different reporting strategies to accurately capture the impacts of the planned actions for this Focus Area targeted population for the 2020 PHM Strategy.

Focus Area 3: Keeping Members Healthy

Focus Area Goal: Reach a 5% increase in the total number of CMC members with at least one annual wellness visit.

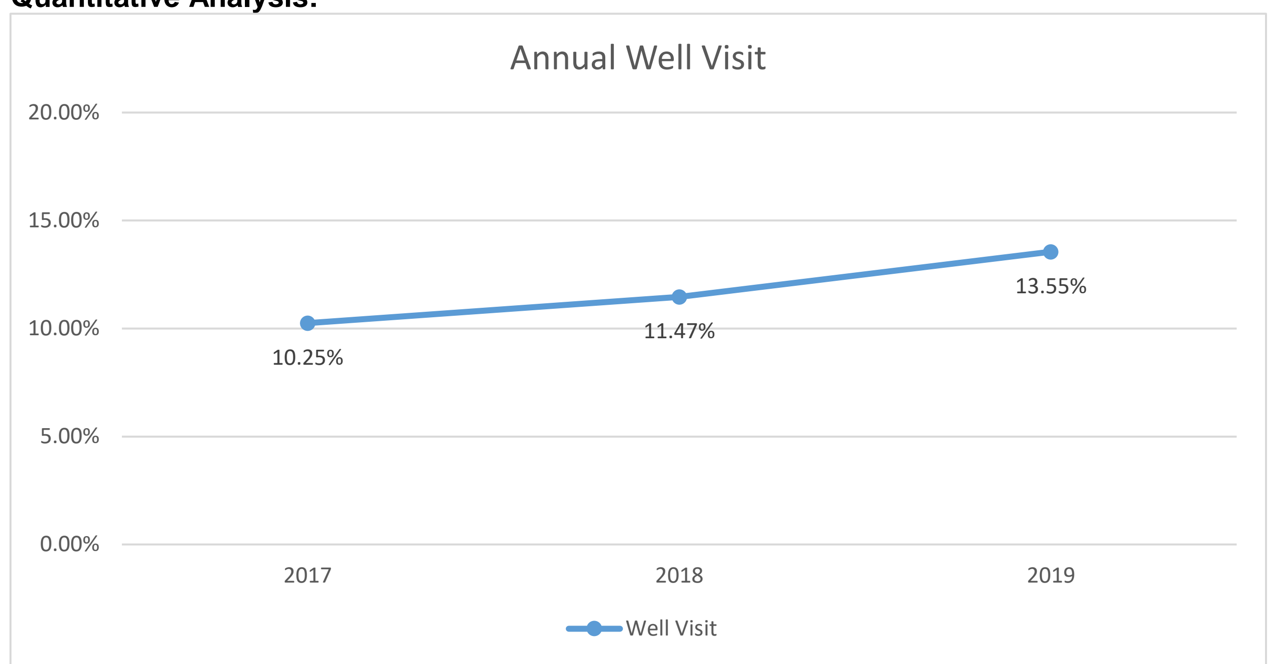
Goal Relevance Statement: Based on analysis of risk adjustment data, SCFHP discovered that we did not have utilization information on many of our CMC members. Annual Wellness visits are critical to maintaining the health of our Tier 4 population as well as improving the health of our members with multiple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

Population Targeted: All CMC members

Programs & Services: Basic Case Management, Transitions of Care (TOC), Provider Engagement.

Utilization Measure Methodology: This study compares the rate of in office Annual Wellness visits of the 6,146 continuously enrolled Cal MediConnect members in CY 2019 to the rates of in office Annual Wellness visits for continuously enrolled members in CY 2018. The analysis is based on the paid claims for office-based primary care visits billed services codes G0438 & G0439 of all CMC members from January 2019 – December 2019. The 2018 data does not include in home Initial Health Assessments completed by Signify Health. This data was included in 2019.

Quantitative Analysis:



The Annual Wellness Visit Graph shows in 2017 that of the 6,049 continuously enrolled CMC members, 620 had one or more in office Annual Wellness Visit encounters for a total of 10.25% of the total population. Compared to the 664 (11.47%) CMC members who had one or more Annual Wellness Visit encounters in 2018, this resulted in an 11.9% percent change for the measurement year.

In 2019, 833 of the 6,146 CMC members with continuous enrollment had one or more in office Annual Wellness Visit encounters for a total of 13.55% of the total population. This resulted in an 18.13% change, meeting the focus area goal for the measurement year. The 2019 data includes in home assessments completed by Signify Health.

PHM Work Group Qualitative Analysis & Opportunities for Improvement

Priority	Barrier	Opportunity	Action	Status
1	There is percentage of SCFHP members that lack the understanding of the importance of preventative health screenings.	Increase member education & engagement and provide assistance to members to who need assistance to access annual wellness visit.	Process implementation: Essette HRA Assessment was embedded with recommended ICP goal to see provider annually. The addition of mandatory Annual Wellness Goal and Intervention were included in ICPs.	Completed in Q1 2019

Priority	Barrier	Opportunity	Action	Status
2.	Members with Chronic Conditions managed by Specialist rarely adequately engage with PCP for annual visits.	Provide in-home Initial Health Assessment information to PCPs Through the ICP/ICT process	Case Managers review Initial Health Assessments (IHA) and notify PCP.IHAs are uploaded into Essette automatically and flagged for CM review. CMs will send the IHA to PCPs or update the members ICP as needed and send a copy to member and PCP.	Completed Q1 2019

SCFHP identified that people with Medicare who complete an Annual Wellness Visit (AWV) are more likely to receive important preventive care services like vaccines and cancer screenings than those who do not. In office AWVs focus on members self-identified health status, psychosocial, socio-economical, past medical history, level of independence and other potential risk factors.

SCFHP identified that there was a significantly low number of members that received AWVs from PCP providers. This is due in part to the large CMC population and the number of members who rely on Specialty Care above Primary Care. SCFHP contracted with Signify Health to complete in-home Initial Wellness Assessments (IHA). Initial Health Assessments are performed by nurse practitioners in the member's home and are comparable to in office AWVs.

CM success in meeting this measure is largely due to transmission of IHA data to PCPs and member education on the importance of preventative screenings. In Q2 2019, completed IHAs were uploaded into members' cases in the Case management platform Essette. Care Managers are now able to review the assessments and provide them either directly to assigned PCP or provide information through member informed care plan elements. IHAs are reviewed by Licensed CMs, discussed with the members when appropriate and considered in ICP development.

Recommendation Although SCFHP met the Focus Area goal for this measure the PHM workgroup has identified two opportunities for improvement and recommends moving the Focus Area from Annual Wellness Visits to Initial Health Assessments. This will measure the impact of the IHA program. The measure goal will change to the overall percentage of newly eligible CMC members who complete an Initial Health Assessment in office with a PCP and those who complete an IHA in home.

Focus Area 4: Patient Safety or Outcomes across Settings

Goal: Decrease 30 Day Readmission rate for CMC members by 1 percentage point.

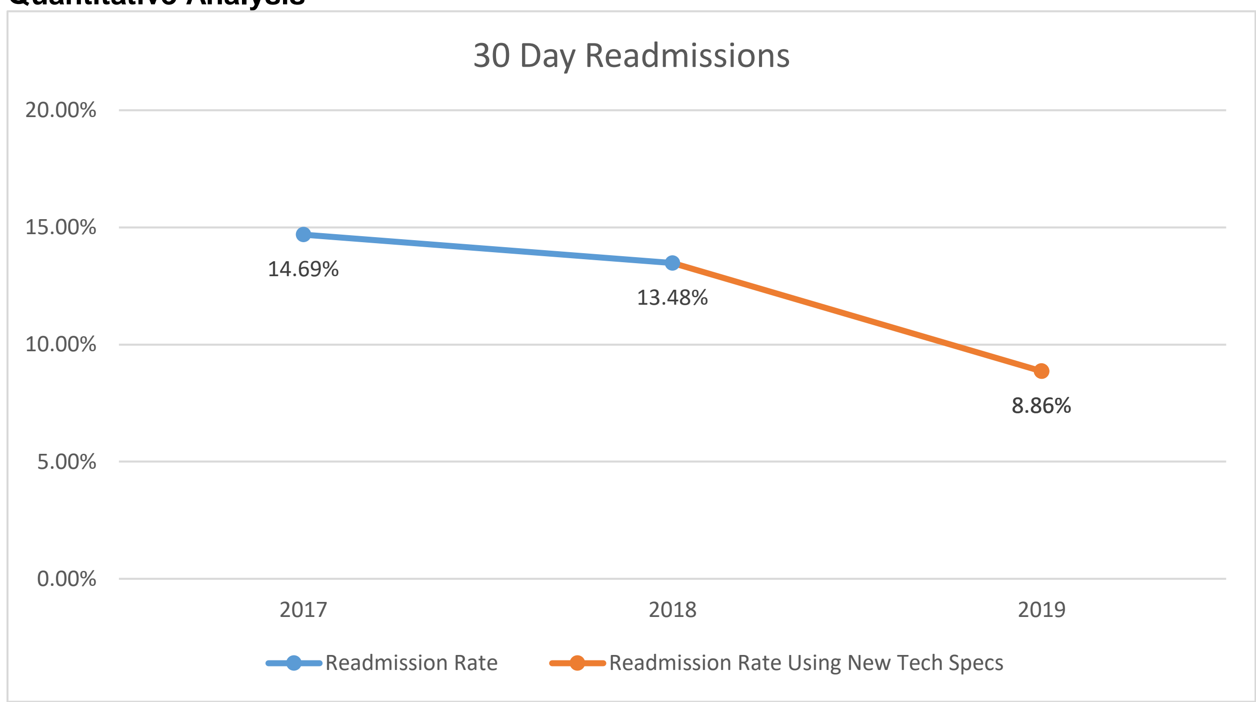
Goal Relevance Statement: The intent is to promote transitions of care for members discharged from an acute or skilled nursing facility setting and improve continuity of care across acute care, long term care, behavioral health and home and community based settings. Programs and services are aligned with HEDIS efforts to reduce all cause readmissions and improve health outcomes for members.

Population Targeted: Members readmitted within 30 days of discharge

Programs & Services: Basic Case Management, Transitions of Care (TOC), Whole Person Care Diversion, Provider Engagement.

Utilization Measure Methodology: This study evaluates the number of acute inpatient and observation stays during the measurement year that were followed by an unplanned acute readmission for any diagnosis within 30 days and the predicted probability of an acute readmission. Data is reported in the following categories: 1. Count of Index Hospital Stays (IHS) (denominator). 2. Count of Observed 30-Day Readmissions (numerator). 3. Count of Expected 30-Day Readmissions for measurement year 2019 in comparison to 2018. The methodology for the measure changed between 2018 and 2019, with outlier members being excluded in 2019.

Quantitative Analysis



The 30 Day Readmission Graph illustrates in 2017 Plan All-Cause Readmissions (PCR) Observed Readmission Rate was 14.69% compared to 2018 which was 13.48% resulting in a 8.2% decrease in 30 day readmission rates which exceeds the 1 percentage point increase goal.

Due to changes in the technical specifications in 2019, the reported PCR rate decreased from 13.48% in 2018 to 8.86% in 2019 which does meet the focus area goal.

PHM Work Group Qualitative Analysis & Opportunities for Improvement

Priority	Barrier	Opportunity	Action	Status
1	Gap in timely notification of Hospital Discharge resulting in an extended period that member is reached by the plan for discharge follow up.	Reduce gap in post discharge notification by receiving daily discharge census from 3 additional contracted hospital.	Work with IT to securely receive daily discharge census from Valley Medical Center. Stanford, Good Samaritan & El Camino Hospitals	Work in progress with target for completion Q3 2020
2	Inconsistent provider notification of discharge causing a reduction in primary or specialty physician follow up.	Process improvement to generate notification to Primary Care Providers of patient discharge in Essette.	Notification is deployed within the TOC model of Essette.	Completed in Q2 2019
3	Gap in care coordination from hospital setting to home.	Streamline communication of pending discharge details between UM inpatient review/discharge planners and CMs	CM & UM attend weekly Concurrent review meetings to ensure case management follow up post discharge.	Completed in Q2 2019
4	Lack of reporting capabilities to monitor timely staff TOC outreach.	Develop a TOC productivity report to monitor timely post discharge follow up calls.	Eliminated the use of RP3636 and deployed TOC reporting in Tableau	Completed in Q2 2019
5	Dedicated UM discharge/concurrent review	Implement updated Job Description responsibilities to include discharge planning	UM concurrent review and discharge plan RNs complete post discharge assessment outreach within 72 hours.	Completed Q2 2019
6	Inadequate CM follow up post discharge	CM outreach post discharge for CM intervention	UM will notify members who completed post discharge assessments for further outreach, evaluation and CM program participation	Completed Q4 2019

Dedicated resources were assigned to make post discharge calls for this intervention in 2019. SCFHP had implemented an immediate short term plan for Transition of Care discharge follow-up specific to a member's monthly risk stratification change from Low risk to High risk. A new report has been developed and implemented to reflect risk changes per claims data.

UM staff job descriptions were revised and approved to reflect new job title and responsibility of UM Inpatient Review and Discharge Planners to include Transition of Care assessments for all

members discharged to home after an acute or skilled admission. The intervention process changed in Q2 2019 from reliance on internal inpatient reports to receiving a daily census report with real time discharge information from Regional Medical Center and additional access to Hospital EMR systems for more current and accurate discharge dates. In 2019 further inpatient census data was collected. This led to an increase in the number of discharges notifications which enabled UM Transitions of Care (TOC) staff to be aware of discharges much faster, reducing the time between discharge and outreach. Members identified to have gaps in their discharge plan were referred to CM for additional evaluation and follow up.

The value of connecting members with their PCP for discharge follow up has been shown to decrease the likelihood for readmissions. Without a daily census it would be difficult to identify members to enroll case management in a time frame that would allow for meaningful engagement. SCFHP is currently exploring opportunities to obtain additional contracted hospital daily discharge census.

Recommendation PHM work group recommends to continue to monitor this measure and the impacts of the planned actions for this Focus Area of the 2020 PHM Strategy.

Focus Area 5: Member Experience with CCM

Santa Clara Family Health Plan (SCFHP) monitors Cal MediConnect (CMC) members' experience with Complex Case Management (CCM) Program with the goal of reaching a 90% or better satisfaction rating. The purpose of measuring member satisfaction for CM specific programs is to ensure adequate satisfaction with the program and that the program objectives are achieved. Annually, SCFHP completes an analysis which incorporates member survey questions and complaints related to CMC Complex case management services. This analysis allows the organization to identify opportunities for improving the CM and CCM program services through action plans in order to provide the highest quality of case management services. Annual survey results contribute to the overall Population Health Management (PHM) program effectiveness evaluation.

Member Experience with Complex Case Management CCM

Process

Santa Clara Family Health Plan measures CCM program effectiveness and overall member satisfaction with the Complex Case Management services through quarterly reporting and annual monitoring of complaints from members related to Complex Case Management services by performing regular CCM member satisfaction surveys. All members that were enrolled in CCM are provided the opportunity to complete the survey within 30 days of their transition to a lower level of CM services. Members that meet inclusionary criteria are outreached by phone at least twice and are offered assistance to complete the survey in their preferred language. Surveys are completed in the CM platform Essette. All survey responses are captured and reported by IT. Additionally the Grievance and Appeals department flags member complaints and reports them to CM leadership. Case Management leadership receives a report of survey outcomes and grievances and completes an annual analysis of all member experience data.

Satisfaction measures:

1. Information about the overall program.
2. The program staff.

3. Usefulness of the information disseminated.
4. Members' ability to adhere to recommendations.
5. Percentage of members indicating that the program helped them achieve health goals.

CCM Member Satisfaction Survey Inclusion criteria:

All members who participated in CCM for 60 days or more who have transitioned to a lower level of case management. Members have the right to refuse to participate in all or parts of the survey.

Members who were able to be reached by phone and who were willing to complete the 16 question survey were pulled into the survey population.
Results were generated from the survey population that met the inclusion criteria who participated in answering all 16 survey questions.

Methodology

Essette case management was configured to house the survey assessment. Case Management staff conduct 2 telephonic outreach calls and document the outcomes with in the survey assessment. Then number of members who are reached to complete the survey is a subset of the number of members that the health plan attempted to reach. Survey responses are data entered the survey assessment in real time by Personal Care Coordinators (PCCs). Survey responses can be provided by member or formal/informal caregiver on record. Survey responses are scored based on the members answer to the questions. Answers are scored as follows Strongly Agree/Very Satisfied, Agree/Satisfied, Disagree/Somewhat Satisfied, and Strongly Disagree/Not at all Satisfied. Percentage for each response will be rounded up to report in whole numbers. Overall goal is to have members respond "agree or "strongly agree" for questions 1-15 and "satisfied" or "very satisfied" for question 16 for an overall satisfaction percentage rate of 95% or better. Members are also encouraged to leave feedback which is documented in the comments section. Survey responses are collected annually throughout the look back year starting January 1, 2019 through December 31, 2019. Survey responses are pulled into CCM survey response report. Report data is analyzed by CM Manager.

Member Complaints

The process for measuring member CCM complaints is through the Grievance and Appeals department. Member filed grievances for CCM are flagged and reported directly to Case Management Leadership. CCM Leadership works directly with G &A to resolve the grievance. CCM grievances are measured and reported annually. To date there have been (0) grievances for CCM services.

CCM Satisfaction Survey Results

2019 CCM Satisfaction Survey	Strongly Disagree		Disagree		Agree		Strongly Agree		Goal Met
	#	%	#	%	#	%	#	%	Y/N
My case manager treated me with respect.							31	100.00%	Y
I am able to better manage my health and health care after being in the case management program.					3	9.70%	28	90.30%	Y
I better understand my disease or condition after being in the case management program.					5	16.70%	25	83.30%	Y

I feel like I have achieved my CCM goals.							31	100.00%	Y
I feel ready to transition to a lower level of case management.					2	6.50%	29	93.50%	Y
I know what to avoid when it comes to my health conditions.					5	16.70%	25	83.30%	Y
I know what to do if I need help.					2	6.50%	29	93.50%	Y
My Care Plan was clear and easy to understand.					4	12.90%	27	87.10%	Y
My case manager helped me better communicate with my providers.			1	3.20%	1	3.20%	29	93.80%	Y
My case manager helped me find services that I needed.					1	3.20%	30	96.80%	Y
My case manager involved me in discussing and planning my care.					2	6.50%	29	93.50%	Y
My case manager listened to what I had to say.					1	3.20%	30	96.80%	Y
My case manager returned my phone calls in a timely manner.							31	100.00%	Y
My input was considered when developing my plan of care.					1	3.20%	30	96.80%	Y
My situation is better because of my case manager's help.			1	3.20%	27	5.70%	3	91%	Y
Overall, how satisfied are you with the Case Management Services you received?	**Not at all Satisfied**		**Somewhat Satisfied**		**Satisfied**		**Very Satisfied**		**Goal Met**
Total			1	3.20%	9	29.60%	21	67.20%	Y

PHM Work Group Qualitative Analysis & Opportunities for Improvement

Q1 2019 Survey results for

SCFHP *did* meet the 90% performance goal in four areas

1. Information about the overall program (96%)
2. The Program staff (100%)
3. Usefulness of the information disseminated (97%)
4. Members ability to adhere to recommendations (100%)
5. Percentage of members indicating that the program helped them reach their health goals (100%)
6. Member Complaints (0)

SCFHP met the 90% or above performance goal for all 5 measures.
In 2019 CCM survey responses resulted in a 98% satisfaction rate overall. Although most members responded favorably 1 out of 29 members disagreed that their overall situation is better and 1 disagreed they can better communicate with their providers.

Opportunities for improvement:
In Q4 the Survey will be updated and configured in the CM platform Essette to include 7 additional questions that will provide more specific detail across all measures. Initiated the development of an Experience Survey paper questionnaire that can be mailed to the member directly from the CM platform Essette. PHM workgroup has identified opportunities for improvement that will proceed through 2020.

Recommendation: 2020 PHM Strategy will reflect the changes of focus from member experience with CCM an increase the measurement goal to 95% and continue to measure member experience with **Complex Case Management Services.**

Moderate CM Satisfaction Survey

2019 Moderate CM Satisfaction Survey	Strongly Disagree		Disagree		Agree		Strongly Agree		Totals		Goal Met
	#	%	#	%	#	%	#	%	#	%	Y/N
My Care plan was clear and easy to understand.	0	0%	0	0%	55	**60%**	6	10%	**61**	**100%**	**Y**
I found the information my CM provided to be useful.	0	0%	0	0%	54	**88%**	4	12%	**61**	**100%**	**Y**
My case manager treated me with respect.	0	0%	0	0%	61	**100%**	0	100%	**61**	**100%**	**Y**
My case manager listened to what I had to say.	0	0%	0	0%	60	**98%**	1	2%	**61**	**100%**	**Y**
My case manager returned my phone calls in a timely manner.	0	0%	1	2%	58	**95%**	2	5%	**60**	**98%**	**Y**
My case manager involved me in discussing and planning my care.	0	0%	0	0%	13	**21%**	48	78%	**61**	**100%**	**Y**
I better understand my disease symptoms after receiving information from my case manager.	0	0%	0	0%	61	**100%**	0	0%	**61**	**100%**	**Y**
My case manager helped me understand how to find resources that I needed.	0	0%	0	0%	59	**96%**	2	4%	**61**	**100%**	**Y**
My case manager helped me better communicate with my providers.	0	0%	2	2%	54	**88%**	5	12%	**59**	**98%**	**Y**
I understand more about my covered benefits.	0	0%	1	2%	39	**63%**	21	34%	**60**	**98%**	**Y**
I am able to better manage my health conditions with less help.	0	0%	0	0%	53	**86%**	8	13%	**61**	**100%**	**Y**

I know what to do if I do need help.	0	0%	0	0%	61	**100%**	0	100%	**61**	**100%**	**Y**
I know what to avoid when it comes to my health conditions.	0	0%	0	0%	29	**47%**	32	52%	**61**	**100%**	**Y**
My situation is better because of my case manager's help.	0	0%	0	0%	47	77%	14	23%	**61**	**100%**	**Y**
I feel ready to transition to a lower level of case management.	0	0%	0	0%	60	98%	1	2%	**61**	**100%**	**Y**
I feel like I have achieved my health goals.	0	0%	1	2%	57	93%	3	7%	**60**	**98%**	**Y**
Overall Satisfaction with Moderate Case Management Services	**Not at all Satisfied**		**Somewhat Satisfied**		**Satisfied**		**Very Satisfied**		**Totals**		**Goal Met**
	#	%	#	%	#	%	#	%	**#**	%	**Y/N**
Overall, how satisfied are you with the Case Management Services you received?	0	0%	0	0%	**23**	**38%**	38	62%	61	100%	Y

PHM Work Group Qualitative Analysis & Opportunities for Improvement

Q1 2019 Survey results for

SCFHP *did* meet the 90% performance goal in four areas

1. Information about the overall program (98%)
2. The Program staff (98%)
3. Usefulness of the information disseminated (94%)
4. Members ability to adhere to recommendations (100%)
5. Percentage of members indicating that the program helped them reach their health goals (98%)
6. Member Complaints (0)

SCFHP met the 90% or above performance goal for all 5 measures.
In 2019 Moderate CM survey responses resulted in a 98% satisfaction rate overall. We identified several areas of improvement that we have been addressed including increasing member's understanding of covered health plan benefits and communicating with providers. In order to better understand members survey responses we have updated the survey questions more specifically identify how useful Moderate CM members found the information they received to be. These interventions were initiated and have resulted in optimal results for this performance period. CM continues to work on developing survey questionnaire form to be mailed to members that cannot be reached by phone to complete the survey. A pain point to

implementing member mailed material is that it has to be vetted and approved by DHCS prior to plan use.

Opportunities for improvement:
In Q4 2019 the Survey will be updated and configured in the CM platform Essette to include 7 additional questions that will provide more specific detail across all measures. These questions were included in this survey. This workgroup identified several other question edits and additions that may reveal greater insight to member's satisfaction. These updates will be reflected in the 2020 look back. In 2019 the PHM workgroup initiated the development of an Experience Survey paper questionnaire that can be mailed to the member directly from the CM platform Essette. PHM workgroup has identified opportunities for improvement that will proceed through 2020.

Recommendation: 2020 PHM Strategy will reflect the changes of focus from member experience with Moderate CM services to member experience with **Behavioral Health Program services.**

PHM Work Group Qualitative Analysis & Opportunities for Survey Improvement

Analysis showed that for this portion of the performance period Santa Clara Family Health Plan Exceeded the overall CCM and CM services satisfaction goal or 90%. While 5 respondents expressed that they did not agree that the Moderate CM program helped them better understand their covered benefits, communicate with providers or achieve their health goals. Due to the lack of documented comments or suggestions by member it is difficult to ascertain the root cause of stated dissatisfaction. We identified there is room for improvement pertaining to the structure and function of the survey questionnaire itself. Issues noted were the survey format, in which not all members can be reached telephonically and the survey content which was not detailed enough to evaluate specific program elements that need improvement. Additionally the current question set is limited and does not provide enough level of detail to determine specific issues members feel contributed to dissatisfaction with CM program. The table below outlines the 7 additional questions that were added to both CM surveys the survey in 2019 and the expanded edits to all the survey questions for 2020 outreach.

CCM Survey Questions	Question Mapping
Information about the overall program	• Overall, how satisfied are you with the Case Management Services you received? • **My Care plan was clear and easy to understand.** • **My input was considered when developing my plan of care.** • **I found the information my CM provided to be useful.**
The program staff	• My case manager treated me with respect. • My case manager listened to what I had to say. • My case manager returned my phone calls in a timely manner.
Usefulness of the information disseminated	• I better understand my disease or condition after being in the complex case management program. • My case manager involved me in discussing and planning my care. • My case manager helped me find the services that I needed. • **My case manager helped me better communicate with my providers.**
Member' ability to adhere to recommendations	• I am able to better manage my health and health care after being in the case management program. • **I know what to do if I need help.** • **I know what to avoid when it comes to my health conditions.**
Percentage for members indicating that the program helped them achieve health goals.	• My situation is better because of my case manager's help. • **I feel ready to transition to a lower level of case management.** • **I feel like I have achieved my CCM health goals.**

Moderate CM Questions	Question Mapping
Information about the overall program	• Overall, how satisfied are you with the Case Management Services you received? • **My Care plan was clear and easy to understand.** • **My input was considered when developing my plan of care.** • **I found the information my CM provided to be useful.**
The program staff	• My case manager treated me with respect. • My case manager listened to what I had to say. • My case manager returned my phone calls in a timely manner. • My case manager involved me in discussing and planning my care.
Usefulness of the information disseminated	• I better understand my disease symptoms after receiving information from my case manager. • **My case manager helped me understand how to find resources that I needed.** • My case manager helped me better communicate with my providers. • **I understand more about my covered benefits.**
Member' ability to adhere to recommendations	• I am able to better manage my health conditions with less help. • **I know what to do if I do need help.** • **I know what to avoid when it comes to my health conditions.**
Percentage for members indicating that the program helped them achieve health goals.	• My situation is better because of my case manager's help. • **I feel ready to transition to a lower level of case management.** • **I feel like I have achieved my health goals.**

Barrier	Opportunity	Intervention	Selected for 2019?	Date Initiated	Progress
Members do not understand their condition well enough and are not satisfied with the service provided because of inadequate provision of tools and materials assisting the member in self-management.	Case Managers will have access to Health Education material and resources that can be made available to Member and Caregiver.	Provide ongoing training to CCM Case Management Staff on health education materials, resources and free/low cost community programs available to members.	Yes	January 2019	Complete
Not all members eligible to complete the Survey were reached by phone.	To format the survey into a paper questionnaire that can be mailed to the member.	Create a CCM Experience Survey document that can be mailed to the member directly through the Case Management Platform (Essette) Correspondence module.	Yes	January 2019	Target Q4 2020
Current survey questions lack enough detail to evaluate specific program areas that need improvement	Revise survey questions to better identify areas of case management support members feel they need.	Configure additional questions with the current CCM Survey Assessment in Essette.	Yes	January 2019	Completed Q4 2019

Conclusion

The CCM & Moderate CM program were effective in Managing Members with Multiple Chronic Conditions by demonstrated significant reduction in ED over utilization among those enrolled. Enrollees and their caregivers have benefited from intensive RN and Social Work support provided to address complex un-managed medical and psychosocial needs. CCM and Moderate CM programs reduce risk by linking members with doctors, pharmacy, specialty and DME providers through an interdisciplinary process that works to establish relationships with providers that will follow the member through the continuum of care. The total number of secondary emergency department visits was reduced due to the program enrollment. This is most likely attributed to early identification, care coordination and education provided by the case managers. The reduction in the post enrollment period was most likely reduced through the facilitation of increased outpatient care for the members and coordination between network providers. Without a daily census it would be difficult to identify members to enroll case management in a time frame that would allow for meaningful engagement. SCFHP is currently exploring other opportunities given the challenges of obtaining an ED census from hospitals.

The Basic CM program which targets Managing Members with Emerging risk was not successful in meeting the goal of increasing HbA1c control rates. The Tier stratification report is

an effective way of identifying members that do not follow through with treatment plans and supports a targeted outreach approach to offer support. Although improvement ideas were followed to address this goal. The targeted outreach was not effective to impact the HEDIS CDC metrics. The PHM workgroup has identified that due members do not also complete their HbA1c testing. In order to incentivize members, eligible members will be offered gift cards for completing their HbA1c through the Wellness Rewards Program. Members will also be reminded through an outreach call campaign to remind them about completing their HbA1c tests.-

The PHM workgroup will continue establish action plans and evaluate the accuracy of actual CM impacts on this target group with in the greater HEDIS CDC metrics and consider different reporting strategies. Additionally staff will be provided additional training on case management best practices and in-services on the latest technologies in specialty diabetic supplies and resources to support new approaches to diabetic management.

CM programs continue to strive to Keep Members Healthy through comprehensive annual wellness assessment and preventative screenings. Members who complete an Annual Wellness Visit (AWV) are more likely to receive important preventive care services like vaccines and cancer screenings than those who do not. In office AWVs focus on members self-identified health status, psychosocial, socio-economical, past medical history, level of independence and other potential risk factors. Due in part to the large CMC population and the number of members who rely on Specialty Care above Primary Care SCFHP contracted with Signify Health to complete in-home Initial Wellness Assessments (IHA). Initial Health Assessments are performed by nurse practitioners in the member's home and are comparable to in office AWVs. CM success in meeting this measure is largely due to evaluation and transmission of valuable assessment information to providers as well as member education on the importance of preventative screenings. In Q2 2019 completed IHAs were uploaded into members' cases in the Case management platform Essette. Care Managers are now able to review the assessments and provide them either directly to assigned PCP or provide information through member informed care plan elements. IHAs are reviewed by Licensed CMs, discussed with the members when appropriate and considered in ICP development.

CM Programs promote Patient Safety across Settings. Members identified to have gaps in their discharge plan leading to readmission are referred to CM for additional evaluation and follow up. The value of connecting members with their PCP for discharge follow up has been shown to decrease the likelihood for readmissions. CM support post discharge promotes greater linkage to follow up services and ongoing management support through the ICP/ICT process. Early identification led to timely discharges notifications reducing the time between post discharges follow up and CM referral rates promoting better health outcomes for all members. The implementation of the TOC assessment process and dedicated concurrent review and TOC staffing resources resulted in meeting this measure.

2019 Member Satisfaction surveys showed that over 90% of members who engage in CCM or Moderate CM programs had better health outcomes. Members agreed that the information provided by their CMs was useful, easy to understand and helped them reach their health goals. Members found their assigned CMs to be attentive and provided excellent member support. Resulting in exceeding these measurement goals. Although we were successful we have identified several actions that would be valuable to this process going forward and have opted to continue to evaluate CCM satisfaction and will survey the Behavioral Health CM program alternatively to the Moderate CM program for next survey year 2020.

Upcoming Improvements

In 2019, SCFHP recognized that members needed assistance with housing security. In an effort to understand rates of housing insecurity and to provide additional community resources, the organization is partnering with the county to utilize a centralized housing prioritizing network, Homelessness Management Information System (HMIS) and Aunt Bertha, a repository of community resources for social determinants of health. We have signed the contract with Santa Clara County and projecting full Implementation in Q3 2020.

The Tier Stratification Algorithm utilized in the PHM strategy was updated to better align Tiers with social determinants of health and behavior health needs. These changes will include: 1) Adding dementia diagnosis under Tier 1 Complex Case Management; and 2) Added homeless status to Tier 2 Chronic Conditions Management Uncontrolled and Tier 3 Chronic Conditions Controlled. The current Tier Stratification will be adopted and implemented to support NCQA accreditation preparedness for the Medi-Cal LOB.

Quality Improvement Committee	Date of Approval	Recommendations

Assessment of CMC Members Understanding of Marketing Information

Presented by Theresa Zhang, Manager, Communications

Assessment of Member Understanding of Policies & Procedures: Call Code Analysis

Date Analysis Conducted: 4/14/20

By: Theresa Zhang, Manager, Communications, and Chelsea Byom, Director, Marketing & Communications

Process:

A call report was generated from the internal call reporting system for calls received between January 1, 2019 and July 1, 2019.The report contains the following fields:

Call_Date1
Create_User_ID1
Caller_ID
Type_Issue1
Relvnt Issue Tag
Within 90 day tag
LOB
Member_Full_Name
Member_HPID
Eff Date
dob
Provider_Name
Provider_ID
Status
ClosedDate
TAT
Resolution
Resolnotes
CallNotes
Assigned_To

The records in the call report were filtered by specific call codes reported under the [Type_Issue1] field to focus theassessment. The following list contains the types of issues and their descriptions:

Type_Issue1	Description
Administrative	Materials Request
Administrative	Positive Feedback
Administrative	PQI
Inquiry Auth	INQ Auth Member Call Pharmacy
Inquiry Auth	INQ Auth Provider Call Pharmacy
Inquiry Auth	INQ Auth Provider Call Medical
Inquiry Benefit	INQ Benefit Behavioral Health Therapy (BHT)
Inquiry Benefit	INQ Benefit Case Management Support
Inquiry Benefit	INQ Benefit Continuity of Care

Type_Issue1	Description
Inquiry Benefit	INQ Benefit Dental Service
Inquiry Benefit	INQ Benefit DME, Enteral and Parenteral Service
Inquiry Benefit	INQ Benefit Mental Health Service
Inquiry Benefit	INQ Benefit MLTSS Support: CBAS, IHSS, LTC, MSSP
Inquiry Benefit	INQ Benefit Other (need to specify)
Inquiry Benefit	INQ Benefit Pharmacy
Inquiry Benefit	INQ Benefit Reimbursement
Inquiry Benefit	INQ Benefit Specialist
Inquiry Benefit	INQ Benefit Vision Service
Inquiry Billing	INQ Billing Statement
Inquiry Claim	INQ Adminstrative Error
Inquiry Claim	INQ Claim Status
Inquiry General	INQ General Assistance with obtaining appointment
Inquiry General	INQ General HK Renewal Question
Inquiry General	INQ General HRA
Inquiry General	INQ General Medi-Care/CMC Inquiry
Inquiry General	INQ General Provider/Network Information Inquiry
Quality of Serv	GRV Adminstrative Issues
Quality of Serv	GRV ID Card
Quality of Serv	GRV Transportation Services (NEMT)
Quality of Serv	GRV Transportation Services (NMT)
Referral Grv	GRV Prior Auth/Appeal Process
Transportation	Member Communications Notice

Next, the report was narrowed to include members that called within 90 days of their enrollment date with the Santa Clara Family Health Plan Cal MediConnect plan.

Member health plan IDs (HPID) were included in the call report. HPID was used to source the member's enrollment date from the internal enrollment data tables. The member's enrollment date was measured against the call date to identify if the member called within 90 days of his or her enrollment. The following pivot table outlines the volume of calls members made by the type of issue (call code) within 90 days of member's enrollment.

Row Labels	Count of Member_HPID	Count of Member_HPID2
Administrative-Materials Request	250	14.16%
Administrative-Positive Feedback	2	0.11%
Administrative-PQI	20	1.13%
Inquiry Auth-INQ Auth Member Call Pharmacy	30	1.70%
Inquiry Auth-INQ Auth Provider Call Medical	10	0.57%
Inquiry Auth-INQ Auth Provider Call Pharmacy	1	0.06%
Inquiry Benefit-INQ Benefit Behavioral Health Therapy (BHT)	3	0.17%
Inquiry Benefit-INQ Benefit Case Management Support	131	7.42%
Inquiry Benefit-INQ Benefit Continuity of Care	4	0.23%
Inquiry Benefit-INQ Benefit Dental Service	62	3.51%
Inquiry Benefit-INQ Benefit DME, Enteral and Parenteral Service	53	3.00%
Inquiry Benefit-INQ Benefit Mental Health Service	13	0.74%
Inquiry Benefit-INQ Benefit MLTSS Support: CBAS, IHSS, LTC, MSSP	27	1.53%
Inquiry Benefit-INQ Benefit Other (need to specify)	222	12.57%
Inquiry Benefit-INQ Benefit Pharmacy	228	12.91%
Inquiry Benefit-INQ Benefit Reimbursement	8	0.45%
Inquiry Benefit-INQ Benefit Specialist	51	2.89%
Inquiry Benefit-INQ Benefit Vision Service	83	4.70%
Inquiry Billing-INQ Billing Statement	38	2.15%
Inquiry Claim-INQ Administrative Error	3	0.17%
Inquiry Claim-INQ Claim Status	55	3.11%
Inquiry General-INQ General Assistance with obtaining appointment	37	2.10%
Inquiry General-INQ General HK Renewal Question	1	0.06%
Inquiry General-INQ General HRA	90	5.10%
Inquiry General-INQ General Medi-Care/CMC Inquiry	113	6.40%
Inquiry General-INQ General Provider/Network Information Inquiry	183	10.36%
Quality of Serv-GRV-Administrative Issues	4	0.23%
Quality of Serv-GRV-ID Card	8	0.45%
Quality of Serv-GRV-Transportation Services (NEMT)	2	0.11%
Quality of Serv-GRV-Transportation Services (NMT)	9	0.51%
Referral Grv-GRV-Prior Auth/Appeal Process	8	0.45%
Transportation-Member Communications Notice	17	0.96%
Grand Total	**1766**	**100.00%**

Individual call records were grouped and assessed by issue type and description. The top four highest occurrence call types in individual call records were:

1. Materials Request	14.16%
2. INQ Benefit Pharmacy	12.91%
3. Other (need to specify)	12.57%
4. General Provider/Network Information Inquiry	10.36%

A sample of call notes were reviewed within these categories to identify noticeable trends and opportunities for improvement. Themes identified in the call notes are summarized in the table below.

Themes Identified in Top Call Types:

Materials Request	Mail AOR (Appointment of Representative) form
Pharmacy Benefit Inquiry	Trouble getting prescription drugs
	Status of coverage determination

Other (need to specify)	Inquiry on prescription refill
	Inquiry on transportation benefit
General Provider/Network Information Inquiry	Confirming provider
	Inquiring for case management

Conclusion:

Upon detailed review of the call notes, the Appointment of Representative process has been identified as an actionable opportunity for improvement. Member education via a mass communication vehicle would be an effective way to improve new member understanding of the form's purpose, how to find the form, and how to submit it to the Plan. Possible interventions include:

- Publishing an educational member newsletter article.
- Include instructions on appointing a representative in the new member orientation under development.
- Allowing members to access and submit the AOR form via the member portal.

Regular Meeting of the

Santa Clara County Health Authority
Pharmacy and Therapeutics Committee

Thursday, December 19, 2019, 6:00 PM - 8:00 PM
Santa Clara Family Health Plan, Redwood Conference Room
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES (OPEN)

Members Present
Ali Alkoraishi, MD
Dang Huynh, PharmD, Director of Pharmacy
Jesse Parashar-Rokicki, MD
Jimmy Lin, MD, Chair
Laurie Nakahira, DO, Chief Medical Officer
Peter Nguyen, DO
Xuan Cung, PharmD

Members Absent
Amara Balakrishnan, MD
Dolly Goel, MD
Hao Bui, BS, RPh
Minh Thai, MD
Narinder Singh, PharmD

Staff Present
Duyen Nguyen, PharmD
Nancy Aguirre, Administrative Assistant
Tami Otomo, PharmD

Others Present
Alan Kaska, Abbott Labs, Public
Amy McCarty, PharmD, MedImpact

1. Roll Call

Jimmy Lin, MD, Chair, called the meeting to order at 6:06pm. Roll call was taken and a quorum was not established.

2. Public Comment

Alan Kaska, Abbott Labs, talked about continuous glucose monitoring (CGM) devices for diabetes care. Abbott's CGM product, FreeStyle Libre, involves reading a person's blood glucose level with a reader and sensor instead of using the traditional fingerstick method. Mr. Kaska shared that Abbott Labs introduced the FreeStyle Libre CGM products at a lower cost than competitors.

3. Open Meeting Minutes

The review of the 3Q2019 Pharmacy and Therapeutics Committee open meeting minutes was deferred until a quorum was established.

4. Standing Agenda Items

a. Chief Medical Officer Health Plan Updates

Laurie Nakahira, DO, Chief Medical Officer, Santa Clara Family Health Plan (SCFHP), reviewed the following Health Plan updates:

I. The Healthy Kids line of business has ended. The children who were enrolled in Healthy Kids were transitioned into the Medi-Cal line of business, which offers more benefits. All but two of the 3,500 children were transitioned into Medi-Cal on October 1, 2019. The two children (siblings) who did not meet criteria for Medi-Cal are being transitioned into Valley Kids. This transition should take full effect on January 1, 2020. Until that date, the two siblings will be covered by SCFHP.

II. One of SCFHP's durable medical equipment (DME) providers, California Home Medical Equipment (CHME), contract is terminating. Their contract ends on December 31, 2019.

III. SCFHP completed the Centers for Medicare and Medicaid Services (CMS) audit with a total of five findings. There will be one more audit to complete.

IV. Dr. Nakahira announced that SCFHP signed a lease for a new Community Resource Center (CRC) located in San Jose, near McKee Road and North Capitol Avenue. Member engagement, educational classes, and physical activity classes are a few of the resources that will be available to members within the CRC.

V. SCFHP has a new website and launched a new mobile app. The mobile app is user friendly and feedback on this new resource is highly encouraged.

VI. Presently, developmental screenings are being conducted during well child visits. However, providers have not been billing for them. Proposition 56 offers an extra payment to providers for performing this task. SCFHP will be working with some of the clinics to ensure providers obtain credit for completed developmental screenings.

b. Plan/Global Medi-Cal Drug Use Review

Tami Otomo, PharmD, SCFHP, provided the final update on the Retrospective Drug Utilization Review (DUR) Morphine Equivalency Initiative program, which aimed to improve the quality of pain treatment and prevent opioid overdose in members with at least one month of prescription opioid claims exceeding 120 morphine equivalent daily dose (MEDD).

Dr. Otomo noted that opioid safety edits at point-of-sale (POS) were implemented on October 1, 2019 for all Medi-Cal members.

Ali Alkoraishi, MD, Committee Member, asked where SCFHP acquired their data. Dr. Otomo explained that the data was obtained from approved pharmacy claims for opioid prescriptions.

Peter Nguyen, DO, Committee Member, arrived at 6:18pm. A quorum was established at this time.

c. Appeals & Grievance 3Q2019 Report

Dang Huynh, PharmD, Director of Pharmacy, SCFHP, presented the 3Q2019 Grievance & Appeals Report.

Dr. Nguyen asked about the number of prior authorization requests with subsequent appeals. Dr. Huynh explained that there is a 24-hour turnaround time for Medi-Cal. If the initial request does not have the necessary information, SCFHP will conduct telephonic outreach to the requesting provider to gather

supporting information. If the provider's office does not submit the supporting information within the turnaround time, then a denial will be made due to not having enough information to approve the request.

For Cal MediConnect (CMC), the majority of appeals are requests for high risk medications (HRM). HRM authorization requests require providers to submit an attestation acknowledging that the medication they are prescribing is considered high risk, but the benefits outweigh the risks for their patient. Dr. Lin asked if this is a state requirement. Dr. Huynh replied that CMS encourages the monitoring of HRM drugs. Dr. Huynh will request that Appeals & Grievances provide details about the other types of appeals for the next P&T Committee meeting.

d. National Committee for Quality Assurance (NCQA) Member Connection Standards – 2019 Pharmacy Report

Duyen Nguyen, PharmD, SCFHP, reported that there were no issues found in the required annual NCQA self-audit of SCFHP's member portal, resulting in a score of 100% in all measurements of quality and accuracy.

e. CY2020 Utilization Management Drug PA Grid

Dr. Otomo presented the Utilization Management Drug Prior Authorization (PA) grid for CY2020 and noted that it was approved at the most recent 4Q2019 Utilization Management Committee meeting.

SCFHP added newly released and soon-to-be released biosimilars to the PA grid. Dr. Otomo noted that if a biosimilar is available, SCFHP requires a step therapy for the brand name product.

At 6:30pm, Dr. Lin resumed the Committee's review of the 3Q2019 Pharmacy and Therapeutics Committee open meeting minutes, as a quorum was established upon Dr. Nguyen's arrival.

Dr. Nguyen motioned to accept the open meeting minutes as presented, and it was seconded by Dr. Alkoraishi. Motion carried.

Adjourn to Closed Session
Pursuant to Welfare and Institutions Code Section 14078.36 (w)

5. Closed Meeting Minutes

The 3Q2019 Pharmacy and Therapeutics Committee closed meeting minutes were reviewed as presented.

Dr. Nguyen motioned to accept the closed meeting minutes as presented, and it was seconded by Dr. Alkoraishi. Motion carried.

6. Metrics and Financial Updates

a. Membership Report

Dr. Nakahira presented the membership report.

b. Pharmacy Dashboard

Dr. Otomo presented the pharmacy dashboard.

c. Drug Use Evaluation

Dr. Huynh presented a follow-up to the 1Q19 Drug Use Evaluation (DUE) program.

d. Drug Utilization & Spend

Dr. McCarty presented the Drug Utilization & Spend.

7. **Discussion and Recommendations for Changes to SCFHP's CMC Formulary & Coverage Determination Criteria**

   a. **Pharmacy Benefit Manager 3Q2019 P&T Minutes**

   b. **Pharmacy Benefit Manager 4Q2019 P&T Part D Actions**

   Dr. McCarty presented the PBM's Medicare Part D Pharmacy & Therapeutics minutes and actions.

   Dr. Nguyen motioned to accept the PBM's 3Q2019 P&T Minutes and 4Q2019 P&T Part D Actions, and it was seconded by Dr. Nakahira. Motion carried.

8. **Discussion and Recommendations for Changes to SCFHP's Medi-Cal & Prior Authorization Criteria**

   a. **Old Business/Follow-Up**

      i. **Continuous Glucose Monitors (CGM)**
      Dr. Huynh reviewed the cost of Abbott FreeStyle Libre's CGM sensor.

      ii. **Opioid Point-of-Sale Safety Edits**
      Dr. Huynh reviewed the provider memo faxed out on October 1, 2019 with details about these opioid safety edits.

      iii. **Insulin Vial and Insulin Pen**
      Dr. Huynh reviewed the cost difference between an insulin pen and an insulin vial.

      iv. **Prior Authorization Approval Length**
      Dr. Huynh addressed Dr. Nguyen's question from the previous P&T Committee meeting regarding the consideration of approving PAs.

   b. **Formulary Modifications**

   Dr. Otomo presented Medi-Cal formulary changes.

   Dr. Nguyen motioned to accept the Formulary Modifications, and it was seconded by Jesse Parashar-Rokicki, MD, Committee Member. Motion carried.

   c. **Fee-for-Service Contract Drug List Comparability**

   Dr. McCarty reviewed the summary of changes to the Medi-Cal Fee-for-Service (FFS) Contract Drug List (CDL).

   Dr. Nguyen motioned to accept the recommendation that no action was needed by SCFHP, and it was seconded by Dr. Parashar-Rokicki. Motion carried.

   d. **Prior Authorization Criteria**

   Dr. Duyen Nguyen presented the following PA criteria:

      i. **New or Revised Criteria:**
         1. Non-Formulary
         2. Hepatitis C Policy
         3. Epclusa
         4. Mavyret
         5. Norditropin Flexpro
         6. Retacrit

      ii. **Annual Review:**
         1. Zarxio

Dr. Nguyen motioned to accept the PA criteria as presented, and it was seconded by Dr. Alkoraishi. Motion carried.

9. New Drug and Class Reviews

Dr. McCarty presented the following new drugs and class reviews:

a. Review

i. **Vumerity (diroximel fumarate)**
ii. **Nourianz (istradefylline)**
iii. **Glucagon-like peptide-1 (GLP-1) Class – Diabetes**

Dr. Nguyen motioned to accept the New Drugs and Class Reviews as presented, and it was seconded by Dr. Cung. Motion carried.

b. Informational Only

i. Adakveo (crizanlizumab) – Sickle Cell Disease
ii. Beovu (brolucizamab) – Age-Related Macular Degeneration
iii. Nubeqa (darolutamide) – Prostate Cancer
iv. Rozlytrek (entrectinib) – Oncology
v. Inrebic (fedratinib) – Oncology
vi. Reyvow (lasmiditan) – Migraine
vii. Ubrogepant – Migraine
viii. Rimegepant – Migraine
ix. Palforzia (AR101) – Peanut Allergy
x. Bonsity (teriparatide) – Osteoporosis
xi. Pretomainid – Tuberculosis
xii. Aklief (triparatide) – Acne
xiii. Guideline Updates – Pulmonary Arterial Hypertension
xiv. Biosimilar Update
xv. New and Expanded Indications

No questions were asked about the Informational Only items.

Reconvene in Open Session

10. Discussion Items

a. New and Generic Pipeline

Dr. McCarty noted an upcoming high impact-interest agent coming in 1Q2020 for peanut allergies. A second agent for peanut allergies will be released in the second half of 2020.

Dr. McCarty shared that generic Novolog Flexpen and Novolog vial will be available early 2020. These drugs are not on SCFHP's Medi-Cal formulary.

11. Adjournment

The next Pharmacy and Therapeutics Committee meeting will be on March 19, 2020. The meeting was adjourned at 7:37pm.

Approved via teleconference — 04/30/2020

Jimmy Lin, MD, Chair of Pharmacy &Therapeutics Committee — Date

Regular Meeting of the

Santa Clara County Health Authority
Utilization Management Committee

Thursday, January 15, 2020 6:30 PM - 8:00 PM
Santa Clara Family Health Plan, Redwood
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES - Approved

Members Present
Ali Alkoraishi, MD, Psychiatry
Dung Van Cai, MD, OB/GYN
Ngon Hoang Dinh, DO, Head & Neck
Jimmy Lin, MD, Internal Medicine, Chairperson
Habib Tobbagi, MD, PCP, Nephrology
Indira Vemuri, Pediatric Specialist

Members Absent
Laurie Nakahira, DO, Chief Medical Officer

Staff Present
Lily Boris, MD, Medical Director
Angela Chen, Manager, Utilization Management
Natalie McKelvey, Manager, Behavioral Health
Amy O'Brien, Administrative Assistant
Luis Perez, Supervisor, Utilization Management

Staff Absent
Christine Tomcala, Chief Executive Officer

1. Introduction

Dr. Jimmy Lin, Chair, called the meeting to order at 6:30 p.m. Roll call was taken, and a quorum was established. Absent this evening were Laurie Nakahira, DO, Chief Medical Officer, and Christine Tomcala, Chief Executive Officer.

2. Public Comment

There were no public comments.

3. Review and Approval of October 16, 2019 Meeting Minutes

The minutes of the October 16, 2019 Utilization Management Committee meeting were reviewed.

Dr. Lin called for a motion to approve the October 16, 2019 Utilization Management Committee meeting minutes. Dr. Alkoraishi moved to approve the October 16, 2019 Utilization Management Committee meeting minutes. Dr. Van Cai seconded the motion. The motion passed 6-6.

4. CEO and CMO Update

Dr. Boris gave the CEO and CMO updates on behalf of Ms. Tomcala and Dr. Nakahira. The governor of California has proposed a Medi-Cal Healthier California for all, formerly known as CalAim (California Advancing and Innovating Medi-Cal). This is a set of proposals that uses Medi-Cal as a tool to address some of California's biggest challenges, such as homelessness, insufficient access to behavioral health care,

children with complex medical needs, the clinical needs of the justice system population, and the medical needs of the elderly. The governor has identified three (3) goals: (1) Identify and manage member risk and need through whole person care approaches, while addressing the social determinants of health; (2) move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and (3) improve quality outcomes and drive delivery system transformation through value-based initiatives, the modernization of systems and payment reform. At present, the Plan's Cal MediConnect plan has attained NCQA accreditation. The Plan is now working towards NCQA accreditation for its Medi-Cal line of business.

5. Old Business/Follow-Up Items

a. General Old Business

There is no old business to discuss this evening.

b. Medical Covered Services Prior Authorization Grid

Dr. Boris reviewed the updated Medical Covered Services Prior Authorization Grid, which is included in the agenda packet materials. The biggest change to the Grid refers to Podiatry services. The Plan removed the need for general authorization for podiatric office visits. Members still need a referral for office visits, but not a prior authorization. Only podiatric surgery will require a prior authorization. Medi-Cal dictates the number of office visits; as such, the Plan will follow the Medi-Cal rules.

6. UMC Meeting Calendar - 2020

Dr. Boris presented the UMC Calendar for 2020 to the Committee. Dr. Boris summarized the dates of the UMC meetings for 2020.

> Dr. Lin called for a motion to approve the UMC Meeting Calendar for 2020. Dr. Van Cai moved to approve the UMC Meeting Calendar for 2020. Dr. Alkoraishi seconded the motion. The motion passed 6-6.
>
> Dr. Lin next called for a motion to change the UMC meeting start time from 6:30 p.m. to 6:00 p.m. Dr. Alkoraishi moved to approve the UMC meeting start time of 6:00 p.m. Dr. Van Cai seconded the motion. The motion passed 6-6.

7. UMC Program Description - 2020

Dr. Boris presented the UMC Program Description for 2020, as a redline version, to the Committee. Dr. Boris highlighted various changes to the UM Program Description included in the agenda packet materials.

> Dr. Lin called for a motion to approve the UMC Program Description – 2020. Dr. Vemuri moved to approve the UMC Program Description – 2020. Dr. Alkoraishi seconded the motion. The motion passed 6-6.

8. Annual Review of UM Policies

Dr. Boris presented the UM policies for 2020, as redline versions, to the Committee.

a. HS.02 Medical Necessity Criteria
b. HS.03 Appropriate Use of Professionals
c. HS.04 Denial of Services Notification
d. HS.05 Evaluation of New Technology
e. HS.06 Emergency Services
f. HS.07 Long-Term Care Utilization Review
g. HS.08 Second Opinion

h. HS.09 Inter-Rater Reliability
i. HS.10 Financial Incentive
j. HS.11 Informed Consent
k. HS.12 Preventive Health Guidelines
l. HS.13 Transportation Services
m. HS.14 System Controls – **New policy**

Dr. Lin called for a motion to approve the Annual Review of UM Policies and the new policy HS.14 System Controls. Dr. Van Cai moved to approve the Annual Review of UM Policies. Dr. Dinh seconded the motion. The motion passed 6-6.

9. Reports

a. Membership

Dr. Boris presented the membership report for December 2019. The Plan has 233,995 Medi-Cal members. The Cal MediConnect line-of-business continues to grow from 8,076 members in July 2019 to 8,428 members in December 2019. As of January 1, 2020 the Plan no longer has Healthy Kids members. All former Healthy Kids members have been successfully transitioned into other plans, mostly Medi-Cal.

b. Standard Utilization Metrics

Dr. Boris briefly summarized the Standard Utilization Metrics for the Committee. The purpose is to measure and compare the Plan's utilization levels against relevant industry benchmarks, as well as monitor utilization trends amongst the Plan's membership. From January 2019 through December 2019, the average length of stay for Medi-Cal members is 3.99. For Medi-Cal non-SPD the average length of stay is 3.79, with the Medi-Cal-SPD population slightly higher at a 4.62 average length of stay. From January 1, 2019 through December 5, 2019 the discharge rate per every 1,000 members is 2.50 for the non-SPD population. The discharge rate per every 1,000 members for the SPD population is higher at 8.92. The SPD population is smaller than the non-SPD population. As a result, the Medi-Cal total numbers per 1,000 members comes down to approximately 3 discharges per every 1,000 members. Dr. Boris discussed the Plan's ranking for Medi-Cal inpatient utilization in comparison to the NCQA Medicaid Percentile Rank, and the Plan's average for the non-SPD population, per every 1,000 members, is less than 5%. Dr. Boris next discussed the rate of inpatient readmissions for both the Medi-Cal and Cal MediConnect populations. For the MediCal SPD population, our readmission rate is 21.03% which is considered high. Dr. Lin and Dr. Boris discussed the fact this is likely due to patients diagnosed with Sepsis. Dr. Boris outlined the readmission rates for the Cal MediConnect population. The over 65 age group actually has a lower readmission rate than the 18-64 age group, as the 18-64 age group are generally on MediCare and/or receiving disability. Dr. Boris then discussed the Medi-Cal Frequency of Selected procedures from January 1, 2019 through December 5, 2019. There are no significant changes since the last Committee meeting. The trends are generally down on an overall basis. A discussion ensued between Dr. Boris and Dr. Alkoraishi as to why the numbers trend downward. Dr. Boris stated she can review the numbers from the last Committee meeting and compare them to the current data to see if there is an explanation. Dr. Alkoraishi provided a possible rationale from the clinical point-of-view, but it could also be due to the fact that the numbers are so small it does not take much change to see a downward trend. Dr. Boris next discussed the rate of anti-depressant medications for acute phase treatment and continuation phase treatment, and there is no significant change from the last Committee meeting.

c. Dashboard Metrics

- Turn-Around Time – Q4 2019 – Dr. Boris next reviewed the Turn-Around time report for Medi-Cal from October 2019 through December 2019. The Plan met its' goals for December, with the percentage of timely decisions made within 5 business days at 100%. Dr. Boris also presented the

Committee with the Plan's timeliness of decisions for the urgent, concurrent, retro, and standard authorizations. Dr. Lin asked Dr. Boris for the Medi-Care guidelines for turn-around time. Dr. Boris replied that the Medi-Care guidelines are 100% on all decisions. During the CMS audit, however, CMS did not issue any corrective action for the current numbers due to the significant improvement the Plan made since the last audit.

- Call Center – Q4 2019 – Mr. Perez presented the Utilization Management Call Center metrics to the Committee, beginning with Medi-Cal. There has been less call volume in December, compared to October and November. The statistics show that the UM department has been able to increase the number of calls they take, with a higher rate of response and a lower rate of call abandonment. For the Cal MediConnect line of business, the volume of calls also dropped in December, as compared to October and November, and the abandonment rate is lower, so the UM department is able to answer a higher rate of calls with more efficiency. Dr. Lin inquired as to which language is the most prevalent for the calls received in the UM Call Center. Mr. Perez advised that, as the UM Call Center answers calls from providers, the language spoken is normally English. Dr. Lin also inquired as to why the call volume is so much lower in December, which Dr. Boris attributes to the holidays. Dr. Lin further inquired as to the average length of the calls, and Dr. Boris advised the average talk time is 2 minutes. Dr. Tobbagi inquired as to reason behind Provider call frequency. Dr. Boris replied that Stanford accounts for a large number of the calls taken by the UM department.

d. Quarterly Referral Tracking – Q4 2019

Dr. Boris next discussed the 'Referral Tracking Report'. The Plan does an annual report to the committee. This report is specific to the number of authorizations, and whether or not service was rendered and the Claim was paid within 90 days; or after 90 days; and what percentage of the authorizations approved had no Claim paid. The UM team also completed review of the Annual Referral Tracking report for calendar year 2019, which is included in this packet under Agenda item f. No additional clarification was needed. Dr. Lin asked if CBAS falls under the Plan's budget, not the State's budget. A discussion ensued as to the scope of services provided by CBAS centers, contracted with and paid for, by the Plan, versus a Senior Activity Center which is provided by the City.

e. Quality Monitoring of Denial Letters (HS.04.01) – Q4 2019

Dr. Boris reviewed the results of the standard quarterly report on Quality Monitoring of Denial Letters for the 4th quarter of 2019. Dr. Boris explained that the Plan analyzes a random sample of 30 total denial letters per quarter, which includes examination of all the elements the Plan is audited on. During this review process, half of the letters are for the Medi-Cal line of business, the other half are for the Cal Medi-Connect line of business, and 100% are denials. Dr. Boris reported that the results show the Plan rated 100% in each of the quality measurement benchmarks.

f. Referral Tracking System (HS.04.02) - 2019

Dr. Boris reviewed the Referral Tracking System report for the calendar year 2019. Normally, there is a rolling 12 month lookback period; however, due to issues with the new system, Dr. Boris only pulled data from January 1, 2019 through October 1, 2019. The purpose of this report is to comply with policy HS.02.Medical Necessity Criteria. The UM department conducts a random sample of 50 or more files, and the department then makes outbound calls to determine why members failed to get approved services, and connect them with a Case Manager to assist them with getting covered services. The findings show that there were 24,000 unique authorizations, which is approximately 2,400 authorizations per month. Of those, 9,170 were for Cal MediConnect and 15,000 were for Medi-Cal. It was identified that there was an average of 3 months claims lag-time. Dr. Boris examined the percentage of authorizations rendered with a claim paid within 90 days, and this showed that 74% of the Plan's authorized services were rendered with a claim paid within 90 days of authorization; 1% of authorized services were rendered with a claim paid after 90 days of authorization; and 28% of authorized services did not yet have a claim paid. Dr. Boris reviewed the most

common high volume authorizations comprised of CBAS, DME, Home Health and Hospice, and Outpatient Hospital. For example, our CBAS providers had a low rate of only 5% of claims paid; DME was 20%; Home Health was 30%; Outpatient Hospital was 43%; Continuity-of-Care was 58%; dental anesthesia was 16%; and transportation was the highest category of unpaid claims at 69%. Dr. Boris explained that out of 4,752 authorizations, only 5.2% had no claims paid on an Inpatient scale. The UM department follows up with members who have not had a claim paid to ascertain the reasons why they did not receive an authorized service or file a claim. There were no high risk areas that necessitated Case Management. Please see complete report in the packet.

g. Physician Peer-to-Peer (HS.02.02) - 2019

Dr. Boris next presented the Physician Peer-to-Peer report for calendar year 2019. The purpose of this report is to ensure the peer-to-peer process is on-track, and the needs of the Provider are addressed by the Plan. Typically how this works is the Provider calls in and requests to speak to the doctor who rendered the denial. For calendar year 2019, there were 27 total scheduled requests for peer-to-peer reviews. These were reviewed for compliance. 26 out of 27 denials were completed with the Plan physician and requesting physician; 26 out of the 27 had the appropriate documentation in our call tracking system. The current findings are that 96% of peer-to-peer calls occurred and no corrective action is required. Stanford, El Camino Hospital, and a few private physicians comprise most of the peer-to-peer review cases.

h. Behavioral Health UM

Ms. McKelvey presented the Behavioral Health UM PowerPoint to the Committee. Ms. McKelvey began with the Developmental Screening numbers for calendar year 2019. She explained that the goal is to hit 5,000 screenings for the year; however, in 2019 the number of screenings was 3,476. She anticipates this number will increase as more claims come in. For BHT, the average for Q4 was 185 receiving ABA services each month. There are 26 children on the waitlist with ABA authorizations approved, however, they are not yet receiving services due to the fact that the families and the providers have yet to agree on a time. Dr. Alkoraishi asked about the average age of these members, and Ms. McKelvey advised they are typically less than 10 years old, ranging from as young as 2 years old, up to age 17. Treatment is provided by a physician or a licensed Psychologist. Dr. Lin wanted to know why a 2 year old would need behavioral health services, and Ms. McKelvey clarified that if they have an autism diagnosis, or it is proven to be medically necessary, they can receive behavioral health services. Dr. Vemuri inquired about the waitlist. Ms. McKelvey advised it varies by family, and it is usually because they are waiting for a spot to open up that does not conflict with their child's school schedule. Children can receive services for years, so the Plan reviews cases every 6 months to ensure progress. The ABA providers meet with the Plan on a quarterly basis, and they all request more feedback from the Pediatricians. Ms. McKelvey advised she will facilitate this open communication. Ms. McKelvey gave a breakdown of the number of Cal MediConnect psychiatric admissions for Q3 and Q4. The team completed 8 transition of care calls to patients who were discharged to home. For the Medi-Cal mild to moderate referrals, 7 members were connected to services. Dr. Vemuri asked how many child Psychiatrists are in our network. Ms. McKelvey advised it is a little misleading to try to determine that number. They are all connected to the BHT. A discussion ensued as to the difficulty of the process to refer a patient to a psychiatrist. The BH team provided case management to 248 Cal MediConnect members; and case management to 65 Medi-Cal SPD members.

10. Adjournment

The meeting adjourned at 6:04 p.m. The next UMC meeting is scheduled for Wednesday, April 15, 2020 at 6:00 p.m.

Approved via teleconference – 04/15/2020

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Jimmy Lin, MD, Utilization Management Committee Chairperson

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

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

Credentialing Committee 04/01/2020

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	15	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	10	
Number practitioners recredentialed within 36-month timeline	10	
% 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 03/31/2020	287	

(For Quality of Care ONLY)	**Stanford**	**LPCH**	**VHP**	**PAMF**	**PMG**	**PCNC**
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	1617	1551	746	830	405	139

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 were monitored on an ongoing basis for licensing issues, sanctions, validated quality of care issues and opt-out exclusion. - # 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.

Regular Meeting of the

Santa Clara County Health Authority Utilization Management Committee

Thursday, April 15, 2020 6:00 PM – 7:30 PM
Santa Clara Family Health Plan

MINUTES - Approved

Members Present
Ali Alkoraishi, MD, Psychiatry
Dung Van Cai, MD, OB/GYN
Ngon Hoang Dinh, DO, Head & Neck
Jimmy Lin, MD, Internal Medicine, Chairperson
Laurie Nakahira, DO, Chief Medical Officer
Indira Vemuri, Pediatric Specialist

Members Absent
Dr. Habib Tobbagi, PCP, Nephrology

Staff Present
Christine Tomcala, Chief Executive Officer
Lily Boris, MD, Medical Director
Dang Huynh, Director, Pharmacy
Angela Chen, Manager, Utilization Management
Natalie McKelvey, Manager, Behavioral Health
Luis Perez, Supervisor, Utilization Management
Amy O'Brien, Administrative Assistant

1. Introduction

Dr. Jimmy Lin, Chair, called the meeting to order at 6:00 p.m. Roll call was taken, and a quorum was established.

2. Public Comment

There were no public comments.

3. Review and Approval of January 15, 2020 Meeting Minutes

The minutes of the January 15, 2020 Utilization Management Committee meeting were reviewed.

It was moved, seconded, and the minutes of the January 15, 2020 Utilization Management Committee were **unanimously approved.**

Motion: Dr. Lin
Second: Dr. Cai
Ayes: Dr. Alkoraishi, Dr. Cai, Dr. Dinh, Dr. Lin, Dr. Nakahira, Dr. Vemuri

4. Chief Executive Officer Update

Ms. Tomcala provided an update on the SCFHP response to COVID-19. To date, 96% of the SCFHP staff are working from home. Staff that remains onsite is only there to perform work that cannot be done from home. For contracted providers and covered healthcare services, the Prior Authorizations were suspended until April 30, 2020. We provided this break in order to decrease the administrative burden on our contracted

provider community (hospitals, doctors, and other required services). SCFHP continues to assess the number of providers seeing patients in their office in-person and via telehealth appointments. The primary focus of SCFHP is to ensure there is access to care for our members. Ms. Tomcala further advised that CalAIM has been delayed, although the Plan has no additional specifics to offer at this time.

5. Chief Medical Officer Update

a. General Update

There is no general update to discuss this evening.

b. COVID-19 Update

Dr. Nakahira began with a statement that both patients and staff members can access either the SCFHP crisis line or the behavioral health crisis line for assistance to cope with the stress of COVID-19. Dr. Nakahira summarized SCFHP's COVID-19 responses. As of April 15, 55 members were hospitalized with COVID-19 and 3 members are deceased. Call volume is down. The Nurse Advice Line now has a direct handoff to a telemedicine physician vendor for call transfer and consultations. SCFHP has also conducted outreach to our high-risk populations via outbound calls, robo-calls, and/or direct mail. Outreach efforts have been coordinated with our community-based case management or providers, including long-term support services and behavioral health. Dr. Nakahira summarized the Plan's efforts to respond to members' needs during this time. Dr. Nakahira also discussed the results of the Plan's outreach to SNF's and the number of diagnosed patients. Dr. Lin inquired about the impact of COVID on our SNF population. Dr. Nakahira advised that, in addition to COVID positive patients, there are also a few SNF staff members who have been diagnosed with COVID. Dr. Nakahira also shared the fact that HEDIS medical record review outreach has been temporarily suspended. For the Medi-Cal line of business, the vendor is only reviewing electronic records. Dr. Cai inquired as to how doctors handle patients and meet all the requirements if they are not in the office? Dr. Boris explained that the requirements are not defined by service type. Dr. Lin also shared that many requirements have been waived, such as the requirements for vaccines. Dr. Nakahira advised that, to date, there has been no guidance from the state on how to handle childhood immunizations during the outbreak. Dr. Alkoraishi directed the committee to the public health website for further data on the actual number of cases, hospitalizations, and deaths.

6. Old Business/Follow-Up Items

a. There is no old business to discuss this evening.

7. UM Program Evaluation

Dr. Boris presented the annual review of the UM Program Evaluation for 2020 to the Committee. The UM Program Evaluation is part of the requirements of the state, as well as NCQA. It is divided into Quality of Clinical Care and Quality of Service. The UM department successfully completed quality of clinical care related issues such as: current reporting; quality of inpatient care; readmissions; the UM Program Description; medical necessity criteria policy; and prior authorizations. The UM department successfully completed quality of service related issues such as prior authorizations and member and provider experiences.

It was moved, seconded, and the UM Program Evaluation for 2020 was **unanimously approved.**

Motion: Dr. Lin
Second: Dr. Cai
Ayes: Dr. Alkoraishi, Dr. Cai, Dr. Dinh, Dr. Lin, Dr. Nakahira, Dr. Vemuri

8. UM Work Plan

Dr. Boris presented the UM Work Plan which reflects requirements SCFHP will work to achieve by next year. The requirements are divided by quarter. Dr. Boris highlighted item #16 in the UM Work Plan: Monitor member and provider experience with the UM process through survey. This is an annual NCQA requirement. SCFHP will be conducting a member and provider satisfaction survey, specific to the UM process.

It was moved, seconded, and the UM Work Plan for 2020 was **unanimously approved.**

Motion: Dr. Lin
Second: Dr. Cai
Ayes: Dr. Alkoraishi, Dr. Cai, Dr. Dinh, Dr. Lin, Dr. Nakahira, Dr. Vemuri

9. Care Coordinator Guidelines

Mr. Perez presented an overview of the Care Coordinator Guidelines (CCG). Mr. Perez explained that Care Coordinators regularly select and review a number of prior authorization requests based upon these established guidelines. Care Coordinators can then approve covered medical services when all criteria are met. To that effect, Mr. Perez outlined the various categories of prior authorizations subject to review and approval. At this time, Dr. Lin inquired as to how many long-term care cases fall within the guidelines for review. Dr. Boris advised there are approximately 1,400 Medi-Cal members and approximately 400 Cal Medi-Connect members. Dr. Lin asked if there is any data available on the homeless population. Dr. Boris advised this data is not available at this time, and she will highlight LTC as a follow-up item in time for the next UM meeting. As Mr. Perez continued with his presentation, Dr. Lin inquired as to how often hearing aids can be replaced. Dr. Boris replied that members are eligible for hearing aid replacement every 2 years. Ms. McKelvey was then introduced, and she summarized the Behavioral Health Treatment (BHT) Care Coordinator guidelines.
Prior to approval of the CCG guidelines, Dr. Lin requested that the plan review all other local health plans in regards to the number of approved Home Health Initial requests (18 for SCFHP). Dr. Boris will bring this info to the next UM meeting. Dr. Boris asked Dr. Lin if he still wants to make a motion to approve the Care Coordinator Guidelines as they are, or defer this item to the next UM meeting. Dr. Lin stated he wants the Plan to follow-up on this issue and report on it during the July meeting, but he will also motion to approve the current Care Coordinator guidelines as presented.

It was moved, seconded, and the Care Coordinator guidelines were **unanimously approved.**

Motion: Dr. Lin
Second: Dr. Alkoraishi
Ayes: Dr. Alkoraishi, Dr. Cai, Dr. Dinh, Dr. Lin, Dr. Nakahira, Dr. Vemuri

10. Reports

a. Membership

Dr. Boris presented the membership report for April 2020. The Plan has 235,049 Medi-Cal members, and the Cal MediConnect line-of-business continues to grow with 8,725 members. The Plan has a total of 243,774 members. Dr. Boris gave a breakdown of the membership numbers per individual network plans, with the largest proportion of Medi-Cal members residing in the Valley Health Plan Network at 115,965 members.

b. Over/Under Utilization by Procedure Type/Standard UM Metrics

Dr. Boris presented the Standard Utilization Metrics for the Committee for the period from January 1, 2019 through December 31, 2019. The purpose is to measure and compare the Plan's utilization levels against relevant industry benchmarks, and to monitor utilization trends amongst the Plan's membership. As a result, the Plan can analyze potential barriers and recognize opportunities for improvement to ensure high-quality care. Dr. Boris notified the committee that the UM metrics she presents will be implemented in the new HEDIS data platform towards the end of April, by which time all the numbers will be available. Dr. Boris reported the Medi-Cal inpatient readmissions rate and the Cal MediConnect inpatient readmissions rates as compared to the NCQA Medicare benchmarks. Dr. Boris gave an overview of the Frequency of Selected Procedures. Ms. McKelvey gave an overview of the ADHD Medi-Cal Behavioral Health Metrics, and she advised that there has been no significant change from the last meeting.

c. Dashboard Metrics

- Turn-Around Time Q1 2020 – Mr. Perez summarized the turn-around times for Medi-Cal and Cal MediConnect. Mr. Perez advised the Committee that the UM team's turn-around times for authorizations, expedited authorizations, and decisions are timely and fall within at least the 97th percentile or better. Mr. Perez pointed out that in the area of Urgent Concurrent Review, where decisions must be rendered within 72 hours (new NCQA change), the UM team achieved a 100%. For the area of Retrospective Review, where a decision must be rendered within 30 calendar days, the UM team also achieved a 100%. Dr. Boris advised the Committee that, as of March 16, 2020, all UM staff moved offsite to continue operations and work from home. At the same time, all prior authorization requirements were suspended. The UM team continues to be as productive working from home as they were when working in the office. The Plan met its' goals for April, and Dr. Boris congratulated the UM staff.
- Call Center – Q1 2020 – Mr. Perez presented the UM Call Center metrics for Medi-Cal and Cal MediConnect to the Committee. For the Medi-Cal line of business, there was less call volume in March, compared to January and February. For the Cal MediConnect line of business, there was less call volume in February and March, compared to January. The statistics show that the UM department has been able to increase the number of calls they take, with a higher rate of response and a lower rate of call abandonment. The average talk time continues to be approximately 2 minutes long.

d. Cal MediConnect and Medi-Cal Quarterly Referral Tracking – Q1 2020

Dr. Boris next discussed the 'Q1 Referral Tracking Report'. The Plan does an annual rollup, with quarterly numbers. This report is specific to the number of authorizations, and factors such as whether or not services were rendered, and the Claim paid, within 90 days; if the Claim was paid after 90 days; and what percentage of the authorizations received had no Claim paid. Dr. Cai inquired as to why the payment rate for transportation was so low. Dr. Boris replied that of the 275 authorizations the Plan approved, only 194 Claims were actually paid. Dr. Boris explained that the most likely reasons are either that the ride was cancelled, or the Claim is pending payment.

e. Quality Monitoring of Plan Authorizations and Denial Letters (HS.04.01) – Q1 2020

Ms. Chen reviewed the results of the standard quarterly report on Quality Monitoring of Plan Authorizations and Denial Letters for the 1st quarter of 2020. Ms. Chen advised the Committee that the Plan analyzes a random sample of 30 total denial letters per quarter, which includes examination of all the elements the Plan is audited on. During this review process, 15 letters that were examined pertained to the Medi-Cal line of business, and the other 15 letters that were examined pertained to the Cal MediConnect line of business,

and 100% are denials. Ms. Chen gave a breakdown of the Plan's results with an emphasis on both member and provider notification. Dr. Lin inquired as to how many of these denial letters are in English versus multiple languages. Ms. Chen explained that the provider letters are in English, while members receive their denial letters in their threshold language.

f. Inter-Rater Reliability (IRR) Report – Q2 2020 - Delayed

Dr. Boris informed the Committee that, due to the current COVID-19 pandemic and the shelter-in-place order, the UM IRR testing was delayed; however, it will be completed in the upcoming quarter. The results will then be presented at the next UMC meeting held on July 15, 2020.

g. Behavioral Health Utilization Management Reports

Ms. McKelvey presented the Behavioral Health UM Reports to the Committee. Ms. McKelvey began with the Developmental Screening numbers for Q4 of 2019 and Q1 of 2020. She explained that the goal is to hit 5,000 screenings for the year. So far the number of screenings for Q4 of 2019 and Q1 2020 totals 1,903 screenings. Ms. McKelvey anticipates this number will increase as more Claims come in and are paid. Ms. McKelvey gave the Committee a breakdown of the number of members who are currently receiving Behavioral Health Services, and the number of members on the waiting list for services. Ms. McKelvey also gave the Committee members a breakdown of the Q1 Cal MediConnect psychiatric admissions and the number of transitions of care completed. For Medi-Cal Q1, Ms. McKelvey gave a breakdown of the number of mild to moderate referrals, and the number of members not connected to services. Ms. McKelvey's presentation to the Committee also included the number of Cal MediConnect members assigned to Case Management, and the number of Medi-Cal SPD members assigned/referred to Behavioral Health. Dr. Lin inquired as to whether or not most mild to moderate cases which require medication management are handled by family physicians. Ms. McKelvey responded that oftentimes this is true, especially for talk therapy.

11. Adjournment

The meeting adjourned at 7:12 p.m. The next UMC meeting is scheduled for Wednesday, July 15, 2020 at 6:00 p.m.

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Jimmy Lin, MD, Utilization Management Committee Chairperson

Regular Meeting of the

Santa Clara County Health Authority
Pharmacy & Therapeutics Committee

Thursday, April 30, 2020, 6:00 PM – 8:00 PM
Santa Clara Family Health Plan
6201 San Ignacio Ave, San Jose, CA 95119

Minutes

Members Present
Jimmy Lin, MD, Chair
Ali Alkoraishi, MD
Xuan Cung, PharmD
Dolly Goel, MD
Dang Huynh, PharmD
Laurie Nakahira, D.O., Chief Medical Officer
Peter Nguyen, D.O.
Jesse Parashar-Rokicki, MD

Members Absent
Amara Balakrishnan, MD
Hao Buy, BS, RPh
Narinder Singh, PharmD
Minh Thai, MD

Staff Present
Duyen Nguyen, PharmD
Tami Otomo, PharmD
Nancy Aguirre, Administrative Assistant

Others Present
Amy McCarty, PharmD
Pati Conory, Account Executive, MedImpact
Jessica Wong, Pharmacy Resident, VMC

1. Roll Call

Jimmy Lin, MD, Chair, called the meeting to order at 6:09 pm. Roll call was taken and a quorum was not established.

2. Public Comment

There were no public comments.

3. Meeting Minutes

Review of the December 19, 2019 Pharmacy & Therapeutics Committee (P&T) meeting minutes were deferred until a quorum is established.

4. Standing Agenda Items

a. Chief Medical Officer Health Plan Updates
Laurie Nakahira, D.O., Chief Medical Officer (CMO), Santa Clara Family Health Plan (SCFHP), announced Neil Jarecki, formally the Controller at SCFHP, is now the Chief Financial Officer (CFO), as Dave Cameron has retired. Also, Teresa Chapman, joined SCFHP as the new Vice President of Human Resources, as Sharon Valdez has retired.

Due to the state of emergency, roughly 86% of SCFHP's in-house staff are now working from home. In addition, SCFHP has suspended Prior Authorizations (PA), with the exception of elective surgeries and procedures (effective today, 04/30/20). Pharmacy refills have been given a 90 day extension. Disinfectants and gloves have been added to the Medi-Cal line of business, as available per supply.

A new Telehealth capability connected to SCFHP's Nurse Advice Line (NAL) has been recently implemented. Approximately 85 members have utilized Telehealth via the NAL.

This concludes the Health Plan updates.

b. Plan/Global Medi-Cal Drug Use Review (DUR)
Tami Otomo, PharmD, Pharmacist, SCFHP, announced the annual Fee-for-Service and Managed Care Organization DUR Report has been delayed due to COVID-19. The due date has been extended to the end of September, 2020.

c. Appeals & Grievance 4Q2019 Report
Dang Huynh, PharmD, Director, Pharmacy & Therapeutics, SCFHP, reviewed the Appeals and Grievance 4Q219 Report. The Grievance department is currently defining their detailed analysis on the types of drugs and resolutions seen in the past. Once gathered, this information will be presented at the following Committee meeting.

d. Annual Pharmacy Policy Review
Dr. Huynh reported the only policy containing revisions is policy PH.10 Cal MediConnect Part D Transition (2020). Every year, the language in this policy is updated per CMS guidance and regulations. This policy was submitted and approve by CMS for this calendar year and is now being presented to the committee to formalize the process.

Motion to approve the policies was deferred until a quorum is established.

Adjourned to Closed Session at 6:44 p.m.
Pursuant to Welfare and Institutions Code Section 14087.36 (w)

5. **Closed Meeting Minutes**

6. **Metrics and Financial Updates**

   a. **Membership Report**

   b. **Pharmacy Dashboard**

Dolly Goel, MD, joined at 6:33 p.m. A quorum was established at this time.
Ali Alkoraishi, MD, joined at 6:33 p.m.

   c. **Drug Use Evaluation**

   d. **Drug Utilization & Spend**

7. **Discussion and Recommendations for Changes to SCFHP's Cal MediConnect (CMC) Formulary & Coverage Determination Criteria**

   a. **Pharmacy Benefit Manager 4Q2019 P&T Minutes**

   b. **Pharmacy Benefit Manager 1Q2020 P&T Part D Actions**

8. Discussion and Recommendations for Changes to SCFHP's Medi-Cal & Prior Authorization Criteria

a. Old Business/Follow-Up

i. Statin Adherence

ii. Diabetes Type I & Type II

b. Formulary Modifications

c. Fee-for-Service Contract Drug List Comparability

d. Prior Authorization Criteria

i. New or Revised Criteria

1. Deferasirox
2. Diroximel fumarate
3. Fingolimod
4. Reauthorization – Opioids
5. Glatiramer acetate
6. Interferon beta-1a
7. Oxycodone extended –release
8. Tacrolimus ointment

ii. Annual Review

1. Ambrisentan
2. General Utilization Management
3. Milnacipran
4. Raloxifene

9. New Drugs and Class Reviews

a. Informational Only

i. Multiple sclerosis – Ozanimod
ii. Migraine Update – Eptinezumab
iii. Hyperlipidemia – Nexletol, Nexlizet
iv. Acute Hepatic Porphyria – Givlaari
v. Epilepsy – Xcopri
vi. Ulcerative Colitis Update
vii. Sickle Cell Anemia Update
viii. Oncology Update
ix. Cystic Fibrosis Update
x. Biosimilars Update
xi. Autoimmune Updates
xii. New Derivatives/formulations/combinations
xiii. New and Expanded Label

Reconvene in Open Session at 7:15 p.m.

10. Discussion Items

a. New and Generic Pipeline

Dr. Huynh reviewed the New and Generic Pipeline and noted Restasis has been on the generic pipeline for a long time with no release date.

11. Adjournment

The next QIC meeting will be on June 18, 2020. The meeting was adjourned at 7:21 p.m.

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Jimmy Lin, MD, Chair

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Date

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

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

____Credentialing Committee_____ 06/03/2020

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	19	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	23	
Number practitioners recredentialed within 36-month timeline	23	
% 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 05/31/2020	282	

(For Quality of Care ONLY)	Stanford	LPCH	VHP	PAMF	PMG	PCNC
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	1611	1544	766	833	406	139

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.

Regular Meeting of the

Santa Clara County Health Authority
Provider Advisory Council (PAC)

Tuesday, August 12, 2020, 12:15 – 1:45 PM
Santa Clara Family Health Plan, Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES – Draft

Committee Members Present
Thad Padua, MD, Chair
Clara Adams, LCSW
Michael Griffis, MD
Bridget Harrison, MD
Jimmy Lin, MD
David Mineta
Peter L. Nguyen, DO
Sherri Sager
Meg Tabaka, MD, Resident

Committee Members Absent
Dolly Goel, MD
Hien Truong, MD

Additional Attendees
Pedro Alvarez, MD, Resident, Stanford, Guest

Staff Present
Christine Tomcala, Chief Executive Officer
Laurie Nakahira, DO, Chief Medical Officer
Dang Huynh, PharmD, Director, Pharmacy
Janet Gambatese, Director, Provider Network Operations
Johanna Liu, PharmD, Director, Quality & Process Improvement
Angela Chen, Manager, Utilization Management
Brandon Engelbert, Manager, Provider Network Operations
Robyn Esparza, Administrative Assistant

Additional Staff
Tami Otomo, PharmD, Pharmacy
Emily Schlothan, PPP Manager, Provider Network Operations

1. Roll Call/Establish Quorum

Thad Padua, MD, Chair, called the meeting to order at 12:15 pm. Roll call was taken and a quorum was established.

Dr. Padua advised the council that Agenda Item #6, relating to Quality, will be presented prior to Agenda Item #5, relating to Pharmacy, as Dr. Johanna Liu needs to leave early for another meeting. There were no objections.

Dr. Padua reviewed Dr. Pedro Alvarez' Curriculum Vitae (CV) as a new prospective member of the Provider Advisory Council (PAC). He noted that Dr. Alvarez is a third-year resident of the Stanford O'Connor Residency Program. He's done quite a bit community work for our members. Dr. Padua noted he would be a great asset.

Dr. Harrison noted that Dr. Tabaka, who graduated from her residency and is now working for Mayview/ Ravenswood, will remain on as a member of this council.

Ms. Sherri Sager moved to approve Dr. Alvarez' nomination and, without any opposition, appointment was approved. Ms. Tomcala welcomed Dr. Alvarez to the council

2. **Meeting Minutes**

The previous minutes from May 13, 2020 were reviewed. Dr. Padua called for a motion to approve the minutes from the May 13, 2020 Provider Advisory Council (PAC) meeting. Dr. Peter Nguyen moved to approve the minutes. Dr. Jimmy Lin seconded the motion. The motion passed 9 out of 9.

3. **Public Comment**

Dr. Pollack in attendance from the community. There was no public comment.

4. **CEO Update**

Christine Tomcala, CEO, presented the July 2020 Enrollment Summary, noting total enrollment of 257,036, with 9,029 members in Cal MediConnect and 248,007 members in Medi-Cal. She indicated that although membership is increasing, it is due to the State suspending the redetermination process during the COVID-19 crisis, not enrollment of newly eligible members.

Sherri Sager inquired if there is any increase in utilization. Dr. Laurie Nakahira, CMO, noted the Plan is seeing an increase in authorizations for elective procedures and telehealth visits. Members are being encouraged to get their well-child visits, immunizations, chronic condition visits for medication refills, and especially immunizations.

Ms. Sager noted that LPCH has had inquiries from practices as to whether or not schools would still be requiring up-to-date immunizations, to which the answer is yes. However, it is still slow in getting kids to well-child checks to provide the immunizations. Dr. Nakahira noted the health plan has talked with some of the clinics on what their plan is to provide the immunizations. The health plan is working with the Public Health Department with regard to flu shots, and just started discussions with the county as well. The hope is to support each other in reinforcing the messaging that everyone needs to get their flu shots and immunizations. Ms. Tomcala shared that she and Dr. Nakahira are interested in Ms. Sager's offer to meet and share ideas on outreach initiatives.

Ms. Tomcala presented the FY 2020-21 Plan Objectives, noting that quality and compliance continue to be critical objectives for the organization. The other five goals include improving Information Technology (IT) infrastructure, fostering membership growth and retention, collaborating with community partners to strengthen the safety net, achieving budgeted financial performance, and increasing employee satisfaction.

5. **Pharmacy**

Discussion on Drug Reports

On behalf of Dr. Dang Huynh, Director, Pharmacy, Dr. Tami Otomo presented the drug utilization reports for the '2020 Q2 Top 10 Drugs by Total Cost' and 'Top 10 Drug Classes by Prior Authorization Volume' for reporting period of April 1, 2020 - June 30, 2020.

For Medi-Cal, the total cost for the top 10 drugs was approximately $7,962,475. She noted the trends are very similar to that of the first quarter. Dr. Otomo noted an increase in drug spend of about 300K for the top 10 drugs compared to first quarter, which may be partially attributed to the increase in membership. Due to the COVID-19 pandemic, Dr. Otomo noted that SCFHP saw an initial increase of point-of-sale emergency overrides at the pharmacy level for refill-too-soon or drugs that require PA, but these overrides have decreased month-over-month.

For CMC, the top 10 drugs by total spend were exactly the same as first quarter, with some shifting of their rankings. Spend for the top 10 drugs increased by approximately 110K compared to first quarter, which also may be due to the increase in membership and utilization.

Prior authorization volume decreased month-over-month during Q2 for both Medi-Cal and CMC, likely due to the ability for pharmacies to do emergency overrides at point-of-sale. Pharmacy has been monitoring emergency override reports to assess appropriateness.

Medi-Cal Rx Carve Out

The Medi-Cal Rx carve out is planned to go in effect on January 1, 2021. We are waiting for DHCS and DMHC's final guidance and APL. SCFHP is planning to provide communication to members and providers, in addition to communication from the state. SCFHP will be providing internal training to staff about the changes.

Adherence Reports

This was a follow-up to a previous ask for SCFHP to deliver reports to providers to help identify medication non-adherence. Pharmacy will work with I.T. and Finance. As we begin to work on this project, we will come back to this committee to ask for any guidance and/or feedback.

6. **Quality**

HEDIS Calendar Year (CY)19 Results

Dr. Johanna Liu, PharmD, Director of Quality & Process Improvement, presented a presentation on HEDIS results from calendar year 2019. She noted last year's season included challenges like implementation of three new vendors (HEDIS engine, medical record review software and medical record review services). In addition, there was difficulty retrieving medical records due to COVID. With regard to achievements, she noted the successful implementation with three new vendors (Citius Tech, CareSeed, and Guardian Angel), the incorporation of 13 new supplemental data sources, and 100% Valley Health EMR abstraction.

Dr. Liu reviewed the findings in detail. She reviewed the data for MCAL – Cervical Cancer Screening (CCS), MCAL – Childhood Immunization Status – Combo 10 (CIS-10), MCAL – HbA1c Testing (CDC-HT), MCAL – Controlling Blood Pressure (CBP) MCAL – Timeliness of Prenatal Care (PPC-Pre), MCAL – Well-Child Visits in the 3rd, 4th, 5th, and 6th Years of Life (W34), and MCAL – Asthma Medication Ratio (AMR), MCAL – Adolescent Well-Care Visits (AWC). She noted we are looking for ways to motivate members to close gaps in care. We tried to find different ways to look at subgroups including by age, zip code, ethnicity, preferred language and provider network. Dr. Bridgett Harrison inquired if the 50th percentile was adjusted for COVID? Dr. Liu indicated that it is expected it will be adjusted for CY2020 HEDIS. Dr. Liu touched based on the next steps, including developing tactics to improve our rates,doing phone outreach, and trying to connect members with the PCP offices.

Dr. Padua noted it was great to see improvement in prenatal and inquired if it was done through special projects. Dr. Liu noted we did incentivize for each trimester (car seat, gift card, sleep pod for baby). The plan has also been promoting through member and provider newsletters on the importance of prenatal care.

Screening Workgroup

Dr. Liu provided an updated on the Screenings Workgroup. This workgroup was formed at the plan and interdisciplinary group to investigate barriers around developmental screening, blood lead screening and trauma screening. We welcome any feedback from the committee on how we can do better in those areas.

Dr. Nakahira added that for some of the trauma screenings, we do an incentive for providers to get their ACE certification. Mr. Engelbert noted that providers receive a $200 check for training certification submitted to us by end of August and $100 check by December 31st and that it is Proposition 56, so it is going to be $29 per screening.

7. **Utilization Management**

Angela Chen, Manager, Utilization Management, provided the council with an update on Prior Authorization Data for Quarter 2. Ms. Chen noted the volume for incoming requests continues to increase with a noticeable jump in both June and July. We are seeing an upward trend in requests for outpatient services and elective procedures. This is probably in response to the reopening of many provider offices and clinics that were closed during the shelter in place. Now that they've reopened, members are starting to get more of the services that they would have gotten a few months ago. We have noticed that a large volume of the clinical notes we received have been completed by Tele-Health, which is great and tells us that the members

are definitely taking advantage of our providers offering Tele-Health. It is important to note that we noticed about a 1 ½ - 2 times the number of Home Health requests for the month of May, June and July compared to the same months of the previous year. This is a combination of both initial service requests and extensions for additional visits. Our medical directors have been approving many of these types of requests with the effort to keep our members at home during this time to minimize the number of having to leave their homes. Ms. Chen invited the council to please let her know if there are any specific data points or types of requests that anybody is interested in knowing and she can definitely bring it to the next meeting.

Ms. Chen provided a quick update on submitting electronic requests via the provider portal, which she spoke briefly about at the last meeting. She was very excited to share that we are in the final stages of testing with our I.T. team to make the provider portal as user friendly as possible. We are aiming to put this into production in September and will be working with our Provider Network Operations team on communicating this to our providers when it does get put into production. Currently, we are preparing to do extensive training with the coordinators, who are in the film queue for the Utilization Management team in preparation for calls from providers on how to submit electronic prior authorizations because that'll probably be a lot more efficient and time saving for our providers.

8. Provider Network Operation Updates

Provider Performance Program (PPP) Updates

Ms. Janet Gambatese, Director, Provider Network Operations (PNO) Department provided update on Provider Performance Program (PPP). She noted that the department has created a PPP within the PNO Department, whereby we have two Provider Performance Program Managers building a comprehensive plan to help our providers be successful with meeting quality and HEDIS measures. Providers will be better able to understand what's behind the measures, understand gaps and how to close them, and improve provider workflows. The areas currently being worked on within the program on include producing provider education materials and distributing to providers via different methods, such as faxes and emails to delegates and providers, provider postings on the Santa Clara Family Health Plan website monthly, and biweekly or at ad hoc meetings with providers. The department also has Practice Transformation Consultants to help work with practices to design and implement new processes and procedures to support quality goals, EMR optimization, and other transformation work. The department is also participating in the screening workgroup that Dr. Liu mentioned earlier in the meeting. In addition, we also have Emily Schlothan, one of our Provider Performance Program Manager, who is going to walk through our quality report card, which has a few changes from last year

Report Cards / Gaps in Care (GIC) / Individual Health Assessments (IHAs)

Ms. Emily Schlothan, Provider Performance Program Manager, PNO Department, presented Provider Performance Report Card for Calendar Year 2020. She noted the report card is three pages and very similar to what we've had in the past, although we have made a few changes. She noted that a very brief summary of each measure that's included in our PPP program is outlined. It has an updated the header to better show the dates that are covered in each report card. Down in the lower right hand corner, there are two legends to help understand the color coding that we offer on the second page of the report card. She noted that it helps associate the colors with the tiers and the tiers with the overall performance in each program which helps reference the Minimum Performance Level (MPL).

On the second page, we have the actual report card up on the top right hand corner in the header. We included a medical Medi-Cal count for each practice. This shows the total Medi-Cal patient count, including dual eligible patient for whoever is shown in the header. The next three columns are tiers and that's going back to that first page legend. This is where the color coding of the current rate and the possible total points earned kind of coalesce the first tier and is where we would love to see everyone. This would be fantastic performance. Tier three represents the 50th percentile. The 50th percentile is the MPL and that is what we need everybody to be performing at. Down at the bottom right hand, there's a PPP score for Santa Clara Family Health Plan. We don't calculate that, but we do calculate that for each individual clinic and that is going to be the total points divided by possible points to give an average score of performance, which is going to be similar to the GPA for this report card.

The third page is our newest page. The current year rate is shown. In addition, the provider's current numerator and denominator are shown. This format of this page intended to remove mystery and to make life easier - nobody has to pull out a calculator do the math to determine the number of members needed to achieve the next tier.

On the bottom portion, we're trying to give providers scoring trends. So over time, this will be fleshed out more. What we show providers is actually an orange benchmark depicting how they performed last year. The aqua line is going to populate each month with the new information to hopefully show an upward trend.

9. Old Business

Dr. Nakahira, CMO, provided an update on the planning of this year's Continuing Medical Education (CME). She advised that we have engaged with Anthony Cozzolino, M.D, who is the Chief Psychiatrist at Santa Clara Valley Health and hospital system for the Department of Behavioral Health. The topic will be a diagnosis and management of mild to moderate mental disorders in their primary care setting, with the emphasis on depressive and then variety disorders. This will be a two-hour CME course and you will receive two CME credits. The plan is to hold this CME at the end of September or beginning of October. We're just confirming a date with Dr. Cozzolino. You will be receiving information about the event from the PNO Department. Unfortunately, due to COVID, we will not able to have dinner as is usually the case. Dr. Nakahari thought this may be the new way to hold these education sessions. Perhaps, in the future when we are able to get together, we may be able to do both in person and virtually. The council was advised to forward any suggestions for other educational topics and she can look into providing other speakers for the topic(s).

10. New Business

Provider Relief Funds

Dr. Nakahira advised the council that the U.S. Department of Health and Human Services (HHS) created a provider relief fund which is available for eligible Medi-Cal providers. The funding is specifically intended to supply relief to Medi-Cal and Children's Health Insurance Program (CHIP) providers experiencing lost revenues or increased expenses due to COVID-19. Eligibility is based on the fact that provider has not received payment from the initial $500 billion Provider Relief Fund General Distribution and have directly billed Medi-Cal/CHIP programs or managed care plans for healthcare-related services between January 1, 2018 and May 31, 2020.

A link is provided on the included memorandum, which was distributed on July 28, 2020. The link will provide you with an application and the steps. It isn't too cumbersome, but you do have to have some supporting documents. If you are denied for any reason, there are appeal processes available.

2021 Meeting Calendar

Dr. Nakahira presented the PAC Meeting Calendar for 2021. Like this year, two of PAC meeting dates overlaps with another committee, so we are moving one meeting date and the other committee will move one meeting date. The meeting dates are as follows: Wednesday, February 10th, Wednesday, May 12th, Tuesday, August 10th, and Wednesday, November 10th.

11. Discussion / Recommendations

Dr. Padua noted he would like to see health inequities as a topic for a future meeting. Dr. Nakahira noted there have been meetings with community leaders. The Plan has started working with them to try and gather info to what is available in health inequities to make sure this information gets out to members. We have met with one of our board members and will be following up with two other members who are involved with Black Lives Matter movement, as well as Hispanic community. Ms. Tomcala noted that we are looking at doing deeper dive. We have a provider incentive program (PIP) specifically for diabetes. It was also noted that Stanford has invited us to partner with them for COVID testing and looking at how we can better engage the Latino community. We are continuing to look at different things to participate in with the community. We want to make sure that we are sensitive to this and ensure that all of our members are getting the appropriate care.

Dr. Padua looking forward to some data being presented on well visit in the ethnic groups.

12. Adjournment

The meeting adjourned at 1:35 p.m. The next meeting is scheduled for Tuesday, November 10, 2020.

____________________________________ ______________________________
Dr. Thad Padua, Chair Date

Regular Meeting of the

Santa Clara County Health Authority Consumer Advisory Committee

Tuesday, September 8, 2020, 6:00-7:00 PM
Santa Clara Family Health Plan - Teleconference
6201 San Ignacio Ave, San José, CA 95119

Via Teleconference
(669) 900-6833
Meeting ID: 998 2386 3492
Password: cacmtg0908

MINUTES - Draft

DRAFT

Committee Members Present
Debra Porchia-Usher
Barifara (Bebe) Barife
Rachel Hart
Vishnu Karnataki
Tran Vu

Staff present:
Christine Tomcala, Chief Executive Officer
Laura Watkins, Vice President, Marketing & Enrollment
Chelsea Byom, Director, Marketing & Communications
Dang Huynh, Pharm D, Director, Pharmacy
Lucille Baxter, Manager, Quality Improvement
Theresa Zhang, Manager, Communications
Sherry Faphimai, Graphic Design Project Manager
Cristina Hernandez, Marketing Project Manager
Zara Hernandez, Health Educator
Divya Shah, Heath Educator

1. **Roll Call/Establish Quorum**

   Ms. Tomcala introduced and welcomed Ms. Porchia-Usher as the new Committee Chair. Ms. Porchia-Usher called the meeting to order at 6:06 PM. Roll call was taken, and a quorum was established.

2. **Public Comment**

   There were no public comments.

3. **Review and Approval of June 9, 2020 Meeting Minutes**

   Ms. Hart moved and Ms. Porchia-Usher seconded the motion to approve the minutes from the meeting held on June 9, 2020. The motion passed unanimously.

4. Health Plan Update

Ms. Tomcala presented the enrollment update: As of September 1, 2020, Medi-Cal enrollment is 253,252 members (an 8% increase since September 2019), and Cal MediConnect enrollment is 9,428 members (a 15% increase since September 2019), for a total enrollment of 262,680 members. Due to COVID-19, approximately 97% of staff continue to work from home. Medi-Cal redeterminations are on pause, resulting in an increase in enrollment. The extended emergency declaration will remain in effect through October 2020. The revised FY21 state budget does not include any Medi-Cal benefit cuts. CalAIM has been delayed. The Plan is focusing on completion of missed preventive services such as screenings and immunizations, and also focusing on flu shots. The Plan is reaching out to those in need of services so that they won't run into health issues down the road.

Ms. Porchia-Usher asked if anything is being sent out regarding flu shots. Ms. Byom answered that the Plan will be reaching out to members in a number of ways, including website, social media, and direct mail. Ms. Zhang added that the quarterly mailed member newsletter and the Plan's Facebook page contain articles about the importance of getting a flu shot, and other preventive care services. Ms. Shah added that flu shot reminders are part of most inbound calls and all outbound calls made by the Plan's QI Coordinators.

5. Community Resource Center (CRC)

Ms. Byom gave a presentation on the progress of the CRC. Occupancy is projected for mid to late October 2020. Ms. Porchia-Usher asked how the Plan has kept the Committee informed about the types of activities or resources that will be available at the CRC. Ms. Byom outlined all the ways the Plan has informed the Committee of the CRC's progress and solicited their input as far as programming. Ms. Watkins advised Ms. Porchia-Usher of the location. Ms. Tomcala advised Ms. Porchia-Usher that the CRC is named after Blanca Alvarado, and that Community Health Partnership will sublet space for use as their main administrative offices.

6. Medi-Cal Rx Transition

Dr. Huynh presented an overview of the Medi-Cal Rx update. Beginning January 1, 2021, the pharmacy benefit for Medi-Cal will be carved back in to the state. The claims processor is Magellan. The Plan will continue to manage the clinical aspects of pharmacy adherence, including providing disease and medication management. The benefit itself will not change. Members will need to take their new ID card and their Medi-Cal Benefits Identification Card (BIC) to the pharmacy. The Plan will assist members who receive mail order prescriptions outside of California with the transition to a pharmacy within the Medi-Cal Rx system. Members can locate pharmacies on the state's website. Ms. Hart asked if there is an expiration date or if renewal will be necessary? Dr. Huynh explained that, in terms of current prescriptions, if the state does not cover it, members have 180 days to transition their active refills. If the prescription is active and the drug requires prior authorization, and the Plan has honored it beyond 180 days, the state will grandfather the prior authorization. Ms. Porchia-Usher asked about communications going out to our members other than our website. Dr. Huynh explained that the state is sending out 90 and 60 day notices before the transition. The Plan is sending out a 30 day notification. The Plan is also updating the member portal, including information in our newsletter, and conducting targeted communications for affected members, along with provider communications.

7. Population Needs Assessment

Ms. Shah provided an overview of the purpose of the Medi-Cal Population Needs Assessment, an annual requirement. The goal of the assessment is to improve health outcomes and ensure the Plan meets the needs of our Medi-Cal members through the identification of member health needs and disparities,

evaluation of health education, cultural and linguistic (C&L), and quality improvement (QI) activities and available resources, with implementation of target strategies for health education, C&L, and QI programs and services. Ms. Shah included an overview of the data sources used to conduct the assessment. Ms. Shah reviewed the demographics of our Medi-Cal population.

The three key findings are: (1) seniors and disabled persons have the highest Emergency Room and in-patient utilization; (2) African Americans have the lowest rate for controlling High Blood Pressure; and (3) Caucasians have the lowest rate for Cervical Cancer screenings. Ms. Shah gave an overview of the action plans that were developed based on these key findings. Ms. Porchia-Usher asked if there is any correlation between ER utilization and a reduction in our members' overall physical and mental health. Ms. Shah replied that was not part of this report, but will be assessed going forward. Ms. Porchia-Usher asked if there is a known reason why the African-American population has the lowest rate of controlling high blood pressure. Ms. Shah replied more research is needed in this area. Ms. Baxter said it is due to the lack of doctor visits. Ms. Hart commented that since the Black/African American population in our county is small, it might affect the data. Ms. Porchia-Usher asked if the Plan has considered focus groups to gain insight from race/ethnicity groups on how to improve these measures. Ms. Shah replied that the Plan is just beginning to determine how we will tackle each individual objective and begin an action plan. Ms. Porchia-Usher remarked that the low rate of cervical cancer screenings for Caucasians is unusual, and wondered if it is a referral or screening issue. Ms. Shah replied that further research is needed. Ms. Shah offered to bring a work plan back to the Committee in the spring.

8. SCFHP Member Communications

Ms. Zhang reviewed the member communications distributed since the last meeting. The summer newsletter included articles on how to connect to a Telehealth doctor though our 24/7 nurse advice line, the Plan's commitment to our members' health and safety, and how the Plan's website is updated with the most current Coronavirus information from the CDC and the Santa Clara County Public Health Department. Members were reminded to register to vote, and that every registered voter will receive a vote-by-mail ballot. Information on how to prepare for power outages was also included, and these tips also apply to the recent wildfires and evacuations. A letter was mailed to parents and guardians of children under 7 to emphasize the importance of routine health checks and exams, including vaccinations, even during COVID-19. Letters were mailed to members who may be due for certain health checks and exams, with rewards available upon completion of those health checks and exams. Calls to our vulnerable and high-risk members continue during COVID-19. Since the flu season is starting, flu shot reminders are included on our calls. The Plan is also publishing a webpage that is dedicated to flu shot information, with a new tool is being rolled out that connects members to Google Maps to help them find participating flu shot clinics and pharmacies near them.

Ms. Zhang highlighted all the materials available and updated on our website, such as board and committee meeting materials, formulary, and provider directories. Ms. Zhang gave a demonstration of the Aunt Bertha platform and how members can access it directly through our website or URL address. The Aunt Bertha platform centralizes all the community services and supports available based on ZIP codes. Some programs are offered at little or no cost. It is highly recommend that members contact an organization before visiting or making an appointment. Ms. Zhang gave an overview of the virtual events SCFHP has attended since June, and upcoming virtual events.

9. Future Agenda Items

Meetings will be held via Zoom until further notice. Meetings are held quarterly the second Tuesday of the month from 6:00 pm-7:00 pm. The next meeting is scheduled for December 8, 2020. Mr. Vu asked if we have any information for members who will turn 65 next year to help them apply for Medicare. Ms. Watkins

offered to connect Mr. Vu to the Medicare Outreach Team. Ms. Porchia-Usher asked about forums or informational sessions that the Plan offers for members turning 65. Ms. Watkins advised that she will invite the Medicare Outreach Team to our next meeting to present an overview of our Cal MediConnect program. Mr. Vu asked if the Plan has informational videos about plan benefits such as: What is SCFHP, why select SCFHP if you have Medicare, and what types of benefits we offer. Ms. Watkins advised this is a good suggestion for our Communications team. Ms. Porchia-Usher advised that, by the time of our next meeting, we should have the Federal Medi-Cal update in regards to the redeterminations that have been put on pause. Ms. Watkins invited her to share this information. Ms. Porchia-Usher will provide an update from the Department of Employment & Benefit Services (DEBS) team at the December meeting. The DEBS team is open to joining our meetings to provide quarterly updates. Mr. Vu would like them to present during our December meeting. Ms. Watkins advised we should also have an update on the Medi-Cal Rx transition, along with an update on the CRC progress and programming.

10. Adjournment

Ms. Porchia-Usher adjourned the meeting at 7:02 pm.

____
Debra Porchia-Usher
Chair, Consumer Advisory Committee

Santa Clara County Health Authority
Updates to Pay Schedule
September 24, 2020

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Community Resource Center Coordinator	Annually	41,037	50,270	59,504
Director, Pharmacy & Utilization Management	Annually	175,327	227,925	280,523
Graphic Design Project Manager	Annually	81,450	101,812	122,174
Manager, Medicare Compliance	Annually	107,901	137,573	167,246
Manager, Provider Credentialing, Data and Reporting	Annually	107,901	137,573	167,246
Marketing Production Project Manager	Annually	81,450	101,812	122,174
Oversight Program Manager	Annually	91,830	117,084	142,337
Refund Recovery Specialist	Annually	49,655	60,827	72,000

Adjust Pay Schedule in its entirety as recommended by C-Biz Talent & Compensation Solutions by an adjustment factor of 2.05% retroactive to July 1, 2020 to ensure salary range minimums and maximums remain competitive to the market.

Santa Clara County Health Authority
Job Titles Removed from Pay Schedule
September 24, 2020

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Director, Pharmacy	Annually	175,327	227,925	280,523
Manager, Provider Database and Reporting	Annually	91,830	117,084	142,337

RESOLUTION
REGARDING CORRECTION AND AMENDMENT OF THE
SANTA CLARA COUNTY HEALTH EXECUTIVE 401(a) PLAN

WHEREAS, (1) The Santa Clara County Health Authority (Authority) established the Santa Clara County Health Executive 401(a) Plan (Plan) in 1998 for the benefit of its Chief Executive Officer; and

WHEREAS, (2) The Plan authorizes the Authority's Governing Board (Board) to amend the Plan, subject to certain terms and conditions set forth therein; and

WHEREAS, (3) On June 22, 2000, the Board approved the participation of Senior Staff in the Plan effective as of July 1, 2000. Senior Staff was required to contribute an amount of 0.67% of earnings and the Authority provided a matching contribution of 17.25% of earnings up to the maximum gross wages of $170,000; and

WHEREAS, (4) On June 8, 2009 the Board reviewed and approved a proposal to reduce the Authority's matching contribution from 17.25% to 6% of earnings up to the maximum gross wages of $170,000.00 effective as of July 1, 2009; and

WHEREAS, (5) The administrators of the Plan and legal counsel have discovered the lack of Plan amendments for the participation in the Plan of Senior Staff, the maximum gross wage limitation of $170,000.00, and the reduction of the Authority's matching contribution from 17.25% to 6% of earnings which could result in a Plan qualification failure under section 401(a) of the Internal Revenue Code; and

WHEREAS, (6) The administrators of the Plan and legal counsel prepared a proposed corrective amendment (Amendment) to the Plan, attached as Exhibit A, and filed an application with the Internal Revenue Service (IRS) under the Voluntary Correction Program (VCP) of the Employee Plans Compliance Resolution System requesting that the IRS approve the adoption of the Amendment to correct the Plan's qualification failures; and

WHEREAS, (7) The IRS has reviewed, approved, and returned a signed compliance statement for the submitted VCP, agreeing to the proposed corrective changes and the adoption of the

Amendment; and

WHEREAS, (8) In order to complete the approved corrections, the Amendment must be adopted by the Board.

RESOLVED, (a) The Board hereby adopts the Amendment to the Plan.

RESOLVED (b) The Chief Executive officer or the Chief Financial Officer of the Authority is hereby authorized and directed to execute the Amendment and to take any and all further actions deemed necessary or desirable to carry out the purposes of the foregoing resolution.

Adopted at a regular meeting of the Board at Santa Clara Family Health Plan, this 24th day of _September, 2020.

Signed: ___________________________
Robert Brownstein, Chair
Santa Clara County Health Authority
Governing Board

Attest: ____________________________

AMENDMENT
TO THE
SANTA CLARA COUNTY HEALTH EXECUTIVE 401(a) PLAN

This Amendment (Amendment) to the Santa Clara County Health Executive 401(a) Plan is adopted by Santa Clara County Health Authority (Employer) effective as of the date(s) indicated below.

RECITALS

Whereas:

A. The Employer adopted the Santa Clara County Health Executive 401(a) Plan (Plan) on or about September 22, 1998 to be effective as of October 1, 1998.

B. The Plan has been restated several times since that date.

C. The Employer now wishes to adopt a corrective Amendment to the Plan as result of a submission to the Internal Revenue Service under the Employee Plans Compliance Resolution System.

OPERATIVE PROVISIONS

The Plan is amended as follows:

1. Effective as of July 1, 2000, item 1 of section VI, "Eligibility Requirements," of the Adoption Agreement for the 1998 Plan document is amended as follows:

1. The following group or groups of Employees are eligible to participate in the Plan:

________________	*All Employees*
________________	*All Full-Time Employees*
________________	*Salaried Employees*
________________	*Non-union Employees*
________________	*Management Employees*
________________	*Public Safety Employees*
________________	*General Employees*
X	*Other (specify below)*

Chief Officers and Vice Presidents

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personal manuals or other material in effect in the state or locality of the Employer.

2. Effective as of July 1, 2000, the first paragraph of item 1 of section VII, "Contribution Provisions," of the Adoption Agreement for the 1998 Plan document is amended by adding the following at the end of the paragraph.

   Notwithstanding the foregoing, a Participant's Earnings for each Plan Year shall be limited to $170,000.

3. Effective as of July 1, 2009, the first paragraph of item 1 of section VII, Contributions Provisions," of the Adoption Agreement for the 1998 Plan document is amended to read as follows:

   The Employer shall contribute on behalf of each Participant 6% of Earnings or $____ for the Plan Year (subject to the limitations of Article VI of the Plan). Each Participant is required to contribute 0.67% of Earnings or $____ for the Plan Year as a condition of participation in the Plan. (Write "0" if no contribution is required.) If Participant Contributions are required under this option, a Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant. Notwithstanding the foregoing, a Participant's Earnings for each Plan Year shall be limited to $170,000.

4. Effective as of January 1, 2007, the Adoption Agreement for the Plan document that was executed on April 28, 2016 is amended by revising paragraph A, "Employer Contributions," of item 1 of section VI, "Contribution Provisions," to read as follows:

   ☒ *A.* *<u>Employer Contributions</u>. The Employer shall contribute on behalf of each Participant 17.25% of Earnings or $________ for the Plan Year (subject to the limitations of Article V of the Plan). Notwithstanding the foregoing, a Participant's Earnings shall be limited to $170,000.*

   Mandatory Participant Contributions

   ☒ *are required* ☐ *are not required*

   to be eligible for this Employer Contribution.

5. Effective as of July 1, 2009, the Adoption Agreement for the Plan document that was executed on April 28, 2016 is amended by revising paragraph A, "Employer Contributions," of item 1 of section VI, "Contribution Provisions," to read as follows:

☒ A. *Employer Contributions. The Employer shall contribute on behalf of each Participant 6% of Earnings or $___________ for the Plan Year (subject to the limitations of Article V of the Plan). Notwithstanding the foregoing, a Participant's Earnings shall be limited to $170,000.*

Mandatory Participant Contributions

☒ *are required* ☐ *are not required*

to be eligible for this Employer Contribution.

In all other respects, the Plan is hereby ratified, approved and confirmed.

In witness whereof, the Employer has executed this Amendment on this 24th day of September, 2020.

SANTA CLARA COUNTY
HEALTH AUTHORITY

By: ______________________________
Robert Brownstein

Title: Chair, Santa Clara County Health Authority Governing Board

Santa Clara County Health Authority
Updates to Pay Schedule
September 24, 2020

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Community Resource Center Coordinator	Annually	41,037	50,270	59,504
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Santa Clara County Health Authority
Job Titles Removed from Pay Schedule
September 24, 2020

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Manager, Provider Database and Reporting	Annually	91,830	117,084	142,337

2021

JANUARY

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Governing Board
12:00pm – 2:30pm
- March 25
- June 24
- September 23
- December 16

Executive/Finance Committee
11:30am – 1:30pm
- January 28
- February 25
- April 22
- May 27
- July 22
- August 26
- October 28
- November 18

Compliance Committee
1:30pm – 3:30pm
- February 25
- May 27
- August 26
- November 18

Provider Advisory Council
12:15pm – 1:45 pm
- February 10
- May 12
- August 10
- November 10

Consumer Advisory Committee (Medi-Cal)
6:00pm – 7:00pm
- March 9
- June 8
- September 14
- December 14

Quality Improvement Committee
6:30pm – 8:00pm
- February 9
- April 14
- June 9
- August 11
- October 13
- December 8

Utilization Management Committee
6:30pm – 8:00pm
- January 20
- April 21
- July 21
- October 20

Credentialing Committee
12:15pm – 1:30pm
- February 3
- April 7
- June 2
- August 4
- October 6
- December 1

Pharmacy & Therapeutics Committee
6:00pm-8:00pm
- March 18
- June 17
- September 16
- December 16

Consumer Advisory Board (CMC)
11:30am – 1:00pm
- March 4
- June 3
- September 2
- December 2

SCFHP's COVID-19 Responses – September 11, 2020

Group	Focus Area	Activities and Metrics
Members	Statistics	Data as of 9/8; note that SCFHP does not have complete information about members tested, diagnosed, hospitalized, deceased • 2,174 members positive • Cumulatively 707 members hospitalized • 40 deceased (20 SNF and 20 non-SNF), representing 15% of County-reported total (total membership equals about 12% of the County population) • Includes data from Kaiser and VMC, but not VHP (for non-VMC users)
	Call Center	• Call volume up 4.5% week of 9/14 vs prior year average • Average wait time of 26 seconds for CMC and 166 seconds for Medi-Cal
	Nurse Advice Line	• 298 calls regarding coronavirus as of 9/8 • 409 members identified for transfer to a physician consult as of 8/21 • MD Live visits 310 as of 8/21
	Grievance and Appeals	• 46 COVID-19 related grievances (Rx access due to provider office closed; transportation safety concerns, employment concerns) as of 9/8.
	Outreach to Vulnerable Populations	• Mailed flyer telling members we are here for them, to visit our website for information on resources and support, reiterate CDC's guidelines to stay safe, to call the nurse advice line for health questions, and call Customer Service for all other help. • Robo-calls to high risk members telling them they may be more vulnerable to COVID-19, reiterate CDC's guidelines to stay safe, call doctor for health questions or call nurse advice line, visit our website for more information on resources and support, and call Customer Service for questions. • Outbound calls: ○ To pregnant & post-partum population, asking how they are doing and if they need any help.

Group	Focus Area	Activities and Metrics
		○ To members age 65+ with multiple chronic conditions, asking how they are doing and if they need any help. ○ To Health Homes Program (HHP) members: ▪ HHP Community-Based Care Management Entities (CB-CMEs) outreached 3,500 members ○ To newly enrolled members: ▪ Case Management (CM) outreached and informed 1,685 members about COVID resources ○ To annual re-assessed members: ▪ CM outreached and informed 2,480 members about COVID resources ○ To members recently discharged after COVID hospitalizations: ▪ CM outreached 16 members of our Transitions of Care program who were recently discharged after COVID hospitalizations ○ To Behavioral Health/SMI members: ▪ Behavioral Health outreached 207 members
	Pharmacy	• Refills available via mail-order for 90 day fills; pharmacy overrides to allow early refills • Formulary expanded to include disinfectant and gloves
	Transportation	• Lifted requirement to provide Customer Service notice 3-5 business days before medical appointment to arrange transportation (NMT and NEMT). Reinstated in early July for non-COVID-related appointments. • Amended agreements with two vendors to make special accommodations and cleaning relating to transporting suspected or confirmed COVID members
	Communications to Members	• Developed new webpage; published 31 member news updates • April newsletter includes infographics on do's and don'ts of coronavirus and five steps to clean hands • July newsletter includes telehealth and our commitment to member's health and safety (including a reminder to follow CDC guidelines to prevent the spread of coronavirus) • Facebook posts in April through September to include more information on coronavirus precautions and getting preventive care • Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey for Cal MediConnect was discontinued for 2020. Surveys were mailed out but no additional phone outreach was conducted by the vendor.

Group	Focus Area	Activities and Metrics
	Eligibility Redetermination	• State and counties have paused redeterminations from mid-March through October for beneficiaries with a change in status (affects approximately 3-5k SCFHP members each month who otherwise would have lost their eligibility), so these members will not lose eligibility • SCFHP enrollment will be temporarily elevated April – October, and will fall as the pause is lifted
Providers	Prior Authorizations	• Suspended SCFHP requirement for all prior authorizations for network providers to decrease burden on providers; resumed authorizations on 5/1 • Delegates are following their own prior authorization guidelines
	Telehealth	• Regulations during state of emergency allow provider reimbursement, with specific coding and documentation requirements • Added capability for Nurse Advice Line to offer members telephonic physician consultation • Communication sent to BHT providers with guidelines
	CBAS centers	• All five of the contracted CBAS centers are operating Temporary Alternative Services as approved by the California Department of Aging.
	Skilled Nursing Facilities	• SCFHP has requested that hospitals divert non-LTC and non-COVID-positive members away from facilities with three or more COVID positives. (table below) • SCFHP identified and reached out to three of the contracted SNFs hard-hit by COVID patients asking what staff support would be helpful. In response, a meal was delivered for all staff at two SNFs.

LTC	# Positive	Expired	Total Beds	STAR Rating
Almaden Health…	4	0	77	5
Mission De La Casa	3	0	163	4
The Villas	3	1	85	3
Valley House	2	1	201	1
Vasona Creek	13	1	148	4
Grant Cuesta	1	0	102	5
Woodlands HCC	8	1	65	4

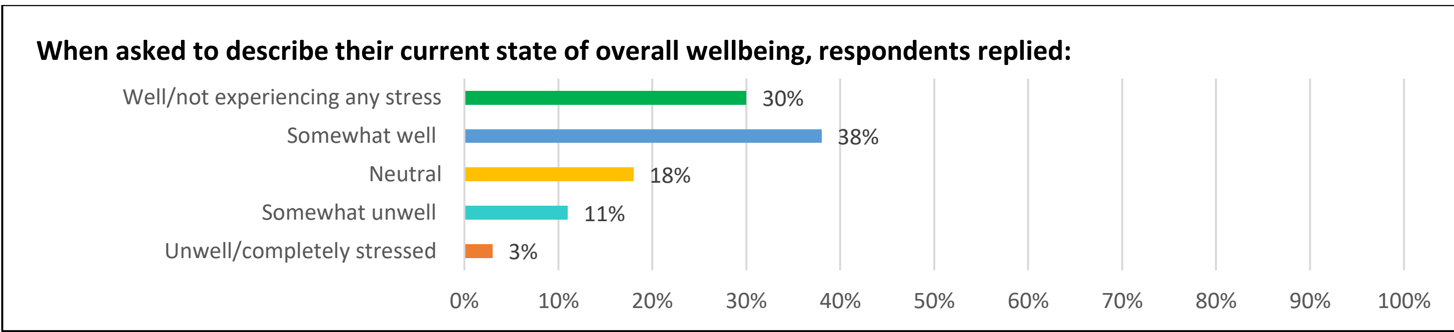
Group	Focus Area	Activities and Metrics
		• Public Health Dept disallowed SNFs from unilaterally refusing patients who test positive for COVID-19 • Produced "Healthcare Heroes" flyers for contracted SNFs to thank them for caring for our members
	Clinics/Providers	• By measure of outreach completed to community clinics, direct contracts, and IPA practice locations (last updated 8/13): ○ PCPs: ▪ 133 locations are open to in-person visits, member walk-ins included. ▪ 9 are open to in-person visits, appointments only. ▪ 4 locations are telehealth only/primarily. ○ Specialists: ▪ 162 are open to in-person visits, member walk-ins included. ▪ 13 are open to in-person visits, appointments only. • HEDIS Medical Record Review outreach has stopped for the Cal MediConnect line of business. The vendor will no longer call/fax/email/visit providers to obtain medical records. For Medi-Cal line of business, vendor is only reviewing records they can access electronically.
Staff	Working from home	• 97% of staff working remotely (10 regularly on site) • Planning has begun for certain staff to return to the office following shelter-in-place • Implemented relaxed telecommuting agreement • Staff onsite only for work that cannot be performed remotely • PTO/leave emergency policies implemented consistent with federal legislation
Community	Communications	• Informed CBOs and general community of SCFHP operational status via email and social media posts: still working and providing services for members and providers, most staff remote, lobby closed to visitors, how to contact us • Published a press release to announce telehealth integration with nurse advice line
	Partnerships with CBOs	• SCFHP staff donated $10,250 in cash to Second Harvest of Silicon Valley • Supported meal distribution programs by providing SCFHP's reusable bags to Veggielution, Santa Clara County's Senior Nutrition Program and Gilroy Compassion Center, Youth Alliance, and West Valley Community Services. • Provided financial support for Community Heath Partnership Diaper Drive, FIRST 5 certified infant formula distribution, and meal distribution to providers working in hospital settings

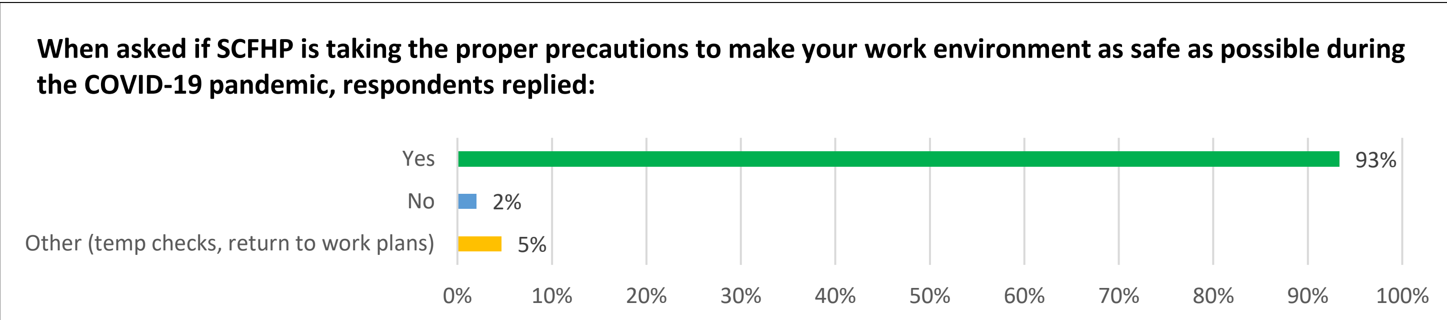
Group	Focus Area	Activities and Metrics
		• Provided individual hand sanitizers to Community Clinics for distribution to patients and to the Gilroy Compassion Center for distribution to the homeless population in South County • Donated reusable bags and toothbrushes to Next Door Solutions' pantry for individuals experiencing domestic violence during pandemic • Participated in County assessment of food access needs for seniors to inform use of federal dollars • Continued documentation and sharing of community resources available to support members during COVID • Promoted and provided free member access to YMCA Healthy Living Day Camp

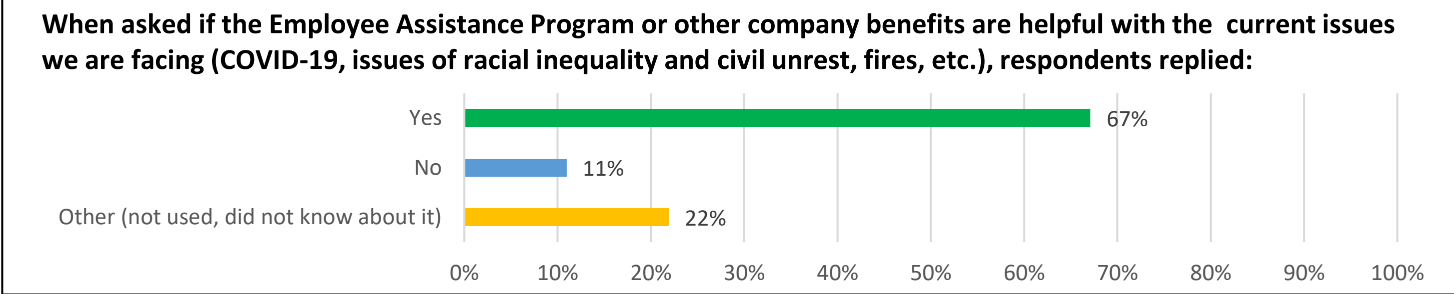
SCFHP 2020 Employee Support Survey
Executive Summary

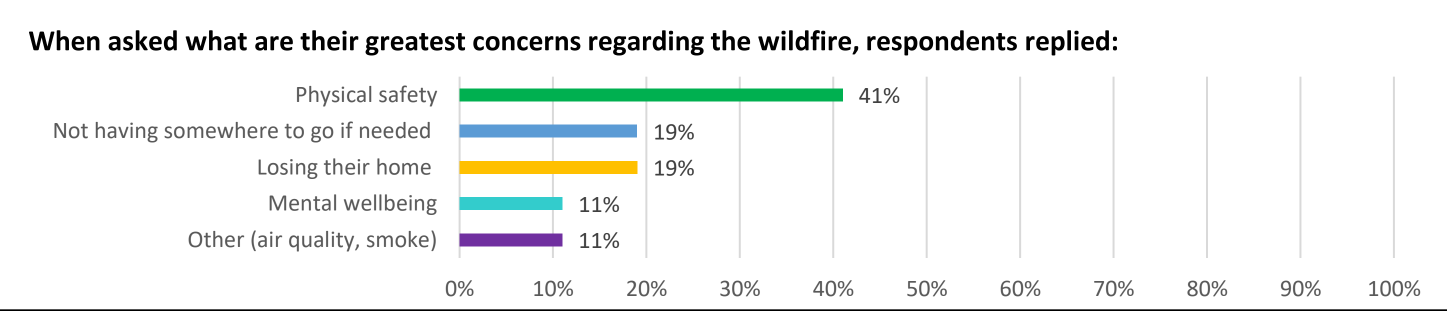
Highlights:

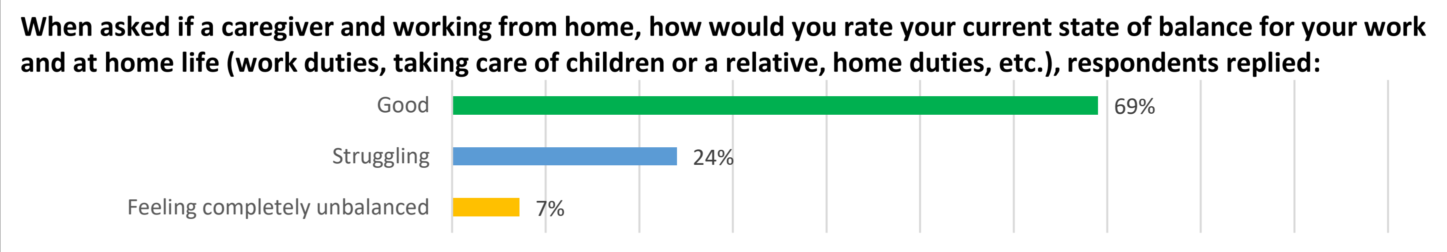
- A response rate of 61%
- 93% indicated SCFHP is doing what it can to keep people safe
- Many responded that SCFHP has been very supportive during this time











Survey of all SCFHP employees conducted online by CBIZ, August 28, 2020 - September 3, 2020

Community Resource Center

Update

- Construction work now focused on finishes – flooring, cabinetry, lighting, painting, etc.
- Occupancy projected for mid/late October
- CRC Manager candidate identified
- Program planning under way, both internally and with Community Based Organizations, with adjustments for COVID-19

Community Resource Center

Community Resource Center

Kitchenette

Hallway (looking toward front door)

Lunch room

Bathroom

CY 2020 Preventive Care Focus

September 2020

Preventive Care Activities – For Members

	Letters/ postcards	Outbound calls appt. assistance	Inbound calls gaps in care reminder	Inbound calls on hold messaging	Newsletter articles	Facebook posts	Wellness Rewards program	Health Education classes
Children's health	X	X	X		Spring 2020 Summer 2020	X	X	X
Women's health	X	planned	X		Winter 2020	X	X	
Mental health					Winter 2020 Summer 2020	X		X
Diabetes	X	X	X		Spring 2020 Summer 2020	X	X	X
Heart health			X		Winter 2020 Summer 2020	X		
Asthma	X	X	X		Spring 2020	X	X	X
Flu	Dec 2020	X		X	Winter 2020	X		
COVID	X	Live call outreach	X	X	Spring 2020	X		
Wellness			X	X	Winter 2020 Spring 2020	X		X

Red font indicates addition services related to COVID-19.

Preventive Care Activities – For Providers

	Fax memos	Tip sheets	Inbound call on hold messaging	e-News articles	Portal report card	Portal gaps in care list
Children's health	X	X		X	X	X
Women's health				X	X	X
Mental health	X	X		X		
Diabetes				X	X	X
Heart health				X	X	X
Asthma				X	X	X
Flu	X			X		
COVID	X		X	X		
Wellness	X		X	X	X	X

Red font indicates addition services related to COVID-19.

Collaborations

Santa Clara County Public Health

- Black Infant Health Program
  - Data sharing with Public Health on SCFHP eligible members
- Diabetes Prevention Initiative
  - Share updated regulatory requirements
  - Share best practices on pre-diabetes management
- EOC Immunizations Task Force (Emergency Operation Center)
  - Share initiatives being taken on Flu immunization for upcoming flu season

- American Heart Association Target BP
  - Participation status: Recognizes practices that submit data and commit to reducing the number of adult patients with uncontrolled blood pressure

Red font indicates addition services related to COVID-19.

Wellness Rewards program

	Reward	# Members qualified CYTD	Total amount CYTD
Well-child in the first 15 months	$30	367	$11,010
Well-child ages 3-6	$30	3189	$95,670
Adolescent well-care	$50	5076	$253,800
Diabetes A1c test	$30	3731	$111,930
Asthma medication	$15/qtr	980	$14,700
Mammogram*	$25	12	$300
Cervical cancer screening*	$30	91	$2,730
Prenatal care – 1st tri	$30	28	$840
Prenatal care – 2nd tri	$30	19	$570
Prenatal care – 3rd tri	Sleep pod	26	n/a
TOTAL			

* Only sent to those still non-compliant after July 2020.

Health Education classes* & resources

Offered virtually
WW Wellness Works (formerly Weight Watchers
Stress & Anger Management
Fitness & Exercise
10 Steps to a Healthier You
Asthma In-Home Assessment
Prenatal Education
Camp SuperStuff - Asthma
Better Choices Better Health (start Oct 2020)

Other Health Education
Diabetes Prevention Program
Summer Swimming Classes & Passes
Healthy Living Day Camp
Positive Discipline
Car Seat Safety Class
Nutrition Counseling

* Utilization data will be available starting 4Q20 due to change reporting.

Red font indicates additional services related to COVID-19.

Questions?

Compliance Report

September 24, 2020

AUDIT UPDATE

- **Centers for Medicare & Medicaid Services (CMS) Program Audit**

  The Plan is wrapping up activities related to our CMS Program Audit Revalidation (Revalidation Audit). For the revalidation of the Care Coordination and Quality Improvement Program Effectiveness (CCQIPE) conditions, the Plan has been working to sustain full compliance and completed the audit "clean period" at the end of July. Audit field work for the CCQIPE conditions took place in August, and were conducted by ATTAC, the firm conducting audit activities on behalf of CMS.

  The second component of the Revalidation Audit is related to the Coverage Determinations, Appeals and Grievances (CDAG) portion. The clean period for the CDAG re-test closed at the end of August, and related audit fieldwork took place in early September with ATTAC.

  SCFHP has received the final Revalidation Audit report from ATTAC. It includes no findings. The report will be submitted to CMS by September 25, 2020.

- **Department of Health Care Services (DHCS) Medi-Cal Managed Care Audit**

  DHCS issued its final report for our 2020 annual Medi-Cal audit, which includes a total of six findings, which is a 57% reduction from the 14 findings in the 2019 audit. Corrective Action Plans addressing the six deficiencies are due to DHCS by September 21, 2020.

- **Compliance Program Effectiveness (CPE) Audit**

  In accordance with CMS requirements, the Plan will be undergoing its annual Compliance Program Effectiveness Audit (CPE) in the Fall. Given that in recent years, the Plan has been examined for some of the CPE requirements as part of its CMS Program Audit, our recent CPE audits have been correspondingly limited in scope. This year's CPE audit will include the full scope of CPE audit requirements.

- **Department of Managed Health Care (DMHC) Medi-Cal Managed Care Audit**

  The DMHC has indicated that the Plan is scheduled for a follow-up audit in March 2021.

Unaudited Financial Statements
For The Month Ended July 31, 2020

Agenda

Table of Contents	Page
Financial Highlights	3 - 4
Detail Analyses:	5
Enrollment	6
Enrollment by Category of Aid	7-8
Revenue	9
Medical Expense	10
Administrative Expense	11
Balance Sheet	12
Tangible Net Equity	13
Reserves Analysis	14
Capital Expenditures	15
Financial Statements:	16
Income Statement	17
Balance Sheet	18
Cash Flow Statement	19
Statement of Operations by Line of Business	20

Financial Highlights

	MTD		YTD	
Revenue	$98 M		$98 M	
Medical Expense (MLR)	$90 M	91.4%	$90 M	91.4%
Administrative Expense (% Rev)	$5.9 M	6.0%	$5.9 M	6.0%
Other Income/Expense	$176K		$176K	
Net Surplus (Loss)	**$2.7 M**		**$2.7 M**	

Cash and Investments	$345 M
Receivables	$549 M
Total Current Assets	$904 M
Current Liabilities	$723 M
Current Ratio	1.25
Tangible Net Equity	$215 M
% of DMHC Requirement	**668.7%**

Financial Highlights

Net Surplus (Loss)	- Month: Surplus of $2.7M is $2.2M or 367.5% favorable to budget of $587K. - YTD: Surplus of $2.7M is $2.2M or 367.5% favorable to budget of $587K.
Enrollment	- Month: Membership was 257,036 (4,475 or 1.7% unfavorable budget of 261,511). - YTD: Membership was 257,036 (4,475 or 1.7% unfavorable budget of 261,511).
Revenue	- Month: $98.4M ($64K or 0.1% favorable to budget of $98.3M). - YTD: $98.4M ($64K or 0.1% favorable to budget of $98.3M).
Medical Expenses	- Month: $89.9M ($2.5M or 2.7% favorable to budget of $92.4M). - YTD: $89.9M ($2.5M or 2.7% favorable to budget of $92.4M).
Administrative Expenses	- Month: $5.9M ($303K or 5.4% unfavorable to budget of $5.6M). - YTD: $5.9M ($303K or 5.4% unfavorable to budget of $5.6M).
Tangible Net Equity	- TNE was $214.6M (represents approximately two months of total expenses).
Capital Expenditures	- YTD Capital Investments of $153K vs. $6.9M annual budget, primarily Community Resource Center.

Detail Analyses

Enrollment

- Total enrollment of 257,036 members is lower than budget by 4,475 or 1.7%. Since June 30, 2020, total enrollment has increased by 3,161 members or 1.2%.
- Medi-Cal enrollment has been increasing since January, reflecting newly-eligible and COVID enrollment (beginning in March annual redeterminations of eligibility was suspended).
- Since the beginning of the fiscal year, Medi-Cal Non-Dual enrollment has increased 1.3%, Dual enrollment has increased 0.7%, and CMC enrollment has grown 0.5%.

	For the Month July 2020				For The Month Ending July 31, 2020					
	Actual	Budget	Variance	Variance (%)	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY20 vs. FY21
Medi-Cal	248,007	252,537	(4,530)	-1.8%	248,007	252,537	(4,530)	-1.8%	2,840,218	(91.3%)
Cal Medi-Connect	9,029	8,974	55	0.6%	9,029	8,974	55	0.6%	101,391	(91.1%)
Total	**257,036**	**261,511**	**(4,475)**	**-1.7%**	**257,036**	**261,511**	**(4,475)**	**-1.7%**	**2,941,609**	**(91.3%)**

Santa Clara Family Health Plan Enrollment By Network
July 2020

Network	Medi-Cal		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	31,540	13%	9,029	100%	40,569	16%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	124,379	50%	-	0%	124,379	48%
Palo Alto Medical Foundation	6,696	3%	-	0%	6,696	3%
Physicians Medical Group	43,036	17%	-	0%	43,036	17%
Premier Care	15,144	6%	-	0%	15,144	6%
Kaiser	27,212	11%	-	0%	27,212	11%
Total	**248,007**	**100%**	**9,029**	**100%**	**257,036**	**100%**
Enrollment at June 30, 2020	244,888		8,987		253,875	
Net Δ from Beginning of FY21	1.3%		0.5%		1.2%	

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

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD JULY-2020

		2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04	2020-05	2020-06	2020-07	FYTD var	%
NON DUAL	Adult (over 19)	24,989	24,888	24,689	24,492	24,207	23,999	23,620	23,604	23,873	24,051	25,253	26,299	27,066	767	2.9%
	Child (under 19)	93,536	92,668	92,092	95,000	93,829	93,477	92,339	92,248	92,843	93,374	95,145	96,173	96,605	432	0.4%
	Aged - Medi-Cal Only	10,948	10,958	10,855	10,850	10,897	10,903	10,904	10,831	10,753	10,801	11,044	11,207	11,227	20	0.2%
	Disabled - Medi-Cal Only	10,774	10,833	10,814	10,836	10,865	10,839	10,845	10,854	10,882	10,851	10,902	10,922	10,944	22	0.2%
	Adult Expansion	71,082	70,635	70,418	70,285	69,889	69,069	68,130	68,372	69,272	70,458	72,546	74,553	76,262	1,709	2.3%
	BCCTP	10	10	10	10	12	11	11	11	11	11	11	11	11	0	0.0%
	Long Term Care	372	364	366	372	371	373	379	373	367	380	398	405	402	(3)	(0.7%)
	Total Non-Duals	**211,711**	**210,356**	**209,244**	**211,845**	**210,070**	**208,671**	**206,228**	**206,293**	**208,001**	**209,926**	**215,299**	**219,570**	**222,517**	**2,947**	**1.3%**
DUAL	Adult (21 Over)	351	345	351	341	350	341	330	328	320	311	320	321	327	6	1.9%
	SPD (21 Over)	23,087	23,230	23,445	23,531	23,577	23,498	23,472	23,540	23,541	23,443	23,595	23,508	23,641	133	0.6%
	Adult Expansion	209	226	201	122	82	177	139	130	136	134	190	241	261	20	8.3%
	BCCTP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
	Long Term Care	1,220	1,232	1,237	1,256	1,271	1,308	1,266	1,257	1,231	1,235	1,252	1,248	1,261	13	1.0%
	Total Duals	**24,867**	**25,033**	**25,234**	**25,250**	**25,280**	**25,324**	**25,207**	**25,255**	**25,228**	**25,123**	**25,357**	**25,318**	**25,490**	**172**	**0.7%**
	Total Medi-Cal	**236,578**	**235,389**	**234,478**	**237,095**	**235,350**	**233,995**	**231,435**	**231,548**	**233,229**	**235,049**	**240,656**	**244,888**	**248,007**	**3,119**	**1.3%**
	Healthy Kids	**3,501**	**3,509**	**3,512**	**2**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.0%**
CMC	CMC Non-Long Term Care	7,869	7,921	7,982	8,016	8,069	8,206	8,177	8,261	8,388	8,511	8,625	8,775	8,814	39	0.4%
	CMC - Long Term Care	207	213	212	217	220	222	224	225	213	214	212	212	215	3	1.4%
	Total CMC	**8,076**	**8,134**	**8,194**	**8,233**	**8,289**	**8,428**	**8,401**	**8,486**	**8,601**	**8,725**	**8,837**	**8,987**	**9,029**	**42**	**0.5%**
	Total Enrollment	**248,155**	**247,032**	**246,184**	**245,330**	**243,641**	**242,425**	**239,836**	**240,034**	**241,830**	**243,774**	**249,493**	**253,875**	**257,036**	**3,161**	**1.2%**

Enrollment Trend

Jan 20 - Jul 20

Medi-Cal

CMC

MC Volume

260,000
240,000
220,000
200,000
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0

CMC Volume

9,500
9,000
8,500
8,000
7,500

Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20

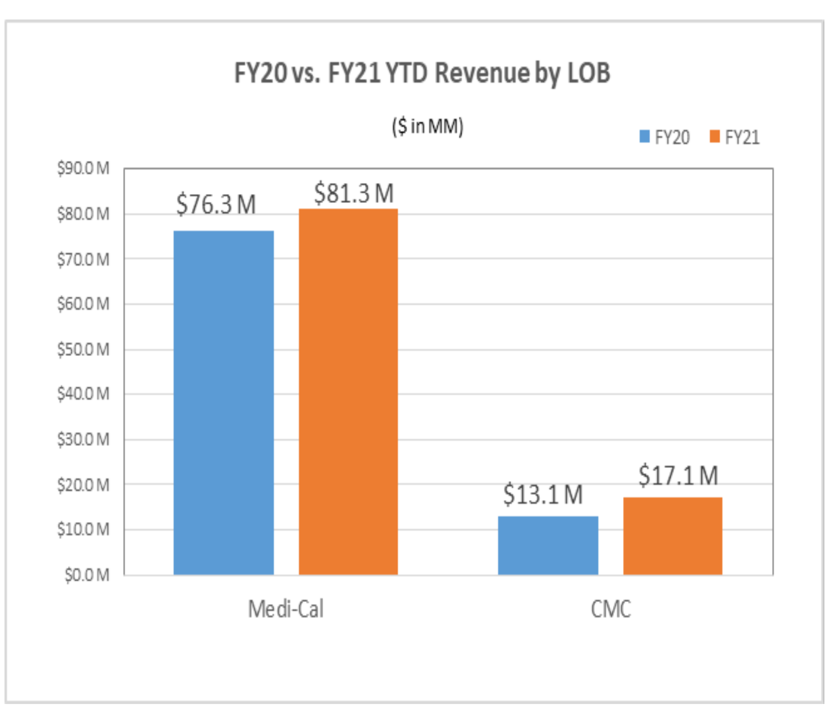
Month

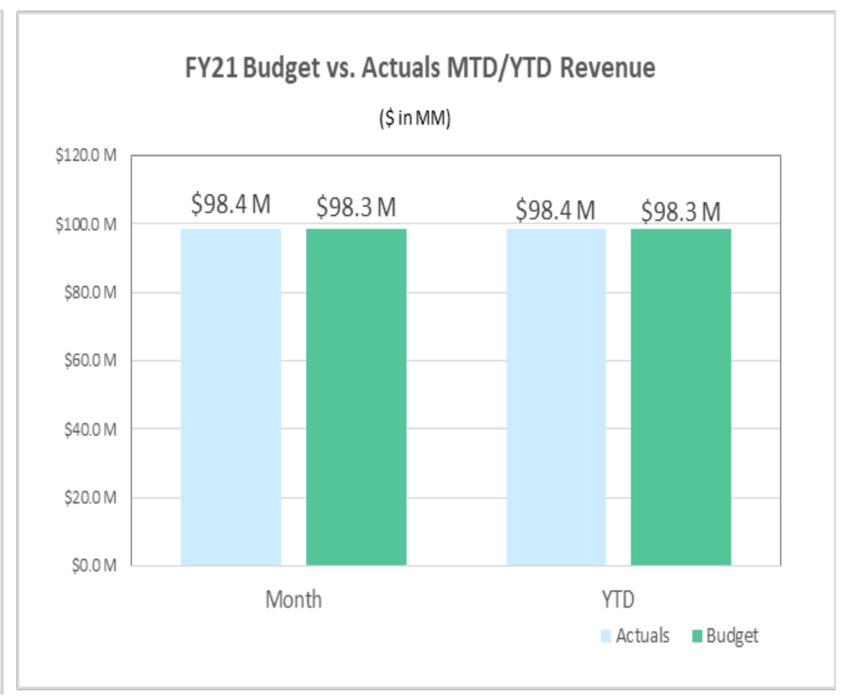
MC Actual, MC Budget, CMC Actual, CMC Budget

Revenue

Current month revenue of $98.4M is $64K or 0.1% favorable to budget of $98.3M. The current month variance was primarily due to the following:

- CMC Medicare higher rate than expected due to acuity, a favorable variance of $1.3M.
- Supplement revenue is $999K unfavorable to budget due to lower utilization.
- MC Dual revenue is $380K unfavorable to budget due to lower MLTSS Dual rate than expected.

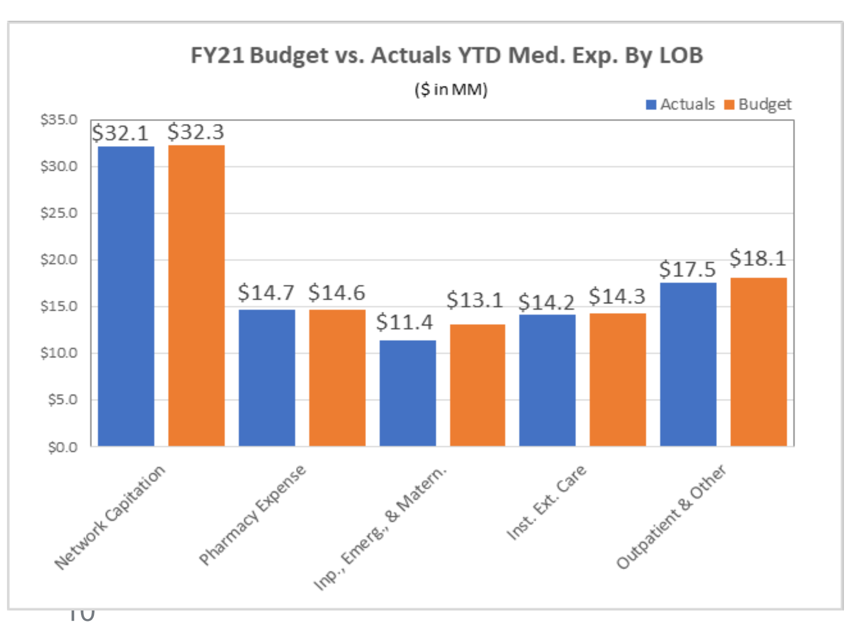


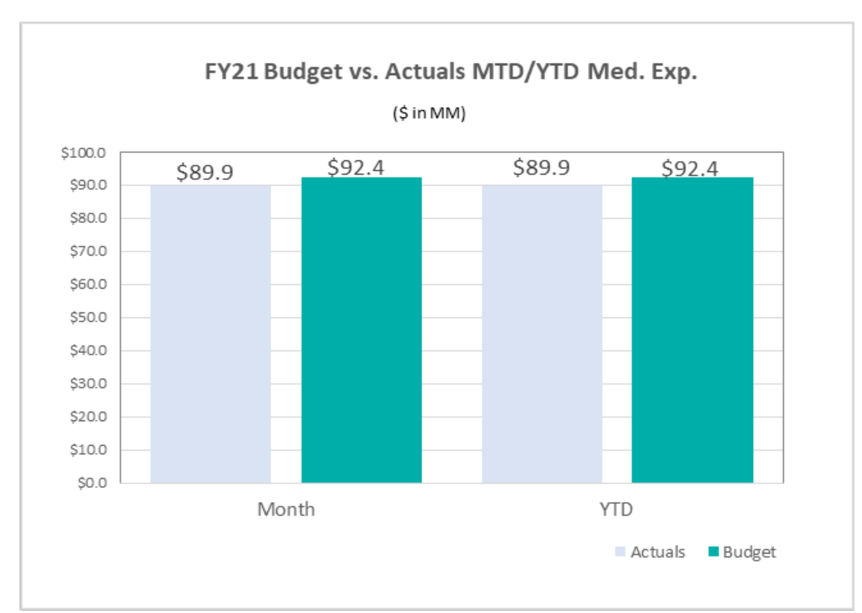


Medical Expense

Current month medical expense of $89.9M is $2.5M or 2.7% favorable to budget of $92.4M. The current month variance was due largely to:

- Fee-For-Service lower average unit cost which contributed to a $1.9M favorable variance to budget for Inpatient Hospital ($1.6M), Outpatient Facility ($467K), Professional Services ($310K) and Transportation ($143K).
- Decreased utilization in supplemental services of $614K is favorable to budget (with offsetting decrease to revenue).
- Favorable capitation expense variance of $167K due to lower enrollment than budget (1.2%).
- Pharmacy expense is $104K unfavorable variance due to increase in prescriptions resulting from DHCS allowing refill and prior authorization overrides due to COVID-19.

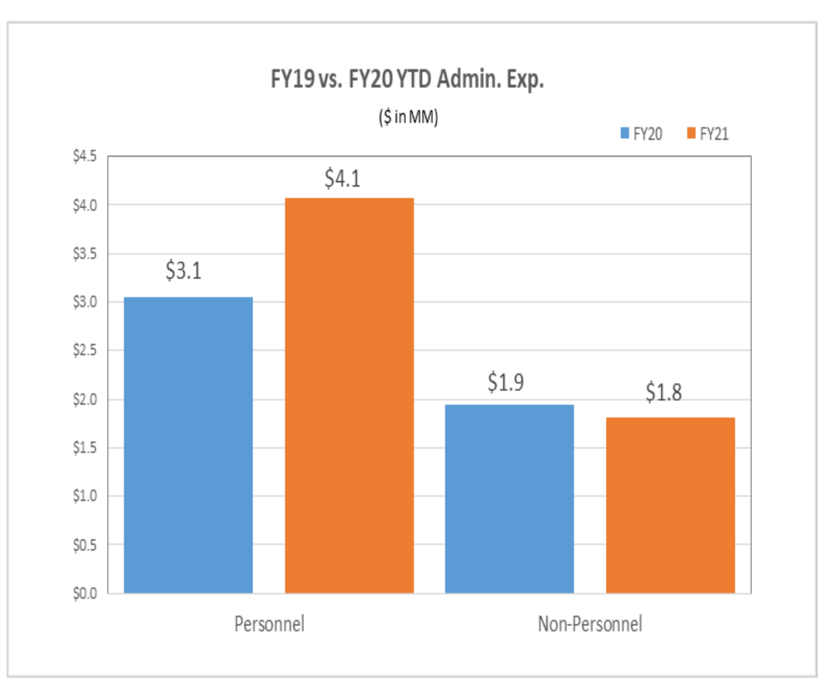


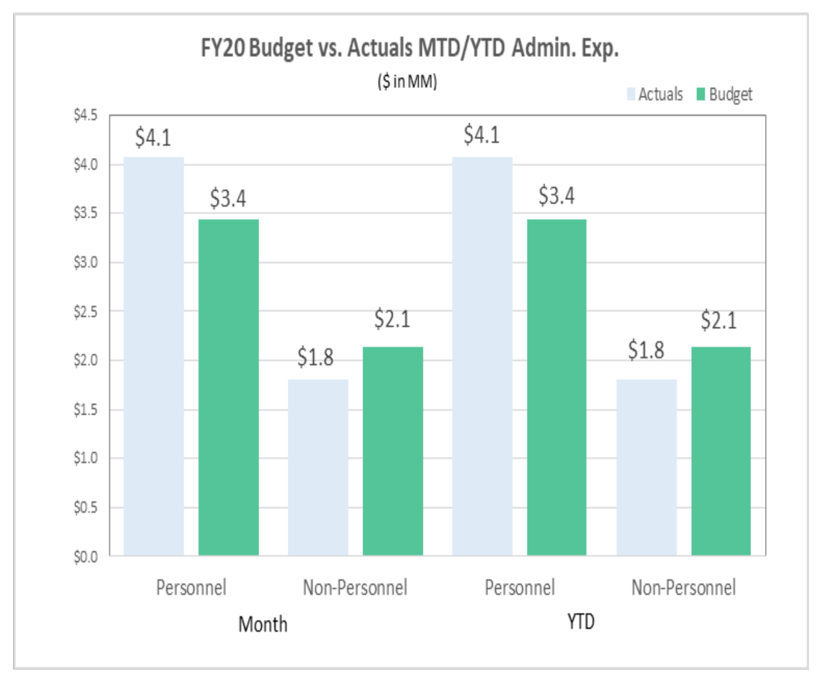


Administrative Expense

Current month admin expense of $5.9M is $303K or 5.4% unfavorable to budget of $5.6M. The current month variances were primarily due to the following:

- Personnel expenses were $627K or 18.2% unfavorable to budget due to slightly higher average salaries partially offset, lower head count and timing differences on certain benefit payments.
- Non-Personnel expenses were $324K or 15.2% favorable to budget due to timing of budget spending in contract, consulting and professional services.





Balance Sheet

- Current assets totaled $904.5M compared to current liabilities of $722.9M, yielding a current ratio (Current Assets/Current Liabilities) of 1.25:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance increased by $11.1M compared to the cash balance as of year-end June 30, 2020 due to timing of payments received and paid.
- Current Cash & Equivalents components and yields were as follows:

Description	Cash & Investments	Current Yield %	Interest Income	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$105,759,086	1.54%	$100,000	$100,000
Wells Fargo Investments	$208,418,030	0.54%	$75,387	$75,387
	$314,177,116		$175,387	$175,387
Cash & Equivalents				
Bank of the West Money Market	$109,720	0.13%	$1,567	$1,567
Wells Fargo Bank Accounts	$30,453,417	0.03%	$1,382	$1,382
	$30,563,137		$2,950	$2,950
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$107	$107
Petty Cash	$500	0.00%	$0	$0
Month-End Balance	**$345,046,103**		**$178,444**	**$178,444**

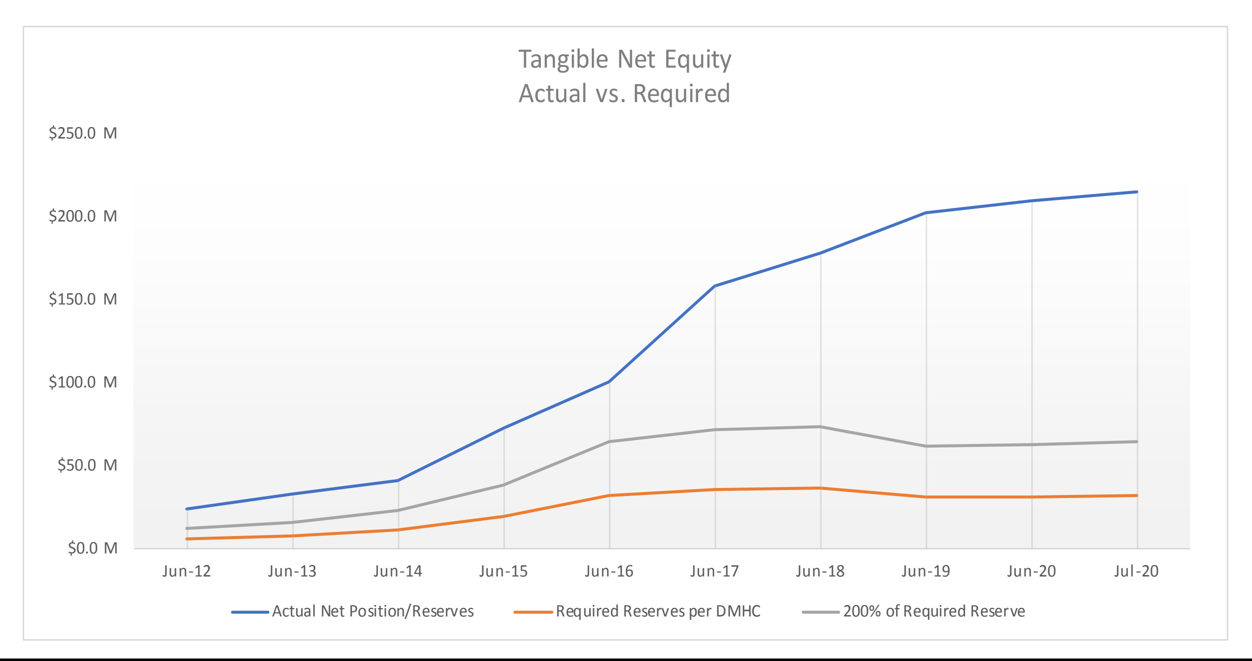
- County of Santa Clara Comingled Pool funds have longer-term investments which are currently yielding a higher rate than WFB investments.
- Overall cash and investment yield is lower than budget (0.80% actual vs. 1.4% budgeted).

Tangible Net Equity

- TNE was $214.6M - representing approximately two months of the Plan's total expenses.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of July 31, 2020

	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Jul-20
Actual Net Position/Reserves	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$178.0 M	$202.1 M	$209.2 M	$214.6 M
Required Reserves per DMHC	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$36.8 M	$30.9 M	$31.3 M	$32.1 M
200% of Required Reserve	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$73.6 M	$61.8 M	$62.6 M	$64.2 M
Actual as % Required	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	654.4%	668.7%	668.7%



Reserves Analysis

SCFHP RESERVES ANALYSIS JULY 2020

Financial Reserve Target #1: Tangible Net Equity	Approved	Expended	Balance
Unrestricted Net Assets			**$170,431,376** *
Board Designated Funds (Note 1):			
Special Project Funding for CBOs	$4,000,000	$540,727	$3,459,274
Innovation & COVID-19 Fund	$16,000,000	$2,119,999	$13,880,001
Subtotal	$20,000,000	$2,660,726	$17,339,275
Net Book Value of Fixed Assets			$26,539,716
Restricted Under Knox-Keene Agreement			$305,350
Total Tangible Net Equity (TNE)			$214,615,716
Current Required TNE			$32,096,807
TNE %			668.7%
SCFHP Target TNE Range:			
350% of Required TNE (Low)			$112,338,825
500% of Required TNE (High)			$160,484,036
Total TNE Above/(Below) SCFHP Low Target			**$102,276,891**
Total TNE Above/(Below) High Target			**$54,131,680**

Financial Reserve Target #2: Liquidity	
Cash & Investments	$345,046,103
Less Pass-Through Liabilities	
MCO Tax Payable to State of CA	(57,730,811)
Whole Person Care / Prop 56	(34,951,070)
Other Pass-Through Liabilities (Note 2)	(50,905,390)
Total Pass-Through Liabilities	**(143,587,272)**
Net Cash Available to SCFHP	201,458,831
SCFHP Target Liquidity (Note 3)	
45 Days of Total Operating Expense	(146,929,848)
60 Days of Total Operating Expense	(195,906,463)
Liquidity Above/(Below) SCFHP Low Target	**54,528,983**
Liquidity Above/(Below) High Target	**$5,552,367**

*** Unrestricted Net Assets represents less than two months of total expenses.**

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund for Special Projects of $2.2M. In December 2019, the Governing Board also approved additional $1.8M for Special Project fund ($4M total) and $16M for Innovation Fund.

Note 2: Other Pass-Through Liabilities include HQAF, Rate Range, and DHCS overpayment payables.

Note 3: SCFHP Target Liquidity is based on total monthly budgeted expenses.

Capital Expenditures

- Majority of the capital variances are Community Resource Center, hardware, software, and building improvements due to timing of certain projects.

Expenditure	YTD Actual	Annual Budget
Community Resource Center	$138,169	$3,507,100
Hardware	$15,082	$1,282,500
Software	$0	$1,194,374
Building Improvements	$0	$866,500
Furniture & Equipment	$0	$28,000
TOTAL	**$153,251**	**$6,878,474**

Financial Statements

Income Statement

Santa Clara County Health Authority
INCOME STATEMENT
For The Month Ending July 31, 2020

	Jul-2020 Actuals	% of Rev	Jul-2020 Budget	% of Rev	Current Month Variance $	Current Month Variance %	YTD Jul-2020 Actuals	% of Rev	YTD Jul-2020 Budget	% of Rev	YTD Variance $	YTD Variance %
REVENUES												
MEDI-CAL	$ 81,282,084	82.6%	$ 82,532,024	84.0%	$ (1,249,940)	-1.5%	$ 81,282,084	82.6%	$ 82,532,024	84.0%	$ (1,249,940)	-1.5%
CMC MEDI-CAL	2,870,968	2.9%	2,896,890	2.9%	(25,921)	-0.9%	2,870,968	2.9%	2,896,890	2.9%	(25,921)	-0.9%
CMC MEDICARE	14,202,595	14.4%	12,863,062	13.1%	1,339,533	10.4%	14,202,595	14.4%	12,863,062	13.1%	1,339,533	10.4%
TOTAL CMC	17,073,564	17.4%	15,759,952	16.0%	1,313,611	8.3%	17,073,564	17.4%	15,759,952	16.0%	1,313,611	8.3%
HEALTHY KIDS	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
TOTAL REVENUE	**$ 98,355,648**	**100.0%**	**$ 98,291,976**	**100.0%**	**$ 63,672**	**0.1%**	**$ 98,355,648**	**100.0%**	**$ 98,291,976**	**100.0%**	**$ 63,672**	**0.1%**
MEDICAL EXPENSES												
MEDI-CAL	$ 75,889,467	77.2%	$ 77,425,432	78.8%	$ 1,535,965	2.0%	$ 75,889,467	77.2%	$ 77,425,432	78.8%	$ 1,535,965	2.0%
CMC MEDI-CAL	3,611,262	3.7%	2,968,634	3.0%	(642,628)	-21.6%	3,611,262	3.7%	2,968,634	3.0%	(642,628)	-21.6%
CMC MEDICARE	10,402,737	10.6%	11,977,818	12.2%	1,575,082	13.1%	10,402,737	10.6%	11,977,818	12.2%	1,575,082	13.1%
TOTAL CMC	14,013,998	14.2%	14,946,452	15.2%	932,454	6.2%	14,013,998	14.2%	14,946,452	15.2%	932,454	6.2%
HEALTHY KIDS	1,041	0.0%	0	0.0%	(1,041)	0.0%	1,041	0.0%	0	0.0%	(1,041)	0.0%
TOTAL MEDICAL EXPENSES	**$ 89,904,506**	**91.4%**	**$ 92,371,885**	**94.0%**	**$ 2,467,379**	**2.7%**	**$ 89,904,506**	**91.4%**	**$ 92,371,885**	**94.0%**	**$ 2,467,379**	**2.7%**
MEDICAL OPERATING MARGIN	**$ 8,451,142**	**8.6%**	**$ 5,920,091**	**6.0%**	**$ 2,531,051**	**42.8%**	**$ 8,451,142**	**8.6%**	**$ 5,920,091**	**6.0%**	**$ 2,531,051**	**42.8%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 4,071,744	4.1%	$ 3,445,010	3.5%	$ (626,733)	-18.2%	$ 4,071,744	4.1%	$ 3,445,010	3.5%	$ (626,733)	-18.2%
RENTS AND UTILITIES	34,041	0.0%	22,109	0.0%	(11,932)	-54.0%	34,041	0.0%	22,109	0.0%	(11,932)	-54.0%
PRINTING AND ADVERTISING	24,925	0.0%	67,042	0.1%	42,116	62.8%	24,925	0.0%	67,042	0.1%	42,116	62.8%
INFORMATION SYSTEMS	314,649	0.3%	316,405	0.3%	1,756	0.6%	314,649	0.3%	316,405	0.3%	1,756	0.6%
PROF FEES/CONSULTING/TEMP STAFFING	772,461	0.8%	1,009,655	1.0%	237,194	23.5%	772,461	0.8%	1,009,655	1.0%	237,194	23.5%
DEPRECIATION/INSURANCE/EQUIPMENT	316,463	0.3%	316,026	0.3%	(436)	-0.1%	316,463	0.3%	316,026	0.3%	(436)	-0.1%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	53,105	0.1%	55,693	0.1%	2,588	4.6%	53,105	0.1%	55,693	0.1%	2,588	4.6%
MEETINGS/TRAVEL/DUES	55,591	0.1%	119,989	0.1%	64,398	53.7%	55,591	0.1%	119,989	0.1%	64,398	53.7%
OTHER	241,156	0.2%	229,417	0.2%	(11,739)	-5.1%	241,156	0.2%	229,417	0.2%	(11,739)	-5.1%
TOTAL ADMINISTRATIVE EXPENSES	**$ 5,884,134**	**6.0%**	**$ 5,581,347**	**5.7%**	**$ (302,787)**	**-5.4%**	**$ 5,884,134**	**6.0%**	**$ 5,581,347**	**5.7%**	**$ (302,787)**	**-5.4%**
OPERATING SURPLUS (LOSS)	**$ 2,567,008**	**2.6%**	**$ 338,744**	**0.3%**	**$ 2,228,264**	**657.8%**	**$ 2,567,008**	**2.6%**	**$ 338,744**	**0.3%**	**$ 2,228,264**	**657.8%**
ALLOWANCE FOR UNCOLLECTED PREMIUM	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	243,736	0.2%	60,000	0.1%	(183,736)	-306.2%	243,736	0.2%	60,000	0.1%	(183,736)	-306.2%
GASB 68 - UNFUNDED PENSION LIABILITY	84,067	0.1%	75,000	0.1%	(9,067)	-12.1%	84,067	0.1%	75,000	0.1%	(9,067)	-12.1%
NON-OPERATING EXPENSES	**$ 327,803**	**0.3%**	**$ 135,000**	**0.1%**	**$ (192,803)**	**-142.8%**	**$ 327,803**	**0.3%**	**$ 135,000**	**0.1%**	**$ (192,803)**	**-142.8%**
INTEREST & OTHER INCOME	503,358	0.5%	382,896	0.4%	120,463	31.5%	503,358	0.5%	382,896	0.4%	120,463	31.5%
NET NON-OPERATING ACTIVITIES	**$ 175,555**	**0.2%**	**$ 247,896**	**0.3%**	**$ (72,340)**	**-29.2%**	**$ 175,555**	**0.2%**	**$ 247,896**	**0.3%**	**$ (72,340)**	**-29.2%**
NET SURPLUS (LOSS)	**$ 2,742,563**	**2.8%**	**$ 586,640**	**0.6%**	**$ 2,155,923**	**367.5%**	**$ 2,742,563**	**2.8%**	**$ 586,640**	**0.6%**	**$ 2,155,923**	**367.5%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY
For The Month Ending July 31, 2020

	Jul-2020	Jun-2020	May-2020	Jul-2019
Assets				
Current Assets				
Cash and Investments	345,046,103	333,959,470	332,309,770	288,050,069
Receivables	548,526,141	537,525,765	514,792,547	744,725,861
Prepaid Expenses and Other Current Assets	10,905,149	9,863,699	9,197,248	11,465,989
Total Current Assets	**904,477,393**	**881,348,933**	**856,299,565**	**1,044,241,919**
Long Term Assets				
Property and Equipment	47,539,137	47,385,886	47,057,842	44,987,513
Accumulated Depreciation	(20,999,421)	(20,736,798)	(20,488,117)	(17,697,374)
Total Long Term Assets	26,539,716	26,649,087	26,569,725	27,290,140
Total Assets	**931,017,109**	**907,998,020**	**882,869,290**	**1,071,532,059**
Deferred Outflow of Resources	**8,402,260**	**8,402,260**	**9,237,609**	**9,237,609**
Total Assets & Deferred Outflows	**939,419,369**	**916,400,280**	**892,106,899**	**1,080,769,668**
Liabilities and Net Assets:				
Current Liabilities				
Trade Payables	9,718,507	10,460,763	8,754,864	7,003,498
Employee Benefits	2,302,119	2,174,389	2,236,330	1,808,174
Retirement Obligation per GASB 75	2,197,964	2,113,897	3,348,012	4,003,066
Advance Premium - Healthy Kids	0	0	0	98,208
Deferred Revenue - Medicare	12,385,712	191,510	262,932	0
Whole Person Care / Prop 56	34,951,070	34,643,968	36,230,332	19,703,965
Pass-Throughs Payable	26,877	801,274	2,779,005	279,436,364
Due to Santa Clara County Valley Health Plan and Kaiser	36,882,621	34,945,075	35,214,782	23,829,661
MCO Tax Payable - State Board of Equalization	57,730,811	48,615,420	40,512,850	0
Due to DHCS	50,878,513	47,014,378	31,650,545	27,506,572
Liability for In Home Support Services (IHSS)	419,268,582	419,268,582	416,092,527	416,092,527
Current Premium Deficiency Reserve (PDR)	8,294,025	8,294,025	8,294,025	8,294,025
Medical Cost Reserves	87,446,092	94,318,096	98,732,818	87,129,411
Total Current Liabilities	**722,898,090**	**702,865,301**	**684,116,996**	**874,905,470**
Non-Current Liabilities				
Net Pension Liability GASB 68	243,736	-	780,905	75,000
Total Non-Current Liabilities	**243,736**	**-**	**780,905**	**75,000**
Total Liabilities	**723,141,825**	**702,865,301**	**684,897,902**	**874,980,470**
Deferred Inflow of Resources	**1,661,827**	**1,661,827**	**2,994,548**	**2,994,548**
Net Assets				
Board Designated Fund: Special Project Funding for CBOs	3,459,274	3,459,274	3,459,274	2,200,000
Board Designated Fund: Innovation & COVID-19 Fund	13,880,001	13,880,001	13,950,001	0
Invested in Capital Assets (NBV)	26,539,716	26,649,087	26,569,725	27,290,140
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	167,688,813	157,832,041	157,841,404	172,330,263
Current YTD Income (Loss)	2,742,563	9,747,400	2,088,696	668,897
Total Net Assets / Reserves	**214,615,716**	**211,873,153**	**204,214,449**	**202,794,650**
Total Liabilities, Deferred Inflows and Net Assets	**939,419,369**	**916,400,280**	**892,106,899**	**1,080,769,668**

Cash Flow Statement

	Jul-2020
Cash Flows from Operating Activities	
Premiums Received	$100,334,798
Medical Expenses Paid	(94,838,964)
Adminstrative Expenses Paid	5,240,692
Net Cash from Operating Activities	**$10,736,526**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(153,251)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	503,358
Net Increase/(Decrease) in Cash & Cash Equivalents	**11,086,633**
Cash & Investments (Beginning)	333,959,470
Cash & Investments (Ending)	**$345,046,103**
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	$2,239,205
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	262,623
Changes in Operating Assets/Liabilities	
Premiums Receivable	(11,000,376)
Prepaids & Other Assets	(1,041,451)
Accounts Payable & Accrued Liabilities	11,987,721
State Payable	12,979,526
IGT, HQAF & Other Provider Payables	1,937,546
Net Pension Liability	243,736
Medical Cost Reserves & PDR	(6,872,004)
Total Adjustments	**8,497,321**
Net Cash from Operating Activities	**$10,736,526**

Statement of Operations by Line of Business - YTD

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For The Month Ending July 31, 2020

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Grand Total
P&L (ALLOCATED BASIS)					
REVENUE	$81,282,084	$2,870,968	$14,202,595	$17,073,564	**$98,355,648**
MEDICAL EXPENSE	$75,889,467	$3,611,262	$10,402,737	$14,013,998	**$89,904,506**
(MLR)	93.4%	125.8%	73.2%	82.1%	91.4%
GROSS MARGIN	$5,392,617	($740,293)	$3,799,859	$3,059,565	**$8,451,142**
ADMINISTRATIVE EXPENSE	$4,862,707	$171,756	$849,671	$1,021,427	**$5,884,134**
(% of Revenue Allocation)					
OPERATING INCOME/(LOSS)	$529,910	($912,049)	$2,950,187	$2,038,138	**$2,567,008**
(% of Revenue Allocation)					
OTHER INCOME/(EXPENSE)	$145,081	$5,124	$25,350	$30,475	**$175,555**
(% of Revenue Allocation)					
NET INCOME/(LOSS)	$674,991	($906,925)	$2,975,538	$2,068,613	**$2,742,563**
PMPM (ALLOCATED BASIS)					
REVENUE	$327.74	$317.97	$1,573.00	$1,890.97	**$382.65**
MEDICAL EXPENSES	$306.00	$399.96	$1,152.15	$1,552.11	**$349.77**
GROSS MARGIN	$21.74	($81.99)	$420.85	$338.86	**$32.88**
ADMINISTRATIVE EXPENSES	$19.61	$19.02	$94.10	$113.13	**$22.89**
OPERATING INCOME/(LOSS)	$2.14	($101.01)	$326.75	$225.73	**$9.99**
OTHER INCOME/(EXPENSE)	$0.58	$0.57	$2.81	$3.38	**$0.68**
NET INCOME/(LOSS)	$2.72	($100.45)	$329.55	$229.11	**$10.67**
ALLOCATION BASIS:					
MEMBER MONTHS - YTD	248,007	9,029	9,029	9,029	257,036
REVENUE BY LOB	82.6%	2.9%	14.4%	17.4%	100.0%

Fiscal Year 2020-2021 Budget Update

Governing Board Meeting

September 24, 2020

Agenda

Table of Contents	Page
Budget & Forecast Assumptions	3
Enrollment Trend Graphs	4
Budget vs. Forecast Conclusions	5
Fiscal Year-End 2021 Membership	6
Fiscal Year 2021 Member Months	7
Long-Term Enrollment Trend Summary	8
Fiscal Year 2021 Budget Detail by COA & Month	9
Fiscal Year 2021 Forecast Detail by COA & Month	10

Budget & Forecast Assumptions

- As promised to the Board, we are updating our fiscal year 2021 enrollment projections on a quarterly basis to reflect key changes, generally COVID-related.
- **Budget**:
  - The Budget included actual enrollment through May.
  - The Budget assumed a rapid enrollment increase, mitigation and decline by fiscal year end.
    - Suspended disenrollments were expected to end at the end of July.
    - A significant number of newly-eligible Medi-Cal members were expected.
- **Forecast**:
  - The Forecast includes actual enrollment through August.
  - The Forecast is based on recent trends and assumes protracted but slower growth through the end of the fiscal year.
    - Suspended disenrollments will continue, at least through the end of October (when the Public Health Emergency is currently set to expire)
    - Few newly-eligible Medi-Cal members have joined the Plan which may or may not continue, whereas the budget assumed this would be positive growth.
    - Similar trends have been reported by DHCS & other local plans.

Enrollment Trend

MC Enrollment Trend

ENROLLMENT

270,000
260,000
250,000
240,000
230,000
220,000
210,000

Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20 Nov-20 Dec-20 Jan-21 Feb-21 Mar-21 Apr-21 May-21 Jun-21

258,759
264,476
251,004
259,063

Actual Budget Forecast

CMC Enrollment Trend

ENROLLMENT

12,000
10,000
8,000
6,000
4,000
2,000
0

Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20 Nov-20 Dec-20 Jan-21 Feb-21 Mar-21 Apr-21 May-21 Jun-21

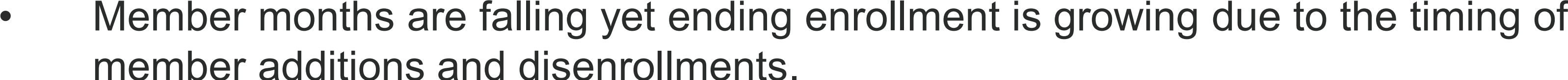
9,266
9,804
9,014
9,549

Actual Budget Forecast

Budget vs. Forecast Conclusions

- FY21 Member Months:
  - Budget 3,238,728
  - Forecast 3,222,788
  - FY21 member months are forecasted to decrease by 0.5%.

- Fiscal Year-End (June 2021) Enrollment:
  - Budget 268,612
  - Forecast 274,280
  - Ending membership is forecasted to increase 2.1%.



- Member months are falling yet ending enrollment is growing due to the timing of member additions and disenrollments.
- Too early to calculate the P&L impact of these small changes in enrollment.
- We will continue to monitor enrollment changes and continue to provide quarterly updates to the Forecast.

Fiscal Year-End June 2021 Enrollment

	APPROVED				FORECAST					
	Jun-21	Jun-20	Variance		Jun-21	Jun-20	Variance		Budget Variance	
NON DUALS	Budget	Actual	Incr / (Decr)	%	Budget	Actual	Incr / (Decr)	%	Incr / (Decr)	%
Adult Expansion	79,663	74,553	5,110	6.9%	83,772	74,553	9,219	12.4%	4,108	5.2%
Adult/Family (under 19)	102,935	96,173	6,762	7.0%	101,239	96,173	5,066	5.3%	(1,696)	-1.6%
Adult/Family (over 19)	27,731	26,299	1,432	5.4%	30,698	26,299	4,399	16.7%	2,967	10.7%
SPD	22,318	22,129	189	0.9%	22,568	22,129	439	2.0%	250	1.1%
BCCTP	11	11	-	0.0%	11	11	-	0.0%	-	0.0%
Long Term Care	398	405	(7)	-1.7%	406	405	1	0.2%	8	2.0%
Non-Dual Subtotal	**233,056**	**219,570**	**13,486**	**6.1%**	**238,693**	**219,570**	**19,123**	**8.7%**	**5,637**	**2.4%**
DUALS										
Adult Expansion	190	241	(51)	-21.2%	345	241	104	43.2%	155	81.6%
Adult/Family (21 over)	320	321	(1)	-0.3%	320	321	(1)	-0.3%	-	0.0%
SPD	23,612	23,508	104	0.4%	23,851	23,508	343	1.5%	239	1.0%
BCCTP	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
Long Term Care	1,885	1,248	637	51.0%	1,267	1,248	19	1.5%	(618)	-32.8%
Dual Subtotal	**26,007**	**25,318**	**689**	**2.7%**	**25,783**	**25,318**	**465**	**1.8%**	**(224)**	**-0.9%**
Total Medi-Cal	**259,063**	**244,888**	**14,175**	**5.8%**	**264,476**	**244,888**	**19,588**	**8.0%**	**5,413**	**2.1%**
Cal MediConnect	**9,549**	**8,987**	**562**	**6.3%**	**9,804**	**8,987**	**817**	**9.1%**	**255**	**2.7%**
TOTAL ENROLLMENT	**268,612**	**253,875**	**14,737**	**5.8%**	**274,280**	**253,875**	**20,405**	**8.0%**	**5,668**	**2.1%**

Fiscal Year 2021 Member Months

.	APPROVED				FORECAST					
	FY21	FY20	Variance		FY21	FY20	Variance		Budget Variance	
NON DUALS	Budget	Actual	Incr / (Decr)	%	Budget	Actual	Incr / (Decr)	%	Incr / (Decr)	%
Adult Expansion	960,117	844,709	115,408	13.7%	978,372	844,709	133,663	15.8%	18,256	1.9%
Adult/Family (under 19)	1,253,774	1,133,254	120,520	10.6%	1,192,414	1,133,254	59,160	5.2%	(61,360)	-4.9%
Adult/Family (over 19)	334,213	293,964	40,249	13.7%	356,744	293,964	62,780	21.4%	22,531	6.7%
SPD	265,770	261,167	4,603	1.8%	267,779	261,167	6,612	2.5%	2,009	0.8%
BCCTP	132	129	3	2.3%	132	129	3	2.3%	-	0.0%
Long Term Care	4,776	4,520	256	5.7%	4,868	4,520	348	7.7%	92	1.9%
Non-Dual Subtotal	**2,818,781**	**2,537,743**	**281,038**	**11.1%**	**2,800,309**	**2,537,743**	**262,566**	**10.3%**	**(18,472)**	**-0.7%**
DUALS										
Adult Expansion	2,280	1,987	293	14.7%	3,972	1,987	1,985	99.9%	1,692	74.2%
Adult/Family (21 over)	3,840	4,009	(169)	-4.2%	3,847	4,009	(162)	-4.0%	7	0.2%
SPD	283,344	281,467	1,877	0.7%	285,442	281,467	3,975	1.4%	2,098	0.7%
BCCTP	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
Long Term Care	19,320	15,013	4,307	28.7%	15,198	15,013	185	1.2%	(4,122)	-21.3%
Dual Subtotal	**308,784**	**302,476**	**6,308**	**2.1%**	**308,459**	**302,476**	**5,983**	**2.0%**	**(325)**	**-0.1%**
Total Medi-Cal	**3,127,565**	**2,840,219**	**287,346**	**10.1%**	**3,108,768**	**2,840,219**	**268,549**	**9.5%**	**(18,797)**	**-0.6%**
Cal MediConnect	**111,163**	**101,391**	**9,772**	**9.6%**	**114,020**	**101,391**	**12,629**	**12.5%**	**2,857**	**2.6%**
TOTAL ENROLLMENT	**3,238,728**	**2,941,610**	**297,118**	**10.1%**	**3,222,788**	**2,941,610**	**281,178**	**9.6%**	**(15,940)**	**-0.5%**

Enrollment Trend

	Actual Member Months				Approved	FORECAST	Budget	Change
	FY17	FY18	FY19	FY20	FY21 Budget	FY21 Budget	Change	%
Medi-Cal	3,217,527	3,073,184	2,904,840	2,840,219	3,127,565	3,108,768	(18,797)	-0.6%
Annual Growth	*5.9%*	*-4.5%*	*-5.5%*	*-2.2%*	*10.1%*	*9.5%*	-0.7%	-6.5%
Cal MediConnect	92,376	88,970	92,838	101,391	111,163	114,020	2,857	2.6%
Annual Growth	*-9.4%*	*-3.7%*	*4.3%*	*9.2%*	*9.6%*	*12.5%*	2.8%	29.2%
Healthy Kids	35,692	34,294	40,083	-	-	-	-	0.0%
Total	3,345,595	3,196,448	3,037,761	2,941,610	3,238,728	3,222,788	(15,940)	-0.5%
Annual Growth	*4.8%*	*-4.5%*	*-5.0%*	*-3.2%*	*10.1%*	*9.6%*	-0.5%	-5.4%
Average Covered Lives	278,800	266,371	253,147	245,134	269,894	268,566	(1,328)	-0.5%

Fiscal Year 2021 Budget Enrollment

		FY 20/21 ENROLLMENT BUDGET												TOTAL
Dual Status	**COA**	**2020-07**	**2020-08**	**2020-09**	**2020-10**	**2020-11**	**2020-12**	**2021-01**	**2021-02**	**2021-03**	**2021-04**	**2021-05**	**2021-06**	**FY21**
NON DUAL	Adult	26,791	27,595	27,733	27,871	28,011	28,151	28,151	28,151	28,151	28,010	27,870	27,731	**334,213**
	Child	100,939	103,968	104,487	105,010	105,535	106,063	105,803	105,543	105,283	104,496	103,714	102,935	**1,253,774**
	SPD Aged	11,069	11,094	11,119	11,144	11,169	11,194	11,219	11,244	11,269	11,294	11,319	11,344	**134,478**
	SPD Disabled	10,908	10,914	10,920	10,926	10,932	10,938	10,944	10,950	10,956	10,962	10,968	10,974	**131,292**
	Adult Expansion	76,964	79,273	79,669	80,068	80,468	80,870	80,870	80,870	80,870	80,466	80,064	79,663	**960,117**
	BCCTP	11	11	11	11	11	11	11	11	11	11	11	11	**132**
	Long Term Care	398	398	398	398	398	398	398	398	398	398	398	398	**4,776**
	Total Non-Duals	**227,080**	**233,252**	**234,337**	**235,428**	**236,523**	**237,625**	**237,396**	**237,167**	**236,938**	**235,637**	**234,343**	**233,056**	**2,818,781**
DUAL	Adult	320	320	320	320	320	320	320	320	320	320	320	320	**3,840**
	SPD Aged	17,297	17,297	17,297	17,297	17,297	17,297	17,297	17,297	17,297	17,297	17,297	17,297	**207,564**
	SPD Disabled	6,315	6,315	6,315	6,315	6,315	6,315	6,315	6,315	6,315	6,315	6,315	6,315	**75,780**
	Adult Expansion	190	190	190	190	190	190	190	190	190	190	190	190	**2,280**
	Long Term Care	1,335	1,385	1,435	1,485	1,535	1,585	1,635	1,685	1,735	1,785	1,835	1,885	**19,320**
	Total Duals	**25,457**	**25,507**	**25,557**	**25,607**	**25,657**	**25,707**	**25,757**	**25,807**	**25,857**	**25,907**	**25,957**	**26,007**	**308,784**
	Total Medi-Cal	**252,537**	**258,759**	**259,894**	**261,035**	**262,180**	**263,332**	**263,153**	**262,974**	**262,795**	**261,544**	**260,300**	**259,063**	**3,127,565**
CMC	CMC Non-Long Term Ca	8,760	8,800	8,870	8,940	9,020	9,100	9,050	9,080	9,150	9,215	9,275	9,335	**108,595**
	CMC - Long Term Care	214	214	214	214	214	214	214	214	214	214	214	214	**2,568**
	Total CMC	**8,974**	**9,014**	**9,084**	**9,154**	**9,234**	**9,314**	**9,264**	**9,294**	**9,364**	**9,429**	**9,489**	**9,549**	**111,163**
	ALL LOB	**261,511**	**267,773**	**268,978**	**270,189**	**271,414**	**272,646**	**272,417**	**272,268**	**272,159**	**270,973**	**269,789**	**268,612**	**3,238,728**

Fiscal Year 2021 Forecast Enrollment

		ACTUAL	ACTUAL	FY 20/21 ENROLLMENT FORECAST										TOTAL
Dual Status	COA	2020-07	2020-08	2020-09	2020-10	2020-11	2020-12	2021-01	2021-02	2021-03	2021-04	2021-05	2021-06	FY21
NON DUAL	Adult	27,066	27,877	28,688	29,499	29,794	30,092	30,393	30,545	30,698	30,698	30,698	30,698	**356,744**
	Child	96,605	97,359	98,099	98,839	99,139	99,439	99,739	100,039	100,339	100,639	100,939	101,239	**1,192,414**
	SPD Aged	11,227	11,178	11,223	11,268	11,313	11,358	11,403	11,448	11,493	11,538	11,583	11,628	**136,660**
	SPD Disabled	10,944	10,910	10,913	10,916	10,919	10,922	10,925	10,928	10,931	10,934	10,937	10,940	**131,119**
	Adult Expansion	76,262	77,701	79,101	80,501	81,306	82,119	82,940	83,355	83,772	83,772	83,772	83,772	**978,372**
	BCCTP	11	11	11	11	11	11	11	11	11	11	11	11	**132**
	Long Term Care	402	406	406	406	406	406	406	406	406	406	406	406	**4,868**
	Total Non-Duals	**222,517**	**225,442**	**228,441**	**231,440**	**232,888**	**234,347**	**235,817**	**236,732**	**237,649**	**237,997**	**238,345**	**238,693**	**2,800,309**
DUAL	Adult	327	320	320	320	320	320	320	320	320	320	320	320	**3,847**
	SPD Aged	17,355	17,409	17,449	17,489	17,509	17,529	17,549	17,554	17,559	17,564	17,569	17,574	**210,109**
	SPD Disabled	6,287	6,277	6,277	6,277	6,277	6,277	6,277	6,277	6,277	6,277	6,277	6,277	**75,334**
	Adult Expansion	261	289	317	345	345	345	345	345	345	345	345	345	**3,972**
	Long Term Care	1,261	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	1,267	**15,198**
	Total Duals	**25,490**	**25,562**	**25,630**	**25,698**	**25,718**	**25,738**	**25,758**	**25,763**	**25,768**	**25,773**	**25,778**	**25,783**	**308,459**
				68	68	20	20	20	5	5	5	5	5	
	Total Medi-Cal	**248,007**	**251,004**	**254,071**	**257,138**	**258,606**	**260,085**	**261,575**	**262,495**	**263,417**	**263,770**	**264,123**	**264,476**	**3,108,768**
CMC	CMC Non-LTC	8,814	9,055	9,125	9,195	9,275	9,355	9,305	9,335	9,405	9,470	9,530	9,590	**111,454**
	CMC - LTC	215	211	214	214	214	214	214	214	214	214	214	214	**2,566**
	Total CMC	**9,029**	**9,266**	**9,339**	**9,409**	**9,489**	**9,569**	**9,519**	**9,549**	**9,619**	**9,684**	**9,744**	**9,804**	**114,020**
	ALL LOB	**257,036**	**260,270**	**263,410**	**266,547**	**268,095**	**269,654**	**271,094**	**272,044**	**273,036**	**273,454**	**273,867**	**274,280**	**3,222,788**

Fiscal Year 2019-2020 Team Incentive Compensation
June 27, 2019

Performance Level	**Payout** *(% of salary/ wages)*	**Medi-Cal HEDIS** *(measures below 50th percentile)*	**CMC HEDIS** (composite average)	**Medi-Cal Member Calls** *(average speed of answer in seconds)*	**Compliance Metrics** *(% of dashboard metrics in compliance)*
weighting		*20%*	*20%*	*20%*	*40%*
Maximum	5%	≤ 3	62% - 100%	≤ 90	97% - 100%
Target	3%	4	60% - 61.9%	91 - 120	94% - 96.9%
Minimum	1%	5	58% - 59.9%	121 - 150	91% - 93.9%

Calculation:

- 0.20 (Medi-Cal HEDIS Payout %) + 0.20 (CMC HEDIS Payout %) + 0.20 (Service Level Payout %) + 0.40 (Compliance Metrics 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 2019 through June 2020. (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 2019-20 performance year.
- **Medi-Cal HEDIS** will be calculated as the number of measures with scores below the HEDIS 50th percentile.
- **CMC HEDIS** will be calculated as the overall average of the percentage performance on each HEDIS measure.
- **Medi-Cal Member Calls** will be calculated as the average number of seconds a member waits on the line before a Customer Service representative answers the call (July 2019 – June 2020).
- **Compliance Metrics** will be calculated as the percent of compliance dashboard measures that meet or exceed regulatory requirements (July 2019 – June 2020).
- 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.

D R A F T

Fiscal Year 2020-2021 Team Incentive Compensation
August 27, 2020

Performance Level	**Payout** *(% of salary/ wages)*	**Medi-Cal HEDIS** *(average performance score)*	**CMC HEDIS** *(average performance score)*	**Compliance Metrics** *(% of dashboard metrics in compliance)*
weighting		*30%*	*30%*	*40%*
Maximum	3%	≥ 2.70	≥ 2.25	98% - 100%
Target	2%	2.50-2.69	2.00-2.24	95% - 97.9%
Minimum	1%	2.30-2.49	1.75-1.99	93% - 94.9%

Calculation:

- 0.30 (Medi-Cal HEDIS Payout %) + 0.30 (CMC HEDIS Payout %) + 0.40 (Compliance Metrics Payout %) = **Overall Percent Payout**
- All non-executive staff are eligible to receive the Overall Percent Payout multiplied by the salary/wages they were paid as a regular employee from July 2020 through June 2021. (Does not include PTO cash out.)

Process:

- Santa Clara Family Health Plan must **meet or exceed budgeted financial performance** as a gate to any incentive award consideration.
- Incentive compensation will be determined upon receipt of the audited financial statements for the fiscal 2020-21 performance year.
- **Medi-Cal HEDIS** will be calculated as the average point value of all 21 measures held to the minimum performance level (MPL), based on a four-point scale.
- **CMC HEDIS** will be calculated as the average point value of all 51 quality measures (aggregated) with NCQA benchmarks, based on a four-point scale.
- **Compliance Metrics** will be calculated as the percent of compliance dashboard measures that meet or exceed regulatory requirements (July 2020 – June 2021).
- 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.