



Santa Clara
Family Health Plan

The Spirit of Care

AGENDA

Santa Clara County Health Authority Governing Board Regular Meeting

Thursday, October 24th, 2013

2:30-5:00 PM

210 E. Hacienda Avenue

Campbell CA 95008

1. Roll Call Ms. Lew

2. Action item: Review and approval of June 20th 2013 meeting minutes Ms. Lew

3. Public comment Ms. Lew

Members of the public may speak to any item not on the agenda; 2 minutes per speaker. The Board reserves the right to limit the duration or public comment period to 30 minutes

4. Discussion item: Joint Powers Authority Mr. Spohn

Legal counsel will discuss the Joint Powers Authority proposal.

5. Report of the Chief Executive Officer Ms. Darrow

- a. Discussion items:

1. Medicare Update

An update on the Dual Demonstration Project

will be discussed

6. Action item: Acceptance of July and August 2013 financial statements Mr. Cameron

7. Action item: Approval of Resolution regarding employee healthcare Ms. Valdez

8. Action item: Approval of publicly available salary schedule Ms. Valdez

9. Committee reports

a. Consumer Affairs Committee: Dr. Wenner

1. Discussion item

A recap of recent Committee proceedings will be presented

b. Provider Advisory Council: Dr. Robertson

1. Discussion item

A recap of recent Council proceedings will be presented

Executive Session

10. Adjourn to closed session Ms. Lew

a. Personnel (Government Code 54957)

It is the intention of the Governing Board to meet in closed session to consider the performance evaluation of the Chief Executive Officer.

11. Report from closed session Ms. Lew

12. Adjournment

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MINUTES
Santa Clara County Health Authority
Governing Board Regular Meeting

Thursday, June 20th, 2013
2:30 PM-5:00 PM
210 E. Hacienda Avenue
Campbell CA 95008

Board members present:

Ms. Michele Lew
Dr. Dale Rai
Dr. Wally Wenner
Ms. Emily Harrison
Ms. Laura Jones
Mr. Daniel Peddycord
Mr. Christopher Dawes
Ms. Judy Chirco
Ms. Linda Williams
Ms. Pattie DeMellopine
Ms. Liz Kniss

Board members not present:

Mr. Bob Brownstein

Others present:

Ms. Elizabeth Darrow, Chief Executive Officer
Mr. Dave Cameron, Chief Financial Officer
Mr. Matt Woodruff, Chief Operations Officer
Mr. Jeff Robertson, Chief Medical Officer
Mr. Rayne Johnson, Chief Information Officer
Ms. Shannon McNally, Secretary
Ms. Beth Paige, Compliance Officer
Ms. Robin Bilinski, Manager, Government Relations
Mr. Bob McGarry, GlaxoSmithkline
Mr. Mark Pasos, Walgreens Co.

1. Roll Call

Chairman Lew called the meeting to order at 2:37pm. Roll call was taken, and a quorum was established.

2. Action item: Review and approval of February 21, 2013 meeting minutes.

It was moved, seconded, and approved to accept minutes as presented.

3. Public comment

There was no public comment.

4. Action item: Acceptance of February through April 2013 Financial Statements

Mr. Cameron presented highlights for the ten months ending April 2013 financial statements.

- Finalize projections for the implementation of the Coordinated Care Initiative
- SB335 HQAF (Hospital Quality Assurance Fee) for 2011-12 received by SCFHP and to be disbursed back to various hospitals identified by DHCS and the California Hospital Association. -\$40.6 million.
- Additional SB335 dollars for the FY 2012-13 estimated at \$30.6 million
- SB 208 IGT dollars for Designated Public Hospitals for rate periods July 2011 through September 2012. -\$27.6 million
- Additional SB 208 IGT dollars for rate periods October 2012 through September 2013 roughly \$7.9 million
- Affordable Care Act (ACA) PCP Medicare Bump – SCFHP anticipates first round of payment disbursements to qualifying physicians occurring late this summer.

Mr. Cameron commented that the current month included the reserves reversal for AB97. Instead of passing the cut on to providers, the Health Plan built up the reserves believing that at some point the state would request the monies. The state has decided that they will not go back retro and those reserves have been released and pushed into revenue. Mr. Cameron also noted that operations for April had over a million dollar loss. The Plan has experienced high cost claims over the last few months and we are monitoring for trends.

Ms. Darrow stated that the Health Plan did sign a three way agreement with the state and Kaiser where Kaiser gets 100% pass through for Healthy Families transition enrollees and 98% for Medi-Cal. The Plan was essentially forced to do so to prevent the state from contracting directly in this county with Kaiser to keep this a two plan county. Kaiser is pushing to become a third plan in two plan model counties. This would be a huge threat to the safety net. This is a big concern for the Plan.

Mr. Cameron also noted that the Health Plan had selected KPMG as their new auditors.

It was moved, seconded, and approved to accept the financial statements as presented.

5. Action item: Approve SCFHP Budget FY 13/14

Mr. Cameron presented the Board with the Health Plans FY 13/14 operating and capital budgets. Fiscal year 12/13 was another year of significant growth and challenges for the Plan. Medi-Cal grew by almost 31,000 members (26%) during the FY 12/13 primarily because of the transition of the Healthy Families program into Medi-Cal. The total membership for Medi-Cal as of April 2013, is 146,779. The Healthy Families program transitioned into the Medi-Cal program in FY 12/13. The remaining membership in the Healthy Families program as of April 2013, is 186. Healthy Kids decreased 10.5% to a total membership as of April 2013, of 6,200. Agnews remains essentially flat with a total membership as of April 2013, of 126. Healthy Workers has grown by 95 members, or 19.6%, with a total membership as of April 2013, of 581.

Ms. Darrow commented that the budget did not include any Medicare costs. Ms. Darrow stated that the budget may need to be revisited once there was more information as there will likely be additional costs.

Board Member Liz Kniss commented that the Health Plan has come a long way in the last several years. Administrative costs have fallen to below half of what they used to be. Ms. Kniss also commended the soundness of the budget and that the Health Plan has become a predictable, viable organization which has made remarkable improvements.

It was moved, seconded, and approved to accept the FY 13/14 budget as presented.

6. Recognition of Departing Board Members

The Governing Board recognized the service of Ms. Judy Chirco, Mr. Bob Brownstein and Mr. Christopher Dawes as SCCHA Governing Board Members whose final terms expire on June 30, 2013.

7. Adjourn to closed session

a. Personnel (Government Code 54957)

It is the intention of the Governing Board to meet in closed session to consider the performance evaluation of the Chief Executive Officer.

b. Real Property Negotiations (Government Code Section 54956.8)

It is the intention of the Executive Committee of the Santa Clara County Health Authority Governing Board to meet in Closed Session to confer with its Real Property Negotiators concerning:

The price and terms for the possible acquisition of real property located at 210 E. Hacienda Avenue, Campbell, CA 95008, APN 424-33-121. The negotiator for the Health Authority is Dave Cameron, Chief Financial Officer. The other negotiating party is the owner of the 210 E. Hacienda Avenue property.

8. Report from closed session

The board took action related to the CEO's compensation and evaluation.

9. Report of the Chief Executive Officer

a. Discussion items:

1. COO Report

Mr. Woodruff reviewed highlights of the COO report commenting that the Health Plan is now entering the third phase of the Member Services Excellence Program. The Plan will conclude the onsite audit in April. Over the next 6-9 months SCFHP will focus on technology upgrades that will lead to the Excellence Certification. The certification should be obtained by the fourth quarter of this year.

Ms. Darrow complimented Mr. Woodruff for his leadership and recognized the dramatic improvements in Operations.

2. Medicare Update

Ms. Darrow stated that given all that has happened with the May Revise the Plan has chosen not to submit a bid for a SNP plan and will remain focused on the demo. Whether the CCI goes forward or not the eight counties that were selected for the demo will be responsible for long term care. This is a very significant change for the Health Plan. Ms. Darrow commented that actuaries from the Health Plan and the State have been meeting and are attempting to address our concerns.

3. Joint Powers Authority

Ms. Darrow commented that the Health Plan has had extensive conversations with the Plan's legal counsel. Ms. Darrow noted that she hoped to have a final opinion from the Plan's attorney and to bring in the county representatives to the next Executive Committee meeting.

10. Report of the Chief Medical Officer

Dr. Robertson gave a presentation and overview of the 2013 QI Program Description and Workplan.

a. Action items:

1. Approval of 2013 QI Program

It was moved, seconded, and approved to accept the 2013 QI Program as presented.

2. Approval of 2013 QI Work plan

It was moved, seconded, and approved to accept the 2013 QI Work plan as presented.

11. Committee reports

a. Consumer Affairs Committee

i. Discussion item

A recap of recent Committee proceedings were presented.

b. Provider Advisory Council

i. Discussion item

A recap of recent Committee proceedings were presented.

12. Action item: Appoint two SCCHA Executive Committee members

Emily Harrison, Linda Williams and Liz Kniss were appointed as members of the SCCHA Executive Committee.

It was moved, seconded, and approved to approve the appointments of the Executive Committee.

13. Action item: Appoint Chair of SCCHA Executive Committee.

Emily Harrison was appointed Chair of the SCCHA Executive Committee.

It was moved, seconded, and approved to approve the appointment of the Executive Committee.

14. Action item: Appoint one SCCHA Bylaws Committee member

Ms. Michele Lew was appointed as a member of the SCCHA Bylaws Committee

It was moved, seconded, and approved to approve the appointment of the Bylaws Committee

15. Adjournment

It was moved, seconded, and approved to adjourn the meetings at 4:23pm.

Shannon McNally, Secretary to the Board



Santa Clara
Family Health Plan

The Spirit of Care

Financial Statements
For One Month Ended July 2013

(Unaudited)

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Santa Clara Family Health Plan CFO Finance Report

For the Month & Year to Date Ended July 31, 2013

Summary of Financial Results

For the month of July 2013 and year to date July 2013, SCFHP recorded an operating loss of \$155 thousand compared to a budgeted operating loss of \$106 thousand, resulting in an unfavorable variance from budget of \$49 thousand. The table below summarizes the components of the overall variance from budget.

Summary Operating Results - Actual vs. Budget

For the Current Month & Fiscal Year to Date – July 2013

Favorable/(Unfavorable)

Current Month					Year to Date			
Actual	Budget	Variance \$	Variance %		Actual	Budget	Variance \$	Variance %
\$ 25,762,329	\$ 25,127,099	\$ 635,230	2.5%	Revenue	\$ 25,762,329	\$ 25,127,099	\$ 635,230	2.5%
24,324,820	23,453,486	(871,333)	-3.7%	Medical Expense	24,324,820	23,453,486	(871,333)	-3.7%
1,437,510	1,673,613	(236,103)	-14%	Gross Margin	1,437,510	1,673,613	(236,103)	-14%
1,579,067	1,756,709	177,642	10.1%	Administrative Expense	1,579,067	1,756,709	177,642	10.1%
(141,557)	(83,096)	(58,461)	-70%	Net Operating Income	(141,557)	(83,096)	(58,461)	-70%
(13,759)	(23,333)	9,575	41%	Non-Operating Income/Exp	(13,759)	(23,333)	9,575	41%
\$ (155,316)	\$ (106,429)	\$ (48,887)	-46%	Operating Surplus/ (Loss)	\$ (155,316)	\$ (106,429)	(48,887)	-46%

Revenue

The Health Plan recorded net revenue of \$25.8 million for the month of July 2013, compared to budgeted revenue of \$25.1 million, resulting in a favorable variance from budget of \$635 thousand, or 2.5%. The primary reason for the favorable variance in revenue was the catch-up in maternity Kick submissions to DHCS.

A Statistical and Financial Summary for all lines of business is included on page 9 of this report.

Member Months

For the month of July 2013, overall member months were lower than budget by 754 members, or -0.5%.

In the one month since the end of the prior fiscal year, 6/30/2013, membership in Medi-Cal decreased by 0.5%. Membership in the Healthy Families program (which is phasing into Medi-Cal) declined by 2.1%, and membership in Healthy Kids program declined by 1.6%, since 6/30/2013. Member months and changes from prior year are summarized on Page 11.

The transfer of Healthy Families members to Medi-Cal occurring in three phases of the planned Medi-Cal Healthy Families Product Transition, and is nearly complete as of July 2013.

Medical Expenses

For the month of July 2013, medical expense was \$24.3 million compared to budget of \$23.5 million, resulting in an unfavorable budget variance of \$871 thousand, or 3.7%. Increases for the month of July 2013 includes costs over budget in the areas of inpatient hospital expense, maternity expense, and outpatient services.

Administrative Expenses

Overall administrative costs were under budget by \$179 thousand (+10.1%), for the month of July 2013.

Administrative expenses were 6.1% of revenues for the month of July 2013.

Balance Sheet (Page 6)

Current assets at July 31, 2013 totaled \$63.8 million compared to current liabilities of \$35.9 million, yielding a current ratio (the ratio of current assets to current liabilities) of 1.8:1 as of July 31, 2013. Working capital decreased by \$167 thousand for the one month of July 31, 2013.

Cash as of July 31, 2013, decreased by \$31.6 million compared to the cash balance as of year-end June 30, 2013. This decrease was largely due to the payment of \$27.3 million to Santa Clara Valley Medical Center for the SB 208 IGT pass-through paid in July 2013. Net receivables increased by \$3.3 million during the month of July 2013.

Liabilities decreased by a net amount of \$27.9 million during the month of July 2013. Liabilities at July 31, 2013, were lower primarily do to the payment for the SB 208 IGT mentioned above. Funds were received in FY 2013, however, payment was not made until July 2013.

Board designated reserves for the Healthy Kids program remains at \$710 thousand. The projected amount to be added to the reserve is approximately \$804 thousand for the fiscal year ending 6-30-13. This will be recorded upon completion of the external audit.

Capital Expenses increased by \$40 thousand for the one month ended July 31, 2013.

Tangible Net Equity

Tangible net equity (TNE) was \$28.4 million at July 31, 2013, compared to the minimum TNE required by the Department of Managed Health Care (DMHC) of \$7.6 million (per last filing for quarter ended 06-30-13). A chart showing TNE trends is shown on page 12 of this report.

At the December 2011 Board of Director's meeting, a policy was adopted for targeting the organization's capital reserves to equal two months of Medi-Cal capitation revenue.

As of July 31, 2013, the Plan's reserves are about \$17.5 million below this reserves target (see calculation below).

Calculation of targeted reserves as of July 31, 2013:

Estimate of two months' capitation (July-2013 Medi-Cal Capitation of \$22,558,150 X 2 = \$ 45,116,300)	\$ 45,116,300
Less: Unrestricted Net Equity per balance sheet (rounded up)	<u>\$ 27,608,300</u>
Approximate reserves below target	<u>\$ 17,508,000</u>

**Santa Clara County Health Authority
Balance Sheet**

	<u>7/31/2013</u>	<u>6/30/2013</u>	<u>5/31/2013</u>	<u>6/30/2012</u>
Assets				
Current Assets				
Cash and Marketable Securities	\$ 30,250,860	\$ 61,888,777	\$ 66,302,816	\$ 53,399,695
Premiums Receivable	32,345,442	29,076,742	7,019,086	5,105,903
Due from Santa Clara Family Health Foundation - net	332,439	319,279	37,213	34,629
Prepaid Expenses and Other Current Assets	<u>862,421</u>	<u>527,488</u>	<u>792,455</u>	<u>716,693</u>
Total Current Assets	63,791,162	91,812,287	74,151,569	59,256,920
Long Term Assets				
Equipment	6,785,307	6,745,116	6,622,292	6,320,782
Less: Accumulated Depreciation	<u>(6,266,267)</u>	<u>(6,237,519)</u>	<u>(6,199,955)</u>	<u>(5,568,491)</u>
Total Long Term Assets	<u>519,040</u>	<u>507,596</u>	<u>422,338</u>	<u>752,291</u>
Total Assets	<u>\$ 64,310,202</u>	<u>\$ 92,319,883</u>	<u>\$ 74,573,907</u>	<u>\$ 60,009,211</u>
Liabilities and Net Assets				
Liabilities				
Trade Payables	\$ 7,307,627	\$ 36,610,568	\$ 12,657,433	\$ 2,145,127
Employee Benefits	775,896	784,300	838,587	734,733
Retirement Obligation per GASB 45	33,334	0	366,669	-
Due to (from) Santa Clara County Valley Health Plan	1,429,830	742,048	1,077,413	3,145,623
Advance Premium - Healthy Kids	63,305	62,652	63,333	61,520
Reserve for Rate Reductions	3,686,861	3,686,861	12,443,408	12,650,821
Medical Cost Reserves	<u>22,580,668</u>	<u>21,845,456</u>	<u>19,591,168</u>	<u>17,062,812</u>
Total Liabilities	35,877,521	63,731,886	47,038,011	35,800,635
Net Assets / Reserves				
Invested in Capital Assets	519,040	507,596	422,338	752,291
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Board Designated Reserve - Healthy Kids	710,588	710,588	710,588	710,588
Unrestricted Net Equity	27,053,019	22,685,042	22,770,300	34,325,540
Current YTD Income (Loss)	<u>(155,316)</u>	<u>4,379,421</u>	<u>3,327,320</u>	<u>(11,885,193)</u>
Net Assets / Reserves	<u>28,432,681</u>	<u>28,587,997</u>	<u>27,535,896</u>	<u>24,208,576</u>
Total Liabilities and Net Assets	<u>\$ 64,310,202</u>	<u>\$ 92,319,883</u>	<u>\$ 74,573,907</u>	<u>\$ 60,009,211</u>
Solvency Ratios:				
Working Capital	27,913,641	28,080,401	27,113,558	23,456,285
Working Capital ratio	1.8	1.4	1.6	1.7
Average Days Cash on Hand	36	84	91	85

Santa Clara County Health Authority
Income Statement for the Month Ending July 31, 2013

For the Month of July 2013	Year to Date for the Month of July 2013
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	Actual	% of Revenue	Budget	% of Revenue	Variance	Actual	% of Revenue	Budget	% of Revenue	Variance
REVENUES										
MEDI-CAL	\$ 24,992,240	97.0%	\$ 24,337,271	96.9%	\$ 654,969	\$ 24,992,240	97.0%	\$ 24,337,271	96.9%	\$ 654,969
HEALTHY FAMILIES	11,684	0.0%	11,207	0.0%	477	11,684	0.0%	11,207	0.0%	477
HEALTHY KIDS	459,916	1.8%	505,000	2.0%	(45,084)	459,916	1.8%	505,000	2.0%	(45,084)
AGNEWS	168,000	1.6%	142,671	0.6%	25,329	168,000	1.3%	142,671	1.4%	25,329
HEALTHY WORKERS	<u>130,490</u>	<u>0.5%</u>	<u>130,950</u>	<u>0.5%</u>	<u>(460)</u>	<u>130,490</u>	<u>0.5%</u>	<u>130,950</u>	<u>0.5%</u>	<u>(460)</u>
TOTAL REVENUE	25,762,329	100.9%	25,127,099	100.0%	635,230	25,762,329	100.7%	25,127,099	100.9%	635,230
MEDICAL EXPENSES										
MEDI-CAL	23,501,723	91.2%	22,777,946	90.7%	(723,777)	23,501,723	91.2%	22,777,946	90.7%	(723,777)
HEALTHY FAMILIES	32,344	0.1%	9,202	0.0%	(23,142)	32,344	0.1%	9,202	0.0%	(23,142)
HEALTHY KIDS	453,015	1.8%	454,500	1.8%	1,485	453,015	1.8%	454,500	1.8%	1,485
AGNEWS	209,493	0.8%	93,984	0.4%	(115,509)	209,493	0.0%	93,984	0.0%	(115,509)
HEALTHY WORKERS	<u>128,244</u>	<u>0.5%</u>	<u>117,855</u>	<u>0.5%</u>	<u>(10,389)</u>	<u>128,244</u>	<u>0.0%</u>	<u>117,855</u>	<u>0.0%</u>	<u>(10,389)</u>
TOTAL MEDICAL EXPENSES	<u>24,324,820</u>	<u>94.4%</u>	<u>23,453,486</u>	<u>93.3%</u>	<u>(871,333)</u>	<u>24,324,820</u>	<u>93.1%</u>	<u>23,453,486</u>	<u>92.5%</u>	<u>(871,333)</u>
MEDICAL OPERATING MARGIN	1,437,510	5.6%	1,673,613	6.7%	(236,103)	1,437,510	5.6%	1,673,613	6.7%	(236,103)
ADMINISTRATIVE EXPENSES										
SALARIES AND BENEFITS	1,089,638	4.2%	1,215,909	4.8%	126,272	1,089,638	4.2%	1,215,909	4.8%	126,272
RENTS AND UTILITIES	94,195	0.4%	103,875	0.4%	9,680	94,195	0.4%	103,875	0.4%	9,680
PRINTING AND ADVERTISING	28,279	0.1%	13,754	0.1%	(14,525)	28,279	0.1%	13,754	0.1%	(14,525)
INFORMATION SYSTEMS	84,649	0.3%	78,593	0.3%	(6,056)	84,649	0.3%	78,593	0.3%	(6,056)
PROF FEES / CONSULTING / TEMP STAFFING	119,758	0.5%	153,792	0.6%	34,034	119,758	0.5%	153,792	0.6%	34,034
DEPRECIATION / INSURANCE / EQUIPMENT	66,988	0.3%	80,012	0.3%	13,024	66,988	0.3%	80,012	0.3%	13,024
OFFICE SUPPLIES / POSTAGE / TELEPHONE	47,081	0.2%	42,900	0.2%	(4,181)	47,081	0.2%	42,900	0.2%	(4,181)
MEETINGS / TRAVEL / DUES	45,582	0.2%	60,440	0.2%	14,858	45,582	0.2%	60,440	0.2%	14,858
OTHER	<u>2,898</u>	<u>0.0%</u>	<u>7,433</u>	<u>0.0%</u>	<u>4,535</u>	<u>2,898</u>	<u>0.0%</u>	<u>7,433</u>	<u>0.0%</u>	<u>4,535</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>1,579,067</u>	<u>6.1%</u>	<u>1,756,709</u>	<u>7.0%</u>	<u>177,642</u>	<u>1,579,067</u>	<u>6.1%</u>	<u>1,756,709</u>	<u>7.0%</u>	<u>177,642</u>
OPERATING SURPLUS (LOSS)	(141,557)	-0.5%	(83,096)	-0.3%	(58,461)	(141,557)	-0.5%	(83,096)	-0.3%	(58,461)
GASB 45-POST EMPLOYMENT BENEFITS EXPENSE	(33,334)	-0.1%	(33,333)	-0.1%	(0)	(33,334)	0.0%	(33,333)	0.0%	(0)
INTEREST & OTHER INCOME	<u>19,575</u>	<u>0.1%</u>	<u>10,000</u>	<u>0.0%</u>	<u>9,575</u>	<u>19,575</u>	<u>0.1%</u>	<u>10,000</u>	<u>0.0%</u>	<u>9,575</u>
NET INCOME (LOSS) FINAL	<u>\$ (155,316)</u>	<u>-0.6%</u>	<u>\$ (106,429)</u>	<u>-0.4%</u>	<u>\$ (48,887)</u>	<u>\$ (155,316)</u>	<u>-0.6%</u>	<u>\$ (106,429)</u>	<u>-0.4%</u>	<u>\$ (48,887)</u>

Administrative Expense
Actual vs. Budget
For the Current Month & Fiscal Year to Date - July 2013
Favorable/(Unfavorable)

Current Month					Year to Date			
Actual	Budget	Variance \$	Variance %		Actual	Budget	Variance \$	Variance %
\$ 1,089,638	\$ 1,215,909	\$ 126,272	10.4%	Personnel	\$ 1,089,638	\$ 1,215,909	\$ 126,272	10.4%
489,429	540,799	51,370	9.5%	Non-Personnel	489,429	540,799	\$ 51,370	9.5%
1,579,067	1,756,709	177,642	10.1%	Total Administrative Expense	1,579,067	1,756,709	177,642	10.1%

**Santa Clara County Health Authority
STATEMENT OF OPERATIONS
BY LINE OF BUSINESS (INCLUDING ALLOCATED EXPENSES)**

ONE MONTH ENDED JULY 31, 2013

	Medi-Cal	Healthy Families	Healthy Kids	Agnews	Healthy Workers	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	\$24,992,240	\$11,684	\$459,916	\$168,000	130,490	\$25,762,329
MEDICAL EXPENSES	23,501,723	32,344	453,015	209,493	128,244	\$24,324,820
GROSS MARGIN	1,490,517	(20,660)	6,900	(41,493)	2,246	\$1,437,510
ADMINISTRATIVE EXPENSES	1,513,992	1,462	55,996	1,268	6,349	\$1,579,067
(indirect costs subject to % MM allocation)						
OPERATING INCOME/(LOSS)	(23,475)	(22,122)	(49,096)	(42,761)	(4,103)	(141,557)
OTHER INCOME/EXPENSE (% of mm Allocation)	(13,192)	(13)	(488)	(11)	(55)	(13,759)
NET INCOME / (LOSS)	<u>(\$36,667)</u>	<u>(\$22,135)</u>	<u>(\$49,583)</u>	<u>(\$42,772)</u>	<u>(\$4,158)</u>	<u>(\$155,316)</u>
PMPM ALLOCATED P&L:						
REVENUE	\$168.77	\$81.70	\$83.97	\$1,354.84	\$210.13	\$166.80
MEDICAL EXPENSES	158.70	226.18	82.71	1,689.46	206.51	157.49
GROSS MARGIN	10.07	(144.48)	1.26	(334.62)	3.62	9.31
ADMINISTRATIVE EXPENSES	10.22	10.22	10.22	10.22	10.22	10.22
OPERATING INCOME/(LOSS)	(0.16)	(154.70)	(8.96)	(344.85)	(6.61)	(0.92)
OTHER INCOME / (EXPENSE)	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)
NET INCOME / (LOSS)	<u>(\$0.25)</u>	<u>(\$154.79)</u>	<u>(\$9.05)</u>	<u>(\$344.94)</u>	<u>(\$6.70)</u>	<u>(\$1.01)</u>
ALLOCATION BASIS:						
MEMBER MONTHS - Month and YTD	148,085	143	5,477	124	621	154,450
% of Member Months	95.88%	0.09%	3.55%	0.08%	0.40%	100.00%

Santa Clara Family Health Plan
Statement of Cash Flows
For One Month Ended July 31, 2013

Cash flows from operating activities	
Premiums received	\$ 22,481,122
Medical expenses paid	\$ (22,901,826)
Administrative expenses paid	<u>\$ (31,196,597)</u>
Net cash from operating activities	\$ (31,617,300)
Cash flows from capital and related financing activities	
Purchases of capital assets	\$ (40,191)
Cash flows from investing activities	
Interest income and other income, net	<u>\$ 19,575</u>
Net (Decrease) increase in cash and cash equivalents	<u>\$ (31,637,917)</u>
Cash and cash equivalents, beginning of year	<u>\$ 61,888,777</u>
Cash and cash equivalents at July 31, 2013	<u>\$ 30,250,860</u>
Reconciliation of operating income to net cash from operating activities	
Operating income (loss)	\$ (174,891)
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	\$ 28,748
Changes in operating assets and liabilities	
Premiums receivable	\$ (3,268,700)
Due from Santa Clara Family Health Foundation	\$ (13,160)
Prepays and other assets	\$ (334,933)
Accounts payable and accrued liabilities	\$ (29,269,608)
Capitation payable	\$ 687,782
Employee benefit liabilities	\$ (8,403)
Advance premium - Healthy Kids	653
Reserve for Rate Reductions	-
Incurred but not reported claims payable and risk share payments payable	<u>\$ 735,212</u>
Total adjustments	<u>\$ (31,442,410)</u>
Net cash from operating activities	<u>\$ (31,617,300)</u>

Santa Clara Family Health Plan Enrollment Summary

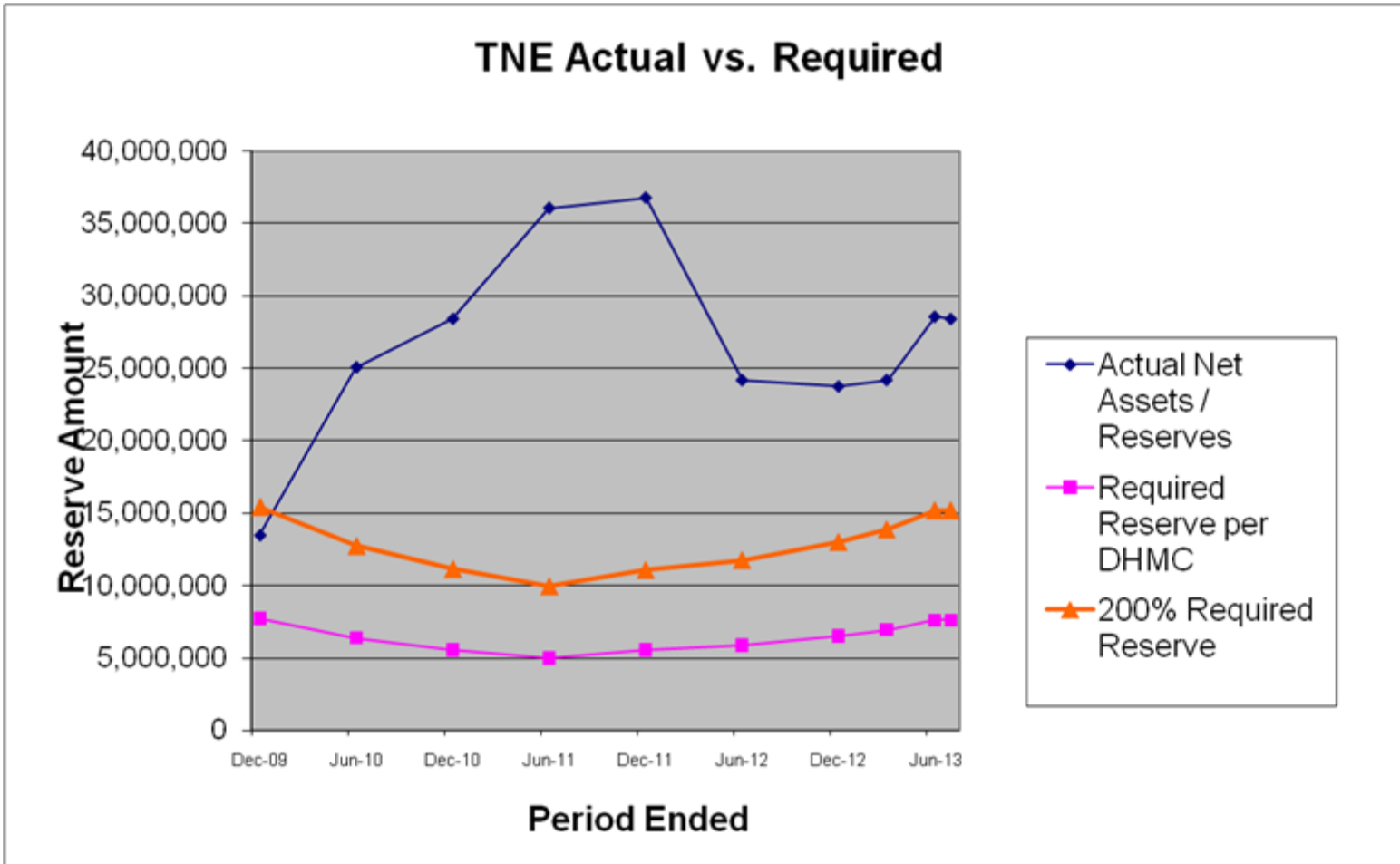
For the Month of July 2013

YTD One Month Ending July 2013

	<u>Actual</u>	<u>Budget</u>	<u>% Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>% Variance</u>	<u>Prior Year Actual</u>	<u>% Change FY14 vs FY13</u>
Medi-Cal	148,085	148,851	(0.51%)	148,085	148,851	(0.51%)	115,639	28.06%
Healthy Families	143	146	(2.05%)	143	146	(2.05%)	16,794	(99.15%)
Healthy Kids	5,477	5,500	(0.42%)	5,477	5,500	(0.42%)	6,117	(10.46%)
Agnews	124	126	(1.59%)	124	126	(1.59%)	128	(3.13%)
Healthy Workers	<u>621</u>	<u>581</u>	<u>6.88%</u>	<u>621</u>	<u>581</u>	<u>6.88%</u>	<u>500</u>	<u>24.20%</u>
Total	<u>154,450</u>	<u>155,204</u>	<u>(0.49%)</u>	<u>154,450</u>	<u>155,204</u>	<u>(0.49%)</u>	<u>139,178</u>	<u>10.97%</u>

Santa Clara County Health Authority
Tangible Net Equity - Actual vs. Required
As of Period Ended:

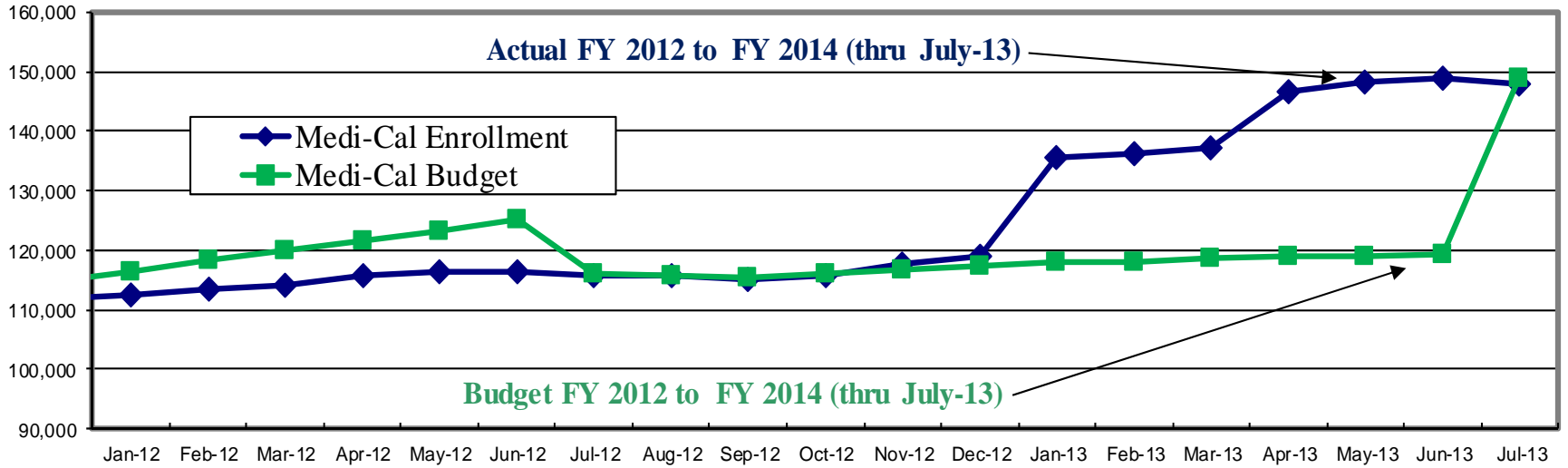
	<u>12/31/2009</u>	<u>6/30/2010</u>	<u>12/31/2010</u>	<u>6/30/2011</u>	<u>12/31/2011</u>	<u>6/30/2012</u>	<u>12/31/2012</u>	<u>3/31/2013</u>	<u>6/30/2013</u>	<u>7/31/2013</u>
Actual Net Assets / Reserves	13,501,652	25,103,011	28,445,504	36,093,769	36,803,460	24,208,576	23,776,902	24,219,635	28,587,997	28,432,681
Required Reserve per DHMC	7,737,000	6,388,000	5,591,000	4,996,000	5,558,000	5,901,000	6,525,000	6,954,000	7,617,000	7,617,000
200% of Required Reserve	15,474,000	12,776,000	11,182,000	9,992,000	11,116,000	11,802,000	13,050,000	13,908,000	15,234,000	15,234,000



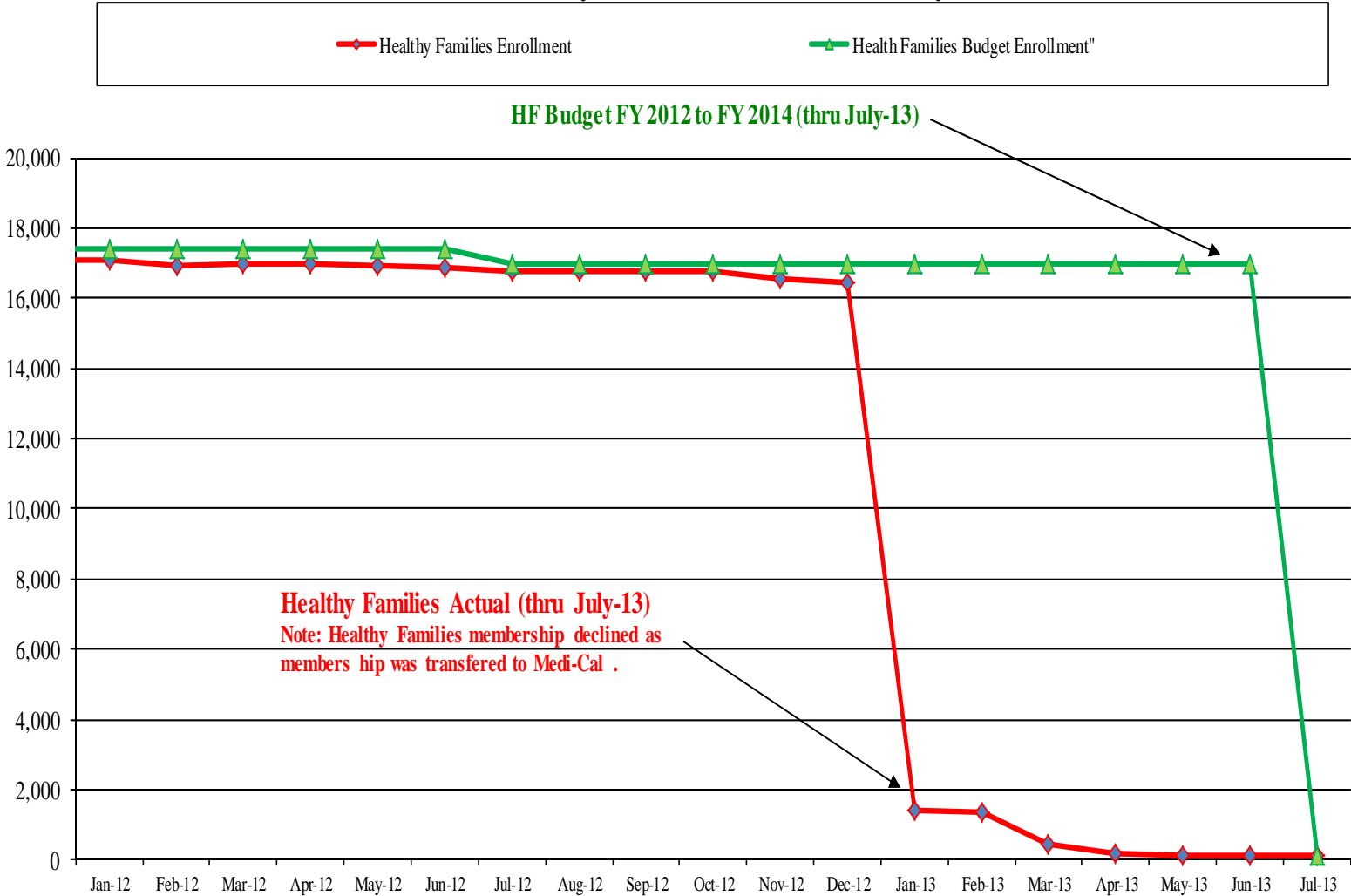
**Santa Clara County Health Authority
Enrollment Summary by Network
July 2013**

	Medi-Cal		Healthy Families		Healthy Kids		AG		Healthy Workers		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians SCVHHS, Safety Net Clinics, FQHC Clinics,	9,668	7%	8	6%	152	3%	124	100%	0	0%	9,952	6%
Palo Alto Medical Foundation Physicians Medical Group	69,859	47%	43	30%	3,817	70%	0	0%	621	100%	74,340	48%
Premier Care	3,404	2%	13	9%	54	1%	0	0%	0	0%	3,471	2%
Kaiser	36,674	25%	65	45%	1,316	24%	0	0%	0	0%	38,055	25%
Total	10,145	7%	14	10%	138	3%	0	0%	0	0%	10,297	7%
	18,335	12%	0	0%	0	0%	0	0%	0	0%	18,335	12%
	<u>148,085</u>	<u>100%</u>	<u>143</u>	<u>100%</u>	<u>5,477</u>	<u>100%</u>	<u>124</u>	<u>100%</u>	<u>621</u>	<u>100%</u>	<u>154,450</u>	<u>100%</u>
Enrollment @ 6-30-13	-	-	-	-	-	-	-	-	-	-	-	-
Net % Change from Beginning of FY	<u>148,874</u>		<u>146</u>		<u>5,565</u>		<u>126</u>		<u>604</u>		<u>155,315</u>	
	<u>-0.53%</u>		<u>-2.05%</u>		<u>-1.58%</u>		<u>-1.59%</u>		<u>2.81%</u>		<u>-0.56%</u>	

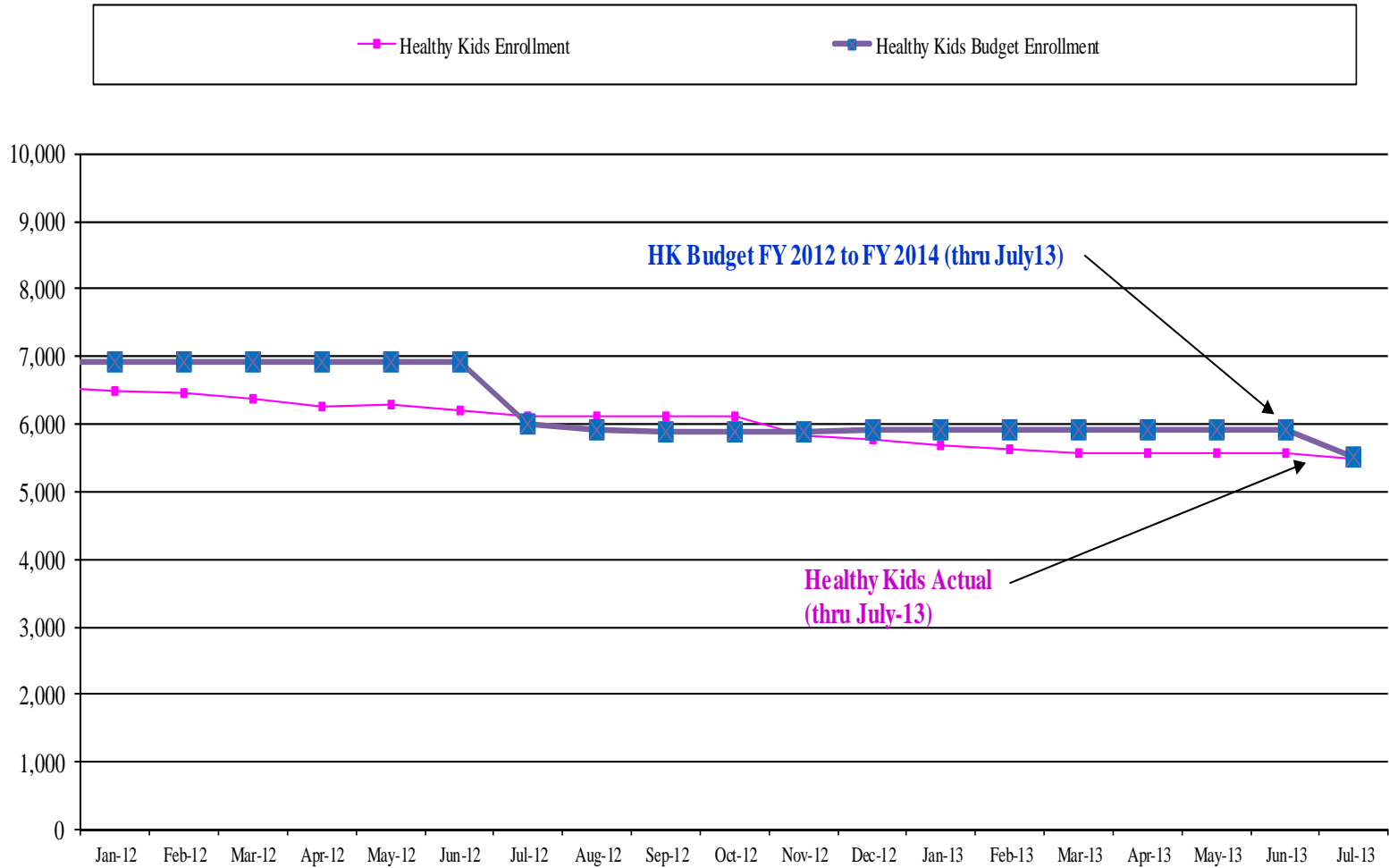
SCFHP Medi-Cal Enrollment as of July 2013

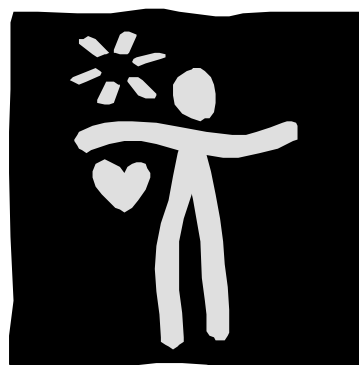


SCFHP Healthy Families Enrollment as of July 2013



SCFHP Healthy Kids Enrollment as of July 2013





Santa Clara
Family Health Plan

The Spirit of Care

Financial Statements
For Two Months Ended August 2013
(Unaudited)

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**Santa Clara Family Health Plan
CFO Finance Report
For the Month and Year to Date Ended August 31, 2013**

Summary of Financial Results

For the month of August 2013, SCFHP recorded an operating loss of \$328 thousand compared to a budgeted operating loss of \$55 thousand, resulting in an unfavorable variance from budget of \$273 thousand. For year to date August 2013, SCFHP recorded an operating loss of \$483 thousand compared to a budgeted operating loss of \$161 thousand resulting in an unfavorable variance from budget of \$322 thousand. The table below summarizes the components of the overall variance from budget.

Summary Operating Results – Actual vs. Budget

For the Current Month & Fiscal Year to Date – August 2013

Favorable/ (Unfavorable)

Current Month					Year to Date			
Actual	Budget	Variance \$	Variance %		Actual	Budget	Variance \$	Variance %
\$ 24,617,914	\$ 25,153,684	\$ (535,769)	-2.1%	Revenue	\$ 50,380,244	\$ 50,280,783	\$ 99,461	0.2%
23,446,136	23,473,671	27,534	0.1%	Medical Expense	47,770,956	46,927,157	(843,799)	-1.8%
1,171,778	1,680,013	(508,235)	-30%	Gross Margin	2,609,288	3,353,626	(744,338)	-22%
1,485,922	1,711,380	225,458	13.2%	Administrative Expense	3,064,988	3,468,088	403,100	11.6%
(314,144)	(31,367)	(282,777)	-902%	Net Operating Income	(455,701)	(114,463)	(341,238)	-298%
(13,978)	(23,333)	9,355	40%	Non-Operating Income/Exp	(27,737)	(46,667)	18,930	41%
\$ (328,122)	\$ (54,700)	\$ (273,422)	-500%	Operating Surplus/ (Loss)	\$ (483,438)	\$ (161,129)	(322,308)	-200%

Revenue

The Health Plan recorded net revenue of \$24.6 million for the month of August 2013, compared to budgeted revenue of \$25.1 million, resulting in an unfavorable variance from budget of \$536 thousand, or 2.1%. For year to date August 2013, the plan recorded net revenue of \$50.4 million compared to budgeted revenue of \$50.3 million, resulting in a favorable variance from budget of \$100 thousand, or 0.2%.

A statistical and Financial Summary for all lines of business is included on page 9 of this report.

Member months

For the month of August 2013, and August 2013 year to date, overall member months were lower than budget by 1,006 members (-0.7%), and 1,760 (0.6%), respectively.

In the two month since the end of the prior fiscal year, 6/30/2013, membership in Medi-Cal declined by 0.5%. Membership in the Healthy Families program (the transition is substantially complete; see below) declined by 129 members (-88.4%), and membership in the Healthy Kids program declined by 2.6%, since 6/30/2013. Member months and changes from prior year are summarized on Page 11.

The transfer of Healthy Families members to Medi-Cal has occurred in three phases of the planned Medi-Cal Healthy Families Product Transition, and is substantially complete as of August 2013.

Medical Expenses

For the month of August 2013, medical expense was \$23.4 million compared to budget of \$23.5 million, resulting in a favorable budget variance of \$28 thousand, or 0.1%. For year to date August 2013, medical expense was \$47.8 million compared to budget of \$46.9 million, resulting in an unfavorable budget variance of \$844 thousand, or -1.8%. Increases for the two months through August 2013 includes costs over budget in the areas of inpatient hospitalization and outpatient services.

Administrative Expenses

Overall administrative costs were under budget by \$403 thousand (+11.6%), for year to date August 2013. Administrative expenses were 6.1% of revenues for year to date August 2013.

Balance Sheet (Page 6)

Current assets at August 31, 2013 totaled \$66.3 million compared to current liabilities of \$34.7 million, yielding a current ratio (the ratio of current assets to current liabilities) of 1.9:1 as of August 31, 2013. Working capital decreased by \$472 thousand for the two months ended August 31, 2013.

Cash as of August 31, 2013, decreased by \$27.5 million compared to the cash balance as of year-end June 30, 2013. This decrease was largely due to the payment of \$27.3 million to Santa Clara Valley Medical Center for the SB 208 IGT pass through, paid in July 2013. Net receivables decreased by \$1.1 million during the two months ended August July 2013.

Liabilities decreased by a net amount of \$28.1 million during the two months ended August 2013. This was primarily do to the payable for SB 208, as mentioned above, which was payable as of June 30, 2013 and actually paid in July 2013.

Board designated reserves for the Healthy Kids program was \$710 thousand for FY 2012. An additional amount has been added to the reserve for FY 2013 in the amount of \$779 thousand, bringing the total reserve to \$1.5 million as of the fiscal year ending 6-30-13. This change is reflected on line “Board Designated Reserve – Healthy Kids” on the Balance Sheet on page 6.

Capital Expenses increased by \$40 thousand for the two months ended August 31, 2013.

Tangible Net Equity

Tangible net equity (TNE) was \$32.1 million at August 31, 2013, compared to the minimum TNE required by the Department of Managed Health Care (DMHC) of \$7.6 million (as per last filing for quarter ended 06-30-13). A chart showing TNE trends is shown on page 12 of this report.

At the December 2011 Board of Director's meeting, a policy was adopted for targeting the organization's capital reserves to equal two months of Medi-Cal capitation revenue.

As of August 31, 2013, the Plan's reserves are about \$14.7 million below this reserves target (see calculation below).

Calculation of targeted reserves as of August 31, 2013

Estimate of two months' capitation (August-2013 Medi-Cal capitation of \$22,971,000 X 2 = \$45,942,000)	\$45,942,000
Less: Unrestricted Net Equity per balance sheet (rounded)	<u>\$31,266,000</u>
Approximate reserves below target	<u>\$14,676,000</u>

**Santa Clara County Health Authority
Balance Sheet**

	<u>8/31/2013</u>	<u>7/31/2013</u>	<u>6/30/2013</u>	<u>6/30/2012</u>
Assets				
Current Assets				
Cash and Marketable Securities	\$ 34,379,659	\$ 30,250,860	\$ 61,888,777	\$ 53,399,695
Premiums Receivable	31,053,871	35,390,507	32,121,807	5,105,903
Due from Santa Clara Family Health Foundation - net	6,959	332,439	319,279	34,629
Prepaid Expenses and Other Current Assets	<u>810,779</u>	<u>862,421</u>	<u>527,488</u>	<u>716,693</u>
Total Current Assets	66,251,268	66,836,227	94,857,352	59,256,920
Long Term Assets				
Equipment	6,785,307	6,785,307	6,745,116	6,320,782
Less: Accumulated Depreciation	<u>(6,289,002)</u>	<u>(6,266,267)</u>	<u>(6,237,519)</u>	<u>(5,568,491)</u>
Total Long Term Assets	<u>496,304</u>	<u>519,040</u>	<u>507,596</u>	<u>752,291</u>
Total Assets	<u>\$ 66,747,572</u>	<u>\$ 67,355,267</u>	<u>\$ 95,364,948</u>	<u>\$ 60,009,211</u>
Liabilities and Net Assets				
Liabilities				
Trade Payables	\$ 6,748,771	\$ 7,390,134	\$ 36,693,075	\$ 2,145,127
Employee Benefits	781,393	775,896	784,300	734,733
Retirement Obligation per GASB 45	66,667	33,334	-	-
Due to (from) Santa Clara County Valley Health Plan	1,464,264	1,796,191	1,108,409	3,145,623
Advance Premium - Healthy Kids	64,256	63,305	62,652	61,520
Reserve for Rate Reductions	1,068,713	1,068,713	1,068,713	12,650,821
Medical Cost Reserves	<u>24,485,785</u>	<u>23,831,849</u>	<u>23,096,637</u>	<u>17,062,812</u>
Total Liabilities	34,679,849	34,959,422	62,813,787	35,800,635
Net Assets / Reserves				
Invested in Capital Assets	496,304	519,040	507,596	752,291
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Board Designated Reserve - Healthy Kids	1,489,090	1,489,090	1,489,090	710,588
Unrestricted Net Equity	30,260,417	30,237,681	21,906,540	34,325,540
Current YTD Income (Loss)	<u>(483,438)</u>	<u>(155,316)</u>	<u>8,342,585</u>	<u>(11,885,193)</u>
Net Assets / Reserves	<u>32,067,723</u>	<u>32,395,845</u>	<u>32,551,161</u>	<u>24,208,576</u>
Total Liabilities and Net Assets	<u>\$ 66,747,572</u>	<u>\$ 67,355,267</u>	<u>\$ 95,364,948</u>	<u>\$ 60,009,211</u>
Solvency Ratios:				
Working Capital	31,571,419	31,876,805	32,043,565	23,456,285
Working Capital ratio	1.9	1.9	1.5	1.7
Average Days Cash on Hand	42	84	91	85

Santa Clara County Health Authority
Income Statement for the Month Ending August 31, 2013

	For the Month of August 2013					For Two Months Ending of August 2013				
	Actual	% of Revenue	Budget	% of Revenue	Variance	Actual	% of Revenue	Budget	% of Revenue	Variance
REVENUES										
MEDI-CAL	\$ 23,805,121	96.7%	\$ 24,375,062	96.9%	\$ (569,941)	\$ 48,797,361	96.9%	\$ 48,712,333	96.9%	\$ 85,028
HEALTHY FAMILIES	666	0.0%	-	0.0%	666	12,350	0.0%	11,207	0.0%	1,143
HEALTHY KIDS	507,097	2.1%	505,000	2.0%	2,097	967,013	1.9%	1,010,000	2.0%	(42,987)
AGNEWS	168,000	1.6%	142,671	0.6%	25,329	336,000	1.3%	285,342	1.4%	50,658
HEALTHY WORKERS	<u>137,030</u>	<u>0.6%</u>	<u>130,950</u>	<u>0.5%</u>	<u>6,080</u>	<u>267,520</u>	<u>0.5%</u>	<u>261,900</u>	<u>0.5%</u>	<u>5,620</u>
TOTAL REVENUE	24,617,914	100.9%	25,153,684	100.0%	(535,769)	50,380,244	100.7%	50,280,783	100.9%	99,461
MEDICAL EXPENSES										
MEDI-CAL	22,847,088	92.8%	22,814,884	90.7%	(32,204)	46,348,811	92.0%	45,592,830	90.7%	(755,981)
HEALTHY FAMILIES	(486)	0.0%	0	0.0%	486	31,857	0.1%	9,202	0.0%	(22,655)
HEALTHY KIDS	379,137	1.5%	454,500	1.8%	75,363	832,152	1.7%	909,000	1.8%	76,848
AGNEWS	52,699	0.2%	86,431	0.3%	33,732	262,193	0.0%	180,415	0.0%	(81,777)
HEALTHY WORKERS	<u>167,699</u>	<u>0.7%</u>	<u>117,855</u>	<u>0.5%</u>	<u>(49,844)</u>	<u>295,943</u>	<u>0.0%</u>	<u>235,710</u>	<u>0.0%</u>	<u>(60,233)</u>
TOTAL MEDICAL EXPENSES	<u>23,446,136</u>	<u>95.2%</u>	<u>23,473,671</u>	<u>93.3%</u>	<u>27,534</u>	<u>47,770,956</u>	<u>93.7%</u>	<u>46,927,157</u>	<u>92.5%</u>	<u>(843,799)</u>
MEDICAL OPERATING MARGIN	1,171,778	4.8%	1,680,013	6.7%	(508,235)	2,609,287	5.2%	3,353,626	6.7%	(744,338)
ADMINISTRATIVE EXPENSES										
SALARIES AND BENEFITS	1,043,415	4.2%	1,170,580	4.7%	127,166	2,133,052	4.2%	2,386,490	4.7%	253,437
RENTS AND UTILITIES	104,819	0.4%	103,875	0.4%	(944)	199,015	0.4%	207,750	0.4%	8,735
PRINTING AND ADVERTISING	(7,147)	0.0%	13,754	0.1%	20,901	21,132	0.0%	27,508	0.1%	6,377
INFORMATION SYSTEMS	48,220	0.2%	78,593	0.3%	30,373	132,869	0.3%	157,187	0.3%	24,318
PROF FEES / CONSULTING / TEMP STAFFING	141,169	0.6%	153,792	0.6%	12,623	260,926	0.5%	307,583	0.6%	46,657
DEPRECIATION / INSURANCE / EQUIPMENT	56,720	0.2%	80,012	0.3%	23,292	123,707	0.2%	160,023	0.3%	36,316
OFFICE SUPPLIES / POSTAGE / TELEPHONE	29,834	0.1%	42,900	0.2%	13,066	76,915	0.2%	85,800	0.2%	8,885
MEETINGS / TRAVEL / DUES	58,395	0.2%	60,440	0.2%	2,046	103,977	0.2%	120,881	0.2%	16,904
OTHER	<u>10,498</u>	<u>0.0%</u>	<u>7,433</u>	<u>0.0%</u>	<u>(3,065)</u>	<u>13,396</u>	<u>0.0%</u>	<u>14,867</u>	<u>0.0%</u>	<u>1,471</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>1,485,922</u>	<u>6.0%</u>	<u>1,711,380</u>	<u>6.8%</u>	<u>225,458</u>	<u>3,064,988</u>	<u>6.1%</u>	<u>3,468,088</u>	<u>6.9%</u>	<u>403,100</u>
OPERATING SURPLUS (LOSS)	(314,144)	-1.3%	(31,367)	-0.1%	(282,777)	(455,701)	-0.9%	(114,463)	-0.2%	(341,238)
GASB 45-POST EMPLOYMENT BENEFITS EXPENSE	(33,334)	-0.1%	(33,333)	-0.1%	(0)	(66,667)	0.0%	(66,667)	0.0%	(0)
INTEREST & OTHER INCOME	<u>19,355</u>	<u>0.1%</u>	<u>10,000</u>	<u>0.0%</u>	<u>9,355</u>	<u>38,930</u>	<u>0.1%</u>	<u>20,000</u>	<u>0.0%</u>	<u>18,930</u>
NET INCOME (LOSS) FINAL	<u>\$ (328,122)</u>	<u>-1.3%</u>	<u>\$ (54,700)</u>	<u>-0.2%</u>	<u>\$ (273,422)</u>	<u>\$ (483,438)</u>	<u>-1.0%</u>	<u>\$ (161,129)</u>	<u>-0.3%</u>	<u>\$ (322,308)</u>

Administrative Expense
Actual vs. Budget
For the Current Month & Fiscal Year to Date - August 2013
Favorable/(Unfavorable)

Current Month					Year to Date			
Actual	Budget	Variance \$	Variance %		Actual	Budget	Variance \$	Variance %
\$ 1,043,415	\$ 1,170,580	\$ 127,166	10.9%	Personnel	\$ 2,133,052	\$ 2,386,490	\$ 253,437	10.6%
442,507	540,799	98,292	18.2%	Non-Personnel	931,936	1,081,599	\$ 149,663	13.8%
1,485,922	1,711,380	225,458	13.2%	Total Administrative Expense	3,064,988	3,468,088	403,100	11.6%

**Santa Clara County Health Authority
STATEMENT OF OPERATIONS
BY LINE OF BUSINESS (INCLUDING ALLOCATED EXPENSES)**

TWO MONTH ENDED AUGUST 31, 2013

	Medi-Cal	Healthy Families	Healthy Kids	Agnews	Healthy Workers	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	\$48,797,361	\$12,350	\$967,013	\$336,000	267,520	\$50,380,244
MEDICAL EXPENSES	46,348,811	31,857	832,152	262,193	295,943	\$47,770,956
GROSS MARGIN	2,448,550	(19,508)	134,860	73,807	(28,423)	\$2,609,288
ADMINISTRATIVE EXPENSES	2,940,691	1,588	108,166	2,452	12,091	\$3,064,988
(indirect costs subject to % MM allocation)						
OPERATING INCOME/(LOSS)	(492,141)	(21,096)	26,695	71,355	(40,514)	(455,701)
OTHER INCOME/EXPENSE (% of mm Allocation)	(26,612)	(14)	(979)	(22)	(109)	(27,737)
NET INCOME/ (LOSS)	<u>(\$518,753)</u>	<u>(\$21,110)</u>	<u>\$25,716</u>	<u>\$71,333</u>	<u>(\$40,623)</u>	<u>(\$483,438)</u>
<hr/>						
PMPM ALLOCATED P&L:						
REVENUE	\$164.73	\$77.19	\$88.75	\$1,360.32	\$219.64	\$163.17
MEDICAL EXPENSES	156.46	199.11	76.37	1,061.51	242.97	154.72
GROSS MARGIN	8.27	(121.92)	12.38	298.82	(23.34)	8.45
ADMINISTRATIVE EXPENSES	9.93	9.93	9.93	9.93	9.93	9.93
OPERATING INCOME/(LOSS)	(1.66)	(131.85)	2.45	288.89	(33.26)	(1.48)
OTHER INCOME / (EXPENSE)	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)
NET INCOME / (LOSS)	<u>(\$1.75)</u>	<u>(\$131.94)</u>	<u>\$2.36</u>	<u>\$288.80</u>	<u>(\$33.35)</u>	<u>(\$1.57)</u>
<hr/>						
ALLOCATION BASIS:						
MEMBER MONTHS - Month and YTD	296,229	160	10,896	247	1,218	308,750
% of Member Months	95.94%	0.05%	3.53%	0.08%	0.39%	100.00%

Santa Clara Family Health Plan
Statement of Cash Flows
For Two Months Ended August 31, 2013

Cash flows from operating activities	
Premiums received	\$ 51,762,103
Medical expenses paid	\$ (46,025,953)
Administrative expenses paid	<u>\$ (33,244,008)</u>
Net cash from operating activities	\$ (27,507,858)
Cash flows from capital and related financing activities	
Purchases of capital assets	\$ (40,191)
Cash flows from investing activities	
Interest income and other income, net	<u>\$ 38,930</u>
Net (Decrease) increase in cash and cash equivalents	<u>\$ (27,509,119)</u>
Cash and cash equivalents, beginning of year	<u>\$ 61,888,777</u>
Cash and cash equivalents at August 31, 2013	<u>\$ 34,379,658</u>
Reconciliation of operating income to net cash from operating activities	
Operating income (loss)	\$ (522,368)
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	\$ 51,483
Changes in operating assets and liabilities	
Premiums receivable	\$ 1,067,936
Due from Santa Clara Family Health Foundation	\$ 312,320
Prepaid and other assets	\$ (283,291)
Accounts payable and accrued liabilities	\$ (29,877,638)
Capitation payable	\$ 355,855
Employee benefit liabilities	\$ (2,907)
Advance premium - Healthy Kids	\$ 1,603
Reserve for Rate Reductions	\$ -
Incurred but not reported claims payable and risk share payments payable	<u>\$ 1,389,148</u>
Total adjustments	<u>\$ (26,985,490)</u>
Net cash from operating activities	<u>\$ (27,507,858)</u>

Santa Clara Family Health Plan Enrollment Summary

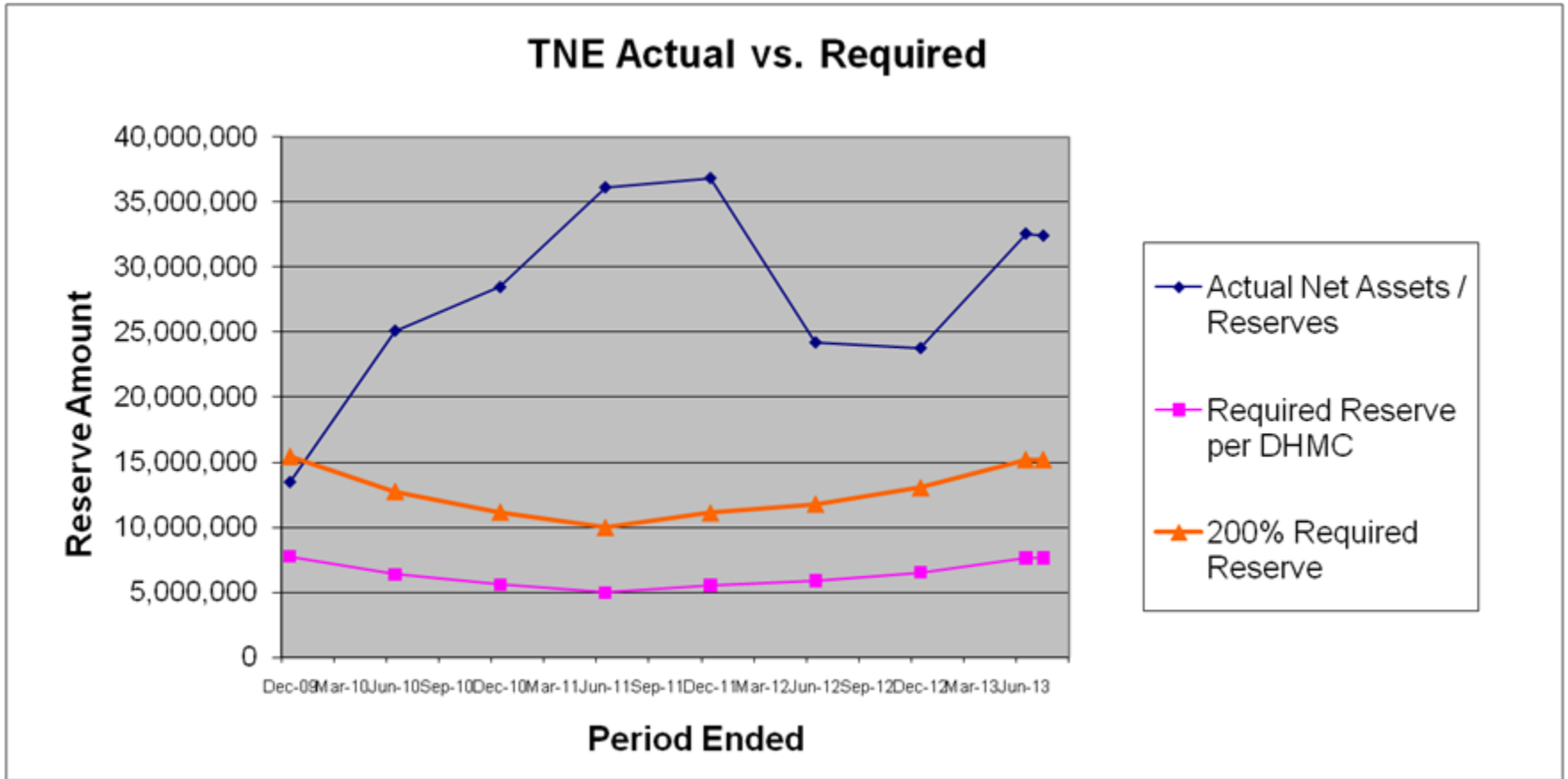
For the Month of August 2013

YTD Two Months Ending August 2013

	<u>Actual</u>	<u>Budget</u>	<u>% Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>% Variance</u>	<u>Prior Year Actual</u>	<u>% Change FY14 vs FY13</u>
Medi-Cal	148,144	149,099	(0.64%)	296,229	297,950	(0.58%)	231,291	28.08%
Healthy Families	17	0	0.00%	160	146	9.59%	33,480	(99.52%)
Healthy Kids	5,419	5,500	(1.47%)	10,896	11,000	(0.95%)	12,135	(10.21%)
Agnews	123	126	(2.38%)	247	252	(1.98%)	258	(4.26%)
Healthy Workers	<u>597</u>	<u>581</u>	<u>2.75%</u>	<u>1,218</u>	<u>1,162</u>	<u>4.82%</u>	<u>1,012</u>	<u>20.36%</u>
Total	<u>154,300</u>	<u>155,306</u>	<u>(0.65%)</u>	<u>308,750</u>	<u>310,510</u>	<u>(0.57%)</u>	<u>278,176</u>	<u>10.99%</u>

Santa Clara County Health Authority
Tangible Net Equity - Actual vs. Required
As of Period Ended:

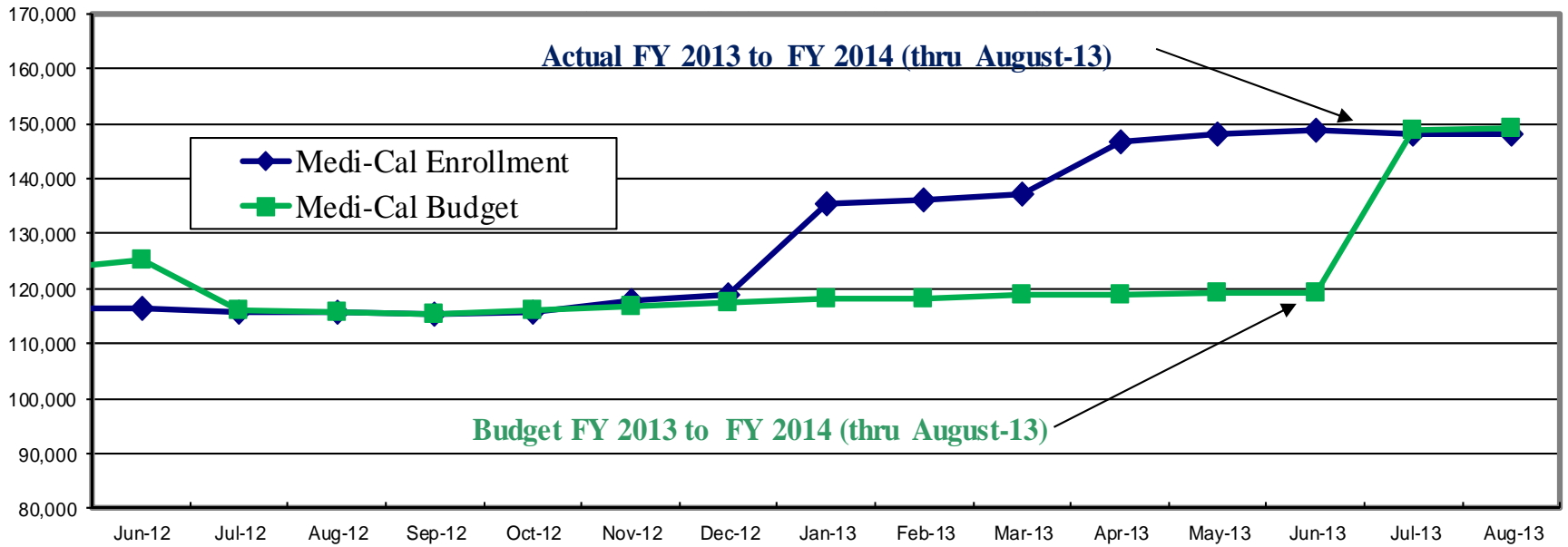
	12/31/2009	6/30/2010	12/31/2010	6/30/2011	12/31/2011	6/30/2012	12/31/2012	6/30/2013	7/31/2013	8/31/2013
Actual Net Assets / Reserves	13,501,652	25,103,011	28,445,504	36,093,769	36,803,460	24,208,576	23,776,902	32,551,161	32,395,845	32,067,723
Required Reserve per DHMC	7,737,000	6,388,000	5,591,000	4,996,000	5,558,000	5,901,000	6,525,000	7,617,000	7,617,000	7,617,000
200% of Required Reserve	15,474,000	12,776,000	11,182,000	9,992,000	11,116,000	11,802,000	13,050,000	15,234,000	15,234,000	15,234,000



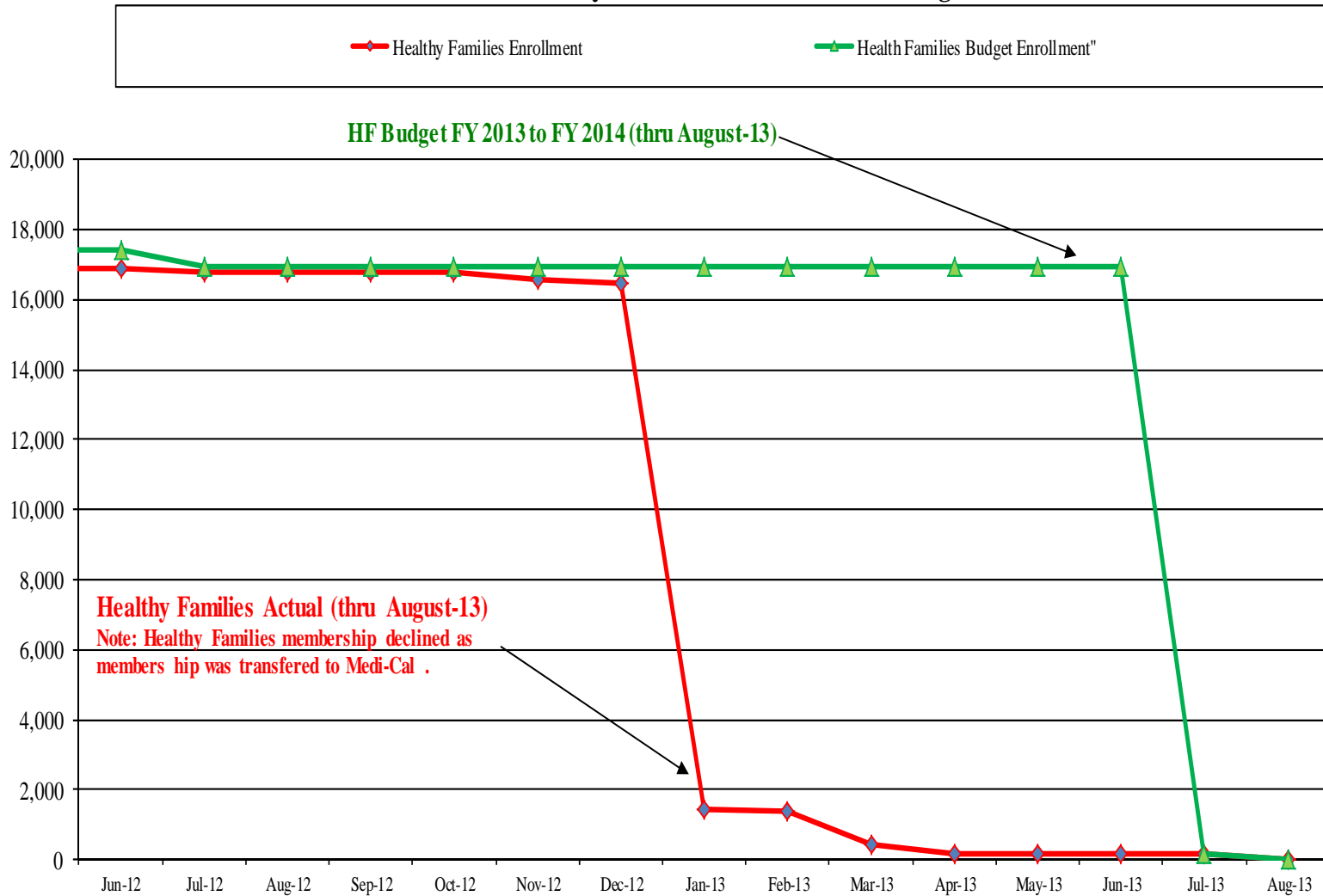
Santa Clara County Health Authority
Enrollment Summary by Network
August 2013

	Medi-Cal		Healthy Families		Healthy Kids		AG		Healthy Workers		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians SCVHHS, Safety Net Clinics, FQHC Clinics,	9,694	7%	0	0%	153	3%	123	100%	0	0%	9,970	6%
Palo Alto Medical Foundation Physicians Medical Group	69,832	47%	7	41%	3,771	70%	0	0%	597	100%	74,207	48%
Premier Care	3,427	2%	0	0%	50	1%	0	0%	0	0%	3,477	2%
Kaiser	36,664	25%	8	47%	1,310	24%	0	0%	0	0%	37,982	25%
Total	10,051	7%	2	12%	135	2%	0	0%	0	0%	10,188	7%
	18,476	12%	0	0%	0	0%	0	0%	0	0%	18,476	12%
	<u>148,144</u>	<u>100%</u>	<u>17</u>	<u>100%</u>	<u>5,419</u>	<u>100%</u>	<u>123</u>	<u>100%</u>	<u>597</u>	<u>100%</u>	<u>154,300</u>	<u>100%</u>
Enrollment @ 6-30-13	<u>148,874</u>	-	-	-	<u>5,565</u>	-	<u>126</u>	-	<u>604</u>	-	<u>155,315</u>	-
Net % Change from Beginning of FY	<u>-0.49%</u>	-	<u>-88.36%</u>	-	<u>-2.62%</u>	-	<u>-2.38%</u>	-	<u>-1.16%</u>	-	<u>-0.65%</u>	-

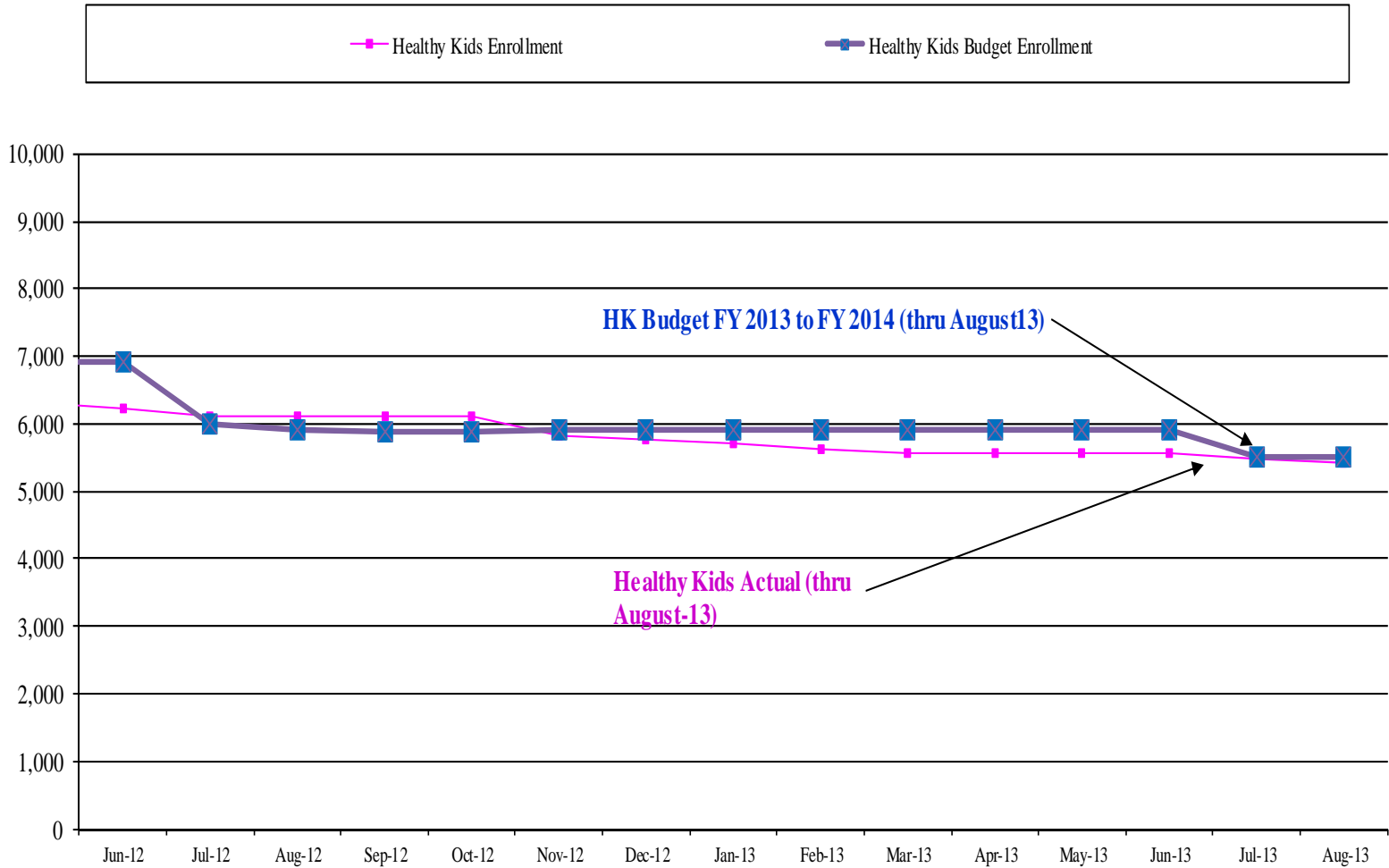
SCFHP Medi-Cal Enrollment as of August 2013



SCFHP Healthy Families Enrollment as of August 2013



SCFHP Healthy Kids Enrollment as of August 2013





Santa Clara County Health Authority

Publicly Available Pay Schedule & Resolution Fixing Employer's Contribution for Health Benefits



Why Are We Required to Have a Publicly Available Pay Schedule?

- SCFHP contracts with CalPERS for retirement and health benefits
- August 2011 – SCFHP audit by CalPERS focused on reporting and enrollment procedures for retirement benefits



CalPERS Statutory and Regulatory Requirements

Pay rates shall be limited to the amounts listed on a pay schedule that meets the following requirements (California Code of Regs, Section 570.5)

- Has been duly approved and adopted by the employer's Governing Board;
- Identifies the position title for every employee;
- Shows a pay rate for each position, which may be stated as a single amount or as multiple amounts within a range;
- Indicates a time base for each pay rate (hourly, monthly, bi-monthly, or annually);
- Is posted or immediately accessible and available for public review;
- Indicates an effective date and date of any revisions;
- Is retained by employer for public inspection for not less than five years



Compensation Study, All Employees

- August 2011, SCFHP engaged the services of CBIZ Human Capital Services ("CBIZ") to provide competitive market review and develop a salary structure for all employees
- Job descriptions reviewed and revised by SCFHP, as needed, and provided to CBIZ to ensure relevant market matches



Labor Market Influences

Size of the organization, particularly for senior management, using the Health Plan's operating budget of \$250 million

Geographical Influence

Focused on data specific to Campbell for all positions because the national average is less than geographical differential of Campbell

Industry Influence

Focused primarily on health services and the broader market, as appropriate



- October 2011 - The Board engaged the services of CBIZ to conduct review of comparable organizations to determine competitive compensation for positions similar to SCFHP's CEO and CFO.
- CBIZ presented 14 non-profit peers in similar industries. Based on this review, the Board approved a salary adjustment to the CEO's compensation



Resolution Fixing Employer's Contribution Under Public Employees' Medical and Hospital Act

Current Resolution

Employer will contribute up to a maximum of 90% of the cost of any Basic/Supplemental plan, **except the PERS Care (PPO). For the PERS Care (PPO) and out-of-state Kaiser coverage, employer will pay only 90% of the Blue Shield Access + Bay Area Region**

New Resolution

Employer will contribute up to a maximum of 90% of the premium Basic/Supplemental per month, not to exceed 90% of the Blue Shield Access + Bay Area Region Basic/Supplemental

EMPLOYEE ONLY		
	2013 Monthly Premium	2014 Monthly Premium
Blue Shield Access+ (HMO)	784.63	836.59
PERS Care (PPO)	1,083.11	720.04
Blue Shield Net Value	670.21	704.01
Kaiser (HMO)	668.63	742.72
PERS Choice (PPO)	667.03	690.77
PERS Select	487.20	661.52
Anthem Select (HMO)		657.33
Anthem Traditional		728.41
United Health Care		764.24



Consumer Affairs Committee Minutes – June 11, 2013

In Attendance:

Committee Members: Blanca Esquerro, Cassandra Chan, Danette Zuniga, Hung Vinh, Judy Chirco, Larry Olmstead, Myrna Vega, Rachel Hart, Tammy Nguyen, Tran Vu, Vanessa Ho, Vu Nguyen, Waldemar Wenner
SCFHP Staff: Matt Woodruff, Pat McClelland, and Tanya Nguyen

Item	Discussion	Action	Assigned to:	Due Date
Call to Order and Roll Call	Roll call was taken. A quorum was present at 6:04 pm and the meeting was called to order.			
Review of Minutes	The minutes from the March 12, 2013 meeting were reviewed and approved.	The minutes were approved	All	
Public Comment	No public comment			
Health Plan Updates	<p>Mr. Woodruff announced that the Health Plan (HP) has reached 150,000 members.</p> <p>The HP continues to pursue the Demonstration project with an effective date of January 1, 2014. Mr. Woodruff shared that the current CAC memberships might change to reflect the diverse populations in the Demonstration Project.</p> <p>Mr. Woodruff also provided an overview of the Communication Committee. This Committee is co-sponsored by the HP and Anthem BlueCross. Committee participants include but are not limited to Council on Aging, Health Insurance Counseling & Advocacy Program</p>			



Consumer Affairs Committee Minutes – June 11, 2013

Item	Discussion	Action	Assigned to:	Due Date
	<p>(HICAP), Anthem, HP, etc. The role of this committee is to develop communication messages, and share ideas and suggestions in order to identify the needs of providers and members, who participate in the Demonstration program.</p> <p>The Communication Committee plans to host its first meeting in July. Mr. Woodruff asked for a volunteer to participate in the Communication Committee. The CAC members suggested hosting the meetings in the evenings in order to reduce the schedule's conflicts.</p>			
<p>Call Center Certification Presentation</p>	<p>Ms. McClelland provided an overview of the Call Center Certification process. An on-site assessment was conducted on April 24 and 25, 2013 by Benchmark Portal. Benchmark Portal is the organization that provides industry leading services to measure contact center best practices. The overall objective of this benchmarking is to understand HP's strengths and identify areas for improvement. Our goal is to establish a Certified Center of Excellence.</p> <p>As a part of this process, HP completed the Benchmark Portal's surveys, which included inbound questions specific to the call centers. The HP also went through the review's process such as reviewing of the (1) current Health Plan's telephone data, (2) Member Satisfaction Survey Result, (3) Agent Satisfaction Survey Results, (4) Questionnaires on all aspects of the business operations, (5) Policies and Procedures, and (6) Worksheets and Resource tools. All data</p>			



Consumer Affairs Committee Minutes – June 11, 2013

Item	Discussion	Action	Assigned to:	Due Date
	<p>matched against 22 specific key performance indicators (KPIs) to obtain the averages. Then, the results are plotted to the Performance Matrix report. HP's metrics were mainly compared with a group of inbound Health Care – Provider/Hospital (Peer Group).</p> <p>Ms. McClelland shared the high level of findings and recommendations for the Call Center to improve its effectiveness and efficiency.</p> <p>Effectiveness measures include but are not limited to (1) caller satisfaction, (2) agent satisfaction; (3) calls closed on first call and (4) reduce hold time which impact on caller satisfaction.</p> <p>Efficiency measures include but are not limited to (1) gain understating of current telephone system to measure and implement agent's KPIs that related to talk time, (2) hold time, (3) adherence to schedule, and (4) auxiliary time.</p> <p>Ms. McClelland indicated that the HP will use the findings as a road map for future plans in achieving Center of Excellence Certificate.</p>			
<p>Future Agenda Items</p>	<p>Some members suggested updates on web-site, HW program withdrawn, Mental Health Services, Home Health Services.</p>		<p>All</p>	



Santa Clara
Family Health Plan

The Spirit of Care

Consumer Affairs Committee Minutes – June 11, 2013

Item	Discussion	Action	Assigned to:	Due Date
Adjournment	The meeting adjourned at 7:15pm.			
Next Meeting Date	The next meeting is scheduled for September 10, 2013 from 6:00- 7:00p.m			

William Martinez

Consumer Affairs Committee Chairperson

9/10/13
Date

**Santa Clara Family Health Plan
 Provider Advisory Council
 May 22, 2013
 Boardroom**

PAC Attendees: Thad Padua, MD, Peter L. Nguyen, DO, Kenneth Phan, MD, Bridget Harrison, MD, Paul Taylor and Connie Tucker, MD

Delegated Groups: Stephen Ho, MD, Tuyen Ngo, MD and Vivian Smith

Guest: Mark Reynolds – SMC Pharmacy

SCFHP Attendees: Matthew Woodruff, Jimmy Lin, MD, Mike Lipman, Beth Paige, Dr. Jeff Robertson, Vivian Than, Stacy Renteria, Abby Baldovinos, and Sarah Moline

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Meeting Called To Order	Dr. Thad Padua, Chairperson called meeting to order at 12:22.	none		
Review of Minutes	Minutes reviewed and approved	none		
Compliance	<p>Beth Paige, Compliance Officer, reviewed the grievance and appeals report with the Committee. The number of grievances has increased around the June implementation of the Senior and Disabled Persons population. Five appeals went to a State fair hearing. A number of these complaints were around quality of service, office staff complaints, changing primary care provider timeline to be in affect at the first of the following month and not right away or 24 hour turn-around, and continuity of care issues.</p> <p>For the fiscal year 2012 grievance and appeals saw many out-of-area referral issues. The Health Plan's response to the out-of-area referral issues is the referring provider has to support the referral with medical criteria to justify the need to go out-of-area.</p>			

Santa Clara Family Health Plan
Provider Advisory Council
 May 22, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>Dr. Harrison raised a concern about the timeline to change a primary care provider during mid-month. Medi-Cal will send electronic files regarding eligibility and members assigned at the beginning of each month. Dr. Harrison then discussed a specific case of a denial of service/product with the Health Plan that was upheld at the State fair hearing. Beth stated that in grievance and appeals department the Health Plan will request medical records to research medical need. Dr. Robertson stated in most cases of denial it is the medical group who determines approval or denial; appeals are reviewed by the Health Plan.</p> <p>Dr. Harrison would have liked to have found out what the missing from the case. Beth will follow up with Dr. Harrison regarding specific case.</p> <p>Dr. Padua requested the percentages be presented on a graph and a breakdown of performance by network without being identified. Beth will present at next meeting.</p>	<p>B. Paige will follow-up with Dr. Harrison</p> <p>B. Paige will present revised report.</p>	<p>B. Paige</p> <p>B. Paige</p>	<p>August 21, 2013</p> <p>August 21, 2013</p>
<p>CEO Report</p>	<p>Matt Woodruff, COO, reported out to the Committee the Health Plan is currently working on four different MOU's to be filed June 1st or at least approved by the County Board of Supervisors in the month of June. The Health Plan is moving forward with the Dual Demonstration – on June 3rd filing benefits for Dual Demo and Special Need Plan (SNP), SNP is a safety plan.</p>	<p>None</p>		

Santa Clara Family Health Plan
Provider Advisory Council
 May 22, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>At our board meeting the Health Plan reviewed financials before the May revise of the State budget. The Health Plan does not know the specifics around the contract for the Dual Demonstration Project, is looks to be pushed back from June to August.</p> <p>Health Families is in transition 4 now, this phase does not impact the Health Plan since our current Health Families membership is 300 lives transitioning through December and are not fee-for-service. Health Families will officially end December 2013.</p> <p>Medi-Cal Bridge has a start date April 2014. Change to solidify the two plans that are in Medi-Cal.</p> <p>PCP Rate Increase issue, no instruction or statement on risk share money, Cap or no Cap. Trying to get a guideline on who is a "qualified PCP" to be eligible for rate increase. The State said by July 1st or August 1st it will be announced and then the Health Plan will need to pay PCP's retroactively.</p> <p>The Committee discussed Medicare rates and the PCP Rate Increase and the issue of every type of provider trying to be counted as a PCP in order to get the rate increase. Committee also discussed having no choice to participate or not participate in the Dual Demonstration project. The rules and regulations were changed, where it was an option last month but this</p>			

Santa Clara Family Health Plan
 Provider Advisory Council
 May 22, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>month it is mandatory to participate.</p> <p>DSNP will be filed now on June 3rd.</p>			
<p>Medical Management</p>	<p>Dr. Jeff Robertson, CMO introduced to Committee. Dr. Robertson is very pleased to be at PAC as the Health Plan looks to providers for guidance as you see patients and members of our community. Relating to the DME RFP agenda topic, Dr. Robertson reviewed our current situation which is the Health Plan is contracted or pays out to 200 DME providers. Many of these are small mom/pop shops others are large companies. The Health Plan has decided to curb DME waste and unnecessary related expense and would like a single entity to handle DME services and supplies. The Health Plan sent out a process in a thirty page RFP regarding services we needed and what we did not need to contracted DME providers. The Health Plan fielded 30-40 related phone calls and received 5 proposals and narrowed it down to 3 finalists. Dr. Robertson wanted to present it here for transparency purposes. No matter how thoroughly the Health Plan proceeds with this. There will be some dust-up/blowback on our decisions. This is a capitated agreement that will only affect medical groups not Kaiser or Valley Health Plan.</p> <p>The Committee discussed DME issues of members paying cash for an alternative more expensive DME item than what providers prescribed. DME needs to be monitored. This is one problem Dr. Robertson hopes to resolve with a one source DME</p>	<p>None</p> <p>Dr. Robertson will follow up on DME discussion at next meeting.</p>	<p>Dr. Robertson</p>	<p>August 21, 2013</p>

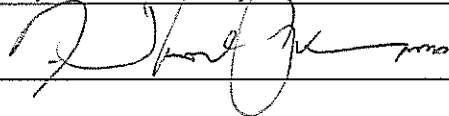
Santa Clara Family Health Plan
Provider Advisory Council
 May 22, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Pharmacy	<p>provider with a capitated agreement.</p> <p>Sarah Moline, Pharmacy Director gave the Committee an update on the ForaCare transition via Powerpoint presentation. Sixty percent of our claims come from Valley around Diabetic Care. Sarah reported the transition is saving the Health Plan a lot of money. Matt stated the Health Plan is still reconciling the claims and at the June 11th P&T Committee we should have a dollar amount on savings with ForaCare.</p> <p>The Committee would like to see the results of the TeleHealth process with ForaCare. Matt stated TeleHealth module is coming online the second half of this year.</p> <p>Sarah reported out a change in the formulary to cover Ventolin HFA instead of ProAir HFA. This change became effective September 2012 and she reviewed a secondary Powerpoint presentation with the Committee. The Pharmacy and Therapeutics Bulletin will be distributed 30 days after every P&T meeting date.</p>	<p>None</p>		
IT/Claims Issues	<p>Mike Lipman, VP of Provider Operations reviewed the misdirected claims issue. Regarding the returning of claims to those organizations financially responsible will now be able to go to the FTP site to retrieve. The Health Plan is to make claims data available electronically instead of mailing paper claims to the correct payor.</p> <p>There was also a secondary compliance issue around returning</p>			

Santa Clara Family Health Plan
 Provider Advisory Council
 May 22, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>paper claims to the correct payor because it was not done in a timely manner because it was a manual process. It was a bigger issue when it was all paper claims. Now 80% are electronic claims. Timely filing exceeds is a compliance issue when these claims are not given to the IPA's in a timely manner.</p> <p>Yes the State still wants a paper PM160 even though the Health Plan has electronic claims submission in effect. Dr. Padua asked if the Health Plan's providers are complying with the paper PM160 requirement to the State. Matt replied yes for the most part. Mike stated the Health Plan is encouraging providers to utilize an electronic claims process as this will also be submitting encounter data. Dr. Padua stated, the doctor does not need to submit to the IPA. Mike responded, correct the IPA's will be able to download the file from the site.</p>			
Other	<p>PAC Calendar – The Committee briefly discussed next meeting date, proposed August 14th but not definitely decided. Agreed to meet in August and the second Wednesday in November. PAC calendar to be revised and distributed to reflect proposed revisions and voted on next meeting.</p> <p>Dr. Robertson asked for more community providers seated on PAC.</p>	Revise PAC Calendar	Stacy Renteria	August 21, 2013
Adjournment	Adjourned at 2:00 pm			

Signature: _____



Date: _____

8/21/13

Santa Clara Family Health Plan
 Provider Advisory Council
 August 21, 2013
 Boardroom

PAC Attendees: Thad Padua, MD, Peter L. Nguyen, DO, Kenneth Phan, MD, Sheri Sager, and Michelle Hugin, MD

Delegated Groups: None

SCFHP Attendees: Matthew Woodruff, Jimmy Lin, MD, Beth Paige, Dr. Jeff Robertson, Vivian Than, Stacy Renteria, Abby Baldovinos, Diane Brown, Scot Bolin, and Vanessa Lagemann

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
Meeting Called To Order	Matthew Woodruff, COO acting as Chairperson called meeting to order at 12:25. Dr. Padua will be late to the meeting.	None		
Public Comment	No Public Comment	None		
Review of Minutes	Minutes reviewed and approved	None		
CEO Report	Change in Structure of Health Plan Matt announced Mike Lipman's departure from the Health Plan and the process to have the position in Provider Services filled by the end of September. Until then Matt is heading the Provider Services Department. <u>Primary Care Physician Rate Increase</u> The State had another call on the PCP Rate Increase and how that's going to work and the State is targeting implementation for late fall. Originally the State would postpone the deadline off month to month. Now late fall is the target date. By law they have to have it implemented before December 31 st and the rate increase is retroactive to the beginning of this year. All the IPAs and Knox-Keene licensed	None		

Santa Clara Family Health Plan
Provider Advisory Council
August 21, 2013
Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>Health Plans, such as us, have to attest to the fact that we have passed the extra money we received directly to the physicians. The interesting point that they are still working on and apparently is holding everything up is the employee physicians and there are still questions on the actuary equivalency system for IPA's under capitated arrangements. They have agreed on some but not on all.</p> <p>Committee discussed specialties and the fact this rate increase does not include all specialties. There are only 6 or 7 specialties are included.</p> <p>Essentially when the state comes out with their methodology, if you are a PCP and getting paid capitation, on average you receive X amount of dollars and your capitation is either less or more than this rate increase. If a provider's capitation is less than this rate increase then yes the provider will get a rate increase. If the provider's capitation is more than the State's rate increase then the State does not need give the increase to the provider. Again this rate increase is retroactive the beginning of this year. This rate increase will be for two years.</p> <p>The Committee discussed the Board of Physicians Medical Group's recent decision around reimbursement rates, provider numbers will fluctuate around rate increases and decreases around Medi-Cal and the difficulty it is already to find a provider who will take a Medi-Cal member</p>			

Santa Clara Family Health Plan
Provider Advisory Council
 August 21, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p><u>Duals Demonstration</u></p> <p>Update the Dual Demonstration was postponed by the State; it is now effective April 1, 2014. Members will start receiving notifications in January 2014. The Medi-Cal members with long-term support services will begin to transition over July 1st.</p> <p>One of the things the Health Plan has done internally is putting together Q and A information from a provider's standpoint on what they need to know around the Dual Demonstration. These distributed pages are in draft form and are not for publication. Take time to review these, Committee members are welcome to take them with the caveat, please remember these are drafts and they are not for publication. Matt asked Committee members to contact him by phone or email if they have anything to add or to consider revising.</p> <p>Committee discussion on providers answering questions about the process for members who want to apply. There is a list of exclusions on passive enrollment and an opt-out option of the Medicare portion.</p> <p>The Committee discussed the Dual Demonstration's required inter-disciplinary participation for PCP's. The Health Plan will be working with PCP's to assist in coordination of care but it is the PCP's responsibility to be part of the team. Case managers will assist with coordination of services. The Health Plan is having a meeting with providers in South County on September</p>	None		

Santa Clara Family Health Plan
 Provider Advisory Council
 August 21, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>9th. From there the Health Plan will schedule more meetings with providers about the Dual Demonstration in San Jose area. The Health Plan chose South County to get an idea of the questions providers have in a smaller setting.</p> <p>Committee discussion on the Health Plan's role with Medi-Medi members right now and not under a Dual Demonstration program. Matt explained that right now there is no incentive for a Medi-Medi to join our plan, we don't market to them. The only incentive these members would have is care coordination under the Medical Services team in getting the services a member needs. The Health Plan has 7,300 Medi-Medi's that have joined us voluntarily. Diane Brown stated there isn't much case management because Medicare is primary and we don't have anything to do with Medicare right now. The Health Plan tries to do the best we can with one-way communication with the Medicare provider helping the member get in but as far as the Medicare provider getting back to us, that doesn't happen. Our Medical Services team just tries to help the member through this process and this is why the Health Plan is interested in the Dual Demonstration, to have the member's Medicare and Medi-Cal under us so we can make bigger strides around the member's care.</p> <p>Under the Dual Demonstration the goal is care coordination and enhanced benefits for members with monetary savings for government.</p>			

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ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>Dr. Kenneth Phan asked about any money to the Health Plan from the State for managing the Dual Demonstration members. Yes and no, as far as the care team coordination for the members there is supposedly going to be a billable rate for that but the Health Plan does not know what the reimbursement is at this time. Yes there is a care management fee and no the Health Plan does not know what that dollar amount is.</p> <p>On January 1st with the Medi-Cal expansion assume 35,000 members in total - 60% to the Health Plan and 40% to Blue Cross. The Health Plan is predicting the majority of these members will be adults but we do not have a breakdown of children vs. adults.</p> <p>Dr. Peter Nguyen and Dr. Jimmy Lin discussed providers who illegally charge members for services. Matt responded the Health Plan is aware of a set of providers that charge members for services and report members to collection agencies. When the Health Plan threatens to report the provider to the State because it is illegal to charge a Medi-Cal member, then the provider stops charging the member for awhile then they start up again. Dr. Nguyen wants to know why the Health Plan does not terminate the provider's contract. Matt explained most of the time the provider is needed in that area for Medi-Cal members. It's a difficult decision but not ideal as the provider knows he or she can get away with it. Also some of the responsibility is with the member to file a complaint with the</p>			

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ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>State and that is part of the problem too as some people are not willing to go through that process.</p> <p>The Bridge starts April.</p>			
<p>Medical Services</p>	<p><u>Implementation of Lifecare Solutions</u></p> <p>Dr. Jeff Robertson gave the Medical Services follow-up report on the Lifecare Solutions implementation. The Health Plan's one source capitated DME provider for a majority of our networks, excluding Kaiser and Valley Health Plan. This is a single source provider for much of the Health Plan's DME and this simplifies our process with cost containment and excellent customer service. The Health Plan has had a 90 day transition period from when the RFP bid was awarded to implementation starting September 3rd. There was a reminder memo sent out to providers, most of you got it. Once September 3rd comes there may be individual providers who may have protests about this. It doesn't cover all DME; it just covers the large volume items which are listed in the reminder memo.</p> <p>Sherri Sager spoke about the huge issue LPCH has on DME for pediatric patients as it delays the release of kids from the hospital because kids would be at home if the DME was provided for properly. It would save money by getting the kids out of the hospital and home with appropriate DME.</p> <p>Diane Brown responded Lifecare Solutions is a CCS provider</p>	<p>Dr. Robertson will give a follow-up report on implementation.</p>	<p>Dr. Robertson</p>	<p>October 10, 2013</p>

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ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>and a lot of the pediatric patients are CCS eligible. The Health Plan does not see a lot of utilization or encounter data on these items for pediatric patients under CCS. The Health Plan does know that Lifecare Solutions is taking care of a lot of kids in Santa Clara County.</p> <p>Dr. Robertson stated Sherri needs specialized items and this implementation is not going to solve that problem.</p> <p>We will let the Committee how implementation goes after September 3rd.</p> <p><u>HEDIS</u></p> <p>The second item is HEDIS and Vanessa Lagemann has a Powerpoint presentation to go over the data extraction and collection. It's very important for us to maintain or improve our scores. Vanessa reviews the presentation with the Committee.</p> <p>Dr. Peter Nguyen's complaint of SCFHP is not letting member's self-refer to Weight Watchers even though its Health Plan policy. Health education referral form is bouncing back. Diane will look into that.</p> <p>Matt explained to the Committee the presentation is not an access issue, it is the Health Plan working with the provider community about documenting services. Sherri asked is it just data collection and how to document services vs. how much is it</p>	<p>None</p> <p>Diane Brown will look into self referring members to Weight Watchers</p>	<p>D. Brown</p>	<p>October 10, 2013</p>

Santa Clara Family Health Plan
 Provider Advisory Council
 August 21, 2013
 Boardroom

ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>a provider not providing the service? It's both. Dr. Robertson and Diane answer the numbers should stay the same with small increases but when it's a big swing up or a big swing down then it is data collection. The Blue Cross results will be at the next meeting as they will be released in September.</p>	<p>Blue Cross results will be disclosed</p>	<p>V. Lagemann</p>	<p>October 10, 2013</p>
<p>Compliance</p>	<p><u>Grievance Report</u> Beth Paige reviewed the grievance reports with the Committee. The first report has the total number of grievances for the first and second quarter to give you an idea of the numbers. The next report is the grievances per 1,000 member requested by the Committee for each IPA- we de-identified the IPAs. 1 grievance per 1,000 members is the standard. The ones that are above the standard do have smaller assigned membership populations. Beth has the grievance committee is currently reviewing the assigned membership numbers for each network. The next slide is the types of grievances i.e. complaints from members, appeals - which are denials, quality of care, a quality of service grievance is "my doctor was rude to me", "my transportation vendor is picking me up late"</p>	<p>None</p>		<p>Sherri Sager explained an issue between LPCH and Valley, members who live in north county are being referred to specialty care at Valley after getting care from LPCH for years before. Beth agreed her department has received complaints around this issue. Matt stated the Health Plan will not get into</p>

Santa Clara Family Health Plan
 Provider Advisory Council
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ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p>contract dispute. It's a continuity of care issue and disruptive to patient/provider relationship. This has to do with LPCH moving their primary care to Gardner Family Health Network. In an indirect way this does impact the Health Plan, members can choose to go to Blue Cross and not deal with LPCH or Valley.</p>			
<p>Provider Services</p>	<p><u>CME Topics</u> Melinda Shaw reviewed the CME topics listed on the agenda as well as additional ones inserted in the binder tab. The Health Plan has budgeted for three CME's this year looking at October, February and May. Our last CME was just touching 100 providers. The Committee reviewed the topics. Matt would like to have another good CME year like last year when providers had input in the topics. The Health Plan can send out the topics for a vote to the Committee members. The Committee members present like US Healthcare System with Dr. Levitt and the Cost Containment CME. Matt suggested the third topic be something around Medicare with the Dual Eligible population in May.</p>	<p>Provider Services to send out CME topics to vote on.</p>	<p>Melinda</p>	<p>October 10, 2013</p>
<p>IT/Claims Issues</p>	<p><u>Mis-directed Claims</u> Matt gave the Committee an update on the misdirected claims issue. We have set up a process that when a claim comes to us that should have gone to an IPA or another network the Health Plan is to forward the claim to the correct payor.</p>	<p>None</p>		

Santa Clara Family Health Plan
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ITEM	DISCUSSION	ACTION	RESPONSIBLE PARTIES	DUE DATE
	<p><u>Electronic Claims</u> The electronic claims submission update. We have one provider that refused to submit claims electronically to the health plan.</p> <p><u>278C Electronic Authorizations</u> Good feedback with partners but with our IT team also working on the Dual Demonstration and the audit we just started up again with testing. Right now there is a 60 day lag that needs to be compliant with our 90 day claim turnaround.</p>	None		
	<p><u>PAC Calendar</u> Matt addressed the issue of changing the day of the week for the PAC Meetings. Expect an e-mail about what day of the week works well for you. We will need to have at least one more meeting to end this year. We will not have a meeting in September. Based on the voting the Health Plan will determine the day of the week and the subsequent calendar for 2014.</p>	Matt to notify committee day of the week and the calendar for 2014 after all members have an opportunity to vote.	Matt	October 10, 2013
Adjournment	Adjourned at 1:50 pm			

Signature: *Wade West*

Date: *8/21/13*

**Santa Clara Family Health Plan Governing Board
Activity Report
October 2013**

The narrative for the COO report will be updated for the Board retreat in December.

Member Services, Enrollment and Eligibility and Outreach Activity Report for August 2013

Member Services Department

	Aug 2013	Aug 2012	Change	Target KPI *
Total Inbound Calls	12,153	12,758	4.7% decrease	-----
Average Talk Time	4:44 minutes	4:36 minutes	4.3% increase	-----
Average Speed of Answer	30 seconds	45 seconds	33.3% decrease	<30 seconds
Service Level	75.7 %	-----	-----	80 % in <30 seconds
Average Calls Abandoned	3.1%	8.7%	64% decrease	<5%
Average Hold Time	24 seconds	25 seconds	4 % decrease	≤ 25 seconds

*KPI – Key Performance Indicator

Membership Accounting

	Aug 2013	Aug 2012	Change
Medi-Cal	148,145	115,652	28% Increase
Healthy Families *	17	16,686	99% Decrease
Healthy Kids	5,419	6,018	9.9% Decrease
Agnews	123	130	5.3% Decrease
Healthy Workers	597	512	16.6% Increase
Total Membership	154,301	138,998	11% Increase

*Jan 2013 HFP Transition / Kaiser HFP addition April 2013

Special Populations

	Aug 2013	Aug 2012	Change
SPD* / Non Dual	16,731	16,184	3.4% Increase
Dual **	7,866	6,940	13.3% Increase
Non Dual / Non SPD	123,672	92,656	33.5% Increase
CBAS***	615	-----	-----

*Seniors and Persons with Disabilities / ** Dual Medicare Part AB and D and Medi-Cal / ***CBAS start Oct 2012

** Includes Agnews

Eligibility and Enrollment Department

- Healthy Kids Application Activity: 99 applications processed
- Healthy Kids Renewal Applications Activity: 283 renewal applications processed
- Healthy Kids Renewal Applications Families Transitioned to MediCal for Families: 5 Families and 6 Children

Outreach Department

- New applications completed*:
 - August 2013: 67 applications for 97 children
 - August 2012: 132 applications for 196 children
- Renewal applications completed*:
 - August 2013: 87 renewal applications for 118 children
 - August 2012: 131 renewal applications for 196 children

*** Includes Hacienda and AAC Locations and Health Kids and Medi-Cal for Families programs**

Member Services, Enrollment and Eligibility and Outreach Activity Report for September 2013

Member Services Department

	Sept 2013	Sept 2012	Change	Target KPI *
Total Inbound Calls	11,231	10,552	6.4% increase	-----
Average Talk Time	4:46 minutes	4:36 minutes	3.6% increase	-----
Average Speed of Answer	25 seconds	39 seconds	36% decrease	<30 seconds
Service Level	80.4%	-----	-----	80 % in <30 seconds
Average Calls Abandoned	2.1%	3.0 %	30 % decrease	<5%
Average Hold Time	21 seconds	24 seconds	12.5% decrease	≤ 25 seconds

*KPI – Key Performance Indicator

Membership Accounting

	Sept 2013	Sept 2012	Change
Medi-Cal	148,123	115,179	28.6% Increase
Healthy Families *	19	16,613	99% Decrease
Healthy Kids	5,398	5,923	8.9% Decrease
Agnews	122	130	6.1% Decrease
Healthy Workers	582	525	10.8% Increase
Total Membership	154,244	138,370	11.5% Increase

*Jan 2013 HFP Transition / Kaiser HFP addition April 2013

Special Populations

	Sept 2013	Sept 2012	Change
SPD* / Non Dual	16,775	16,206	3.5% Increase
Dual **	7,539	6,642	13.5% Increase
Non Dual / Non SPD	131,348	98,973	33% Increase
CBAS***	623	-----	-----

*Seniors and Persons with Disabilities / ** Dual Medicare Part AB and D and Medi-Cal / ***CBAS start Oct 2012

** Includes Agnews

Eligibility and Enrollment Department

- Healthy Kids Application Activity: 128 applications processed
- Healthy Kids Renewal Applications Activity: 250 renewal applications processed
- Healthy Kids Renewal Applications Families Transitioned to Medi-Cal for Families: 6 Families and 6 Children

Outreach Department

- New applications completed*:
 - September 2013: 54 applications for 80 children
 - September 2012: 120 applications for 173 children
- Renewal applications completed*:
 - September 2013: 61 renewal applications for 92 children
 - September 2012: 132 renewal applications for 197 children

*** Includes Hacienda and AAC Locations and Health Kids and Medi-Cal for Families programs**

Application Assistance Center Staffing and Productivity

August 2013

Assistance Requests by Type

	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13
Application Completed *	226	163	217	173	153	167	162	180	201	163	121	159	155
Renewal Application Completed *	219	261	292	215	211	231	186	243	179	162	151	182	212
Telephone Kiosk - Member Services **	56	49	73	47	43	53	33	37	39	24	54	20	19
Telephone Kiosk - Enrollment and Eligibility **	254	214	247	168	122	170	145	152	125	86	41	112	54
Payments required assistance	23	51	40	41	34	32	59	50	66	68	51	60	93
General Assistance	224	108	230	159	151	203	178	186	231	174	107	118	127
Not assisted/no	38	103	17	28	4	51	2	22	44	67	106	57	79
total signed	1040	949	1116	831	718	907	765	870	885	744	631	708	739
total reasons	1126	1111	1085										

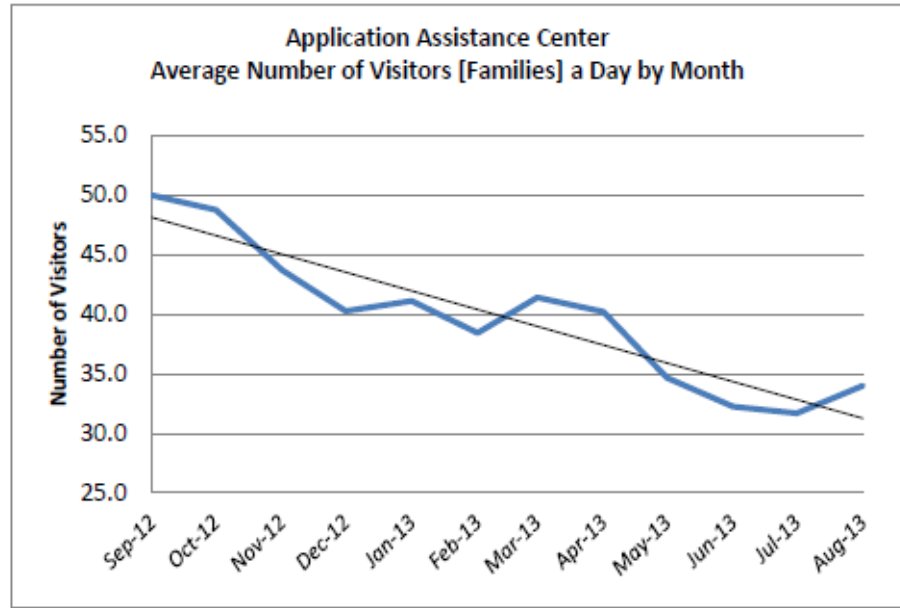
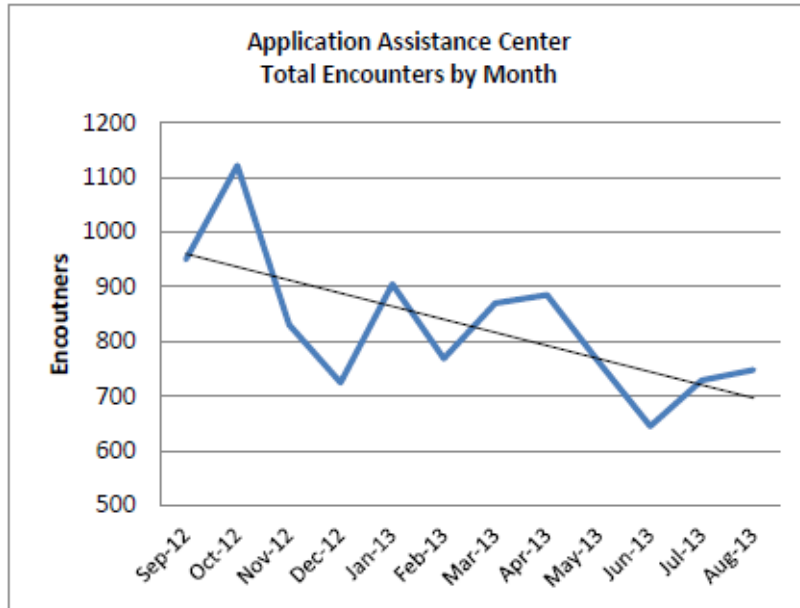
*Counts Include activity from THT as well as SCFHP Outreach team

45.5% requests for application and renewal assistance (require CAA assistance)

23.5% requests handled over the telephone by member services or enrollment and eligibility teams (does not require CAA)

31% Non telephone Administrative requests (does not require CAA)

Number of Visitors and Encounters by Month



Average 839 encounters a month

Average 40 visitors / families a day

The number of encounters in the current reporting period dropped 8.2% compared to the previous reporting period May-12 to April-13. This corresponds to a 5.0% drop in the average number of families accessing services during the same period.

****Telephone Kiosk Member Service assistance -**
Includes PCP changes, ID card requests, HK payment questions, billing statements, etc

****Telephone Kiosk Enrollment /Eligibility assistance -**
Includes appointment scheduling for new applications and renewals

Chief Operations Officer Department Dashboard

September 2013

Assistance Requests by Type

	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13
Application Completed *	163	217	173	153	167	162	180	201	163	121	159	155	144
Renewal Application Completed *	261	292	215	211	231	186	243	179	162	151	182	212	198
Telephone Kiosk - Member Services	49	73	47	43	53	33	37	39	24	54	20	19	21
Telephone Kiosk - Enrollment and Eligibility	214	247	168	122	170	145	152	125	86	41	112	54	94
Payments required assistance	51	40	41	34	32	59	50	66	68	51	60	93	50
General Assistance	108	230	159	151	203	178	186	231	174	107	118	127	162
Not assisted/no data	103	17	28	4	51	2	22	44	67	106	57	79	1
total signed in	949	1116	831	718	907	765	870	885	744	631	708	739	670
total reasons	1111	1085											
Payments dropped	172	180	208	216	167	174	90	211	137	N/A	133	99	157
Documents dropped	23	17	21	27	22	16	6	12	15	N/A	15	4	33

*Counts Include activity from THT as well as SCFHP Outreach team

Telephone Kiosk Member Service

Includes PCP changes, ID card requests, HK payment questions, billing statements, etc

Telephone Kiosk Enrollment/Eligibility

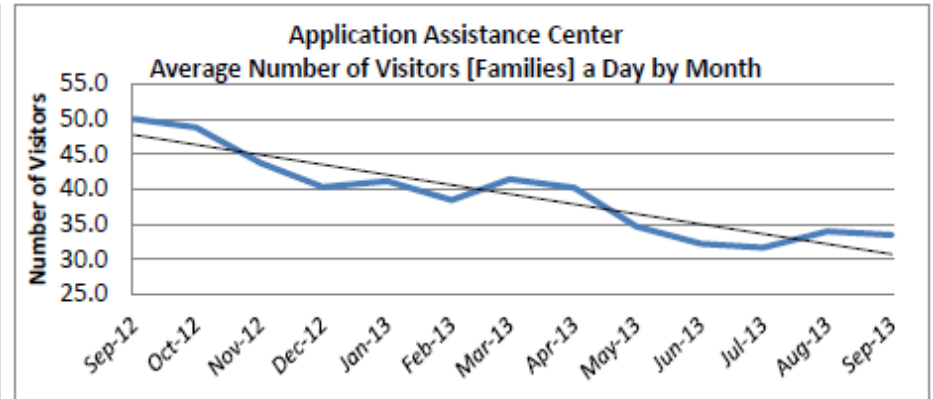
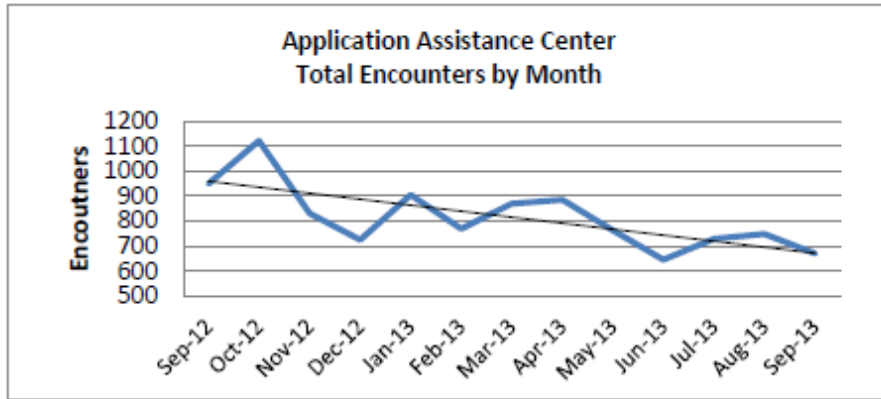
Includes appointment scheduling for new applications and renewals

* 51% requests for application and renewal assistance (require CAA assistance)

* 17 % requests handled over the telephone by member services or enrollment and eligibility teams (does not require CAA)

* 32% Non telephone Administrative requests (does not require CAA)

Number of Visitors and Encounters by Month



Sept-12 through Sept-13

Average 816 encounters a month

Average 39 visitors / families a day

Business Development

Marketing

Compliance

Material	Action	Regulatory Agency
Coordinated Care Initiative Q&As	Content finalized; reviewed and approved	DHCS
Trademarks	Combined Declaration of Use and Renewal application submitted and approved for both "Santa Clara Family Health Plan" and "Healthy Kids"	U.S. Patent & Trademark Office
Winning Health Newsletter – Fall 2013	Translations completed and approved	DHCS
Event approval requests	Submitted and approved: <ul style="list-style-type: none">• Premier Care Health and Wellness Fair• Senior Resource and Wellness Fair	DHCS

Outreach

COMPLETED EVENTS				
Date	Event	Audience	Primary Messaging	Approximate # of Attendees
4/28/2013	Healthy Living Health Fair	Adults	Medi-Cal, Healthy Kids	450
5/15/2013	Active Adult Health and Wellness Fair	Adults	Medi-Cal	300
6/29/2013	Everyone for Heart Health Expo	Adults; Hispanic	Medi-Cal, Healthy Kids	300
7/20/2013	4 th Annual West Coast Disability Pride Parade & Festival	Adults; Disabled	Medi-Cal	400
9/9/2013	CCI Cal MediConnect Education Forum for Providers (Morgan Hill)	Providers – South County	Coordinated Care Initiative	7
9/14/2013	Mid-Autumn Festival & Resource Fair (spons - SJ V. Mayor Nguyen)	Families; Vietnamese	Medi-Cal, Healthy Kids	400

SCHEDULED EVENTS				
Date	Event	Audience	Primary Messaging	Expected Attendance
10/6/2013	Premier Care Health and Wellness Fair	Families; Vietnamese	Medi-Cal, Healthy Kids, Medi-Cal Expansion	500
10/12/2013	Open Air Health Fair – Berryessa Flea Market	Adults; Families	Medi-Cal, Healthy Kids, Medi-Cal Expansion	350

Chief Operations Officer Department Dashboard

10/13/2013	Open Air Health Fair – Berryessa Flea Market	Adults; Families	Medi-Cal, Healthy Kids, Medi-Cal Expansion	350
10/19/2013	Health Care and Medicare Forum (sponsored by State Sen Jim Beall)	Adults; Stakeholders	Cal MediConnect	50

Digital Communications

Item	Audience
Website – posted Executive Committee agenda (9/12) and meeting minutes (5/16)	Members, Providers, Community
Website – posted Healthcare and Medicare Forum (10/19)	Members, Community
Website – added provider notices: <ul style="list-style-type: none"> • LPCH Pediatric Clinical Update-South Bay • Primary Care Payment Increase • DME Transition 	Providers
Website – posted new form – Medical Record Standards	Providers
Website – posted Sept 2013 Liberty Dental provider listing	Members
Website – posted new Personal Representative Request form	Members
Website – posted new Health Education Referral form	Members
Website project: Cal MediConnect – identified all requirements	Departments
Website project: Provider Search – completed initial draft of requirements and specifications	Departments
Website project : Library – delivered completed requirements to IT	IT

Healthy Workers

PROGRAM WITHDRAWAL		
Date	Item	Audience
4/15/2013	Three year program evaluation submitted (CA H&S Code §131550)	DMHC
5/28/2013	Material Modification to withdraw program approved	DMHC
6/26/2013	180 day notices of program withdrawal mailed	HW Groups & Members
9/16/2013	CBIZ COBRA Contract termination notice and forms completed and sent to CBIZ	CBIZ (vendor)
9/25/2013	90 day notices of program withdrawal mailed	HW Groups & Members
11/25/2013	30 day notices of program withdrawal to be mailed	HW Groups & Members

ENROLLMENT AS OF OCTOBER 1, 2013							
	Actual October 1, 2013	Comparison: Prior Month		Comparison: Prior Year		Comparison: Forecast	
		Sept 1	% chg	2012	% chg	Forecast	% differenc e
Groups	246	259	-5.0%	244	+0.8%		
Individuals	550	581	-5.3%	537	+2.4%	560	-1.2%

TERMINATIONS EFFECTIVE SEPTEMBER 30, 2013				
	Total	Voluntary	No Longer Eligible	Nonpayment
Groups	13	2	0	11
Individuals	31	5	4	22

Claims

COMPLIANCE: % OF CLAIMS PROCESSED WITHIN 64 CALENDAR DAYS (45 WORKING DAYS) (DMHC MINIMUM IS 95%)

2013	2012
June: 100%	100%
July: 100%	100%
Aug: 100%	100%
*Sept: 62%	100%

*Claims received in September are considered new and are still in progress (claims received in September will be processed in September and October). SCFHP has 64 calendar days from the day of receipt to process these claims. Currently, SCFHP has processed **81.6%** of all claims received in September.

CLAIMS VOLUME

2013	2012
June: 25,515	22,002
July: 36,412	24,128
Aug: 29,385	25,095
Sept: 35,196	27,276

PERCENTAGE OF CLAIMS RECEIVED ELECTRONICALLY (EDI) (GOAL IS 85%)

2013	2012
June: 83%	56%
July: 80%	53%
Aug: 79%	61%
Sept: 81%	74%

AUTO ADJUDICATION PERCENTAGE (GOAL IS 85%)

2013	2012
June: 70%	61%
July: 69%	68%
Aug: 68%	63%
Sept: 72%	69%

ANALYST PRODUCTIVITY (# OF CLAIMS PROCESSED PER HOUR) (GOAL IS 14 PER HOUR)

2013	2012
June: 12	10
July: 12	11
Aug: 13	13
Sept: 12	12

AGE OF PENDED CLAIMS AT MONTH END (CLAIMS MUST BE PROCESSED WITHIN 64 CALENDAR DAYS)

2013		2012	
0-30 DAYS	OVER 30 DAYS	0-30 DAYS	OVER 30 DAYS
June: 5302	*93	June: 1077	*34
July: 7080	*60	July: 2641	*32
Aug: 6740	*86	Aug: 3082	*21
Sept: 7630	*82	Sept: 4334	*76

*Claims over 30 calendar days old are **not** out of compliance. It is simply a claims aging measure designed to identify which claims need immediate resolution. SCFHP has 64 working days from the day of receipt of the claim to either pay or deny the claim.

PHARMACY DEPARTMENT (September 2013)

Prescription Type: Generic = 89 % Brand = 11 %

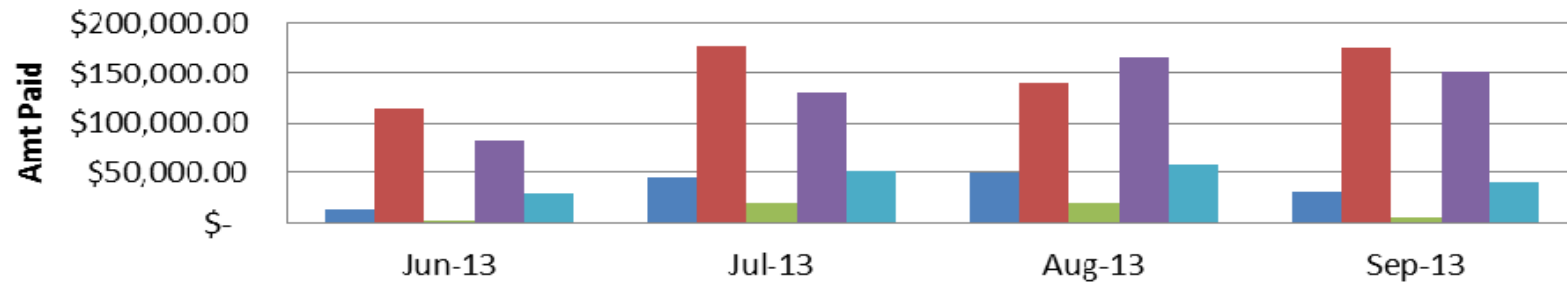
Prior Authorization Activity: APPROVED = 570 Withdrawn = 278 DENIED = 0

Minimum Compliance Rate: 97% (Turnaround Times within 24 hours upon receipt of a completed PA)

DRUG UTILIZATION COSTS (Generic, Brand and Specialty drugs for all lines of business)

Member Population	Data	July-13	August-13	September-13
Medi-Cal, (Non-SPD)	Total Amount Paid	\$ 1,332,006	\$ 1,334,073	\$ 1,329,387
	Total Rx Count	44,658	44,370	46,227
	Member Months	113,010	112,937	113,884
	PMPM (\$)	\$ 11.79	\$ 11.81	\$ 11.67
	Rx PMPM	0.4	0.4	0.4
Medi-Cal (SPD)	Total Amount Paid	\$1,994,993	\$1,837,898	\$ 1,785,269
	Total Rx Count	43,980	43,038	41,998
	Member Months	16,740	16,731	15,718
	PMPM (\$)	\$ 119.18	\$109.85	\$ 113.58
	Rx PMPM	2.6	2.6	2.7
Healthy Kids	Total Amount Paid	\$ 22,329	\$ 32,016	\$ 27,278
	Total Rx Count	499	663	604
	Member Months	5,477	5,419	5,398
	PMPM (\$)	\$ 4.08	\$ 5.91	\$ 5.05
	Rx PMPM	0.1	0.1	0.1

All LOBs - Specialty Drug Costs by Network



	Jun-13	Jul-13	Aug-13	Sep-13
■ NT10	\$13,535.45	\$45,218.86	\$49,520.13	\$30,498.92
■ NT20	\$113,519.90	\$177,539.26	\$138,922.52	\$176,503.06
■ NT40	\$2,360.10	\$18,942.19	\$19,002.30	\$5,985.90
■ NT50	\$83,054.77	\$129,360.38	\$166,046.87	\$150,475.36
■ NT60	\$29,442.21	\$51,187.18	\$57,169.39	\$39,910.70

Chief Operations Officer Department Dashboard

Provider Services Department

Call Volume:

Weekly call volume for week of 9/9/13 – 9/13/13: 36 calls

Weekly call volume for week of 09/16/13 – 09/20/13: 10 calls

Weekly call volume for week of 09/23/13 – 09/27/13: 16 calls

Monthly Call Total: 62

Web Requests:

Email requests via website/PS email for assistance for week 9/9/13 – 9/13/13: 6

Email requests via website/PS email for assistance for week 09/16/13 – 09/20/13: 8

Email requests via website/PS email for assistance for week 09/23/13 – 09/27/13: 3

Monthly Request Total: 17

Provider Operations IT Projects:

Project Name

- 1) Inbound and Outbound 5010/837 Compliance – 5010/837 EDI Claims SCVHHS – Release date 9/30/13
 - a. 5010/837 EDI Encounters PMG –: Ongoing Testing – Delivery Date: 01/31/14
 - b. 5010/837 EDI Encounters PremierCare – In queue to release 01/31/14
 - c. 5010/837 EDI Encounters Kaiser – In queue to release 01/31/14
- 2) SCFHP.com Website Redesign – Internal workgroup to redesign the provider look-up feature of the website. Workgroup targeted completion date October 30th.
- 3) 278C Auth/Referral Files for Delegated Groups – working with delegated groups to finalize – Release queue date 01/31/14
- 4) CBAS 835 Testing – 2 pilot facilities – In queue to release 10/31/13

Chief Operations Officer Department Dashboard

Trainings:

Dialysis Trainings

Provider Services trained the first 10 dialysis centers in September. The meetings were held at each facility.

Feedback that we received from our trainings:

- Very excited about being brought up to speed on all that is currently going on with the Health Plan and looking forward to be included in quarterly visits
- Health Plan transportation will be a great help to them and we are working to coordinate block dialysis times in order to reduce transportation costs
- SCFHP Case Manager now working more closely with centers
- Health Education was also something they were not aware was a covered benefit
- Requested a stack of EOC's at their location so they can provide to members or prospective members
- Had questions how everything is going to work with Medicare and they were informed as soon as we have information we will be providing it to them

CME Trainings: Postponed until January 2014. Two topics have been selected by our Provider Advisory Council for our January CME and March CME. Those topics are; Drug Cost Containment Strategies for Underserved Patients and M&M: The Black Hole of Post Discharge. We are currently working with VMC to have these topics approved at the November meeting.

Connect

Connect trainings in the month of:

July = 6

August = 29

September = 1

Most providers have been trained on our web based provider portal. The above numbers show only new providers that have been added recently.

Chief Operations Officer Department Dashboard

Delegation Oversight

Valley Health Plan – Network 20

- A Joint Operating Committee meeting is scheduled for October 25th.
- The 2013 audit is scheduled for December 4th. The following functions will be audited: Claims, Credentialing, Cultural & Linguistic services, Timely Access to Care, and Utilization Management

Premier Care of Northern California/MSO CMS – Network 60

- A Joint Operating Committee meeting will be scheduled for November.
- The 2013 audit is scheduled for November 4th. This will be a virtual “desk top” audit. The following functions will be audited: Claims, Cultural & Linguistic services, Timely Access to Care, and Utilization Management.
- Premier Care will not be audited for credentialing as their MSO is NCQA certified for this function.

Kaiser – Network 30

- A Joint Operating Committee meeting is scheduled for December 11th.
- The 2013 audit is scheduled for October 15th. This will be a shared audit, in conjunction with other local initiatives. SCFHP is the lead plan for the Claims and Pharmacy audits. Other functions will be audited by other plans, but SCFHP will do our own file reviews. The policy audits which will be completed by the other health plans include: Cultural & Linguistic services, Timely Access to Care, Grievance and Appeals, and Utilization Management.
- They will not be audited for credentialing as they are NCQA accredited for this function.

Chief Operations Officer Department Dashboard

Physicians Medical Group of San Jose/MSO Excel – Network 50

- A Joint Operating Committee meeting is scheduled for November 6th.
- The 2013 audit is scheduled for December 10th. The following functions will be audited: Claims, Cultural & Linguistic services, Timely Access to Care, and Utilization Management. Please note SCFHP is now part of the Industry Collaboration Effort (ICE) and therefore we use the shared auditing function for PMG's credentialing practices

Palo Alto Medical Foundation – Network 40

- The 2013 claims audit will not be scheduled as the Healthy Families membership transitioned into Medi-Cal. The Medi-Cal line of business will continue to be audited for claims and utilization management. The Timely Access audit and the Credentialing audit are completed jointly with ICE and NCQA.

Directly Contracted Network – Network 10

- The providers are being educated on the new capitated provider for Durable Medical Equipment, Life Care Solutions.

Liberty Dental Plan

- SCFHP is working on a project with Liberty Dental Plan to increase the amount of children who are using their dental benefits. The goal is to improve our health outcomes for the members of the Healthy Kids lines of business. All Healthy Kids members (or their parents) who have not had a dental checkup this year are being called and while they are on the phone we are scheduling appointments

Vision Service Plan

- SCFHP is working on a project with Vision Services Plan to increase the amount of diabetics who are utilizing their services. The goal is to improve our health outcomes for the members of the Medi-Cal and Healthy Kids lines of business.

Chief Operations Officer Department Dashboard

MedImpact Healthcare Systems

Nothing to report this quarter

Issues/updates.

- Misdirected Claims are now posted on SCFHP FTP site and the delegated entities are notified via email.
- SCFHP is working to improve the online physician search. This tool assists the providers and members in finding a SCFHP participating provider.
- The revamped delegation oversight process which incorporates Medicare and NCQA guidelines is now being used.

Chief Operations Officer Department Dashboard

Compliance Department

Grievance & Appeals:

- September 2013:
 - a. Total G&A cases received = 67
 - b. Total G&A cases closed =65
 - Rate per 1000/members =0.43
 - c. G&A closed cases by LOB:
 - Medi-Cal = 59
 - Healthy Kids = 5
 - Healthy Workers = 1
 - d. G&A closed cases by Network
 - Kaiser =2
 - PAMF = 1
 - PMG = 9
 - Premier Care = 1
 - SCFHP = 14
 - VHP = 38
 - e. G&A closed cases by Category:
 - Access to Care = 0
 - Billing = 2
 - C&L Complaints = 0
 - Dispute: Continuity of Care = 0
 - Dispute – Denied, Deferred Services = 33 (19 of these for Out of Network denials and redirection of services back into network)
 - Dissatisfaction with Level of Care = 2
 - Dissatisfaction with Level of Services = 23
 - Pharmacy = 0
 - SCFHP complaint = 0
 - Timely Assignment to PCP = 0

Chief Operations Officer Department Dashboard

- f. State Fair Hearings:
 - Total cases opened = 6
 - Total cases closed = 4
 - # Upheld = 0
 - # Overturned = 0
 - # Withdrawn = 4

- g. Independent Medical Review:
 - Total cases opened = 1
 - Total cases closed = 1
 - # Overturned = 1

Compliance Activities

Reporting

- Regulatory Reports/Filings:
 - DMHC Board Members Filing
 - DMCH Satellite Administrative Services Agreement Filing
 - DMHC Routine Financial Examination for Santa Clara County Health Authority
 - DHCS Provider Linkage Data for Low Income Health Program (LIHP)
 - MRMIB Health Families EOC
 - DHCS QIP Filing
 - DHCS Healthy Families Transition Reports
 - Health Faire/Event Notices to DHCS for approval
 - Disenrollment Requests (Usually Long Term Care members)
 - QI Program and Work Plan Submission
 - 2013 Formulary Submission

Chief Operations Officer Department Dashboard

Monitoring/Auditing

- DMHC Complaints – (*Requires Plan to provide position statement addressing all member concerns*)
 - Parent's complained to DMHC re additional speech therapy and occupational therapy request denied for member with autism. Healthy Families transitioned member. Plan maintained the position to deny additional services and agreed with DMHC that the case go to IMR for decision. **IMR Decision was to overturn the denial and require the plan to provide additional hours of OT and ST.**
 - Member complained regarding Labor and Delivery care received at VMC. SCFHP and VHP sending case to Peer Review
- Affordable Care Act, Primary Care Payment Increase regulation requires the development of a specific Compliance Plan
- Prepare Annual Kaiser Audit – Grievance and Appeals Q1 & Q2
- Internal Fraud Waste and Abuse Workgroup
- External Fraud Waste and Abuse Workgroup with the Department of Justice
- HIPAA Disclosure Log
 - 4 disclosures of PHI between February-May 2013
 - Following risk assessment, none were identified as a breach.

Education/Training:

- Partner with Bridgefront to provide online compliance training to all staff
- HIPAA Training provided to Member Services, Eligibility and Provider Services

Standards & Policies

- Compliance Committee Approved Charter
- DMHC/DHCS Policy Changes
 - DHCS Policy Letter: Managed Care Compliance Plan for Section 1202 of the Affordable Care Act.
 - DHCS Policy Letter: Ensuring Access to Transgender Services