Regular Meeting of the

Santa Clara County Health Authority Governing Board

Thursday, June 27, 2019, 12:00 PM - 2:30 PM
Santa Clara Family Health Plan, Boardroom
6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference
Business
211 Quarry Road, Suite 402
Hoover Pavilion
Palo Alto, CA 94305

Via Teleconference
Residence
1774 Steidl Road
Bend, OR 97703

AGENDA

1.	**Roll Call and Board Member Recognition**	Mr. Brownstein	12:00	2 min
2.	**Public Comment** Members of the public may speak to any item not on the agenda; two minutes per speaker. The Governing Board reserves the right to limit the duration of the public comment period to 30 minutes. **Announcement Prior to Recessing into Closed Session** Announcement that the Governing Board will recess into closed session to discuss Item No. 3 below.	Mr. Brownstein	12:02	3 min
3.	**Adjourn to Closed Session**		12:05	

a. **Existing Litigation** Government Code Section 54956.9(d)(1)):
It is the intention of the Governing Board to meet in Closed Session to confer with Legal Counsel regarding consolidated Cases before the Board Administration of the California Public Employees' Retirement System:

i. In the Matter of the Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Craig W. Walsh (Respondent) Case Number: CalPERS Case No. 2017-1114; OAH No. 2018051223.

ii. In the Matter of Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Melodie U. Gellman (Respondent) Case Number: CalPERS Case No. 2017-1115; OAH Case No. 2018051029.

b. **Conference with Labor Negotiators** (Government Code Section 54957.6):
It is the intention of the Governing Board to meet in Closed Session to confer with its management representatives regarding negotiations

with SEIU Local 521.

- Santa Clara County Health Authority Designated Representatives: Christine Tomcala, Dave Cameron, Sharon Valdez, and Richard Noack
- Employee Organization: SEIU Local 521

c. **Contract Rates** (Welfare and Institutions Code Section 14087.38(n)): It is the intention of the Governing Board to meet in Closed Session to discuss plan partner rates.

d. **Real Property Negotiations** (Government Code Section 54956.8): It is the intention of the Governing Board to meet in Closed Session to confer with its Real Property Negotiators concerning the price and terms of payment related to the possible lease of real property located at 408 N. Capital Avenue, San Jose, CA. The negotiators for the Health Authority are Dave Cameron, CFO, and Christine Tomcala, CEO. The other negotiating party is Capitol Square Partners.

4.	**Report from Closed Session**	Mr. Brownstein	12:40	5 min
5.	**Tentative Agreement with SEIU Local 521** **Possible Action:** Delegate to the Executive/Finance Committee the authority to adopt the agreement with SEIU Local 521 following ratification by the Union.	Mr. Brownstein	12:45	5 min
6.	**Approve Consent Calendar and Changes to the Agenda** Items removed from the Consent Calendar will be considered as regular agenda items. **Possible Action:** Approve Consent Calendar	Mr. Brownstein	12:50	5 min

a. Approve minutes of the March 28, 2019 **Regular Board** Meeting

b. Accept minutes of the May 1, 2019 **Executive/Finance Committee** Meeting

- Ratify approval of the February 2019 Financial Statements
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Microsoft in an amount not to exceed $605,000 for licensing
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate contracts with Cisco and ePlus in an amount not to exceed $660,000 for hardware and implementation
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with selected HEDIS vendors in an amount not to exceed $665,000 for licensing and implementation
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Collective Medical Technology in an amount not to exceed $250,000 for licensing and implementation
- Ratify acceptance of the Investment Policy Review
- Ratify approval of Finance Policies:
  - FA.01 General Finance Policy

- FA.02 Cash & Cash Receipts
- FA.04 Accounts Receivable & Revenue
- FA.05 Payroll & Employee Expenses
- FA.06 Fixed Assets & Depreciation Expense
- FA.08 Treasury & Debt
- FA.09 Financial Close & Reporting
- FA.10 Medical Expense & IBNP
- FA.11 Healthcare Economics

c. Accept minutes of the May 23, 2019 **Executive/Finance Committee** Meeting
- Ratify approval of the March 2019 Financial Statements
- Ratify acceptance of the Fiscal Year 2018-2019 Donations and Sponsorships Annual Report
- Ratify acceptance of the Health Homes Program (HHP) Update
- Ratify acceptance of the Network Detection and Prevention Report

d. Accept minutes of the May 23, 2019 **Compliance Committee** Meeting
- Ratify acceptance of the Compliance Activity and Audit Report
- Ratify approval of the Compliance Dashboard
- Ratify approval of the Fraud, Waste and Abuse Report

e. Accept minutes of the April 10, 2019 **Quality Improvement Committee** Meeting
- Ratify approval of the Quality Improvement Program Evaluation 2018
- Ratify approval of the Quality Improvement Work Plan 2019
- Ratify approval of the Population Health Assessment 2019
- Ratify approval of the Experience with Complex Case Management Report 2019
- Ratify approval of Quality improvement Policies:
  - QI.01 Conflict of Interest
  - QI.02 Clinical Practice Guidelines
  - QI.03 Distribution of Quality Improvement Information
  - QI.04 Peer Review Process
  - QI.06 Quality Improvement Study Design/Performance Improvement Program Reporting
  - QI.08 Cultural and Linguistically Competent Services
  - QI.09 Health Education Program and Delivery System Policy
  - QI.11 Member Non-Monetary Incentive
  - QI.12 SBIRT
  - QI.28 Health Homes Program Policy
- Ratify acceptance of Committee Reports:
  - Credentialing Committee – February 27, 2019
  - Pharmacy & Therapeutics Committee – December 13, 2018
  - Utilization Management Committee – January 16, 2019

f. Accept minutes of June 12, 2019 **Quality Improvement Committee** Meeting
- Ratify approval of the CMC Assessment of Member Cultural and Linguistic Needs and Preferences

- Ratify approval of the Review of Population Health Management Strategy 2019
- Ratify approval of the Review of Quality Improvement Policies:
  - QI.13 Comprehensive Case Management
  - QI.15 Transitions of Care
  - QI.16 Managed Long Term Services and Support (MLTSS) Care Coordination
  - QI.17 Behavioral Health Care Coordination
  - QI.18 Sensitive Services, Confidentiality, Rights of Adults and Minors
  - QI.19 Care Coordination Staff Training
  - QI.20 Information Sharing with San Andreas Regional Center (SARC)
  - QI.21 Information Exchange Between Santa Clara Family Health Plan & Health Services Department
  - QI.22 Early Start Program (Early Intervention Services)
  - QI.23 Alcohol Misuses: Screening and Behavioral Counseling Interventions in Primary Care
  - QI.24 Outpatient Mental Health Services: Mental Health Parity
  - QI.25 Intensive Outpatient Palliative Care
  - QI.27 Informing Members of Behavioral Health Services
- Ratify acceptance of Committee Reports:
  - Credentialing Committee – April 3, 2019
  - Pharmacy & Therapeutics Committee – March 21, 2019
  - Utilization Management Committee – April 17, 2019

g. Accept minutes of the May 8, 2019 **Provider Advisory Council** Meeting

h. Accept minutes of the June 11, 2019 **Consumer Advisory Committee** Meeting

i. Appoint Peter Nguyen, D.O., to serve on the **Credentialing Committee**

7.	**CEO Update** Discuss status of current topics and initiatives. **Possible Action:** Accept CEO Update	Ms. Tomcala	12:55	5 min
8.	**Compliance Report** Review and discuss quarterly compliance activities and notifications. **Possible Action:** Accept Compliance Report	Ms. Larmer	1:00	5 min
9.	**Healthy Kids Transition** Discuss transition of CCHIP members to Medi-Cal. **Possible Action:** Approve resolution authorizing management to withdraw from service area for the Healthy Kids product	Ms. Larmer	1:05	5 min
10.	**April 2019 Financial Statements** Review recent organizational finance performance. **Possible Action:** Approve the April 2019 Financial Statements	Mr. Cameron	1:10	10 min

11.	**Fiscal Year 2019-2020 Budget** Review proposed budget for FY'20. **Possible Action:** Approve FY'20 Budget	Mr. Cameron	1:20	20 min
12.	**Building Rooftop Overlay Project** Discuss proposal to install a TPO roof overlay. **Possible Action:** Authorize CEO to negotiate, execute, amend, and terminate a contract with the selected roofing contractor for 6201 San Ignacio Ave., San Jose, CA in an amount not to exceed $460,000	Mr. Cameron	1:40	5 min
13.	**Board Discretionary Fund Expenditures** Review and discuss requests for special project investments **Possible Action:** Approve select special project investments	Ms. Tomcala	1:45	5 min
14.	**Member Enrollment and Retention Plan** Discuss activities that promote enrollment and retention of Medi-Cal and CMC members. **Possible Action:** Accept Member Enrollment and Retention Plan	Ms. Watkins	1:50	5 min
15.	**Preliminary Fiscal Year 2018-2019 Year in Review** Review preliminary performance on FY'19 Plan objectives. **Possible Action:** Accept Preliminary FY'19 Year in Review	Ms. Tomcala	1:55	5 min
16.	**Fiscal Year 2019-2020 Plan Objectives** Review draft FY'20 Plan Objectives. **Possible Action:** Approve FY'20 Plan Objectives	Ms. Tomcala	2:00	5 min
17.	**Fiscal Year 2019-2020 Team Incentive Compensation** Consider proposed team incentive compensation program. **Possible Action:** Approve FY'20 Team Incentive Compensation Program	Ms. Tomcala	2:05	5 min
18.	**Publicly Available Salary Schedule Ranges** Consider changes to the Publicly Available Salary Schedule. **Possible Action**: Approve Publicly Available Salary Schedule	Ms. Valdez	2:10	2 min
19.	**Annual CEO Evaluation Process** Discuss appointment of a subcommittee to lead the annual evaluation process for the CEO. **Possible Action:** Appoint temporary, ad-hoc subcommittee to conduct the annual evaluation of the CEO	Mr. Brownstein	2:12	5 min
20.	**Election of Vice-Chairperson** Consider nomination for the office of Vice-Chairperson. **Possible Action:** Elect nominee for the office of Vice-Chairperson to serve the balance of the term	Mr. Brownstein	2:17	3 min
21.	**Adjournment**	Mr. Brownstein	2:20	

Notice to the Public—Meeting Procedures

- Persons wishing to address the Governing Board on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
- The Committee may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.
- In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Jayne Giangreco 48 hours prior to the meeting at 408-874-1896.
- To obtain a copy of any supporting document that is available, contact Jayne Giangreco at 408-874-1896. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 6201 San Ignacio Ave, San Jose, CA 95119.
- This agenda and meeting documents are available at www.scfhp.com.

Regular Meeting of the

Santa Clara County Health Authority Governing Board

Thursday, March 28, 2019, 2:30 PM - 5:00 PM
Santa Clara Family Health Plan, Boardroom
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES - Draft

Members Present
Bob Brownstein, Chair
Darrell Evora
Kathleen King
Liz Kniss *(via telephone)*
Sue Murphy
Ria Paul, M.D.
Evangeline Sangalang
Brenda Taussig
Linda Williams

Members Absent
Dolores Alvarado
Brian Darrow
Jolene Smith

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance & Regulatory Affairs Officer
Chris Turner, Chief Operating Officer
Laurie Nakahira, D.O.,Chief Medical Officer
Sharon Valdez, VP of Human Resources
Neal Jarecki, Controller
Johanna Liu, Director of Quality & Pharmacy
Rita Zambrano, Executive Assistant

Others Present
Daphne Annett, Burke, Williams & Sorenson, LLP *(via telephone)*

1. **Roll Call**

   Bob Brownstein, Chair, called the meeting to order at 2:30 pm. Roll call was taken and a quorum was established.

2. **Public Comment**

   There were no public comments.

3. **Adjourn to Closed Session**

   a. **Existing Litigation** (Government Code Section 54956.9(d)(1)):
   The Governing Board met in Closed Session to confer with Legal Counsel regarding consolidated cases: (i) CalPERS Case No. 2017-1114; OAH No. 2018051223 and (ii) CalPERS Case No. 2017-1115; OAH Case No. 2018051029.

Liz Kniss arrived via telephone at 2:54 pm.
Kathleen King joined the meeting at 3:50 pm.

b. **Contract Rates** (Welfare and Institutions Code Section 14087.38(n)):
The Governing Board met in Closed Session to discuss plan partner rates.

4. Report from Closed Session

Mr. Brownstein reported the Governing Board met in Closed Session to discuss Items 3 (a) & (b).

5. Approve Consent Calendar and Changes to the Agenda

Mr. Brownstein presented the Consent Calendar and indicated all items would be approved in one motion.

Christine Tomcala, Chief Executive Officer, directed the Board to the Quality Improvement Committee minutes, noting the Charter for the Consumer Advisory Board (CAB) had been removed from the Consent Calendar in order to make edits.

a. Approve minutes of the December 13, 2018 **Regular Board** Meeting
b. Accept minutes of the February 28, 2019 **Executive/Finance Committee** Meeting
- Ratify approval of the November and December 2018 Financial Statements
- Ratify approval of the Reappointment of Moss Adams as the Plan's External Auditor
- Ratify acceptance of the Network Detection & Prevention Report

c. Accept minutes of the February 28, 2019 **Compliance Committee** Meeting
- Ratify acceptance of the Compliance Activity Report
- Ratify approval of Compliance Policies:
  - CP.09 Exclusion Screening
  - CP.10 Compliance Training
  - CP.15 Standards of Conduct
  - CP.12 Annual Compliance Program Effectiveness Audit
  - CP.17 Risk Assessment
  - CP.16 First Tier, Downstream & Related Entity & Vendor Contracting (FDR)
  - CP.07 Corrective Action Plan
- Ratify acceptance of the Fraud, Waste, and Abuse Report

d. Accept minutes of the February 13, 2019 **Quality Improvement Committee** Meeting
- Ratify approval of the Health Education Program Description 2019, Work Plan 2019 and Evaluation 2019
- Ratify approval of the Cultural and Linguistics Program Description 2019, Work Plan 2019 and Evaluation 2019
- Ratify approval of Quality Improvement Policies:
  - QI.05 Potential Quality of Care Issues
  - QI.07 Physical Access Compliance
  - QI.10 IHA and IHEBA Assessments
  - QI.28 Health Homes Program
- Ratify approval of the American Disabilities Act (ADA) Work Plan 2019
- Ratify approval of the Timely Access and Availability MY2018 Survey
- Ratify acceptance of Committee Reports:
  - Credentialing Committee – December 12, 2018
  - Pharmacy and Therapeutics Committee – September 20, 2018
  - Utilization Management Committee – October 17, 2018

e. Accept minutes of the February 13, 2019 **Provider Advisory Council** Meeting
f. Accept minutes of the March 12, 2019 **Consumer Advisory Committee** Meeting

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

6. **Quality Improvement Program Description 2019**

Laurie Nakahira, D.O., Chief Medical Officer, presented the 2019 Quality Improvement Program (QIP) Description. She noted that SCFHP has become a more quality-driven organization, as evidenced by its recent NCQA accreditation. Accordingly, the Board should have direct engagement with the QIP, despite its general delegation of quality oversight to the QIC. The goal of QI is to deliver care that enables members to remain healthy, improve health by prevention or early detection of disease, and manage chronic medical problems and/or disabilities. SCFHP uses a variety of QI methodologies, depending on the type of opportunity for improvement.

Quality issues are identified in multiple ways, including: (1) adverse events and PQI reporting, appeals and grievances, data source reporting (e.g., encounter and utilization data), surveys (e.g., CAHPS), and regulatory reporting.

Sue Murphy, Board Member, asked that the Board receive information about how SCFHP quality improvement efforts have positively impacted outcomes.

> **It was moved, seconded, and** the 2019 Quality Improvement Program Description was **unanimously approved.**

7. **Policy Approval:** GO.01 v2 Organizational Policies

Ms. Tomcala presented a redlined and clean version of GO.01 v2 Organizational Policies, noting the primary change was the Compliance Department was added to the approval process. Also, she clarified that the policy would be brought back to the Board periodically, as needed, not necessarily annually.

> **It was moved, seconded and** the revised Policy GO.01 v2 Organizational Policy was **unanimously approved.**

8. **Appointment of Consumer Advisory Committee (CAC) Co-Chair**

Mr. Brownstein noted that Evangeline Sangalang, Board Member, volunteered to co-chair the Consumer Advisory Committee.

> **It was moved, seconded, and unanimously approved** to appoint Ms. Sangalang to co-chair the Consumer Advisory Committee.

9. **Governing Board Meeting Time**

Ms. Tomcala discussed that at the last Governing Board meeting, members expressed a desire to have the meeting start earlier in the day. Based on a poll of members, the 12:00 pm – 2:30 pm time slot was preferred.

> **It was moved, seconded, and unanimously approved** to change the meeting time of the Governing Board to 12:00 pm – 2:30 pm.

10. **CEO Update**

Ms. Tomcala reported on the losses in Medi-Cal enrollment from March 2018 – February 2019, noting the Plan maintained 78% market share in Santa Clara County. She further noted the Plan lost approximately 9,200 members and Anthem lost 4,200 (the Plan lost just under 4% and Anthem lost slightly over 6% of their membership). The overall loss to the community was approximately 4% compared to a statewide loss of 2% during that same period.

For the month of February 2019, 81% of all beneficiaries newly eligible for Medi-Cal in the county selected SCFHP. Of all default assignments (members assigned by the State when a beneficiary does not select a

plan) 63% were assigned to the Plan. A total of 35% of the Plan's enrollment came to the Plan through auto-assignment.

In the last year, for Cal MediConnect, the Plan had a positive enrollment change of 392 members (a 6% increase), whereas Anthem had a net loss of 291 members (an 11% decrease). Overall, the county gained a total of 1% and the State lost 2%.

Ms. Tomcala reported that SCFHP signed a contract with Regional Medical Center (RMC), noting for the calendar year 2018, RMC had the second highest number of SCFHP inpatient days behind Valley Medical Center, despite the fact RMC was not contracted with the Plan. Ms. Tomcala further noted that the State transitioned to a new direct payment program, where hospitals can only get supplemental funding if they are contracted with health plans. VHP previously contracted with RMC for the Medi-Cal line of business.

Ms. Tomcala reported the Governor is considering moving CCHIP Healthy Kids enrollees into Medi-Cal. There will be more discussions to follow.

Ms. Tomcala announced the Plan achieved 3-year NCQA Accreditation for the Cal MediConnect line of business. She also noted this is a component of the Team Incentive Compensation for 2018-19, worth a 1% payout to employees next fall.

Ms. Tomcala indicated SEIU's upcoming annual reopener will include discussion of compensation and PTO.

Ms. Tomcala noted that the search for satellite office space for a Community Resource Center continues. Dolores Alvarado, Board Member, and Ms. Tomcala will be meeting with Councilmember Magdalena Carrasco's office to brainstorm some possible locations. Kathleen King, Board Member, suggested looking at Franklin McKinley as a potential site.

Ms. Tomcala further noted she and Dr. Nakahira are meeting with each of the community clinics to discuss funding requests and to give Dr. Nakahira the opportunity to visit each clinic and discuss opportunities where we can collaborate, particularly on quality initiatives.

It was noted that SCFHP has been working with Valley Medical Center on operationalizing the County's acquisition of O'Connor & St. Louise hospitals.

Ms. Tomcala reported that Governor Newsom has made a commitment to make affordable access to quality health care a top priority. His first Executive Order was to carve out pharmacy benefits from managed Medi-Cal to consolidate pharmaceutical purchasing power at the State level. Medi-Cal managed care plans also received a letter from the Governor indicating the State's commitment to early childhood development, expanding coverage for undocumented young adults through the age of 25, and increased provider payments for developmental screening, trauma screening, and family planning services.

Also, one of the State's new requirements is that the minimum quality performance level of health plans will be the HEDIS 50th percentile, retroactive to January 2019. The State will also implement immediate sanctions prior to corrective action plans.

Lastly, the State's procurement process for the Medi-Cal commercial plan in each county has delayed to 2023.

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

11. Compliance Report

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, discussed the 2018 CMS Program Audit. She presented the CMS Audit Tracker, reflecting progress on the Corrective Action Plans (CAPs) implemented in response to the Immediate Corrective Action Required Conditions (ICARs) and Corrective Action Required Conditions (CARs) identified by CMS.

Most tasks are substantially complete or and/or on track for timely completion. There are items that are at risk, which means the completion deadline the team established is imminent or there are circumstances that are making it more challenging than anticipated. There are still some outstanding Beacon (G&A system) implementation issues, and the team relies upon workaround processes to ensure that Compliance receives all required data while implementation remains in process. Ms. Larmer also noted some other general areas of concern, including staffing, and in particular, the staff's collective ability to sustain long term the effort required to manage CMS Program Audit remediation along with demands of simultaneous, multiple state audits and daily work.

The next step in the remediation process is the Independent Validation Audit (IVA), as required by CMS. The Plan has contracted with an independent validation audit firm and hopes to receive its proposed work plan soon. The IVA Report and the CEO's attestation that all Conditions have been corrected must be submitted to CMS by July 31, 2019, unless an extension is granted.

Ms. Larmer noted that, as anticipated, the Plan was assessed a civil monetary penalty in the amount of $39 thousand in connection with the CMS Program Audit. The penalty was based on two conditions, which had the potential to impact a total of 440 and 480 members, respectively. The Plan mitigated the amount of the penalty by demonstrating effective remedial actions that avoided impact for several of the members.

Ms. Larmer provided some context for the joint DHCS/DMHC audits, noting the emphasis is on delegation oversight with regulators requesting voluminous delegate files for review. DHCS held an exit conference upon completion of the onsite portion of its audit, and identified its preliminary findings. Some of the preliminary findings, if upheld, may have a significant operational impact (e.g., DHCS' assertion that only California-licensed pharmacists may issue denials).

The DMHC auditors did not present their preliminary findings.

Neal Jarecki, Controller, noted that the California State Auditor's office looked at three health plans, including SCFHP, with respect to how it spends its administrative funds. The focus of the audit was on DHCS's oversight of those administrative expenditures. There were no findings in the audit relative to SCFHP, and the full report is due April 4, 2019.

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

12. Funding for Enrollment Assistance

Ms. Tomcala noted that in March 2018, The Board authorized $160,000 in funding to support The Health Trust in engagement and enrollment of low-income residents in health insurance. From July 2018 through May 2019, The Health Trust enrollment program processed 584 insurance renewals and enrolled 483 new families into medical coverage, representing 1,274 children and 211 adults. They have requested continued funding to support staffing and direct program expenses of the Health Insurance Enrollment program to build on this success. The request of $165,000 is to continue the program from July 1, 2019 – June 30, 2020.

It was moved, seconded, and unanimously approved to provide $165,000 in funding to support the Health Trust enrollment assistance program through June 2020.

13. Health Homes Update

Ms. Tomcala presented an update on the development of the Health Homes Program (HHP) and discussed potential start-up funding for CB-CMEs, noting the Medi-Cal Health Homes Program offers coordinated care to individuals with multiple chronic health conditions that may include mental health issues, substance use disorders and/or homelessness. The HHP is a team-based care management program that includes the member, provider, family members, and community support services. Community-based care management entities (CB-CMEs) will serve to coordinate services to promote members' health care outcomes. SCFHP will provide administrative support and oversight of the Health Homes Program.

The first phase of HHP is scheduled to launch in Santa Clara County July 1, 2019, at which time CB-CMEs will need to have an HHP infrastructure to meet SCFHP and Department of Health Care Services' (DHCS) guidelines.

To support the CB-CMEs with infrastructure development for HHP, a recommended investment of up to $40,000 is being proposed per CB-CME, at the discretion of SCFHP. Total investment for ten CB-CMEs could cost up to $400,000.

An initial payment of $20,000 would be made upon signing the CB-CME agreement (retention of which is contingent on completing the program requirements). The second payment of $20,000 would be made upon enrollment of the first HHP member with CB-CME.

The recommended action is to authorize the allocation of start-up funding for CB-CMEs from the Special Project Board Discretionary Fund in an amount not to exceed $400,000.

> **It was moved, seconded, and unanimously approved** to allocate start-up funding for community-based care management entities (CB-CMEs) from the Special Project Board Discretionary Fund in an amount not to exceed $400,000.

Darrell Evora left the meeting at 5:18 pm.

14. January 2019 Financial Statements

Dave Cameron, Chief Financial Officer, presented the January 2019 financial statements, which reflected a current month net surplus of $1.9 million ($1.3 million favorable to budget) and a fiscal year-to-date surplus of $9.9 million ($7.3 million favorable to budget). Enrollment declined by 2,735 from the prior month to 251,000 members. Medi-Cal enrollment has declined since October 2016 while CMC membership has grown modestly over the past few months due to continued outreach efforts. Revenue reflected a favorable current month variance of $1.3 million (1.7%) largely due to higher Prop 56 accruals (offset by higher medical expense). Medical expense reflected an unfavorable current month variance of $0.5 million (0.7%) largely due to the combination of increased inpatient, LTC and pharmacy expenses and higher Prop 56 expense, which were largely offset by retroactive capitation claw backs of $8 million. Administrative expense reflected a favorable current month variance of $92 thousand (1.8%). Personnel expenses were slightly below budget and non-personnel expenses were below budget due to the timing of certain expenses. The balance sheet reflected a Current Ratio of 1.26:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity of $188 million represented 538.8% of the minimum required by DMHC of $34.9 million.

> **It was moved, seconded, and** the January 2019 Financial Statements were **unanimously approved.**

15. Publicly Available Salary Schedule Ranges

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

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

16. Adjournment

The meeting was adjourned at 5:30 pm.

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Bob Brownstein, Chair

Regular Meeting of the

Santa Clara County Health Authority
Executive/Finance Committee

Wednesday, May 1, 2019, 1:30 PM - 2:30 PM
Santa Clara Family Health Plan, Boardroom
6201 San Ignacio Ave, San Jose, CA 95119

Minutes - Draft

Members Present
Bob Brownstein, Chair *(via telephone)*
Dolores Alvarado *(via telephone)*
Liz Kniss
Linda Williams *(via telephone)*

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance & Regulatory Affairs Officer
Laurie Nakahira, D.O., Chief Medical Officer
Jonathan Tamayo, Chief Information Officer
Laura Watkins, VP, Marketing and Enrollment
Neal Jarecki, Controller
Daniel Welch, Director, Integrated Business Solutions
Johanna Liu, Director, Quality & Pharmacy
Jayne Giangreco, Manager, Administrative Services
Rita Zambrano, Executive Assistant

1. Roll Call

Mr. Brownstein, Chair, called the meeting to order at 1:35 pm. Roll call was taken and a quorum was established.

2. Meeting Minutes

The minutes of the February 28, 2019 Executive/Finance Committee were reviewed.

It was moved, seconded, and the February 28, 2019 Executive/Finance Committee Minutes were **unanimously approved.**

3. Public Comment

There were no public comments.

4. February 2019 Financial Statements

Dave Cameron, Chief Financial Officer, presented the February 2019 financial statements, which reflected a current month net surplus of $824 thousand ($394 thousand unfavorable to budget) and a fiscal year-to-date surplus of $10.8 million ($6.9 million favorable to budget). Enrollment increased 199 members from the prior month to 251,199 members and is within 0.5% of budget. Medi-Cal enrollment has declined since October 2016, Healthy Kids enrollment has increased, and CMC membership has grown modestly due to continued outreach efforts. Revenue reflected a favorable current month variance of $2.3 million (2.8%) largely due to higher Prop 56 accruals (offset by higher medical expense) and non-dual rate accruals retroactive to July 1. Medical expense reflected an unfavorable current month variance of $3.0 million (4.0%) due to the combination of increased inpatient, LTC, pharmacy and Prop 56 expenses. Administrative expense reflected an unfavorable current month variance of $80 thousand (1.8%). Personnel expenses slightly exceeded budget. The balance sheet reflected a Current Ratio of 1.26:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity (TNE) of $188.8 million represented 540.4% of the minimum required by DMHC of $34.9 million

It was moved, seconded and the February 2019 Financial Statements were **unanimously approved.**

5. Microsoft License Renewal

Daniel Welch, Director of Integrated Business Solutions, presented a proposal to renew the Microsoft Enterprise Software License, noting the current three-year agreement expired March 3, 2019. The new proposed agreement is a three-year term at a cost of $604,726 (paid annually at a rate of $201,575), for a total savings of $67,274 from the prior contract.

It was moved, seconded, and unanimously approved to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Microsoft in an amount not to exceed $605,000 for licensing.

Liz Kniss arrived at 1:47 pm.

6. Server Infrastructure Upgrade

Mr. Welch presented a proposal to contract with Cisco to upgrade server infrastructure to replace aging equipment and meet anticipated future needs over the next five years. The upgrade includes servers to support all production system environments, the disaster recovery environment in Denver, and phone system servers. ePlus is the Plan's proposed purchasing partner to provide implementation support, including hardware configuration and testing.

It was moved, seconded, and unanimously approved to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate contracts with Cisco and ePlus in an amount not to exceed $660,000 for hardware and implementation.

7. Healthcare Effectiveness Data and Information Set (HEDIS) RFP

Laurie Nakahira, Chief Medical Officer, reported on the RFP process for HEDIS certified engine software and medical records review section, software noting the current contract with Cotiviti ends on December 31, 2019. The recommendation is to migrate from the current vendor to new vendors, CitiusTech Inc. (HEDIS Certified Engine Software) for a 3-year contract and Guardian Angel Consulting, Inc. (HEDIS Medical Records Selection) for a 1-year contract. Committee members inquired about Guardian Angel's existing relationship with VMC and the community clinics.

It was moved, seconded, and unanimously approved to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate contracts with selected HEDIS vendors in an amount not to $665,000 for licensing and implementation.

8. Collective Medical Technology (CMT) Platform

Dr. Nakahira discussed a proposal to contract with Collective Medical Technology (CMT) to obtain its software application, which provides a platform to exchange real-time health information. Collective Medical's technologies allow healthcare entities a pathway to exchange protected health information (PHI) between health plans, providers, emergency rooms/hospitals, case management programs, and post-acute care facilities to improve treatment planning, claims adjudication, and health care operations. Anticipated benefits include efficient medical information sharing, real-time patient information for ER and Inpatient utilization, improved coordination of care between case management teams and providers, and improved risk stratification.

It was moved, seconded, and unanimously approved to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Collective Medical Technology in an amount not to exceed $250,000 for licensing, implementation, and training.

9. Annual Investment Policy Review

Mr. Cameron presented a report from Sperry Capital, Inc., which was contracted to conduct the annual review of the Plan's investment policy. The report includes no revisions to the investment policy, last approved in April 2018. Sperry recommended pursuing additional diversification of investments, which the Plan is pursuing.

It was moved, seconded, and the Investment Policy Review was **unanimously accepted.**

Mr. Brownstein recommended moving agenda Item 12, Compliance Update, to immediately follow Item 9, Annual Investment Policy Review, to ensure a quorum was available for the remaining items.

10. Compliance Update

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, discussed the 2018 CMS Program Audit noting the Plan submitted Corrective Action Plans (CAPs) for each of the CARs, and on February 1, 2019, all CAPs were deemed reasonable and accepted by CMS. (ICARS were previously submitted to and accepted by CMS).

Audit protocol requires the Plan to engage an independent validation audit firm (IVA) to validate the Plan's corrections of the Conditions cited in the report. A draft audit work plan that lays out the processes and timeframes the validation auditor will use was submitted to CMS. The IVA will be much like the CMS program audit, except the auditors will only audit to verify the deficiencies have been corrected.

Due to concerns with the Beacon implementation workaround processes, the Plan requested an extension of the remediation period to allow for a later clean date (the beginning date from which all conditions will be tested). CMS granted the extension. The independent validation auditor's report and CEO's attestation that all Conditions have been corrected must be submitted to CMS by September 30, 2019.

Ms. Larmer also noted some general areas of concern, including staffing, and in particular the ability of staff to sustain the effort required to manage CMS Program Audit remediation along with the demands of simultaneous, multiple state audits and daily work. Ms. Larmer also noted difficulty finding an independent audit firm to conduct the mandatory Compliance Program Effectiveness audit.

It was moved, seconded and the Compliance Update was **unanimously accepted.**

11. Approval of Finance Policies

The Finance Department has eleven policies and approximately sixty procedures documenting key processes. Policies require Board or Committee review and approval. Two of the eleven policies have already been approved – the Cash Disbursements Policy was approved by the Board in December, and no change was warranted to the Investment Policy reviewed in the preceding agenda item.

It was moved, seconded, and unanimously approved to approve the following Finance Policies —
FA.01 General
FA.02 Cash & Cash Receipts
FA.04 Accounts Receivable & Revenue
FA.05 Payroll & Employee Expenses
FA.06 Fixed Assets & Depreciation Expense
FA.08 Treasury & Debt
FA.09 Financial Close & Reporting
FA.10 Medical Expense & IBNP
FA.11 Healthcare Economics

12. The **Member Retention Plan** discussion was deferred to the June Governing Board meeting.

13. Adjournment

The meeting was adjourned at 2:37 pm.

_____
Robin Larmer, Secretary

Santa Clara Family Health Plan™

Unaudited Financial Statements
For The Eight Months Ended February 28, 2019

Agenda

Santa Clara Family Health Plan.

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Financial Highlights

	MTD		YTD	
Revenue	$83 M		$681 M	
Medical Expense (MLR)	$78 M	94.0%	$635 M	93.2%
Administrative Expense (% Rev)	$4.5 M	5.4%	$37.2 M	5.5%
Other Income/Expense	$338,748		$1,771,734	
Net Surplus (Loss)	**$824,146**		**$10,761,915**	
Cash on Hand			$271 M	
Receivables			$492 M	
Total Current Assets			$771 M	
Current Liabilities			$611 M	
Current Ratio			1.26	
Tangible Net Equity			$189 M	
% of DMHC Requirements			**540.4%**	

Financial Highlights

Net Surplus (Loss)	Month: Surplus of $0.8M is -$0.4M or -32.4% unfavorable to budget of $1.2M. YTD: Surplus of $10.8M is $6.9M or 179.5% favorable to budget of $3.9M.
Enrollment	Month: Membership was 251,199 (526 or 0.2% favorable budget of 250,673). YTD: Member months was 2.0M (1.7K or 0.1% favorable budget of 2.0M).
Revenue	Month: $82.8M ($2.3M or 2.8% favorable to budget of $80.6M) YTD: $681.0M ($34.1M or 5.3% favorable to budget of $646.9M)
Medical Expenses	Month: $77.9M (-$3.0M or -4.0% unfavorable to budget of $74.9M) YTD: $634.8M (-$30.3M or -5.0% unfavorable to budget of $604.5M)
Administrative Expenses	Month: $4.5M (-$80.2K or -1.8% unfavorable to budget of $4.4M) YTD: $37.2M ($0.6M or 1.7% favorable to budget of $37.8M)
Tangible Net Equity	TNE was $188.8M (540.4% of minimum DMHC requirements of $34.9M)
Capital Expenditures	YTD Capital Investment of $4.8M vs. $11.3 annual budget was primarily due to building renovations.

Santa Clara Family Health Plan™

Detail Analyses

Enrollment

- Total enrollment has decreased since June 30, 2018 by 8,276 or -3.2%, in line with budgeted expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Adult and Child categories of aid. Medi-Cal Dual enrollment has been stable. CMC enrollment has grown due to outreach efforts.
- FY19 Membership Trends:
  - Medi-Cal membership has decreased since the beginning of the fiscal year by -3.5%. Over the past 12 months, enrollment has decreased 5.6%.
  - CMC membership increased since the beginning of the fiscal year by 4.1%. Over the past 12 months, enrollment has increased 5.4%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 5.6%. Over the past 12 months, enrollment has increased 3.8%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of February 2019			For Eight Months Ending February 28 2019					
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY18 vs. FY19
Medi-Cal	240,010	239,964	0.0%	1,950,188	1,951,595	(1,407)	-(0.1%)	2,070,618	-(5.8%)
Cal Medi-Connect	7,814	7,755	0.8%	61,148	60,920	228	0.4%	59,183	3.3%
Healthy Kids	3,375	2,954	14.3%	26,277	23,362	2,915	12.5%	21,009	25.1%
Total	**251,199**	**250,673**	**0.2%**	**2,037,613**	**2,035,877**	**1,736**	**0.1%**	**2,150,810**	**-(5.3%)**

Santa Clara Family Health Plan Enrollment By Network
February 2019

Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,151	13%	7,814	100%	400	12%	38,365	15%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	119,605	50%	-	0%	1,443	43%	121,048	48%
Palo Alto Medical Foundation	7,009	3%	-	0%	92	3%	7,101	3%
Physicians Medical Group	43,107	18%	-	0%	1,179	35%	44,286	18%
Premier Care	14,911	6%	-	0%	261	8%	15,172	6%
Kaiser	25,227	11%	-	0%	-	0%	25,227	10%
Total	**240,010**	**100%**	**7,814**	**100%**	**3,375**	**100%**	**251,199**	**100%**
Enrollment at June 30, 2018	248,776		7,503		3,196		259,475	
Net Δ from Beginning of FY19	-3.5%		4.1%		5.6%		-3.2%	

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

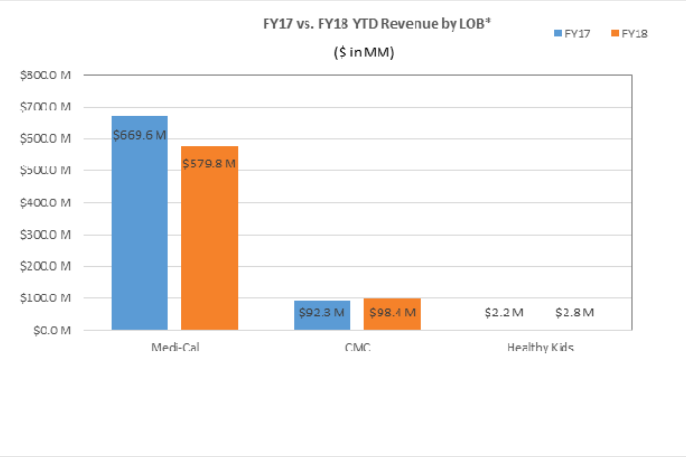
Enrollment By Aid Category

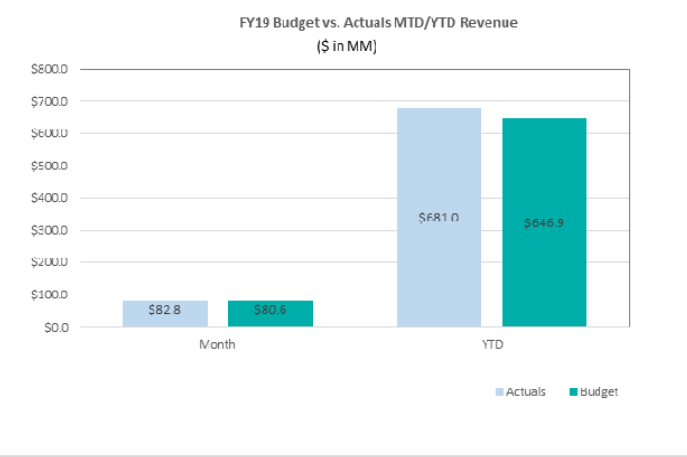
SCFHP TRENDED ENROLLMENT BY COA YTD FEB-19

		2017-06	2017-07	2017-08	2017-09	2017-10	2017-11	2017-12	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02
NON DUAL	Adult (over 19)	29,651	28,985	29,301	29,063	28,749	28,300	28,127	27,604	27,657	27,465	27,359	27,351	27,185	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846
	Adult (under 19)	106,082	104,658	105,147	104,345	103,810	103,242	103,068	101,226	101,653	101,197	100,606	100,449	100,238	99,369	98,316	98,255	97,518	96,830	96,330	95,155	95,177
	Aged - Medi-Cal Only	10,674	10,776	10,693	10,722	10,801	10,778	10,781	10,892	10,906	10,906	10,924	10,891	10,963	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963
	Disabled - Medi-Cal Only	10,979	10,965	10,903	10,888	10,880	10,875	10,843	10,807	10,825	10,786	10,801	10,750	10,750	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579
	Adult Expansion	82,349	80,300	80,741	80,470	79,998	79,232	79,207	76,923	77,302	76,985	76,677	74,319	74,292	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223
	BCCTP	18	17	17	17	17	16	16	15	15	15	15	15	13	13	14	13	12	11	11	9	9
	Long Term Care	488	382	373	375	396	411	396	385	370	353	358	370	384	382	384	387	379	377	372	371	376
	Total Non-Duals	**240,241**	**236,083**	**237,175**	**235,880**	**234,651**	**232,854**	**232,438**	**227,852**	**228,728**	**227,707**	**226,740**	**224,145**	**223,824**	**222,676**	**220,831**	**220,703**	**219,343**	**218,340**	**217,628**	**215,093**	**215,173**
DUAL	Adult (21 Over)	463	464	450	447	444	427	433	421	419	416	401	397	393	387	385	382	385	390	379	373	376
	Aged (21 Over)																					
	Disabled (21 Over)	23,010	22,906	23,299	23,412	23,452	23,433	23,331	23,300	23,405	23,312	22,969	23,064	22,811	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728
	Adult Expansion	906	806	784	793	789	717	709	474	433	470	451	421	451	455	485	521	533	538	586	556	529
	BCCTP	1	1	1	1				1	1	2	2	2	2	2	2	2	1	1	1	2	1
	Long Term Care	1,132	1,131	1,162	1,169	1,182	1,202	1,195	1,209	1,155	1,118	1,117	1,159	1,295	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203
	Total Duals	**25,512**	**25,308**	**25,696**	**25,822**	**25,867**	**25,779**	**25,668**	**25,405**	**25,413**	**25,318**	**24,940**	**25,043**	**24,952**	**25,079**	**25,123**	**25,181**	**25,150**	**25,059**	**25,067**	**24,905**	**24,837**
	Total Medi-Cal	**265,753**	**261,391**	**262,871**	**261,702**	**260,518**	**258,633**	**258,106**	**253,257**	**254,141**	**253,025**	**251,680**	**249,188**	**248,776**	**247,755**	**245,954**	**245,884**	**244,493**	**243,399**	**242,695**	**239,998**	**240,010**
	Healthy Kids	**2,732**	**2,633**	**2,618**	**2,243**	**2,288**	**2,321**	**2,447**	**3,209**	**3,250**	**3,415**	**3,454**	**3,220**	**3,196**	**3,278**	**3,187**	**3,163**	**3,217**	**3,460**	**3,345**	**3,252**	**3,375**
CMC	CMC Non-Long Term Care	7,260	7,250	7,138	7,122	7,067	7,093	7,128	7,132	7,162	7,153	7,194	7,203	7,275	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616
	CMC - Long Term Care	283	275	267	261	259	256	261	257	255	256	241	237	228	221	222	214	218	218	211	210	198
	Total CMC	**7,543**	**7,525**	**7,405**	**7,383**	**7,326**	**7,349**	**7,389**	**7,389**	**7,417**	**7,409**	**7,435**	**7,440**	**7,503**	**7,523**	**7,540**	**7,600**	**7,601**	**7,625**	**7,695**	**7,750**	**7,814**
	Total Enrollment	**276,028**	**271,549**	**272,894**	**271,328**	**270,132**	**268,303**	**267,942**	**263,855**	**264,808**	**263,849**	**262,569**	**259,848**	**259,475**	**258,556**	**256,681**	**256,647**	**255,311**	**254,484**	**253,735**	**251,000**	**251,199**

Revenue

- Current month revenue of $82.8M is $2.3M or 2.8% favorable to budget of $80.6M. YTD revenue of $681.0M is $34.1M or 5.3% favorable to budget of $646.9M. This month's variances were due to several factors including:
  - FY19 Prop 56 accrual increased revenue by $1.8M (with an offsetting increase to medical expense).
  - Non-Dual revenue higher than budget by $1.5M favorable due to a favorable volume variance and a rate increase retro to July 1.
  - Higher BHT and Maternity kick volumes versus budget yielded a $745K favorable variance.





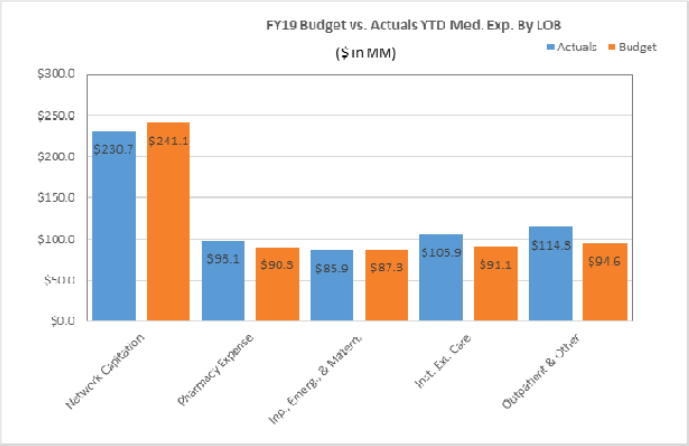
	FY17 vs. FY18 YTD Revenue by LOB*			
	FY17	FY18	Variance	
Medi-Cal	$669.6 M	$579.8 M	($89.8 M)	-13.4%
CMC	$92.3 M	$98.4 M	$6.1 M	6.6%
Healthy Kids	$2.2 M	$2.8 M	$0.6 M	28.9%
Total Revenue	**$764.1 M**	**$681.0 M**	**($77.0 M)**	**-10.1%**

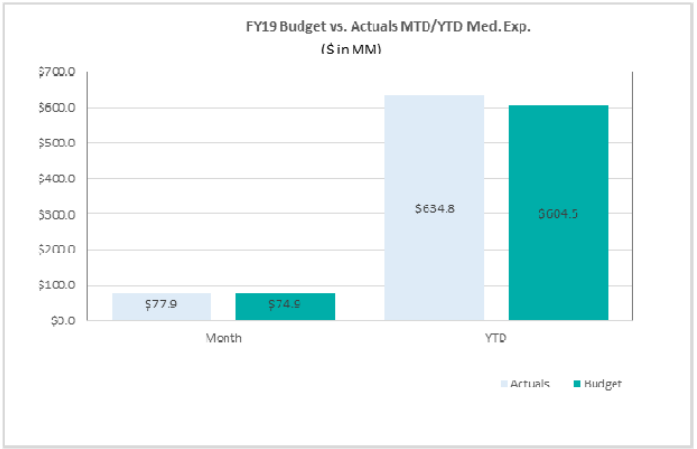
	FY19 Budget vs. Actuals MTD/YTD Revenue			
	Actuals	Budget	Variance	
Month	$82.8	$80.6	$2.3	2.8%
YTD	$681.0	$646.9	$34.1	5.3%

*IHSS was included in FY18 revenue through 12/31/17

Medical Expense

- Current month medical expense of $77.9M is $3.0M or 4.0% unfavorable to budget of $74.9M. YTD medical expense of $634.8M is $30.3M or 5.0% unfavorable to budget of $604.5M.The current month variances were due to a variety of factors, including:
  - FY19 Prop 56 accrual increased medical expense by $1.8M (with offsetting an increase to revenue).
  - Increased Inpatient and LTC expenses yielded an unfavorable variance of $1.1M.
  - Pharmacy costs exceeded budget by $0.3M due to increased utilization, higher specialty drug costs and increased branded usage.





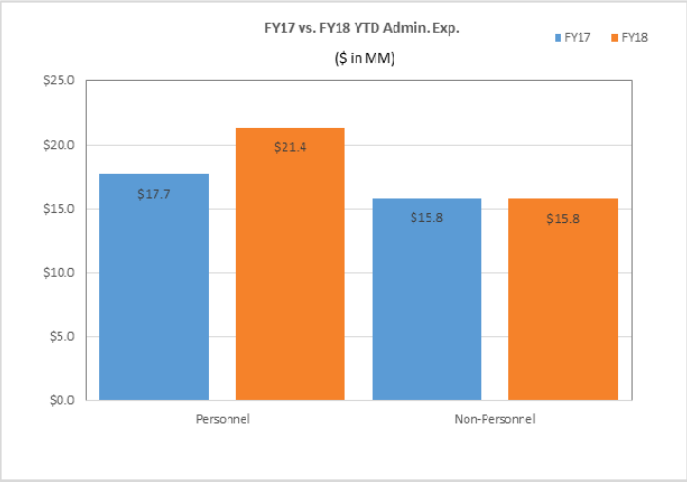
	FY19 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	$230.7	$241.1	$10.4	4.5%
Pharmacy	$98.1	$90.3	-$7.8	-7.9%
Inp., Emerg., & Matern.	$85.9	$87.3	$1.4	1.7%
Inst. Ext. Care	$105.9	$91.1	-$14.7	-13.9%
Outpatient & Other	$114.3	$94.6	-$19.7	-17.2%
Total Medical Expense	**$634.8**	**$604.5**	**-$30.3**	**-4.8%**

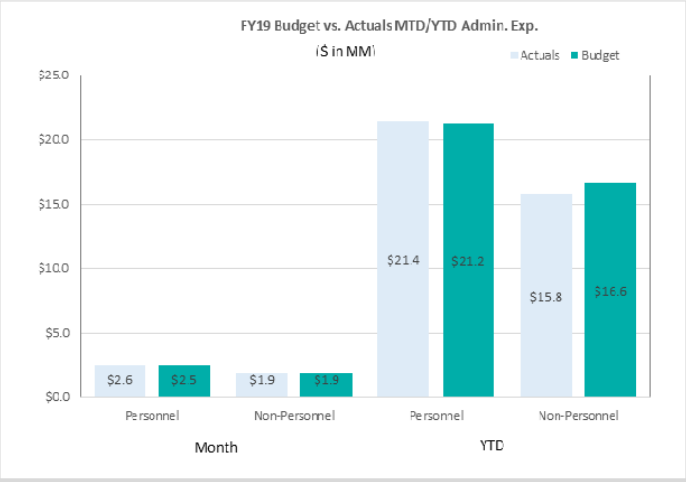
	FY19 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	$77.9	$74.9	$3.0	4.0%
YTD	$634.8	$604.5	$30.3	5.0%

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

Administrative Expense

- Current month admin expense of $4.5M is $80.2K or 1.8% unfavorable to budget of $4.4M. YTD admin expense of $37.2M is $0.6M or -1.7% favorable to budget of $37.8M. The current month variances were due to a variety of factors, including:
  - Personnel expenses were 0.8% or $100K over budget due to the timing of hiring staff.





	FY17 vs. FY18 YTD Admin. Exp.			
	FY17	FY18	Variance	
Personnel	$17.7	$21.4	$3.7	20.8%
Non-Personnel	$15.8	$15.8	-$0.1	-0.4%
Total Administrative Expense	**$33.6**	**$37.2**	**$3.6**	**10.8%**

		FY19 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	$2.6	$2.5	$0.1	2.8%
	Non-Personnel	$1.9	$1.9	$0.0	0.5%
	MTD Total	**$4.5**	**$4.4**	**$0.1**	**1.8%**
YTD	Personnel	$21.4	$21.2	$0.2	0.8%
	Non-Personnel	$15.8	$16.6	-$0.8	-4.8%
	YTD Total	**$37.2**	**$37.8**	**-$0.6**	**-1.7%**

Balance Sheet

- Current assets totaled $770.5M compared to current liabilities of $611.2M, yielding a current ratio (Current Assets/Current Liabilities) of 1.26:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash as of February 28, 2019 increased by $47.4M compared to the cash balance as of year-end June 30, 2018.
- Current Cash & Equivalent components and yields were as follows:

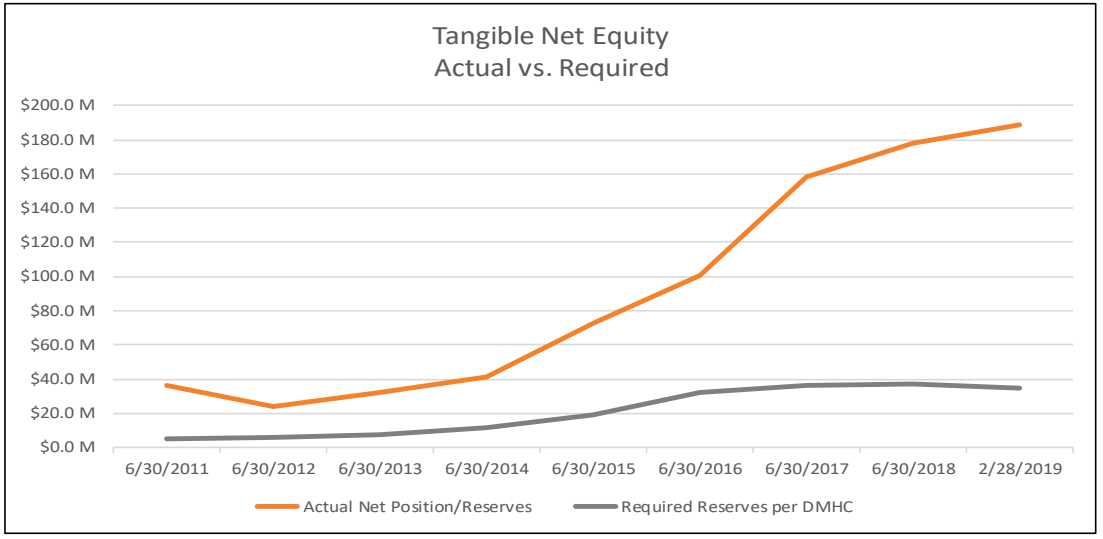
Description	Month-End Balance	Current Yield %	Interest Earned	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$78,322,042	1.95%	$100,000	$910,571
Cash & Equivalents				
Bank of the West Money Market	$432,788	1.34%	$5,199	$59,357
Wells Fargo Bank Accounts	$191,749,737	2.27%	$348,785	$1,853,911
	$192,182,525		$353,984	$1,913,269
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$13	$335
Petty Cash	$500	0.00%	$0	$0
Total Cash & Equivalents	**$270,810,416**		**$453,997**	**$2,824,175**

Tangible Net Equity

- TNE was $188.8M in February 2019 or 540.4% of the most recent quarterly DMHC minimum requirement of $34.9M. TNE trends for SCFHP are shown below.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of: February 28, 2019

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	2/28/2019
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$178.0 M	$188.8 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$36.8 M	$34.9 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$73.6 M	$69.9 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	540.4%



Reserves Analysis

SCFHP RESERVES ANALYSIS February 2019	
Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	188,777,778
Current Required TNE	34,931,993
Excess TNE	**153,845,785**
Required TNE %	540.4%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	122,261,975
500% of Required TNE (High)	174,659,965
TNE Above/(Below) SCFHP Low Target	**$66,515,802**
TNE Above/(Below) High Target	**$14,117,813**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	270,810,416
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	(15,441,746)
Total Pass-Through Liabilities	**(15,441,746)**
Net Cash Available to SCFHP	$255,368,670
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$135,157,736**
Liquidity Above/(Below) High Target	**$95,087,425**

In December 2018, the Governing Board established a Board Discretionary Fund of $2.2M. The specific projects/recipients have yet to be determined.

Capital Expenditures

- YTD Capital investments of $6M, largely to complete the renovation of the new building, were comprised of the following:

Expenditure	YTD Actual	Annual Budget	
Building	$4,864,446	$ 7,874,631	*
Systems	0	925,000	
Hardware	361,853	1,550,000	
Software	337,000	593,000	
Furniture and Fixtures	0	0	
Automobile	0	0	
Leasehold Improvements	0	0	
TOTAL	**$5,563,299**	**$10,942,631**	

** Includes FY18 budget rollover of $6,628,131*

Financial Statements

Income Statement

Santa Clara Family Health Plan.

Santa Clara County Health Authority
Income Statement for Eight Months Ending February 28, 2019

	Current Month						Fiscal Year To Date					
	Actuals	% of Rev	Budget	% of Rev	Variance	% Var	Actuals	% of Rev	Budget	% of Rev	Variance	% Var
REVENUE												
MEDI-CAL	$ 69,722,740	84.2%	$ 67,893,804	84.3%	$ 1,828,935	2.7%	$ 579,757,211	85.1%	$ 548,958,553	84.9%	$ 30,798,658	5.6%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	2,468,030	3.0%	2,556,768	3.2%	(88,738)	-3.5%	19,121,095	2.8%	20,084,885	3.1%	(963,789)	-4.8%
CMC MEDICARE	10,305,786	12.4%	9,827,779	12.2%	478,007	4.9%	79,303,312	11.6%	75,396,306	11.7%	3,907,006	5.2%
TOTAL CMC	12,773,816	15.4%	12,384,547	15.4%	389,269	3.1%	98,424,408	14.5%	95,481,191	14.8%	2,943,217	3.1%
HEALTHY KIDS	352,700	0.4%	306,921	0.4%	45,779	14.9%	2,802,390	0.4%	2,427,312	0.4%	375,078	15.5%
TOTAL REVENUE	**$ 82,849,255**	**100.0%**	**$ 80,585,271**	**100.0%**	**$ 2,263,984**	**2.8%**	**$ 680,984,008**	**100.0%**	**$ 646,867,055**	**100.0%**	**$ 34,116,953**	**5.3%**
MEDICAL EXPENSE												
MEDI-CAL	$ 66,652,007	80.4%	$ 63,174,678	78.4%	$ (3,477,328)	-5.5%	$ 537,425,528	78.9%	$ 512,711,486	79.3%	$ (24,714,042)	-4.8%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	*2,429,272*	*2.9%*	*2,242,456*	*2.8%*	*(186,816)*	*-8.3%*	*20,079,688*	*2.9%*	*17,615,784*	*2.7%*	*(2,463,904)*	*-14.0%*
CMC MEDICARE	*8,532,944*	*10.3%*	*9,167,938*	*11.4%*	*634,994*	*6.9%*	*74,819,133*	*11.0%*	*71,995,370*	*11.1%*	*(2,823,763)*	*-3.9%*
TOTAL CMC	10,962,215	13.2%	11,410,393	14.2%	448,178	3.9%	94,898,821	13.9%	89,611,154	13.9%	(5,287,667)	-5.9%
HEALTHY KIDS	251,333	0.3%	276,433	0.3%	25,100	9.1%	2,497,459	0.4%	2,186,198	0.3%	(311,261)	-14.2%
TOTAL MEDICAL EXPENSES	**$ 77,865,555**	**94.0%**	**$ 74,861,505**	**92.9%**	**$ (3,004,051)**	**-4.0%**	**$ 634,821,807**	**93.2%**	**$ 604,508,838**	**93.5%**	**$ (30,312,969)**	**-5.0%**
MEDICAL OPERATING MARGIN	**$ 4,983,700**	**6.0%**	**$ 5,723,767**	**7.1%**	**$ (740,067)**	**-32.7%**	**$ 46,162,201**	**6.8%**	**$ 42,358,217**	**6.5%**	**$ 3,803,984**	**11.1%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 2,556,356	3.1%	$ 2,486,631	3.1%	$ (69,725)	-2.8%	$ 21,379,528	3.1%	$ 21,218,956	3.3%	$ (160,571)	-0.8%
RENTS AND UTILITIES	24,928	0.0%	23,611	0.0%	(1,317)	-5.6%	356,526	0.1%	388,448	0.1%	31,922	8.2%
PRINTING AND ADVERTISING	152,523	0.2%	139,150	0.2%	(13,373)	-9.6%	695,272	0.1%	1,165,200	0.2%	469,928	40.3%
INFORMATION SYSTEMS	189,780	0.2%	226,473	0.3%	36,693	16.2%	1,484,441	0.2%	1,811,785	0.3%	327,343	18.1%
PROF FEES/CONSULTING/TEMP STAFFING	980,002	1.2%	885,079	1.1%	(94,923)	-10.7%	8,694,029	1.3%	7,227,666	1.1%	(1,466,363)	-20.3%
DEPRECIATION/INSURANCE/EQUIPMENT	370,055	0.4%	457,566	0.6%	87,512	19.1%	2,946,503	0.4%	3,701,031	0.6%	754,527	20.4%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	86,976	0.1%	70,930	0.1%	(16,046)	-22.6%	688,391	0.1%	1,219,182	0.2%	530,791	43.5%
MEETINGS/TRAVEL/DUES	94,561	0.1%	110,826	0.1%	16,265	14.7%	697,306	0.1%	866,467	0.1%	169,161	19.5%
OTHER	43,121	0.1%	17,804	0.0%	(25,317)	-142.2%	230,024	0.0%	212,015	0.0%	(18,008)	-8.5%
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,498,302**	**5.4%**	**$ 4,418,071**	**5.5%**	**$ (80,231)**	**-1.8%**	**$ 37,172,020**	**5.5%**	**$ 37,810,750**	**5.8%**	**$ 638,730**	**1.7%**
OPERATING SURPLUS (LOSS)	$ 485,398	0.6%	$ 1,305,696	1.6%	$ (820,298)	-62.8%	$ 8,990,181	1.3%	$ 4,547,468	0.7%	$ 4,442,714	97.7%
OTHER INCOME/EXPENSE												
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	0	0.0%	(478,237)	-0.1%	(478,240)	-0.1%	3	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(600,000)	-0.1%	(600,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	473,527	0.6%	47,605	0.1%	425,922	894.7%	2,849,971	0.4%	380,840	0.1%	2,469,131	648.3%
OTHER INCOME/EXPENSE	**338,748**	**0.4%**	**(87,175)**	**-0.1%**	**425,923**	**-488.6%**	**1,771,734**	**0.3%**	**(697,400)**	**-0.1%**	**2,469,134**	**-354.0%**
NET SURPLUS (LOSS)	**$ 824,146**	**1.0%**	**$ 1,218,521**	**1.5%**	**$ (394,375)**	**-32.4%**	**$ 10,761,915**	**1.6%**	**$ 3,850,067**	**0.6%**	**$ 6,911,848**	**179.5%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY

For the Eight Months Ending February 28, 2019

	February 2019	January 2019	December 2018	June 2018
Assets				
Current Assets				
Cash and Marketable Securities	$270,810,416	$206,033,993	$208,026,081	$224,156,209
Receivables	492,373,644	550,751,893	534,641,224	493,307,425
Prepaid Expenses and Other Current Assets	7,358,731	8,648,220	8,623,739	7,024,982
Total Current Assets	**770,542,791**	**765,434,106**	**751,291,045**	**724,488,615**
Long Term Assets				
Property and Equipment	43,382,948	43,842,601	43,554,399	38,579,130
Accumulated Depreciation	(16,084,786)	(16,511,470)	(16,186,309)	(14,309,761)
Total Long Term Assets	27,298,162	27,331,131	27,368,090	24,269,369
Total Assets	**797,840,954**	**792,765,237**	**778,659,134**	**748,757,984**
Deferred Outflow of Resources	**14,535,240**	**14,535,240**	**14,535,240**	**14,535,240**
Total Deferred Outflows and Assets	**812,376,194**	**807,300,477**	**793,194,374**	**763,293,224**
Liabilities and Net Assets				
Current Liabilities				
Trade Payables	4,263,225	4,494,896	3,986,497	8,351,090
Deferred Rent	(0)	(0)	(0)	17,011
Employee Benefits	1,738,577	1,686,776	1,725,742	1,473,524
Retirement Obligation per GASB 45	4,029,032	3,969,253	3,909,473	4,882,795
Advance Premium - Healthy Kids	95,070	87,512	78,886	66,195
Deferred Revenue - Medicare	-	-	-	9,928,268
Whole Person Care/Prop 56	15,198,657	15,583,165	13,847,960	9,263,004
Payable to Hospitals	243,089	-	-	0
Due to Santa Clara County Valley Health Plan and Kaiser	14,159,501	12,593,341	10,370,443	6,691,979
MCO Tax Payable - State Board of Equalization	17,569,814	8,784,630	26,353,890	(0)
Due to DHCS	52,268,200	57,457,558	35,038,446	24,429,978
Liability for In Home Support Services (IHSS)	416,092,527	416,092,527	413,549,552	413,549,551
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	83,187,262	83,918,726	83,657,353	92,470,504
Total Current Liabilities	**611,219,480**	**607,042,908**	**594,892,767**	**573,498,425**
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	2,424,796	2,349,796	2,274,796	1,824,796
Total Non-Current Liabilities	**8,344,296**	**8,269,296**	**8,194,296**	**7,744,296**
Total Liabilities	**619,563,776**	**615,312,204**	**603,087,063**	**581,242,721**
Deferred Inflow of Resources	**4,034,640**	**4,034,640**	**4,034,640**	**4,034,640**
Net Assets / Reserves				
Invested in Capital Assets	27,298,162	27,331,131	27,368,090	24,269,369
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	150,412,350	150,379,382	150,342,423	133,805,841
Current YTD Income (Loss)	10,761,915	9,937,769	8,056,809	19,635,303
Total Net Assets / Reserves	188,777,778	187,953,632	186,072,672	178,015,863
Total Liabilities, Deferred Inflows, and Net Assets	**812,376,194**	**807,300,477**	**793,194,374**	**763,293,224**

Cash Flow – YTD

Cash Flows from Operating Activities	
Premiums Received	727,325,825
Medical Expenses Paid	(634,094,553)
Adminstrative Expenses Paid	(43,863,737)
Net Cash from Operating Activities	**$49,367,536**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(4,803,818)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	2,849,971
Net Increase/(Decrease) in Cash & Cash Equivalents	**47,413,689**
Cash & Cash Equivalents (Jun 2018)	224,156,209
Cash & Cash Equivalents (Feb 19)	**$270,810,416**
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**$10,761,915**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	2,534,506
Changes in Operating Assets/Liabilities	
Premiums Receivable	933,781
Other Receivable	(2,849,971)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(333,749)
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	(8,414,237)
State Payable	45,408,036
Santa Clara Valley Health Plan & Kaiser Payable	7,467,522
Net Pension Liability	600,000
Medical Cost Reserves & PDR	(9,283,242)
IHSS Payable	2,542,975
Deferred Inflow of Resources	-
Total Adjustments	**36,071,115**
Net Cash from Operating Activities	**$49,367,536**

Statement of Operations - YTD

Santa Clara Family Health Plan.

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Eight Months Ending February 28 2019

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	$ 579,757,211	$ 19,121,095	$ 79,303,312	$ 98,424,408	$ 2,802,390	**$ 680,984,008**
MEDICAL EXPENSE	$ 537,425,528	$ 20,079,688	$ 74,819,133	$ 94,898,821	$ 2,497,459	**$ 634,821,807**
(MLR)	92.7%	105.0%	94.3%	96.4%	89.1%	**93.2%**
GROSS MARGIN	$ 42,331,683	$ (958,593)	$ 4,484,180	$ 3,525,587	$ 304,931	**$ 46,162,201**
ADMINISTRATIVE EXPENSE	$ 31,646,480	$ 1,043,739	$ 4,328,830	$ 5,372,570	$ 152,971	**$ 37,172,020**
(% of Revenue Allocation)						
OPERATING INCOME/(LOSS)	$ 10,685,203	$ (2,002,332)	$ 155,349	$ (1,846,983)	$ 151,961	**$ 8,990,181**
(% of Revenue Allocation)						
OTHER INCOME/(EXPENSE)	$ 1,508,369	$ 49,748	$ 206,325	$ 256,073	$ 7,291	**$ 1,771,734**
(% of Revenue Allocation)						
NET INCOME/(LOSS)	$ 12,193,573	$ (1,952,584)	$ 361,675	$ (1,590,909)	$ 159,252	**$ 10,761,915**
PMPM (ALLOCATED BASIS)						
REVENUE	$ 297.28	$ 335.31	$ 1,296.91	$ 1,609.61	$ 106.65	**$ 334.21**
MEDICAL EXPENSES	$ 275.58	$ 352.12	$ 1,223.57	$ 1,551.95	$ 95.04	**$ 311.55**
GROSS MARGIN	$ 21.71	$ (16.81)	$ 73.33	$ 57.66	$ 11.60	**$ 22.66**
ADMINISTRATIVE EXPENSES	$ 16.23	$ 18.30	$ 70.79	$ 87.86	$ 5.82	**$ 18.24**
OPERATING INCOME/(LOSS)	$ 5.48	$ (35.11)	$ 2.54	$ (30.21)	$ 5.78	**$ 4.41**
OTHER INCOME/(EXPENSE)	$ 0.77	$ 0.87	$ 3.37	$ 4.19	$ 0.28	**$ 0.87**
NET INCOME/(LOSS)	$ 6.25	$ (34.24)	$ 5.91	$ (26.02)	$ 6.06	**$ 5.28**
ALLOCATION BASIS:						
MEMBER MONTHS - YTD	1,950,188	57,025	61,148	61,148	26,277	2,037,613
REVENUE BY LOB	85.1%	2.8%	11.6%	14.5%	0.4%	100.0%

Santa Clara Family Health Plan™

Microsoft License Renewal

April 2019

Microsoft Renewal

Renewal of Microsoft Enterprise Software License

- The current Microsoft Enterprise Agreement expired on March 31, 2019
- The previous agreement was for a three year term (2016-2018) at a total cost of $672,000 paid annually at a rate of $224,000 per year
- The new proposed agreement is for a three year term as well (2019-2021)
- The total cost is quoted at $604,726 paid annually at a rate of $201,575 per year
- Total savings over 3 years is $67,274

Microsoft Renewal

Possible Action

- Authorize Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Microsoft in an amount not to exceed $605,000 for licensing


Santa Clara Family
Health Plan™

Santa Clara Family Health Plan™

Server Infrastructure Revitalization

April 2019

Server Infrastructure

Revitalize and Upgrade Server Infrastructure to Meet Business Needs

- Current network and phone system servers are over 5 years old and near end of life
- Plan to upgrade server infrastructure to replace aging equipment and to meet anticipated future needs over the next 5 years
- This includes servers to support all production system environments, disaster recovery environment in Denver, and our phone system servers
- ePlus will be our purchasing partner and provide implementation support, including hardware configuration and testing

Server Infrastructure

Possible Action

- Authorize Chief Executive Officer to negotiate, execute, amend, and terminate contracts with Cisco and ePlus in an amount not to exceed $660,000 for hardware and implementation


Santa Clara Family
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Santa Clara Family Health Plan™

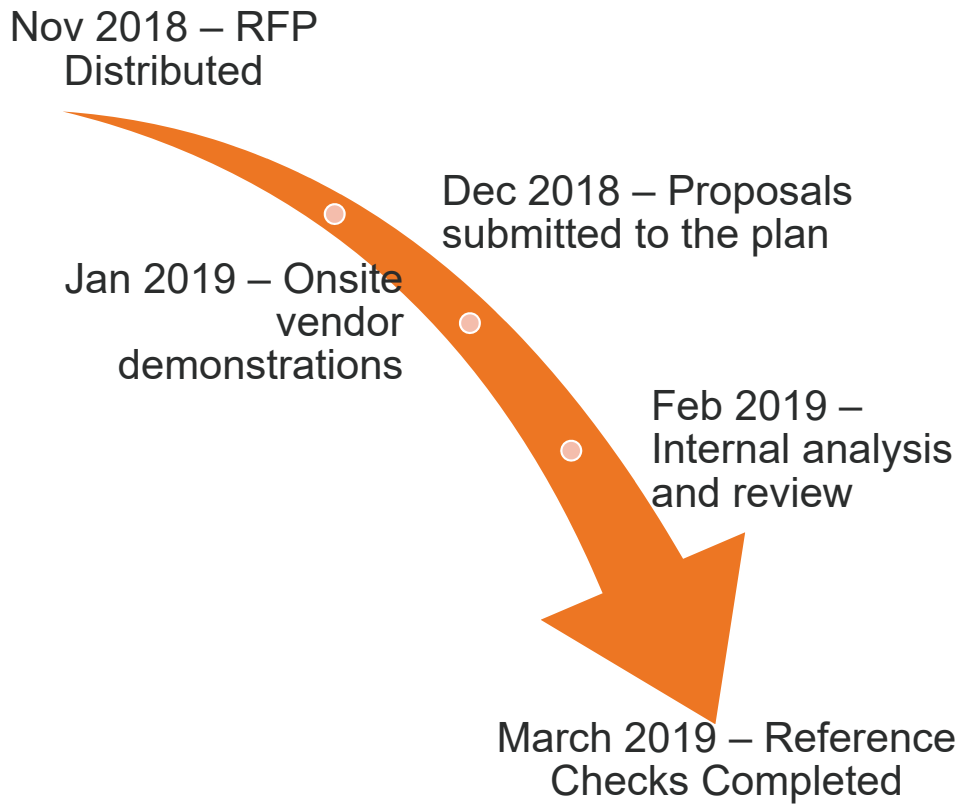
HEDIS Request for Proposal (RFP)

April 25, 2019

HEDIS RFP

Vendor Selection Timeline:

- Contract with existing vendor terms on December 31, 2019
- 7 vendors bid for certified engine – 5 vendors were selected for onsite demo
- 6 vendors bid for medical records review – 3 were selected for onsite demo
- Recommendation to migrate from existing vendor, Cotiviti, to new vendors, CitiusTech and Guardian Angel



HEDIS RFP

HEDIS Certified Engine Software Selection – CitiusTech Inc.

- CitiusTech works with 80+ customers including the Mayo Clinic, Blue Shield Blue Cross of South Carolina and Florida Blue.
- Data analytics tool is dynamic allowing drill down to member and provider levels.
- HEDIS rates and gaps in care lists can be refreshed more frequently providing current data without incurring any additional costs.
- 3 year contract

HEDIS RFP

HEDIS Medical Record Selection – Guardian Angel Consulting, Inc.

- Guardian Angel Consulting has two clients in California, including Valley Health Plan and Inland Empire Health Plan.
  - Guardian Angel is familiar with Santa Clara County providers and has established relationships with the community clinics and VMC.
- Uses CareSeed's MRR software, Harvest™, has been in production since the HEDIS 2015 reporting season.
- 1 year contract

Proposed Action:

Authorize Chief Executive Officer to negotiate, execute, amend, and terminate a contract with selected HEDIS vendors in an amount not to exceed $665,000 for licensing and implementation.

Santa Clara Family Health Plan™

Collective Medical Technology

Presented by: Dr. Laurie Nakahira and Jonathan Tamayo

Current State of Health Information Technology

- Inpatient and Emergency Department Admission
  - Notification of an Inpatient Admission may take greater than 24 hours for faxed notification
  - Notification of an Emergency Room visit may take about 1 week for service claims and/or encounters
- Care Management Summaries
  - If requested, some care summaries are faxed by the facilities (i.e. hospitals, skilled nursing) and providers to the health plan
  - Care summaries are not routinely shared with any case management team to coordinate care and services

Collective Medical Technology (CMT)

- Collective Medical Technology is a software application that provides a platform to exchange real-time health information.
- CMT allows healthcare entities a pathway to exchange protected health information (PHI) to improved treatment planning, claims adjudication and health care operations.
- CMT can share health information

Collective Medical Technology's Network

- Kaiser North West Oregon
- Sutter Health
- San Francisco Health Plan
- UCSF
- Health Plan of San Mateo
- Alameda Health System
- AHS John George Psychiatric hospital
- Washington Hospital Systems

Collective Medical Technology

Client Quality Improvement analysis:

- High Emergency Room (ER) utilization

Results from a client using Collective Medical Technology Platform:

- Reduction of 15% in ER utilization per 1,000 patients
- Reduction of 7% in avoidable ER admissions
- Increase by 16% in patient satisfaction for urgent appointments
- Increase by 13% in provider engagement scores

Proposal:

- Utilize CMT platform for:
  - Health Homes Program members
  - Non-VHP and non-Kaiser members
- Anticipated benefits of CMT platform include:
  - Efficient medical information sharing
  - Receive real-time patient information for ER and Inpatient utilization
  - Improve coordination of care between case management teams and providers
  - Improve risk stratification

Proposed Action:

- Authorize Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Collective Medical Technology in an amount not to exceed $250,000 for licensing, implementation and training.


Santa Clara Family
Health Plan™

April 18, 2019

Dave Cameron
Chief Financial Officer
Santa Clara Family Health Plan
6201 San Ignacio Avenue
San Jose, CA 95119

Via Email: damerdav@scfhp.com; njarecki@scfhp.com

Re: Annual Investment Policy Review (Scope of Work order dated April 2, 2019)

Dear Dave,

Pursuant to our SOW order dated April 2, 2019, we have reviewed the current Santa Clara Family Health Plan's (SCFHP) Annual Investment Policy (AIP), adopted April 26, 2018, to determine any updates or clarifications that should be made and a compliance review that current investment practices are in accordance with the AIP.

The AIP provides the investment guidelines and structure for the investment of short-term operating funds and any Board-designated reserve funds invested after April 26, 2018. Currently, excess funds are deposited with the Santa Clara County Treasurer in the Commingled Investment Pool and two commercial banks: Wells Fargo Bank (2 ZBA accounts and a sweep account) and Bank of the West MM commercial account. Funds, on deposit in the two commercial banks, in excess of the compensating balance requirement, earn interest. (Compensating balance requirements are established by the banks to compensate for servicing costs.)

I. All liquid assets are currently invested in accordance with the SCFHP AIP and the California Government Code's investment guidelines for local agencies.

A. Under AIP Section IV: Delegation of Authority, the Board of Directors of the SCFHP, directs that available excess funds be deposited in the **Commingled Investment Pool** if:

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

Response: In 2018, Moody's rated the general obligation bonds of County of Santa Clara, Aa1; as of Dec. 2018, S&P affirmed the AAA rating of the County of Santa Clara.

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

Response: The County's CAFR for FY2018 indicated that Cash and Cash Equivalents was $4,166,955,000. As of December 2018, the market value of the Commingled Investment Pool was $8,198,763,772.

B. Under AIP Section IV: All SCFHP money shall be deposited for safekeeping in financial institutions that maintain a rating of their senior long-term debt obligations, deposit rating or claims-paying ability rating, or are guaranteed by an entity whose obligations are rated not lower than "AA-" by S&P, AA- by Fitch or "Aa3" by Moody's or its equivalent from another nationally recognized rating agency.

Response:

1. ***Bank of the West*** *- For calendar year 2018, the average monthly excess balance was $10,519,435; the average annualized earnings rate for excess compensating deposits was 0.82%.*

   Currently rated:
   - *Aa3/Stable by Moody's; (meets the standard)*
   - *A/Stable by S&P (does not meet the standard)*
   - *Bank of the West is wholly owned by BNP Paribas, rated A+ by S&P (does not meet the standard)*

2. ***Wells Fargo Bank*** *– For calendar year 2018, the average monthly investible or excess balance was $90,677,760; average annualized earnings rate for excess compensating deposits was 1.19%.*

   Currently rated:
   - *Aa2 by Moody's (meets standard)*
   - *A+ by S&P (does not meet standard)*

Bank ratings for both banks meet the AIP policy minimums*.*

II. Oversight procedures have been followed pursuant to the AIP

Response: The Santa Clara County Commingled Investment Pool publishes online monthly and quarterly statements of the investment activity, portfolio strategy and diversification compliance (quarterly) as stated in the County's Investment Policy. The County Treasurer believes the Commingled Pool contains sufficient cash flow from liquid and maturing securities, bank deposits and incoming cash to meet the next six months of expected expenditures by pool participants. Investment performance of the County Pool against industry benchmarks are also included. The County's investment activities are monitored and reviewed by FTN Financial Main Street Advisors quarterly. As of December 2018, The Pool is compliant with the County's Investment Policy.

Transaction statements for the two commercial banks are monitored and maintained by the SCFHP Controller with regular reporting to the Chief Financial Officer.

III. Updates to the California Government Code for inclusion in the AIP

Response: There are no relevant changes in the California Government Code that need to be made to the AIP at this time.

IV. Liquidity needs have been sufficiently met.

Response: Due to the daily excess depository balances at Bank of the West and Wells Fargo Bank, liquidity needs are being met.

V. Noteworthy events for the three depositories that require additional review for consideration as a viable investment option for the SCFHP.

Response:

- *The average monthly excess funds on deposit with the two banks exceeds the FDIC coverage of $250,000 per account. We do not have information if the excess funds invested by the banks are in permitted investments (i.e. rated Money Market Fund) per the AIP. We also note that the Independent Auditor, Moss Adams, in the Combined Financial Statement for FY 2017 and FY 2018 for the Santa Clara County Health Authority states in financial notes on page 16, "Of the bank and investment pool balances at June 30, 2018 and 2017, $245,129,254 and $361,477,706, respectively, were not covered by federal depository insurance."*

Recommendation:

We noted that a higher percentage than recommended by the California Code, of excess funds not needed to meet your operational liquidity, is currently invested in the Wells Fargo Stagecoach Sweep – Money Market Mutual Fund. The Board-adopted AIP tracks the permitted investment instruments per the California Government Code which includes investment in Mutual Funds and Money Market Mutual Funds for up 20% of a local agency's portfolio. We recommend that you consider diversifying your investments in mutual funds so that no fund contains more than 10% of your total excess funds and that the total investment in mutual funds and money market mutual funds be no more than 20 percent.

Sincerely,

Martha J. Vujovich
Principal

POLICY

Santa Clara Family Health Plan™

Procedure Title:	**Investments**	**Procedure No.:**	**FA-07**
Replaces Procedure Title (if applicable):		**Replaces Procedure No. (if applicable):**	
Issuing Department:	Finance	**Procedure Review Frequency:**	**Annually**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. PURPOSE

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

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

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

II. OBJECTIVES

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

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

POLICY

III. ETHICS AND CONFLICTS OF INTEREST

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

IV. DELEGATION OF AUTHORITY

A. Santa Clara Commingled Investment Pool

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

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

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

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

B. Depository (Financial) Institutions

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

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

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

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

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

POLICY

C. Permitted Investments

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

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

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

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

(4) Permitted investments shall include:

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

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

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

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

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

V. DOCUMENTS

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

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

- County of Santa Clara Treasury Investment Policy:

POLICY

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

- County of Santa Clara Treasury Quarterly Report

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

- SAP Balance and Interest Earnings of SCFHP Invested Funds

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

VI. REVIEW OF INVESTMENT POLICY

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

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

POLICY

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

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

POLICY

TABLE OF NOTES FOR CA GOVERNMENT CODE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VII. REFERENCES

None.

VIII. MONITORING

Investment policy, investments and yield will be reviewed on an annual basis by the Controller and Chief Financial Officer

IX. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 26, 2018 Date	Dave Cameron, CFO April 26, 2018 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 26, 2018 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee	Approved 04/26/18	Approved 06/28/18
V1	Reviewed	Executive/Finance Committee		

April 18, 2019

Dave Cameron
Chief Financial Officer
Santa Clara Family Health Plan
6201 San Ignacio Avenue
San Jose, CA 95119

Via Email: damerdav@scfhp.com; njarecki@scfhp.com

Re: Annual Investment Policy Review (Scope of Work order dated April 2, 2019)

Dear Dave,

Pursuant to our SOW order dated April 2, 2019, we have reviewed the current Santa Clara Family Health Plan's (SCFHP) Annual Investment Policy (AIP), adopted April 26, 2018, to determine any updates or clarifications that should be made and a compliance review that current investment practices are in accordance with the AIP.

The AIP provides the investment guidelines and structure for the investment of short-term operating funds and any Board-designated reserve funds invested after April 26, 2018. Currently, excess funds are deposited with the Santa Clara County Treasurer in the Commingled Investment Pool and two commercial banks: Wells Fargo Bank (2 ZBA accounts and a sweep account) and Bank of the West MM commercial account. Funds, on deposit in the two commercial banks, in excess of the compensating balance requirement, earn interest. (Compensating balance requirements are established by the banks to compensate for servicing costs.)

I. All liquid assets are currently invested in accordance with the SCFHP AIP and the California Government Code's investment guidelines for local agencies.

A. Under AIP Section IV: Delegation of Authority, the Board of Directors of the SCFHP, directs that available excess funds be deposited in the **Commingled Investment Pool** if:

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

Response: In 2018, Moody's rated the general obligation bonds of County of Santa Clara, Aa1; as of Dec. 2018, S&P affirmed the AAA rating of the County of Santa Clara.

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

Response: The County's CAFR for FY2018 indicated that Cash and Cash Equivalents was $4,166,955,000. As of December 2018, the market value of the Commingled Investment Pool was $8,198,763,772.

B. Under AIP Section IV: All SCFHP money shall be deposited for safekeeping in financial institutions that maintain a rating of their senior long-term debt obligations, deposit rating or claims-paying ability rating, or are guaranteed by an entity whose obligations are rated not lower than "AA-" by S&P, AA- by Fitch or "Aa3" by Moody's or its equivalent from another nationally recognized rating agency.

Response:

1. ***Bank of the West*** *- For calendar year 2018, the average monthly excess balance was $10,519,435; the average annualized earnings rate for excess compensating deposits was 0.82%.*

   Currently rated:
   - *Aa3/Stable by Moody's; (meets the standard)*
   - *A/Stable by S&P (does not meet the standard)*
   - *Bank of the West is wholly owned by BNP Paribas, rated A+ by S&P (does not meet the standard)*

2. ***Wells Fargo Bank*** *– For calendar year 2018, the average monthly investible or excess balance was $90,677,760; average annualized earnings rate for excess compensating deposits was 1.19%.*

   Currently rated:
   - *Aa2 by Moody's (meets standard)*
   - *A+ by S&P (does not meet standard)*

Bank ratings for both banks meet the AIP policy minimums*.*

II. Oversight procedures have been followed pursuant to the AIP

Response: The Santa Clara County Commingled Investment Pool publishes online monthly and quarterly statements of the investment activity, portfolio strategy and diversification compliance (quarterly) as stated in the County's Investment Policy. The County Treasurer believes the Commingled Pool contains sufficient cash flow from liquid and maturing securities, bank deposits and incoming cash to meet the next six months of expected expenditures by pool participants. Investment performance of the County Pool against industry benchmarks are also included. The County's investment activities are monitored and reviewed by FTN Financial Main Street Advisors quarterly. As of December 2018, The Pool is compliant with the County's Investment Policy.

Transaction statements for the two commercial banks are monitored and maintained by the SCFHP Controller with regular reporting to the Chief Financial Officer.

III. Updates to the California Government Code for inclusion in the AIP

Response: There are no relevant changes in the California Government Code that need to be made to the AIP at this time.

IV. Liquidity needs have been sufficiently met.

Response: Due to the daily excess depository balances at Bank of the West and Wells Fargo Bank, liquidity needs are being met.

V. Noteworthy events for the three depositories that require additional review for consideration as a viable investment option for the SCFHP.

Response:

- *The average monthly excess funds on deposit with the two banks exceeds the FDIC coverage of $250,000 per account. We do not have information if the excess funds invested by the banks are in permitted investments (i.e. rated Money Market Fund) per the AIP. We also note that the Independent Auditor, Moss Adams, in the Combined Financial Statement for FY 2017 and FY 2018 for the Santa Clara County Health Authority states in financial notes on page 16, "Of the bank and investment pool balances at June 30, 2018 and 2017, $245,129,254 and $361,477,706, respectively, were not covered by federal depository insurance."*

Recommendation:

We noted that a higher percentage than recommended by the California Code, of excess funds not needed to meet your operational liquidity, is currently invested in the Wells Fargo Stagecoach Sweep – Money Market Mutual Fund. The Board-adopted AIP tracks the permitted investment instruments per the California Government Code which includes investment in Mutual Funds and Money Market Mutual Funds for up 20% of a local agency's portfolio. We recommend that you consider diversifying your investments in mutual funds so that no fund contains more than 10% of your total excess funds and that the total investment in mutual funds and money market mutual funds be no more than 20 percent.

Sincerely,

Martha J. Vujovich
Principal

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Finance - General**	**Policy No.:**	**FA-01**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs the general financial policies and procedures used by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures to ensure that the Plan's assets are protected, properly recorded, and periodically reconciled.

This policy will ensure that the Finance department has sufficient procedures governing the general Finance areas not otherwise addressed through specific procedures for a specific area (e.g., Cash Receipts).

This policy will be supported by specific detailed procedures on:

a. Finance definitions,
b. Asset access controls
c. Budgeting & forecasting
d. Member months
e. Audit preparation
f. Financial systems access,
g. Accounting calendar development
h. Commercial insurance
i. Administrative expense allocations
j. Any future procedures of a general financial nature as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Cash & Cash Receipts**	**Policy No.:**	**FA-02**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all Cash and Cash Receipts received by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing cash and cash receipts to ensure that the Plan's assets are protected, properly recorded, and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Cash receipts
- Incoming wire transfers
- Bank accounts
- Bank statement reconciliations
- Incoming Finance mail
- Petty cash
- Any future cash receipts procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Accounts Receivable and Revenue**	**Policy No.:**	**FA-04**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all accounts receivables and revenue recorded by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing accounts receivables and revenues to ensure that the Plan's assets are protected, properly recorded and periodically reconciled.

This policy will be supported by specific detailed procedures:

- Capitation
- Premiums accounts receivable/revenue
- Supplemental (kick) accounts receivable/revenue
- Healthy Kids' member accounts receivable/revenue
- Pass-through accounts receivable/revenue
- Any future accounts receivable/revenue procedures as needed.

III. Responsibilities

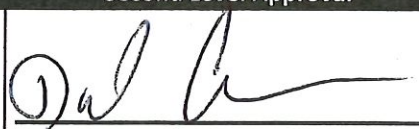
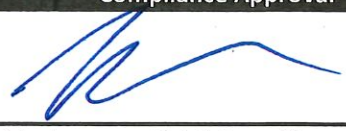
The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
		
Neal Jarecki, Controller	Dave Cameron, CFO	Robin Larmer, Chief Compliance & Regulatory Affairs Officer
April 15, 2019	April 15, 2019	April 15, 2019
Date	Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Payroll & Employee Expenses**	**Policy No.:**	**FA-05**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all payroll and employee expenses recorded by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing payroll and employee expenses to ensure that the Plan's assets are protected, properly recorded and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Payroll & employee benefits processing
- Reimbursed business expenses
- Employee gift cards
- Any future payroll and/or employee expense procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Fixed Assets & Depreciation Expense**	**Policy No.:**	**FA-06**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all fixed asset and depreciation transactions recorded by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing fixed asset transactions to ensure that the Plan's assets are protected, properly recorded and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Capital asset acquisitions
- Depreciation & amortization expense
- Disposition of fixed asset
- Any future fixed asset procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Treasury & Debt**	**Policy No.:**	**FA-08**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all treasury and debt transactions recorded by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing treasury and debt to ensure that the Plan's assets are protected, properly recorded and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Treasury management
- Debt
- Any future treasury or debt procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Financial Close & Reporting**	**Policy No.:**	**FA-09**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs the financial closing and reporting processes used by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team, and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing financial close and reporting to ensure that the Plan's assets are protected, properly recorded, and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Month-end close & reconciliation process
- Journal entries
- Internal financial reporting
- External & regulatory financial reporting
- Monitoring of capitated providers' financial solvency
- Tangible net equity (TNE)
- Managed care organization (MCO) taxes
- Month-end close analysis
- Any future financial close and reporting procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Medical Expense & IBNP**	**Policy No.:**	**FA-10**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all medical expense and IBNP transactions recorded by SCFHP.

II. Policy

SCFHP's Governing Board, Executive Management Team and generally-accepted accounting principles (GAAP) require that the Finance department implement and maintain proper controls and procedures governing medical expense recordation and IBNP to ensure that the Plan's assets are protected, properly recorded, and periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Fee-for-service (FFS) provider payments
- Pharmacy expense
- Pharmacy rebates
- IBNP calculations (claims incurred-but-not-paid)
- Reinsurance expense
- Reinsurance recoveries
- Any future medical expense and IBNP procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Controller has responsibility for implementation, periodic updates, and oversight of the Finance's staff adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Neal Jarecki, Controller April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

POLICY

Santa Clara Family Health Plan™

Policy Title:	**Healthcare Economics**	**Policy No.:**	**FA-11**
Replaces Policy Title (if applicable):	**N/A**	**Replaces Policy No. (if applicable):**	**N/A**
Issuing Department:	**Finance**	**Policy Review Frequency:**	**Periodically As Warranted**
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

This policy governs all key functions performed by the Healthcare Economics team.

II. Policy

SCFHP's Governing Board and Executive Management Team require that the Healthcare Economics team implement and maintain proper controls and procedures governing certain key tasks to ensure that the Plan's assets are protected, transactions are properly recorded, and records are periodically reconciled.

This policy will be supported by specific detailed procedures on:

- Target claims audits
- Monthly calculation and payment of capitation to delegates
- Medicare prescription drug event (PDE) reporting
- Any future Healthcare Economics procedures as needed.

III. Responsibilities

The Chief Financial Officer has overall responsibility for this policy. The Director of Healthcare Economics has responsibility for implementation, periodic updates, and oversight of the staff's adherence to this policy and all related procedures.

IV. References

None.

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval	Compliance Approval
Ngoc Bui-Tong, Director of Healthcare Analytics April 15, 2019 Date	Dave Cameron, CFO April 15, 2019 Date	Robin Larmer, Chief Compliance & Regulatory Affairs Officer April 15, 2019 Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original	Executive/Finance Committee		

Regular Meeting of the

Santa Clara County Health Authority
Executive/Finance Committee

Thursday, May 23, 2019, 11:30 AM - 1:00 PM
Santa Clara Family Health Plan, Boardroom
6201 San Ignacio Ave, San Jose, CA 95119

Minutes - Draft

Members Present
Bob Brownstein, Chair
Liz Kniss *(via telephone)*
Linda Williams

Members Absent
Dolores Alvarado

Staff Present
Christine Tomcala, Chief Executive Officer
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Laurie Nakahira, DO, Chief Medical Officer
Jonathan Tamayo, Chief Information Officer
Neal Jarecki, Controller
Jayne Giangreco, Manager, Administrative Services

Others Present
Daphne Annett, Burke, Williams & Sorensen, LLP *(via telephone)*

1. **Roll Call**

   Bob Brownstein, Chair, called the meeting to order at 11:30 am. Roll call was taken and a quorum was established.

2. **Meeting Minutes**

   The minutes of the May 1, 2019 Executive/Finance Committee were reviewed.

   It was moved, seconded, and the May 1, 2019 Executive/Finance Committee Minutes were **unanimously approved.**

3. **Public Comment**

   There were no public comments.

4. Adjourn to Closed Session

a. <u>Existing Litigation</u>
The Executive/Finance Committee met in Closed Session to confer with Legal Counsel regarding CalPERS Case No. 2017-1114; OAH Case No. 2018051223 and CalPERS Case No. 2017-1115; OAH Case No. 2018051029.

b. <u>Contract Rates</u>
The Executive/Finance Committee met in Closed Session to discuss plan partner rates.

5. Report form Closed Session

Mr. Brownstein reported the Executive/Finance Committee met in Closed Session to discuss items 4 (a) and (b).

6. March 2019 Financial Statements

Dave Cameron, Chief Financial Officer, presented the March 2019 financial statements, which reflected a current month net surplus of $1.7 million ($500 thousand favorable to budget) and a fiscal year-to-date surplus of $12.5 million ($7.5 million favorable to budget). Enrollment declined by 131 members from the prior month to 251,068. Medi-Cal enrollment has declined since October 2016 while CMC membership has grown modestly over the past few months due to continued outreach efforts. Revenue reflected a favorable current month variance of $8.7 million (10.8%) largely due to a one-time retroactive prior year MLTSS rate adjustment of $4.4 million, higher Prop 56 accrual of $1.8 million (offset by higher medical expense), and higher non-dual enrollment of $1.4 million. Medical expense reflected an unfavorable current month variance of $8.8 million (11.7%) largely due to the combination of increased inpatient, LTC and pharmacy expenses of $7.0 million and higher Prop 56 expense noted above. Administrative expenses were at budget for the month and $600 thousand favorable year-to-date due largely to the timing of certain expenses. The balance sheet reflected a Current Ratio of 1.22:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity of $190.5 million represented 546.5% of the minimum required by DMHC of $34.9 million.

It was moved, seconded, and the March 2019 Financial Statements were **unanimously approved.**

7. Fiscal Year 2018-2019 Donations and Sponsorships Annual Report

Ms. Tomcala presented the annual summary of donations and sponsorships, indicating SCFHP provided $69,220 in funding during FY 2018-19.

It was moved, seconded, and unanimously approved to accept FY' 2018-19 Donations and Sponsorships Annual Report.

8. Health Homes Program (HHP) Update

Laurie Nakahira, D.O., Chief Medical Officer, reported on the status of the Health Homes Program (HHP), noting this is the new DHCS case management program the State is implementing. SCFHP's implementation date is July 1, 2019. SCFHP currently has five Community-Based Care Management Entities (CBCMEs) that are ready to sign contracts. Valley Health Plan, acting on behalf of the County, declined to participate. In the absence of VMC clinic participation, SCFHP is planning to develop an in-house CBCME.

It was moved, seconded, and unanimously approved to accept the Health Homes Program Update.

9. Compliance Update

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, discussed the status of the CMS Program Audit remedial work. She noted that the Plan has substantially completed the tasks outlined in the Corrective Action Plans, although some G&A reports remain pending due to the Beacon system implementation. Potential risks to successful Audit closure include staffing, particularly the ability of staff to sustain the effort required to manage the remediation long term along with the demands of simultaneous, multiple state audits and daily work.

Program Audit protocol requires the Plan to engage an outside firm to conduct an Independent Validation Audit (IVA) and report to CMS the Plan's success in remediating the Conditions cited in the Audit. The Plan has engaged ATTAC Consulting Group to conduct the IVA, and CMS has approved ATTAC's IVA Work Plan. The Plan requested and was granted an extension of the remediation period (and delay in the beginning of the IVA) to more fully implement the Beacon system. Under the revised timeline, the IVA will begin in July 2019, and the IVA Report and CEO's attestation of full remediation must be submitted to CMS by September 30, 3019.

Ms. Larmer further noted that the Plan discovered in March 2019 that PMG had sub-delegated claim processing to an offshore entity. Such sub-delegation is not allowed without the Plan's consent, which PMG failed to obtain. Because the Plan was unaware of the arrangement, the Plan had not advised DMHC of the arrangement as was required under the terms of the Plan's Knox-Keene license. The Plan submitted a self-disclosure to DMHC, and is continuing to supply information about the sub-delegation and the Plan's oversight more generally. The Plan will be required to submit a material modification filing, and it is possible that the Plan will be assessed a financial penalty.

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

10. Network Detection and Prevention Report

Jonathan Tamayo, Chief Information Officer, reported on firewall intrusion, detection, and prevention efforts.

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

11. CEO Update

Christine Tomcala, Chief Executive Officer, updated the Committee on the status of the pharmacy carve out proposed by Governor Newsom.

Ms. Tomcala provided additional information on the clinics Guardian Angel works with on HEDIS Medical Records Review.

Ms. Tomcala noted that the Health Plan is poised to commence negotiations with SEIU for the annual reopener.

Ms. Tomcala provided an update on the search for a Satellite Office, noting that she and Dolores Alvarado, Board Member, met with Councilmember Carrasco's office.

It was also noted that SCFHP signed a letter of support for the AB715 (Wood) along with other advocacy organizations throughout the state. This bill would raise the eligibility level of the Medi-Cal Aged and Disabled

program to 138% FPL, creating a "bright line" of Medi-Cal income eligibility that will create parity between senior and disabled Medi-Cal beneficiaries, and other adult Medi-Cal beneficiaries.

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

12. Adjournment

The meeting was adjourned at 1:00 pm.

_____

Robin Larmer, Secretary

Santa Clara Family Health Plan™

Unaudited Financial Statements
For The Nine Months Ended March 31, 2019

Agenda

Santa Clara Family Health Plan.

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Financial Highlights

	MTD		YTD	
Revenue	$89 M		$770 M	
Medical Expense (MLR)	$83 M	93.6%	$718 M	93.3%
Administrative Expense (% Rev)	$4.5 M	5.0%	$41.7 M	5.4%
Other Income/Expense	$520,278		$2,292,012	
Net Surplus (Loss)	**$1,740,431**		**$12,502,346**	
Cash on Hand			$350 M	
Receivables			$522 M	
Total Current Assets			$879 M	
Current Liabilities			$717 M	
Current Ratio			1.22	
Tangible Net Equity			$191 M	
% of DMHC Requirements			**546.5%**	

Financial Highlights

Net Surplus (Loss)	Month: Surplus of $1.7M is $0.5M or 44.8% favorable to budget of $1.2M. YTD: Surplus of $12.5M is $7.5M or 147.5% favorable to budget of $5.1M.
Enrollment	Month: Membership was 251,068 (1,491 or 0.6% favorable budget of 249,577). YTD: Member months were 2.3M (3,227 or 0.1% favorable budget of 2.3M).
Revenue	Month: $89.1M ($8.7M or 10.8% favorable to budget of $80.4M) YTD: $770.1M ($42.8M or 5.9% favorable to budget of $727.3M)
Medical Expenses	Month: $83.4M ($8.8M or 11.7% unfavorable to budget of $74.7M) YTD: $718.2M ($39.1M or 5.8% unfavorable to budget of $679.2M)
Administrative Expenses	Month: $4.5M ($2.3K or 0.1% unfavorable to budget of $4.5M) YTD: $41.7M ($0.6M or 1.5% favorable to budget of $42.3M)
Tangible Net Equity	TNE was $190.5M (546.5% of minimum DMHC requirements of $34.9M)
Capital Expenditures	YTD Capital Investment of $5.7M vs. $10.9M annual budget was primarily due to building renovations.

Santa Clara Family Health Plan™

Detail Analyses

Enrollment

- Total enrollment has decreased since June 30, 2018 by 8,407 or 3.2%, in line with budgeted expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Child, Adult and Adult Expansion categories of aid. Medi-Cal Dual enrollment has been stable while CMC enrollment has grown due to outreach efforts.
- FY19 Membership Trends:
  - Medi-Cal membership has decreased since the beginning of the fiscal year by 3.6%. Over the past 12 months, membership has decreased 5.2%.
  - CMC membership increased since the beginning of the fiscal year by 5.1%. Over the past 12 months, membership has increased 6.4%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 4.8%. Over the past 12 months, membership has decreased 2.0%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of March 2019			For Nine Months Ending March 31 2019					
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY18 vs. FY19
Medi-Cal	239,836	238,848	0.4%	2,190,024	2,190,443	(419)	(0.0%)	2,323,643	(5.8%)
Cal Medi-Connect	7,884	7,795	1.1%	69,032	68,715	317	0.5%	66,592	3.7%
Healthy Kids	3,348	2,934	14.1%	29,625	26,296	3,329	12.7%	24,424	21.3%
Total	**251,068**	**249,577**	**0.6%**	**2,288,681**	**2,285,454**	**3,227**	**0.1%**	**2,414,659**	**(5.2%)**

Santa Clara Family Health Plan Enrollment By Network
March 2019

Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,165	13%	7,884	100%	390	12%	38,439	15%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	119,376	50%	-	0%	1,455	43%	120,831	48%
Palo Alto Medical Foundation	6,984	3%	-	0%	82	2%	7,066	3%
Physicians Medical Group	42,996	18%	-	0%	1,169	35%	44,165	18%
Premier Care	14,873	6%	-	0%	252	8%	15,125	6%
Kaiser	25,442	11%	-	0%	-	0%	25,442	10%
Total	**239,836**	**100%**	**7,884**	**100%**	**3,348**	**100%**	**251,068**	**100%**
Enrollment at June 30, 2018	248,776		7,503		3,196		259,475	
Net Δ from Beginning of FY19	-3.6%		5.1%		4.8%		-3.2%	

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

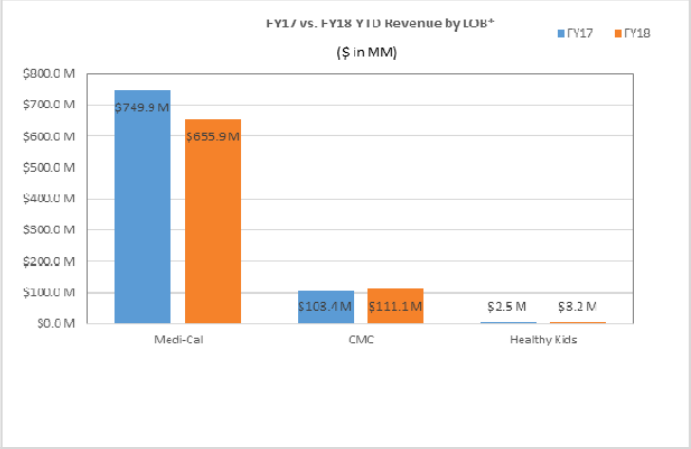
Enrollment By Aid Category

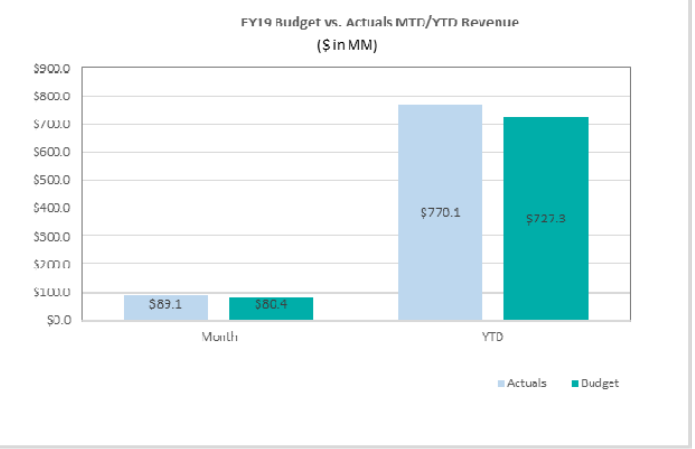
SCFHP TRENDED ENROLLMENT BY COA YTD MAR-19

		2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03
NON DUAL	Adult (over 19)	27,465	27,359	27,351	27,185	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846	25,772
	Adult (under 19)	101,197	100,606	100,449	100,238	99,369	98,316	98,255	97,518	96,830	96,330	95,155	95,177	95,286
	Aged - Medi-Cal Only	10,906	10,924	10,891	10,963	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963	10,934
	Disabled - Medi-Cal Only	10,786	10,801	10,750	10,750	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579	10,558
	Adult Expansion	76,985	76,677	74,319	74,292	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223	72,143
	BCCTP	15	15	15	13	13	14	13	12	11	11	9	9	8
	Long Term Care	353	358	370	384	382	384	387	379	377	372	371	376	375
	Total Non-Duals	**227,707**	**226,740**	**224,145**	**223,824**	**222,676**	**220,831**	**220,703**	**219,343**	**218,340**	**217,628**	**215,093**	**215,173**	**215,076**
DUAL	Adult (21 Over)	416	401	397	393	387	385	382	385	390	379	373	376	367
	Aged (21 Over)													
	Disabled (21 Over)	23,312	22,969	23,064	22,811	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728	22,712
	Adult Expansion	470	451	421	451	455	485	521	533	538	586	556	529	479
	BCCTP	2	2	2	2	2	2	2	1	1	1	2	1	1
	Long Term Care	1,118	1,117	1,159	1,295	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203	1,201
	Total Duals	**25,318**	**24,940**	**25,043**	**24,952**	**25,079**	**25,123**	**25,181**	**25,150**	**25,059**	**25,067**	**24,905**	**24,837**	**24,760**
	Total Medi-Cal	**253,025**	**251,680**	**249,188**	**248,776**	**247,755**	**245,954**	**245,884**	**244,493**	**243,399**	**242,695**	**239,998**	**240,010**	**239,836**
	Healthy Kids	**3,415**	**3,454**	**3,220**	**3,196**	**3,278**	**3,187**	**3,163**	**3,217**	**3,460**	**3,345**	**3,252**	**3,375**	**3,348**
CMC	CMC Non-Long Term Care	7,153	7,194	7,203	7,275	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616	7,680
	CMC - Long Term Care	256	241	237	228	221	222	214	218	218	211	210	198	204
	Total CMC	**7,409**	**7,435**	**7,440**	**7,503**	**7,523**	**7,540**	**7,600**	**7,601**	**7,625**	**7,695**	**7,750**	**7,814**	**7,884**
	Total Enrollment	**263,849**	**262,569**	**259,848**	**259,475**	**258,556**	**256,681**	**256,647**	**255,311**	**254,484**	**253,735**	**251,000**	**251,199**	**251,068**

Revenue

- Current month revenue of $89.1M is $8.7M or 10.8% favorable to budget of $80.4M. YTD revenue of $770.1M is $42.8M or 5.9% favorable to budget of $727.3M. This month's variances were due to several factors including:
  - Additional MLTSS rate accrual for January to June 2018 yielded a favorable variance of $4M.
  - Proposition 56 increased revenue by $1.8M (with an offsetting increase to medical expense).
  - Non-Dual revenue was higher than budget by $1.4M due to a higher enrollment.
  - Behavioral Health (BHT) and Hep-C volumes were higher than budget resulting in a $600K favorable variance.





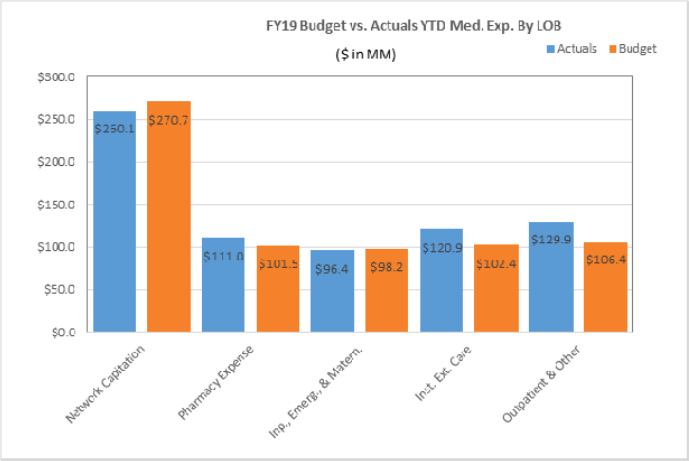
	FY17 vs. FY18 YTD Revenue by LOB*			
	FY17	FY18	Variance	
Medi-Cal	$749.9 M	$655.9 M	($94.0 M)	-12.5%
CMC	$103.4 M	$111.1 M	$7.7 M	7.4%
Healthy Kids	$2.5 M	$3.2 M	$0.6 M	24.8%
Total Revenue	**$855.8 M**	**$770.1 M**	**($78.0 M)**	**-9.1%**

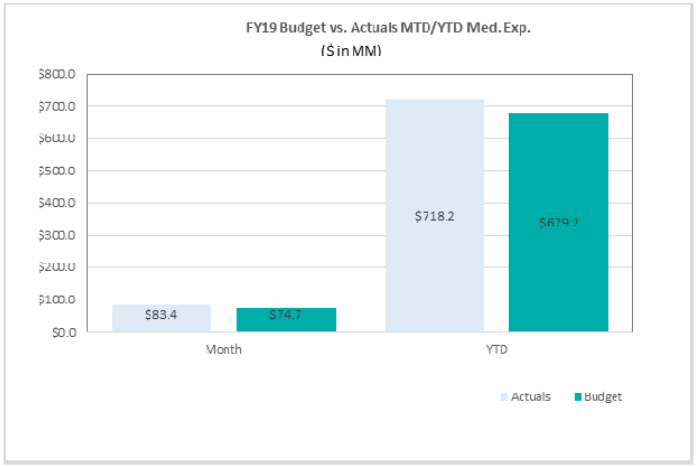
	FY19 Budget vs. Actuals MTD/YTD Revenue			
	Actuals	Budget	Variance	
Month	$89.1	$80.4	$8.7	10.8%
YTD	$770.1	$727.3	$42.8	5.9%

IHSS was included in FY18 revenue through 12/31/17

Medical Expense

- Current month medical expense of $83.4M is $8.8M or 11.7% unfavorable to budget of $74.7M. YTD medical expense of $718.2M is $39.1M or 5.8% unfavorable to budget of $679.2M.The current month variances were due to a variety of factors, including:
  - Inpatient and LTC expenses in excess of budget yielded an unfavorable variance of $3.9M.
  - Proposition 56 increased medical expense by $1.8M (with offsetting an increase to revenue).
  - Pharmacy costs exceeded budget by $3.1M due to increased utilization, higher specialty drug costs and increased branded usage.





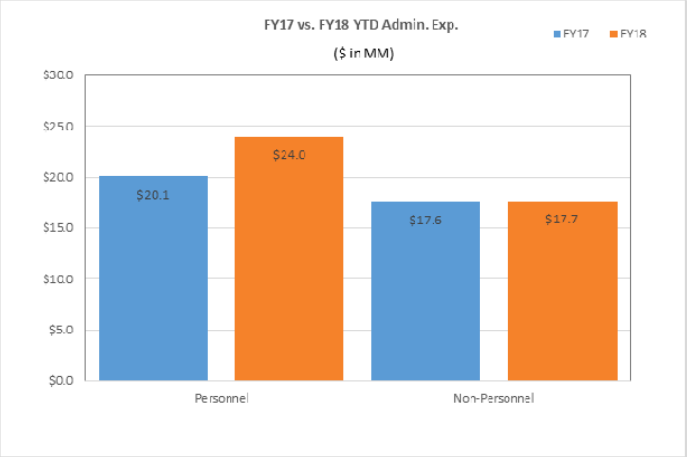
	FY19 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	$260.1	$270.7	$10.6	4.1%
Pharmacy	$111.0	$101.5	-$9.5	-8.5%
Inp., Emerg., & Matern.	$96.4	$98.2	$1.8	1.9%
Inst. Ext. Care	$120.9	$102.4	-$18.5	-15.3%
Outpatient & Other	$129.9	$106.4	-$23.5	-18.1%
Total Medical Expense	**$718.2**	**$679.2**	**-$39.1**	**-5.4%**

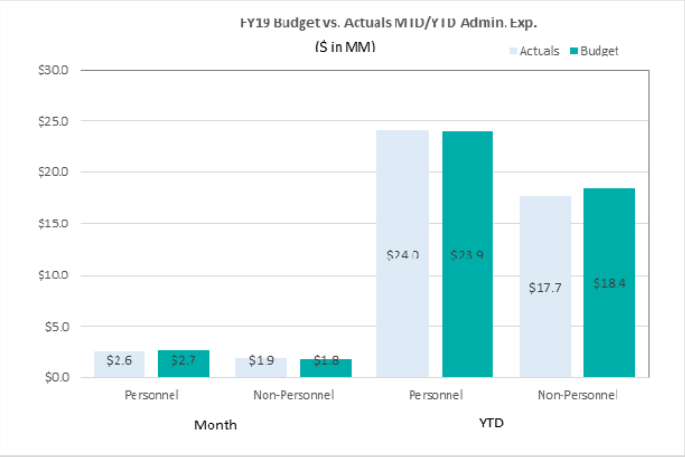
	FY19 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	$83.4	$74.7	$8.8	11.7%
YTD	$718.2	$679.2	$39.1	5.8%

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

Administrative Expense

- Current month admin expense of $4.5M is $2.3K or 0.1% unfavorable to budget of $4.5M. YTD admin expense of $41.7M is $600K or 1.5% favorable to budget of $42.3M. The current month variances were due to a variety of factors, including:
  - Personnel expenses were $76K or 2.8% favorable to budget due to the timing of hiring staff.
  - Unbudgeted expenses related to the CMC program and data validation audits resulted in an unfavorable variance of $202K.
  - Printing and advertising are favorable to the YTD budget by $477K due to timing of expenses.





	FY17 vs. FY18 YTD Admin. Exp.			
	FY17	FY18	Variance	
Personnel	$20.1	$24.0	$3.9	19.5%
Non-Personnel	$17.6	$17.7	$0.0	0.1%
Total Administrative Expense	**$37.7**	**$41.7**	**$3.9**	**10.4%**

		FY19 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	$2.6	$2.7	$0.1	2.8%
	Non-Personnel	$1.9	$1.8	-$0.1	-4.4%
	MTD Total	**$4.5**	**$4.5**	**$0.0**	**-0.1%**
YTD	Personnel	$24.0	$23.9	-$0.1	-0.4%
	Non-Personnel	$17.7	$18.4	$0.7	3.9%
	YTD Total	**$41.7**	**$42.3**	**$0.6**	**1.5%**

Balance Sheet

- Current assets totaled $878.8M compared to current liabilities of $717.5M, yielding a current ratio (Current Assets/Current Liabilities) of 1.22:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash as of March 31, 2019 increased by $125.7M compared to the cash balance as of year-end June 30, 2018.
- Current Cash & Equivalent components and yields were as follows:

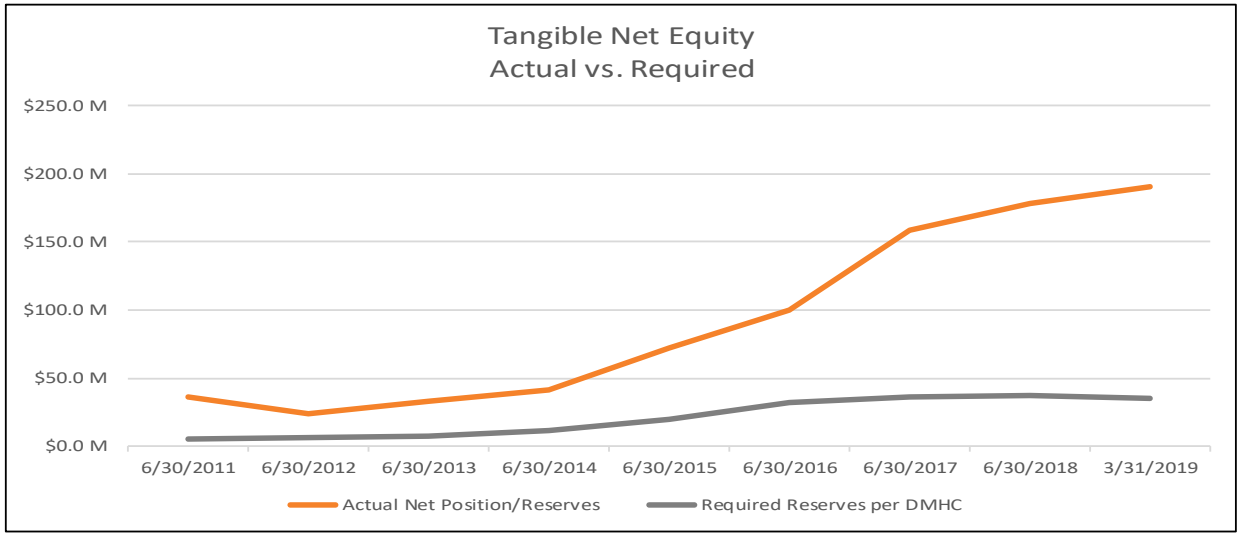
Description	Month-End Balance	Current Yield %	Interest Earned	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$78,538,319	1.95%	$183,452	$1,094,023
Cash & Equivalents				
Bank of the West Money Market	$283,327	1.34%	$19,502	$78,860
Wells Fargo Bank Accounts	$270,766,078	2.27%	$432,103	$2,286,014
	$271,049,405		$451,605	$2,364,874
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$0	$335
Petty Cash	$500	0.00%	$0	$0
Total Cash & Equivalents	**$349,893,574**		**$635,057**	**$3,459,232**

Tangible Net Equity

- TNE was $190.5M or 546.5% of the most recent quarterly DMHC minimum requirement of $34.9M.
- TNE trends for SCFHP are shown below.

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of: March 31, 2019

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	3/31/2019
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$178.0 M	$190.5 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$36.8 M	$34.9 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$73.6 M	$69.7 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	546.5%



Reserves Analysis

SCFHP RESERVES ANALYSIS March 2019	
Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	190,518,209
Current Required TNE	34,858,924
Excess TNE	**155,659,285**
Required TNE %	546.5%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	122,006,232
500% of Required TNE (High)	174,294,618
TNE Above/(Below) SCFHP Low Target	**$68,511,976**
TNE Above/(Below) High Target	**$16,223,591**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	349,893,574
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	(17,205,579)
Total Pass-Through Liabilities	**(17,205,579)**
Net Cash Available to SCFHP	$332,687,995
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$212,477,061**
Liquidity Above/(Below) High Target	**$172,406,750**

In December 2018, the Governing Board established a Board Discretionary Fund of $2.2M. The specific projects/recipients have yet to be determined.

Other Pass-Through Liabilities include Prop 56 and other payables to providers.

Capital Expenditures

- YTD Capital investments of $6M, largely to complete the renovation of the new building, were comprised of the following:

Expenditure	YTD Actual	Annual Budget	
Building	$4,941,770	$ 7,874,631	*
Systems	0	925,000	
Hardware	380,953	1,550,000	
Software	344,225	593,000	
Furniture and Fixtures	0	0	
Automobile	0	0	
Leasehold Improvements	0	0	
TOTAL	**$5,666,948**	**$10,942,631**	

** Includes FY18 budget rollover of $6,628,131*

The timing of certain I.T. expenses has been delayed to later in the current fiscal year or possibly into the next fiscal year.

Financial Statements

Income Statement

Santa Clara Family Health Plan.

Santa Clara County Health Authority
Income Statement for Nine Months Ending March 31, 2019

	Current Month						Fiscal Year To Date					
	Actuals	% of Rev	Budget	% of Rev	Variance	% Var	Actuals	% of Rev	Budget	% of Rev	Variance	% Var
REVENUE												
MEDI-CAL	$ 76,119,382	85.4%	$ 67,691,264	84.1%	$ 8,428,118	12.5%	$ 655,876,593	85.2%	$ 616,649,817	84.8%	$ 39,226,776	6.4%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	2,461,846	2.8%	2,569,955	3.2%	(108,109)	-4.2%	21,582,941	2.8%	22,654,840	3.1%	(1,071,899)	-4.7%
CMC MEDICARE	10,189,139	11.4%	9,878,470	12.3%	310,669	3.1%	89,492,451	11.6%	85,274,776	11.7%	4,217,675	4.9%
TOTAL CMC	12,650,985	14.2%	12,448,426	15.5%	202,559	1.6%	111,075,393	14.4%	107,929,616	14.8%	3,145,776	2.9%
HEALTHY KIDS	362,251	0.4%	304,843	0.4%	57,408	18.8%	3,164,641	0.4%	2,732,154	0.4%	432,487	15.8%
TOTAL REVENUE	**$ 89,132,618**	**100.0%**	**$ 80,444,532**	**100.0%**	**$ 8,688,086**	**10.8%**	**$ 770,116,626**	**100.0%**	**$ 727,311,587**	**100.0%**	**$ 42,805,039**	**5.9%**
MEDICAL EXPENSE												
MEDI-CAL	$ 70,433,620	79.0%	$ 62,918,811	78.2%	$ (7,514,809)	-11.9%	$ 607,859,148	78.9%	$ 575,630,297	79.1%	$ (32,228,851)	-5.6%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	*2,903,123*	*3.3%*	*2,254,022*	*2.8%*	*(649,101)*	*-28.8%*	*22,982,811*	*3.0%*	*19,869,807*	*2.7%*	*(3,113,004)*	*-15.7%*
CMC MEDICARE	*9,726,690*	*10.9%*	*9,216,085*	*11.5%*	*(510,605)*	*-5.5%*	*84,545,823*	*11.0%*	*81,211,455*	*11.2%*	*(3,334,368)*	*-4.1%*
TOTAL CMC	12,629,813	14.2%	11,470,107	14.3%	(1,159,706)	-10.1%	107,528,634	14.0%	101,081,262	13.9%	(6,447,373)	-6.4%
HEALTHY KIDS	354,382	0.4%	274,561	0.3%	(79,821)	-29.1%	2,851,841	0.4%	2,460,759	0.3%	(391,082)	-15.9%
TOTAL MEDICAL EXPENSES	**$ 83,417,816**	**93.6%**	**$ 74,663,480**	**92.8%**	**$ (8,754,335)**	**-11.7%**	**$ 718,239,623**	**93.3%**	**$ 679,172,318**	**93.4%**	**$ (39,067,305)**	**-5.8%**
MEDICAL OPERATING MARGIN	**$ 5,714,802**	**6.4%**	**$ 5,781,052**	**7.2%**	**$ (66,250)**	**-0.8%**	**$ 51,877,003**	**6.7%**	**$ 48,139,269**	**6.6%**	**$ 3,737,734**	**8.7%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 2,630,200	3.0%	$ 2,706,686	3.4%	$ 76,486	2.8%	$ 24,009,727	3.1%	$ 23,925,642	3.3%	$ (84,085)	-0.4%
RENTS AND UTILITIES	17,682	0.0%	17,611	0.0%	(71)	-0.4%	374,208	0.0%	406,059	0.1%	31,851	7.8%
PRINTING AND ADVERTISING	36,449	0.0%	43,150	0.1%	6,701	15.5%	731,721	0.1%	1,208,350	0.2%	476,629	39.4%
INFORMATION SYSTEMS	240,625	0.3%	226,473	0.3%	(14,152)	-6.2%	1,725,066	0.2%	2,038,258	0.3%	313,192	15.4%
PROF FEES/CONSULTING/TEMP STAFFING	1,003,533	1.1%	801,472	1.0%	(202,061)	-25.2%	9,697,562	1.3%	8,029,138	1.1%	(1,668,424)	-20.8%
DEPRECIATION/INSURANCE/EQUIPMENT	369,122	0.4%	457,566	0.6%	88,444	19.3%	3,315,626	0.4%	4,158,597	0.6%	842,971	20.3%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	105,807	0.1%	117,005	0.1%	11,198	9.6%	794,198	0.1%	1,336,187	0.2%	541,989	40.6%
MEETINGS/TRAVEL/DUES	80,447	0.1%	104,546	0.1%	24,100	23.1%	777,752	0.1%	971,013	0.1%	193,261	19.9%
OTHER	10,785	0.0%	17,804	0.0%	7,019	39.4%	240,809	0.0%	229,819	0.0%	(10,989)	-4.8%
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,494,649**	**5.0%**	**$ 4,492,313**	**5.6%**	**$ (2,336)**	**-0.1%**	**$ 41,666,669**	**5.4%**	**$ 42,303,063**	**5.8%**	**$ 636,394**	**1.5%**
OPERATING SURPLUS (LOSS)	$ 1,220,153	1.4%	$ 1,288,738	1.6%	$ (68,585)	-5.3%	$ 10,210,334	1.3%	$ 5,836,206	0.8%	$ 4,374,128	74.9%
OTHER INCOME/EXPENSE												
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	0	0.0%	(538,017)	-0.1%	(538,020)	-0.1%	3	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(675,000)	-0.1%	(675,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	655,058	0.7%	47,605	0.1%	607,453	1276.0%	3,505,029	0.5%	428,445	0.1%	3,076,584	718.1%
OTHER INCOME/EXPENSE	**520,278**	**0.6%**	**(87,175)**	**-0.1%**	**607,453**	**-696.8%**	**2,292,012**	**0.3%**	**(784,575)**	**-0.1%**	**3,076,587**	**-392.1%**
NET SURPLUS (LOSS)	**$ 1,740,431**	**2.0%**	**$ 1,201,563**	**1.5%**	**$ 538,868**	**44.8%**	**$ 12,502,346**	**1.6%**	**$ 5,051,631**	**0.7%**	**$ 7,450,716**	**147.5%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY

For the Nine Months Ending March 31, 2019

	March 2019	February 2019	January 2019	June 2018
Assets				
Current Assets				
Cash and Marketable Securities	$349,893,574	$270,810,416	$206,033,993	$224,156,209
Receivables	521,781,883	492,373,644	550,751,893	493,307,425
Prepaid Expenses and Other Current Assets	7,163,561	7,358,731	8,648,220	7,024,982
Total Current Assets	**878,839,018**	**770,542,791**	**765,434,106**	**724,488,615**
Long Term Assets				
Property and Equipment	43,486,597	43,382,948	43,842,601	38,579,130
Accumulated Depreciation	(16,404,608)	(16,084,786)	(16,511,470)	(14,309,761)
Total Long Term Assets	27,081,988	27,298,162	27,331,131	24,269,369
Total Assets	**905,921,007**	**797,840,954**	**792,765,237**	**748,757,984**
Deferred Outflow of Resources	**14,535,240**	**14,535,240**	**14,535,240**	**14,535,240**
Total Deferred Outflows and Assets	**920,456,247**	**812,376,194**	**807,300,477**	**763,293,224**
Liabilities and Net Assets				
Current Liabilities				
Trade Payables	5,344,550	4,263,225	4,494,896	8,351,090
Deferred Rent	(0)	(0)	(0)	17,011
Employee Benefits	1,765,354	1,738,577	1,686,776	1,473,524
Retirement Obligation per GASB 45	4,088,812	4,029,032	3,969,253	4,882,795
Advance Premium - Healthy Kids	91,854	95,070	87,512	66,195
Deferred Revenue - Medicare	-	-	-	9,928,268
Whole Person Care/Prop 56	16,962,490	15,198,657	15,583,165	9,263,004
Payable to Hospitals	243,089	243,089	-	0
IGT, HQAF & Other Provider Payables	110,652,871	14,159,501	12,593,341	6,691,979
MCO Tax Payable - State Board of Equalization	26,354,443	17,569,814	8,784,630	(0)
Due to DHCS	47,065,057	52,268,200	57,457,558	24,429,978
Liability for In Home Support Services (IHSS)	416,092,527	416,092,527	416,092,527	413,549,551
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	86,448,529	83,187,262	83,918,726	92,470,504
Total Current Liabilities	**717,484,102**	**611,219,480**	**607,042,908**	**573,498,425**
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	2,499,796	2,424,796	2,349,796	1,824,796
Total Non-Current Liabilities	**8,419,296**	**8,344,296**	**8,269,296**	**7,744,296**
Total Liabilities	**725,903,398**	**619,563,776**	**615,312,204**	**581,242,721**
Deferred Inflow of Resources	**4,034,640**	**4,034,640**	**4,034,640**	**4,034,640**
Net Assets / Reserves				
Invested in Capital Assets	27,081,988	27,298,162	27,331,131	24,269,369
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	150,628,524	150,412,350	150,379,382	133,805,841
Current YTD Income (Loss)	12,502,346	10,761,915	9,937,769	19,635,303
Total Net Assets / Reserves	190,518,209	188,777,778	187,953,632	178,015,863
Total Liabilities, Deferred Inflows, and Net Assets	**920,456,247**	**812,376,194**	**807,300,477**	**763,293,224**

Cash Flow – YTD

Cash Flows from Operating Activities	
Premiums Received	790,631,691
Medical Expenses Paid	(617,757,731)
Adminstrative Expenses Paid	(44,974,675)
Net Cash from Operating Activities	**$127,899,284**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(5,666,948)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	3,505,029
Net Increase/(Decrease) in Cash & Cash Equivalents	**125,737,365**
Cash & Cash Equivalents (Jun 2018)	224,156,209
Cash & Cash Equivalents (Mar 19)	**$349,893,574**
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**$12,502,346**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	2,854,329
Changes in Operating Assets/Liabilities	
Premiums Receivable	(28,474,459)
Other Receivable	(3,505,029)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(138,579)
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	(5,485,738)
State Payable	48,989,523
IGT, HQAF & Other Provider Payables	103,960,892
Net Pension Liability	675,000
Medical Cost Reserves & PDR	(6,021,975)
IHSS Payable	2,542,975
Deferred Inflow of Resources	-
Total Adjustments	**112,542,610**
Net Cash from Operating Activities	**$127,899,284**

Statement of Operations - YTD

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Nine Months Ending March 31 2019

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	$ 655,876,593	$ 21,582,941	$ 89,492,451	$ 111,075,393	$ 3,164,641	**$ 770,116,626**
MEDICAL EXPENSE	$ 607,859,148	$ 22,982,811	$ 84,545,823	$ 107,528,634	$ 2,851,841	**$ 718,239,623**
(MLR)	92.7%	106.5%	94.5%	96.8%	90.1%	**93.3%**
GROSS MARGIN	$ 48,017,445	$ (1,399,870)	$ 4,946,628	$ 3,546,758	$ 312,800	**$ 51,877,003**
ADMINISTRATIVE EXPENSE	$ 35,485,785	$ 1,167,731	$ 4,841,932	$ 6,009,663	$ 171,221	**$ 41,666,669**
(% of Revenue Allocation)						
OPERATING INCOME/(LOSS)	$ 12,531,660	$ (2,567,601)	$ 104,696	$ (2,462,905)	$ 141,579	**$ 10,210,334**
(% of Revenue Allocation)						
OTHER INCOME/(EXPENSE)	$ 1,952,012	$ 64,235	$ 266,346	$ 330,581	$ 9,419	**$ 2,292,012**
(% of Revenue Allocation)						
NET INCOME/(LOSS)	$ 14,483,672	$ (2,503,366)	$ 371,042	$ (2,132,324)	$ 150,998	**$ 12,502,346**
PMPM (ALLOCATED BASIS)						
REVENUE	$ 299.48	$ 335.31	$ 1,296.39	$ 1,609.04	$ 106.82	**$ 336.49**
MEDICAL EXPENSES	$ 277.56	$ 357.06	$ 1,224.73	$ 1,557.66	$ 96.26	**$ 313.82**
GROSS MARGIN	$ 21.93	$ (21.75)	$ 71.66	$ 51.38	$ 10.56	**$ 22.67**
ADMINISTRATIVE EXPENSES	$ 16.20	$ 18.14	$ 70.14	$ 87.06	$ 5.78	**$ 18.21**
OPERATING INCOME/(LOSS)	$ 5.72	$ (39.89)	$ 1.52	$ (35.68)	$ 4.78	**$ 4.46**
OTHER INCOME/(EXPENSE)	$ 0.89	$ 1.00	$ 3.86	$ 4.79	$ 0.32	**$ 1.00**
NET INCOME/(LOSS)	$ 6.61	$ (38.89)	$ 5.37	$ (30.89)	$ 5.10	**$ 5.46**
ALLOCATION BASIS:						
MEMBER MONTHS - YTD	2,190,024	64,367	69,032	69,032	29,625	2,288,681
REVENUE BY LOB	85.2%	2.8%	11.6%	14.4%	0.4%	100.0%

SCFHP DONATIONS/SPONSORSHIPS

		FY 2018-2019		
Organization	**Event Name**	**Check Date**	**Event Date**	**Amount**
Alum Rock Counseling Center	Annual Luncheon	2/12/2019	3/27/2019	$ 1,000
Silicon Valley Leadership Group	Silicon Valley Turkey Trot - Sponsorship	1/7/2019	11/22/2018	$ 5,000
Asian Americans for Community Involvement	Annual Event (Gala)	4/19/2019	9/7/2019	$ 5,000
California Association for Adult Day Services	Northern California Spring Conference: The Quality Imperative	2/26/2019	4/29/2019	$ 350
Chinese American Coalition for Compassionate Care	Seminar	2/28/2019	4/13/2019	$ 500
City of San Jose	Disability Awareness Day	8/31/2018	10/4/2018	$ 65
Gilroy Downtown Business Association	South County Health Fair	2/28/2019	4/27/2019	$ 555
Happy Hollow Foundation	Senior Safari	4/8/2019	6/25/2019	$ 5,000
The Health Trust	Spring into Health Breakfast	2/22/2019	4/5/2019	$ 5,000
	World AIDS Day Benefit Dinner			
Healthier Kids Foundation	Wine Tasting Benefit	8/31/2018	10/12/2018	$ 5,000
Indian Health Center Santa Clara Valley	Annual Event	10/12/2018	10/20/2018	$ 5,000
March of Dimes	March for Babies	11/21/2018	4/27/2019	$ 5,000
Momentum for Mental Health	Annual Shining Stars Benefit	9/6/2018	10/19/2018	$ 5,000
Parents Helping Parents	Annual Gala	2/22/2019	4/27/2019	$ 500
Recovery Café	Closing the Gap Breakfast	2/28/2019	5/3/2019	$ 2,500
Santa Clara County Board of Supervisors	Day on the Bay	7/11/2018	10/7/2018	$ 2,000
Silicon Valley Council of Non Profits	Be Our Guest Annual Luncheon	9/14/2018	10/25/2018	$ 1,200
	Housing Summit	9/14/2018	1/18/2019	$ 2,500
SOMOS Mayfair	Gracias A La Vida Annual Luncheon	3/22/2019	4/18/2019	$ 2,500
Uplift Family Services	Silicon Valley Community Awards Luncheon	2/22/2019	3/29/2019	$ 5,000
Veggielution	Feast San Jose	5/3/2019	6/9/2019	$ 5,000
VMC Foundation	Annual Gala	5/3/2019	9/14/2019	$ 5,000
Working Partnerships USA	Champions for Change (tickets)	9/14/2018	10/3/2018	$ 550
	TOTAL			**$ 69,220**

Santa Clara Family Health Plan™

Network Detection and Prevention Report

May 2019

Executive Finance Committee Meeting

Firewall Background

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

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

The attempts have been categorized in three severity levels:

High/Critical

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

Medium

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

Low/Informational

These attacks are characterized more as informational events, such as various scans (port and IP internet protocol address), RPC (Remote Procedure Call), and SMTP (Simple Mail Transfer Protocol) attacks. The new informational category is from the recently implemented Palo Alto Firewall. These events are of low to no threat and are more of an FYI for reporting.

Attack Statistics Combined

January - April

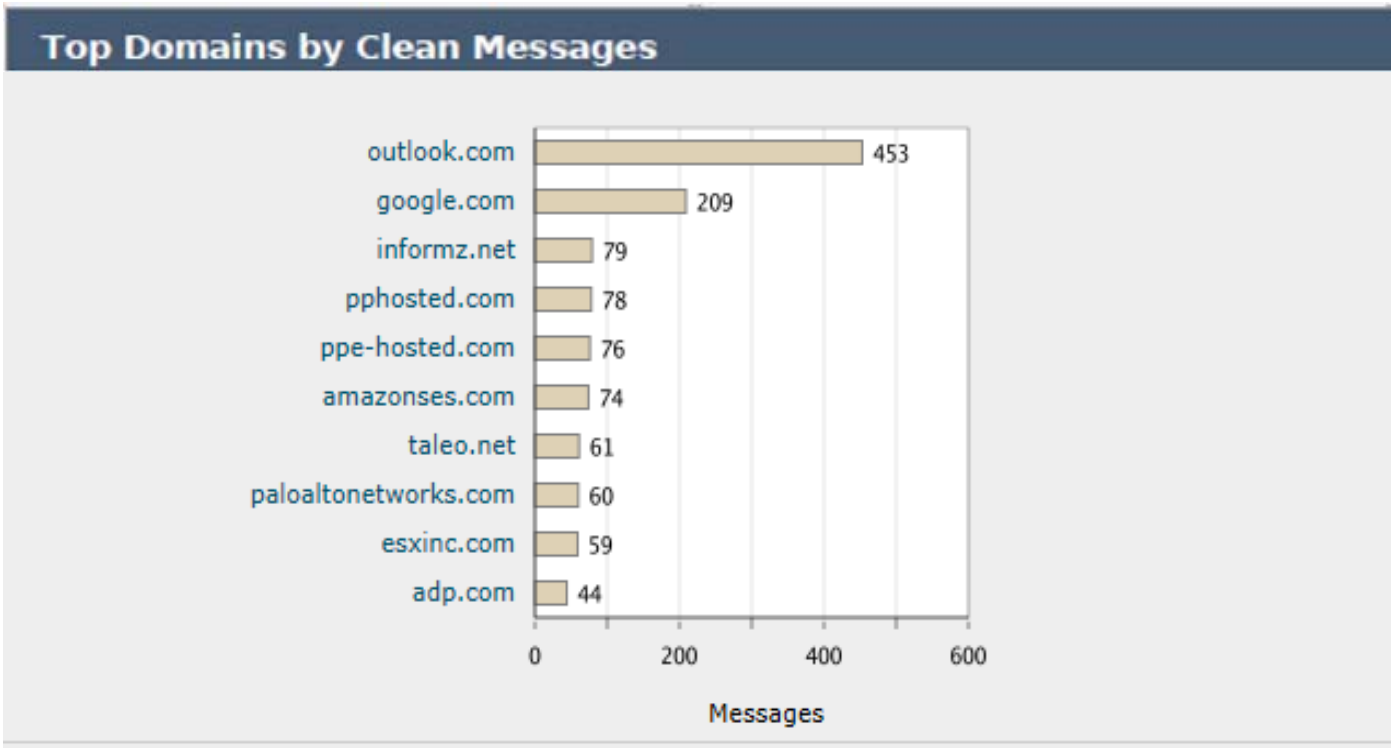
	Number of Different Types of Attacks				Total Number of Attempts				Percent of Attempts			
Severity Level	Jan	Feb	Mar	Apr	Jan	Feb	Mar	Apr	Jan	Feb	Mar	Apr
Critical	4	5	5	3	25	28	32	24	.05	.06	.06	.03
High	6	2	3	6	2584	1587	4304	17102	4.89	3.39	8.46	23.54
Medium	18	16	13	13	442	397	415	1092	.84	.85	.82	1.50
Low	7	9	11	10	4237	4159	6738	9623	8.01	8.89	13.24	13.24
Informational	17	14	11	17	45605	40591	39409	44820	86.22	86.80	77.43	61.68

Significant increase of attacks with a High severity level in April – This was due to a single day, April 5th, where the internet had a spike in brute force username/password hack attempts. We normally average a few hundred attempts per day, but on April 5th our firewall blocked over 7,500 attempts. Our Firewall vendor, Palo Alto Networks, confirmed that this was not isolated to our IP address and the spike of brute force login attempts was seen across the World Wide Web.

Email Security – April 2019 Statistics

Incoming Mail Summary		
Message Category	**%**	**Messages**
Stopped by Reputation Filtering	28.6%	44.3k
Stopped as Invalid Recipients	0.0%	52
Spam Detected	8.3%	12.8k
Virus Detected	0.0%	2
Detected by Advanced Malware Protection	0.0%	1
Messages with Malicious URLs	0.9%	1,348
Stopped by Content Filter	0.2%	245
Stopped by DMARC	0.0%	0
S/MIME Verification/Decryption Failed	0.0%	0
Total Threat Messages:	**37.0%**	**57.4k**
Marketing Messages	13.5%	20.9k
Social Networking Messages	0.8%	1,316
Bulk Messages	6.6%	10.2k
Total Graymails:	**20.9%**	**32.4k**
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	42.1%	65.3k
Total Attempted Messages:		**155.1k**

Email Security – May 7th Statistics



Snapshot of May 7th

- **esxinc.com** - provides association, membership, events, continuing education, mobile, or custom solutions for any industry or market
- **amazonses.com** - Amazon Simple Email Service
- **informz.net** - leading provider of email marketing and marketing automation solutions for associations and nonprofits
- **ppe-hosted.com** - Proofpoint Essentials Data Center Information
- **Pphosted.com** - Email relay host

Email Background

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

SCFHP Phishing Attacks January - April 2019

Santa Clara Family Health Plan.

	INCIDENT 57 – 02/07/2019	INCIDENT 58 – 02/07/2019	INCIDENT 59 – 03/15/2019	INCIDENT 60 – 4/15/2019
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	1 employee	1 employee	1 employee
RESPONSE	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.	**Step 1.** Analyze email and take appropriate action.
	Step 2. • Block Source email on Cisco IronPort – frank.jordan444@gmail.com • Blocked IP address 122.167.37.101	**Step 2.** • Block Source email on Cisco IronPort – annejim.templegate@btinternet.com • Filtered Expression in body of email “Sunrise Petroleum” • No IP address was supplied to block	**Step 2.** • Block Source email on Cisco IronPort – agustinchermaz@fusap.com.ar • Filtered Expression “Software Factory Java and Testing” • Blocked IP address 181.119.18.59	**Step 2.** • Block Source email on Cisco IronPort – mail@eseveir.co • Filter Expression “Checking In” • Block IP address 209.85.217.65
	Step 3. Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.	**Step 3.** Remove threat by permanently deleting email.
	Step 4. Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.	**Step 4.** Monitor email and user.

Tevora Penetration Test Remediation Status

- The penetration test was conducted on SCFHP's internal and external networks between Dec. 4th 2018 and Jan. 10th 2019.
- There were 34 findings.
  - One external threat was categorized as low risk.
  - Thirty three internal threats (1 critical, 11 high, 18 medium, and 3 low).
- Sixteen have been remediated (1 critical, 8 high, and 7 medium).
- Eighteen are still in process.
  - 7 old HP devices will be decommissioned.
  - 5 will be fixed by purchasing either software and/or hardware.
  - 5 are still being evaluated.
  - 2 will need a senior consulting engineer.

Santa Clara Family Health Plan.

Questions

Regular Meeting of the

Santa Clara County Health Authority
Compliance Committee

Thursday, May 23, 2019, 1:00 PM – 2:30 PM
6201 San Ignacio Ave.
San Jose, CA 95119

Minutes - DRAFT

Members Present
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Christine M. Tomcala, Chief Executive Officer
Linda Williams, Board Member

Staff Present
Leanne Kelly, Compliance Coordinator
Mai Phuong Nguyen, Compliance Oversight Manager
Megha Shah, Compliance Coordinator
Ron Smothers, Medicare Compliance Program Manager
Leah Tubera, Compliance Coordinator
Bryan Valdez, Compliance Coordinator
Jordan Yamashita, Director, Compliance

1. **Roll Call**
   Ms. Larmer called the meeting to order at 1:07 pm. Roll call was taken and a quorum established.

2. **Public Comment**
   There were no public comments.

3. **Approve Minutes of the February 28, Regular Compliance Committee Meeting**
   Minutes of the February 28, 2019 regular Compliance Committee meeting were approved as presented.

4. **CMS Program Audit**
   Ms. Larmer provided an update on the Centers for Medicare and Medicaid (CMS) Program Audit progress. Ms. Larmer stated that each of the items within the 48 page list of individual tasks have been completed or initiated. The challenge is ensuring that the corrections remain in place moving forward. Identifying and addressing barriers and sustaining progress is critical. Ms. Larmer further reported that CMS approved the independent validation audit work plan on May 22, 2019. The SCFHP Compliance Program will be the first focus of the validation audit,

with the first audit session scheduled on July 1, 2019. The validation audit will close September 20, 2019. Ms. Tomcala will sign an attestation that all conditions have been remediated at the end of September, 2019.

5. Compliance Activity and Audit Report

a. State Regulatory Audits

i. Department of Health Care Services (DHCS) 2019 audit: Ms. Yamashita reported that DHCS will present preliminary findings from the DHCS 2019 Audit on June 13, 2019. She anticipates 15-19 findings based on the onsite discussion. Ms. Tomcala asked if there are any expected repeat findings. Ms. Yamashita responded that there is an expectation of a repeat finding of delayed HIPAA reporting. Delegates are required to notify SCFHP of unauthorized disclosures of PHI within 24 hours of occurrence in order for SCFHP to timely report the breach to DHCS. Despite reminders and discussions in Joint Operations Committee Meetings (JOCs), the delegates are not consistently notifying SCFHP in a timely manner.

ii. Department of Managed Health Care (DMHC) 2019 Audit: Ms. Yamashita reported that there is no information to share until the preliminary report is issued in or around late July 2019. The DMHC's audit scope was recently broadened to include SCFHP's delegate Physicians Medical Group (PMG)'s previously nondisclosed use of an offshore entity. Ms. Williams asked if PMG will receive any punishment from DMHC regarding this finding. Ms. Larmer explained that some type of action will occur; likely a Corrective Action Plan (CAP) and/or a financial penalty.

b. Delegation Audits and Corrective Action Plans
Ms. Nguyen reported that there are six Medi-Cal delegate audits currently in process. Mr. Cameron asked if there is a timeline regarding audit requests and deliverables from delegates, and the Committee discussed how to bolster the rate of timely submission by delegates through financial penalties and/or other mechanisms. Ms. Tomcala requested an audit report during the Executive Team Meeting. Ms. Nguyen reported that PMG and CHME have CAPs from 2018 audits, and there are various CAPs in place for other delegates.

c. Risk Assessment and Audit Schedule
Ms. Nguyen reported that the Compliance Department is scheduled to conduct six internal audits and four external audits. Ms. Nguyen explained that the Risk Assessment tool evaluates relative risks associated with internal business units and delegates, and results are used to prioritize audits and monitoring activities. Ms. Nguyen and Ms. Kelly have made considerable progress in completing the Risk Assessment tool, which now reflects 29 delegates with a total of 105 delegated activities, and all internal business units.

d. Compliance Program Effectiveness Audit
One of the six internal audits conducted in 2019 is a Compliance Program Effectiveness audit. This audit is a component of one of the CMS CAPs and will be conducted by an outside party.

A **motion** was made to accept the Compliance Activity and Audit Report; the motion was **seconded and unanimously approved.**

6. Compliance Program Enhancements

a. Risk Assessment
Ms. Yamashita explained that the Risk Assessment tool is a major improvement within the Compliance Department as it develops a risk score which then drives the audit schedule for Business Units and Delegates.

b. Audit Process
Ms. Yamashita explained that the Compliance Department has made changes to the staff involved in the audit process. The entire Compliance Department will now participate in the audit process, with continued, but reduced, involvement of internal business units.

c. Delegation Oversight Committee
Ms. Larmer indicated that the Delegation Oversight Committee has been re-instituted. It will function as an internal operational group which formally communicates the major topics regarding delegates up to the Compliance Committee, preferably in writing.

7. Review CMC and Medi-Cal Compliance Dashboard and Work Plans

Ms. Nguyen presented the Compliance Dashboard for Q1 2019 and April 2019. She highlighted the progress made for the Cal Medi-Connect line of business.

The functional areas that did not meet their goals, and from which CAPs were requested, included:

- Enrollment- these 2 CAPs are now closed
- Customer Service- 2 CAPs, one is now closed
- Grievance and Appeals- 4 CAPs, 2 are now closed

Ms. Tomcala noted that for Medi-Cal, the regulatory requirements state that telephone calls must be answered within 600 seconds. Since SCFHP easily meets this requirement, the Customer Service status of non-compliance for speed of answering calls may be updated to compliant.

8. Policy System

Ms. Larmer explained that PolicyTech will hold all policies and track when each was adopted, signed, approved, and attested to. The Compliance Department will be the first department to begin utilizing PolicyTech for Compliance Department Policies. Ms. Tubera of the Compliance team, the lead on PolicyTech project, reported that the current system testing is producing hopeful results.

9. Fraud, Waste and Abuse Report

Mr. Smothers reported that the FWA Vendor, T&M Protection Resources, continues to do data mining to look for possible fraud cases. T&M has sent seven letters out to providers requesting overpayment refunds. Ms. Yamashita reported that one provider is being removed from the

Plan. The provider had been flagged by T&M and the provider's claims payments were being held prior to Medi-Cal notifying SCFHP that the provider is termed from Medi-Cal.

A **motion** was made to approve the Fraud, Waste and Abuse Report; the motion was **seconded and unanimously approved**.

Adjournment

The meeting was adjourned at 1:53 pm.

Compliance Activity Report
May 23, 2019

2018 CMS Program Audit Update

The Plan engaged an audit firm (ATTAC Consulting Group) to conduct an Independent Validation Audit (IVA) to validate the Plan's correction of the Conditions cited in the CMS Program Audit Final Report. The auditors and Plan Compliance staff developed an IVA Work Plan tailored to assess the Plan's performance in correcting the Conditions. CMS, after requesting modest revisions, has approved the proposed work plan. CMS also agreed to extend the deadline for completion of the IVA and Final Report.

The beginning dates for IVA activities varies by Program area (for Compliance, it is July 1, 2019), and field work will continue through mid-September. However, regardless of the beginning date for a particular area, for almost all Conditions, the "clean period" began on May 1, 2019. This means that the auditors will select sample data from the period of time beginning on May 1, 2019. Accordingly, it is essential that the Plan maintain the level of compliance achieved through remediation of the Conditions.

The independent auditor's report, and the CEO's attestation that all Conditions have been corrected, must be submitted to CMS by September 30, 2019.

Cal MediConnect

- The 2019 Medicare Data Validation (MDV) is underway. For most areas, the Plan anticipates receiving passing scores; there were a few anomalies identified that may result in reduced scores.
- Plan Benefit Package: The 2020 Plan Benefit Package (PBP) will be submitted on or before the June 3 submission deadline. Plan Directors and Managers are currently reviewing the proposed benefit package and are working with Compliance to ensure the appropriate Plan updates are implemented.
- CY18 reporting elements have met the 2018 reporting deadlines. During a quality check of CY18 data specific to element CA 4.3 (relating to NF residents with COPD), the Plan identified a discrepancy with the CY17 data that was reported for that element. The Plan informed NORC of this finding and requested a resubmission of that data, which was granted.
- Development of Internal Audit Tools that match CMS guidance is nearly complete and will be rolled out for the 2019 audit cycle.

Medi-Cal

DHCS is moving forward with the plan to move County Children's Health Initiative Program (CCHIP) into Medi-Cal, effective October 1, 2019. This means that the Plan's Healthy Kids program effectively ends. The change will require the Plan to submit a material modification filing with DMHC; preparations for the filing and other transition-related activities are underway.

2019 DMHC and DHCS Audit(s)

The 2019 Full-Scope Medical Survey with DMHC and DHCS remains ongoing. The on-site portion of the survey was conducted in March 2019. In general, the scope and depth of the questions were broader than in past Surveys, particularly with respect to delegation oversight. The Plan has not yet received a final report from either agency; however, based on preliminary feedback, the Plan anticipates there may be a total of 15-17 findings as a result of this year's Survey.

DHCS has scheduled an exit conference to present its Survey findings on June 13th, and the agency will deliver its Final Report for Plan review and comment shortly thereafter. Based on past practice, the Plan anticipates DMHC's Report in June or July.

DMHC Complaints

The Plan received a total of 39 member complaints between February and May 2019. Five cases were forwarded to IMR. The Compliance team is looking into the reason(s) for the significant increase in complaints over the last quarter (the Plan received 19 complaints last quarter).

Operational Compliance Report (Dashboard) – Corrective Actions

- Enrollment: Two pending CAPs will be closed in May because Enrollment met its goals for March and April.
- Customer Service: Measures show a positive trend upward but remain below goal. There are four CAPs open for the Medi-Cal line of business. For CMC, there are two CAPs pending; one will be closed in May 2019. Of note:
    - Member Average Speed of Answer in Seconds has dropped from 81 seconds to 35 seconds in March and 32 seconds in April. However, this CAP is not closed, because the goal is less than or equal to 30 seconds.
    - Member Service Level (MSL): CAP is closed in May as Member Service Level met the goal of 80%.
- Case Management: The business unit continues an upward trend for CMC HRA and ICP completion. The two pending CMC CAPs will be closed in May. For Medi-Cal, 2 CAPs for SPD HRA completion remain open due to inconsistent performance. In addition, as performance is not consistent, 2 Caps for SDP/MLTSS HRAs remain open due to missing data (the business unit and IT are working on data extraction).
- Grievance and Appeals: Metrics have fluctuated for both CMC and Medi-Cal. For each line of business, there are two open CAPs; one will be closed in May 2019, and one (related to timely acknowledgment letters) will remain open.

Joint Operations Committee (JOC) Meetings

The following JOCs have been held since the last Compliance Committee Meeting:

- March: PAMF, HealthLOGIX, PCNC, Quest Diagnostics, Kaiser, VHP
- April: New Directions, CHME, Golden Castle, CBHSD
- May: PMG, Carenet, VHP

HIPAA Disclosures

There were 10 unauthorized disclosures of PHI between February and May 2019. All were reported to DHCS (one by Kaiser), and two were determined to constitute breaches requiring notification to the individuals involved. The Compliance team will provide enhanced HIPAA training for staff and FDRs to reiterate requirements and reinforce the need for caution when dealing with PHI.

FWA Activities

One new case of potential FWA has been identified (by the Plan and several regulatory and law enforcement agencies), resulting in the termination of the provider's participation with the Plan.

T&M (the Plan's FWA/SIU vendor) has requested and is awaiting medical records from 26 providers in connection with anomalies identified through its datamining activities.

Santa Clara Family Health Plan™

Santa Clara Family Health Plan – Operational Compliance Report – Calendar Year 2019

Cal MediConnect CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
ENROLLMENT				
Enrollment Materials				
% of New member packets mailed within 10 days of effective Date	100%	Met	Not Met	Met
% of New Member ID cards mailed within 10 days of effective date	100%	Met	Not Met	Met
Out of Area Members				
% Compliance with OOA Member Process	100%	Met	Met	Met
CUSTOMER SERVICE				
Combined Call Stats				
Member				
Member Average Speed of Answer in Seconds	≤30 Seconds	Not Met	Not Met	Not Met
Member Average Hold Time in Seconds	≤120 Seconds	Met	Met	Met
Member Abandonment Rate	≤5%	Met	Met	Met
Member Service Level	80% in ≤30 Seconds	Not Met	Not Met	Met
UTILIZATION MANAGEMENT				
Pre-Service Organization Determinations				
Standard Part C				
% of Timely Decisions made within 14 days	100%	Met	Met	Met
Expedited Part C				
% of Timely Decisions made within 72 Hours	100%	Met	Met	Met
Post Service Organization Determinations				
% of Timely Decisions made within 30 days	100%	Met	Met	Met
CASE MANAGEMENT				
HRAs and ICPs				
% of HRAs completed in 45 days for High Risk Members	100%	Not Met	Met	Met
% of HRAs completed in 90 days for Low Risk Members	100%	Met	Met	Met
% of ICPs completed within 30 days for High Risk Members	100%	Met	Met	Met
% of ICPs completed within 30 working days for Low Risk Members	100%	Not Met	Not Met	Met

Medi-Cal CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
ENROLLMENT				
Enrollment Materials				
% of New member packets mailed within 7 days of effective Date	100%	Met	Met	Met
% of New Member ID cards mailed within 7 days of effective date	100%	Met	Met	Met
CUSTOMER SERVICE				
Call Stats				
Member Queue				
Member Average Speed of Answer in Seconds	≤30 Seconds	Not Met	Not Met	Not Met
Member Average Hold Time in Seconds	≤120 Seconds	Not Met	Not Met	Not Met
Member Abandonment Rate	≤5%	Not Met	Not Met	Not Met
Member Service Level	80% in ≤30 Seconds	Not Met	Not Met	Not Met
HEALTH SERVICES				
Medical Authorizations				
Routine Authorizations				
% of Timely Decisions made within 5 Business Days of request	95%	Met	Met	Met
Expedited Authorizations				
% of Timely Decisions made within 72 Hours of request	95%	Met	Met	Met
Retrospective Review				
% of Retrospective Reviews completed within 30 Calendar Days of request	95%	Met	Met	Met
QUALITY & CASE MANAGEMENT				
Initial Health Assessment				
% of High Risk SPD Members who completed HRA in 45 days	100%	Not Met	Not Met	Not Met
% of HRAs completed in 90 days for Low Risk SPD Members	100%	Not Met	Not Met	Met
% of HRAs completed in 45 days for High Risk MLTSS Members	100%	Report Pending	Report Pending	Report Pending
% of HRAs completed in 90 days for Low Risk MLTSS Members	100%	Report Pending	Report Pending	Report Pending
Facility Site Reviews				
% of FSRs completed timely	100%	Met	Met	Met

Met = Measure substantially but not fully met; CAP/adverse action unlikely (or not anticipated)

Santa Clara Family Health Plan™

Santa Clara Family Health Plan – Operational Compliance Report – Calendar Year 2019

Cal MediConnect CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
CLAIMS				
Non-Contracted Providers				
% of Clean Claims to Non-Contracted Providers processed within 30 days	90%	Met	Met	Met
Contracted Providers				
% of Claims to Contracted Providers processed within 45 days	90%	Met	Met	Met
% of Claims to Contracted Providers processed within 90 days	99%	Met	Met	Met
% of Claims to Contracted Providers processed beyond 90 days	≤1%	Met	Met	Met
PHARMACY - PART D				
Standard Part D Authorization Requests				
% of Standard Prior Authorizations completed within 72 Hours	100%	Met	Met	Met
Expedited Part D Authorization Requests				
% of Expedited Prior Authorizations completed within 24 Hours	100%	Met	Met	Met
Other Pharmacy Requirements				
Formulary posted on website by 1st of the month	100%	Met	Met	Met
Step Therapy posted on website by 1st of the month	100%	Met	Met	Met
PA criteria posted on website by 1st of the month	100%	Met	Met	Met
% MTM/CMR Completion Rate	22%	Met	Met	Met
GRIEVANCE & APPEALS				
Grievances, Part C				
Standard Grievances Part C				
% of Standard Grievances that received Acknowledgement Letters within 5 days and were not resolved in < 5 calendar days	100%	Not Met	Not Met	Not Met
% of Standard Grievances resolved within 30/44 days	100%	Not Met	Met	Met
Expedited Grievances Part C				
% of Expedited Grievances resolved within 24 hours	100%	Met	Met	Met
Grievances, Part D				
Standard Grievance Part D				
% of Standard Grievances that received Acknowledgement Letters within 5 days and were not resolved in < 5 calendar days	100%	Met	Met	Met
% of Standard Grievances resolved within 30/44 days	100%	Met	Met	Met

Medi-Cal CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
CLAIMS				
Non-Contracted Providers				
% of Clean Claims to Non-Contracted Providers processed within 30 days	90%	Met	Met	Met
Contracted Providers				
% of Claims to Contracted Providers processed within 45 working days	90%	Met	Met	Met
Provider Claim Dispute Requests (Contracted & Non-Contracted)				
% of Contracted Provider Disputes Processed within 45 days	100%	Met	Met	Met
PHARMACY				
Standard Authorization Request				
% of Standard Prior Authorizations completed within 24-hours July 1 2017	95%	Met	Met	Met
Expedited Authorization Request				
% of Standard Prior Authorizations completed within 24-hours July 1 2017	95%	Met	Met	Met
GRIEVANCE & APPEALS				
Grievances				
Standard Grievances				
% of Grievances resolved within 30 days	100%	Not Met	Met	Not Met
Expedited Grievances				
% of Expedited Grievances resolved within 72 hours	100%	Not Met	Met	Met
% of Expedited Grievances that received Oral Notification within 72 hours	100%	Not Met	Not Met	Not Met
% of Expedited Grievances that received Resolution Letters within 72 hours	100%	Not Met	Met	Met
Appeals				
Standard Appeals				
% of Acknowledgement Letters sent within 5 calendar days	100%	Not Met	Not Met	Not Met

Met = Measure substantially but not fully met; CAP/adverse action unlikely (or not anticipated)

Santa Clara Family Health Plan™

Santa Clara Family Health Plan – Operational Compliance Report – Calendar Year 2019

Cal MediConnect CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
Expedited Grievance Part D				
% of Expedited Grievances resolved within 24 hours	100%	Met	Met	Met
Reconsiderations, Part C				
Standard Post-Service Part C				
% of Standard Post-Service Reconsiderations resolved within 60 days	100%	Not Met	Met	Not Met
Standard Pre-Service Part C				
% of Standard Pre-Service Reconsiderations that received Acknowledgement Letters within 5 days	100%	Not Met	Not Met	Met
% of Standard Pre-Service Reconsiderations resolved within 30/44 days	100%	Not Met	Met	Met
Expedited Pre-Service Part C				
% of Expedited Pre-Service Reconsiderations resolved with oral notification to member within 72 Hours	100%	Met	Met	Met
% of Expedited Pre-Service Reconsiderations resolved with written notification to member within 72 Hours	100%	Met	Met	Met
% Expedited Pre-Service Reconsiderations (upheld & untimely) submitted to IRE within 24-hours of decision	100%	Met	Met	Met
Redeterminations, Part D				
Standard Part D				
% of Standard Redeterminations resolved within 7 calendar days	100%	Met	Met	Met
Expedited Part D				
% of Expedited Redeterminations resolved with oral notification to member within 72 Hours	100%	Met	Met	Met
% of Expedited Redeterminations resolved with written notification to member within 72 hours	100%	Met	Met	Met
% of Untimely Expedited Redeterminations Submitted to IRE within 24 Hours of decision	100%	Not Met	Met	Met
COMPLAINT TRACKING MODULE (CTM) COMPLAINTS				
% Resolved Timely	100%	Not Met	Met	Met
PROVIDER RELATIONS				
Provider Directories updated monthly by the first day of the month	100%	Met	Met	Met
Monthly Excluded Provider Screening Completed (Independent Providers)	100%	Met	Met	Met
MARKETING				
% of Marketing Materials Submitted for Approval	100%	Met	Met	Met
% of Events Submitted for Approval	100%			
FINANCE				
Monthly submission of encounters	100%	Met	Met	Met
% of Encounters submitted to CMS within 180 days of date of Service	80%	Met	Met	Met
% of RAPS records successfully submitted to CMS (not duplicate)	95%	Met	Met	Met

Medi-Cal CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
% of Standard Appeals resolved within 30/44 calendar days	100%	Met	Met	Not Met
Expedited Appeals				
% of Expedited Appeals Resolved within 72 hours	100%	Not Met	Not Met	Met
% of Expedited Appeals that received Oral Notification within 72 hours	100%	Not Met	Not Met	Met
% of Expedited Appeals that received Resolution Letters within 72 hours	100%	Not Met	Not Met	Met
PROVIDER NETWORK MANAGEMENT				
% of New Independent Providers Rec'd Orientation within 10 days	100%	Met	Met	Met
Monthly Excluded Provider Screening Completed	100%	Met	Met	Met
Timely Access Surveys (due in June)	100%	Met	Met	Met
INFORMATION TECHNOLOGY				
% Encounter Files Successfully Submitted to DHCS by end of month	100%	Met	Met	Met
% Monthly Eligibility Files successfully submitted to Delegates Timely	100%	Met	Met	Met
% Provider File submitted to DHCS by last Friday of Month	100%	Met	Met	Met

Met = Measure substantially but not fully met; CAP/adverse action unlikely (or not anticipated)

Santa Clara Family Health Plan™

Santa Clara Family Health Plan – Operational Compliance Report – Calendar Year 2019

Company Wide Compliance CY 2019	Goal	Q4 2018	Q1 2019	Apr-19
COMPLIANCE TRAINING				
% New Employee Training Completed Timely	100% completed within 3 business days	Met	Met	Met
% Annual Employee Training Completed	100% completed by year end	Met	Met	Met
BOARD OF DIRECTORS TRAINING				
% Annual Board Training Completed Timely	100% completed by year end	Annual Measure	Not Met	Met
HUMAN RESOURCE				
Excluded Individual Screening Completed Monthly	100%	Met	Met	Met
INTERNAL AUDITS				
% of Internal Audits Completed	100% completed by year end	Met	Met	Met
DELEGATION OVERSIGHT				
% of Scheduled Audits Completed	100%	Met	Met	Met
REPORTING				
% of CMC Routine Reports Submitted Timely	100%	Met	Met	Met
% of Medi-Cal Routine Reports Submitted Timely	100%	Met	Met	Met
FILINGS				
% of Key Personnel Filings Timely	100%	Met	Met	Met

Met = Measure substantially but not fully met; CAP/adverse action unlikely (or not anticipated)

Regular Meeting of the

Santa Clara County Health Authority
Quality Improvement Committee

Wednesday, April 10, 2019, 6:00-8:00 PM
Santa Clara Family Health Plan, Redwood
6201 San Ignacio Ave, San Jose, CA 95119

VIA TELECONFERENCE AT:

Residence
3411 S. Conway Ct.
Kennewick, WA 99337

Committee Members Present:
Ria Paul, MD and Chair
Ali Alkoraishi, MD, Psychiatrist
Christine Tomcala, CEO
Jennifer Foreman, MD, Pediatric CSG
Jimmy Lin, MD, Internal Medicine
Laurie Nakahira, DO, Chief Medical Officer

Non-Committee Members Present:
Johanna Liu, Director of Quality and Pharmacy
Zara Hernandez, QI Coordinator
Sandra Carlson, Director of Medical Management
Kelsey Kaku, Pharmacy Resident
Darryl Breakbill, Director of Grievances and Appeals
Chris Turner, COO
Divya Shah, Health Educator
Jessica Bautista, Health Homes Program Manager
Mai Chang, Manager of Quality Improvement
Robin Larmer, Chief Compliance and Regulatory Affairs Officer

Via Teleconference:
Carmen Switzer, Provider Network Access Manager

1. **Introduction**
    a. Prior to the Introductions, Robin Larmer spoke with Dr. Dawood via teleconference to advise that, in compliance with the Brown Act, as her name was not previously listed on the Agenda as attending via teleconference, her participation in this evening's meeting is not required. Dr. Dawood disconnected the phone.
    b. Dr. Ria Paul called the meeting to order at 6:06 p.m. A Quorum was established at this time.

2. **Review and Approval of Meeting Minutes**
    a. The minutes of the February 13, 2019 Quality Improvement Committee were reviewed. It was moved and seconded to approve the minutes as written.

3. **Public Comment**
    a. No Public Comment.

4. **CEO Update**

Christine Tomcala, CEO, shared the following updates:
As of January 2019, membership was at 251,000 members. As of April 2019, membership was at 250,778 which is slightly down from January but remains fairly stable.

Department of Managed Health Care (DMHC) and Department of Healthcare Services (DHCS) audits: DMHC and DHCS will be onsite for two weeks in March. DMHC does not leave behind a report when their audit is completed. DHCS conducts an exit conference before they leave, though their findings at that point are not necessarily final.

National Committee for Quality Assurance (NCQA) Survey: Santa Clara Family Health Plan (SCFHP) has achieved the three year NCQA accreditation for their Cal MediConnect (CMC) program. Congratulations to Johanna, the Quality team and the whole organization for their efforts.

O'Connor Hospital and St. Louise Regional acquisition: Both hospitals have been acquired by Santa Clara County and are working through the transition.

Regional Medical Center: SCFHP has signed a contract with Regional Medical Center for all product lines.

This concluded Ms. Tomcala's update.

5. **Action Items**

a. Review of Quality Improvement Program Evaluation 2018

Johanna Liu, Director of Quality and Pharmacy, presented the following updates for the Medi-Cal Population:

The 2018 Childhood Immunization Status (CIS) rates went up from 2017.

Well Child visits in the 3rd, 4th, 5th, and 6th years of life (W34) dropped slightly, but the rate is still well above the Minimum Performance Level (MPL) for 2018. A new member incentive will roll-out this year.

The Prenatal and Postnatal Care (PPC) rates show a slight upward trend, with an ongoing member incentive program for PPC prenatal. In addition, we are in the process of expanding the program to more networks. It is challenging to find expectant mothers before they enter the healthcare system. A discussion ensued as to potential incentives that will enhance the upward trend.

Cervical Cancer Screening (CCS) screening levels met the goal to exceed MPL of 51.88%, but below High Performance Level (HPL) of 70.80%. The rate decreased 3.16% from Health Effectiveness Data Information Set (HEDIS) 2017.

Comprehensive Diabetes Care (CDC) measure has multiple parts. SCFHP met the goal of exceeding the MPL for all CDC HbA1c indicators. HbA1c good control went up a bit and HbA1c poor control went down a bit.

Controlling High Blood Pressure (CBP) shows a very slight decline, but the goal was met of blood pressure control exceeding MPL of 52.55%, but below HPL of 71.69%.

Ms. Tomcala added that our new Governor has new expectations and new measures that Health Plans will be required to report for Measurement Year 2019. The measures will be retroactive to 1/1/2019.

For our CMC population, Ms. Liu presented the following:
For the Plan All-Cause Readmission (PCR) measure, lower is better, and our rate increased slightly by 1.30%. HEDIS is changing the system of measurement for this measure. Lack of timely notification of a patient's discharge is a disadvantage for tracking this measure.

Follow-Up After Hospitalization for Mental Illness (FUH) shows improvement between 2017 and 2018. The goal is to get to the 56% benchmark; however, SCFHP gets credit for any improvement within the 10% range from our past score.

Controlling High Blood Pressure (CBP) shows an improvement between 2017 and 2018.

Ms. Liu concluded her presentation with a summary of Quality Improvement and Performance Improvement projects for 2018.

Action: It was moved and seconded to approve the Quality Improvement Program Evaluation 2018. The motion carried.

b. Review of Quality Improvement Work Plan 2019

Ms. Chang provided an overview of the Work Plan's goals for 2019.

Action: Chair Paul called for a motion to approve the Quality Improvement Work Plan 2019. It was moved and seconded to approve the Quality Improvement Work Plan 2019. The motion carried.

c. Review of Population Health Assessment 2019

Ms. Shah presented an overview of the Population Health Assessment for 2019. Ms. Shah explained this is a comprehensive assessment of SCFHP's CMC population and can help to identify this population's needs.

Action: Chair Paul called for a motion to approve the Population Health Assessment 2019. It was moved and seconded to approve the Population Health Assessment 2019. The motion carried.

d. Review of Complex Case Management Experience Report 2019

Ms. Carlson presented the Complex Case Management Experience Report for 2019. Ms. Carlson stressed that, in 2018, the performance goal was not met due to the fact that the program was brand new at that time.
The survey has since been re-designed for the January-April 2019 performance period to gather more specific data, and SCFHP did meet the 90% performance goal.

Action: Chair Paul called for a motion to approve the Complex Case Management Experience Report 2019. It was moved and seconded to approve the Complex Case Management Experience Report 2019. The motion carried.

e. Review of Quality Improvement Policies

i. QI.01 Conflict of Interest
ii. QI.02 Clinical Practice Guidelines
iii. QI.03 Distribution of Quality Improvement Information
iv. QI.04 Peer Review Process
v. QI.06 Quality Improvement Study Design/Performance Improvement Program Reporting
vi. QI.08 Cultural and Linguistically Competent Services
vii. QI.09 Health Education Program and Delivery System Policy
viii. QI.11 Member Non-Monetary Incentives
ix. QI.12 SBIRT
x. QI.28 Health Homes Program Policy

Ms. Liu presented the annual Review of the Quality Improvement Policies itemized above. Ms. Liu stated there are no updates, and all policies are current. There is a new policy, QI.28, the Health Homes Program policy. This policy is per a new Medi-Cal requirement that begins July 1, 2019.

Action: Chair Paul called for a motion to approve the Review of Quality Improvement Policies. It was moved and seconded to approve the Review of Quality Improvement Policies. The motion carried.

6. Discussion Items

a. Appeals and Grievances:
Mr. Breakbill explained that his department is monitoring California Home Medical Equipment (CHME) to ensure members get what they need, and he gave an overview of the year to date (YTD) grievances that have been filed. As of January 1, 2018, there have been 403 complaints filed. Their department averages a monthly intake of approximately 300-400 cases. Mr. Breakbill spoke to the relationship change with CHME, and the many opportunities for outreach with Utilization Management (UM) and vendors.

b. Access and Availability:
Ms. Switzer discussed the Provider Satisfaction Survey Results for 2018. Several new measures were added to meet NCQA accreditation requirements and to identify other potential internal quality improvement opportunities. This report does not include Valley Health Plan or Kaiser as they conduct their own annual surveys. Ms. Switzer provided an overview of the criteria used to conduct the survey, and presented the results in detail.

c. Initial Health Assessment (IHA): 3Q & 4Q Reports:
Ms. Chang explained this is a complete medical, social, and needs assessment within the first 120 days of enrollment. Ms. Chang then went on to present an overview of the IHA Audit Components and the subsequent results.

7. **Committee Reports**

   a. **Credentialing Committee**

   Dr. Nakahira presented a review of the February 27, 2019 Credentialing Committee report. A discussion was initiated by Dr. Alkoraishi in regards to integrating the credentialing process. Dr. Alkoraishi stated that he is constantly in the process of being credentialed, and it is time consuming. Dr. Nakahira advised she can look into this process.

   Action: Chair Paul called for a motion to approve the February 27, 2019 Credentialing Committee Report. It was moved and seconded to approve the February 27, 2019 Credentialing Committee Report as presented. The motion carried.

   b. **Pharmacy and Therapeutics Committee**

   Dr. Lin presented a review of the December 13, 2018 Pharmacy and Therapeutics Committee meeting minutes.

   Action: Chair Paul called for a motion to approve the December 13, 2018 Pharmacy and Therapeutics Committee meeting minutes. It was moved and seconded to approve the December 13, 2018 Pharmacy and Therapeutics Committee meeting minutes.

   c. **Utlization Management Committee**

   Dr. Lin next presented a review of the January 16, 2019 UM Committee meeting minutes.

   Action: Chair Paul called for a motion to approve the January 16, 2019 UM Committee meeting minutes. It was moved and seconded to approve the January 16, 2019 UM Committee meeting minutes.

   d. **Compliance Report**

   Ms. Larmer presented the February 28, 2019 Compliance Activity Report and the resulting CAR Conditions. Ms. Larmer also discussed the 2018 CMS Program Audit Update, and the 2019 DMHC and DHCS Audit results.

   Action: Chair Paul called for a motion to approve the Compliance Activity Report. It was moved and seconded to approve the Compliance Activity Report. The motion carried.

   e. **Quality Dashboard**

   Ms. Liu presented the 2019 Quality Improvement Dashboard results.

   Action: Chair Paul called for a motion to approve the 2019 Quality Improvement Dashboard. It was moved and seconded to approve the 2019 Quality Improvement Dashboard. The motion carried.

8. **Adjournment**

   The meeting adjourned at 7:55 p.m.

   The next meeting is scheduled for Wednesday, June 12, 2019

_____ _____

Ria Paul, MD Quality Improvement Committee Chairperson Date

Santa Clara Family Health Plan.

2018 QUALITY IMPROVEMENT PROGRAM EVALUATION

☑ Annual Evaluation

A. CLINICAL IMPROVEMENT ACTIVITIES

NCQA 2018 Quality HEDIS Measures for (Medi-Cal (MC), and Centers for Medicare and Medicaid Services (CMC): (2018 Measurement Year)

HEDIS Hybrid Measures Key:

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

HEDIS Administrative Measures Key:

- All Cause Readmission – ACR (MC) / PCR (CMC)
- Ambulatory Care – AMB (MC & CMC)
- Use of Imaging Studies for Low Back Pain –LBP (MC)
- Avoidance of Antibiotic Treatment in Adults w/ Acute Bronchitis – AAB (MC)
- Children's & Adolescent's Access to PCPs – CAP (MC)
- Annual Monitoring for Patients on Persistent Medication – MPM (MC)
- Follow-Up After Hospitalization for Mental Illness – FUH (CMC)
- Asthma Medication Ration – AMR (MC)
- Breast Cancer Screening – BCS (MC & CMC)
- Osteoporosis Management in Women Who Had a Fracture – OMW (CMC)
- Disease Modifying Anti-Rheumatic Drug Therapy for Rheumatoid Arthritis – ART (CMC)
- Use of Spirometry Testing in the Assessment and Diagnosis of Chronic Obstructive Pulmonary Disease (COPD) – SRP (CMC)
- Pharmacotherapy Management of COPD Exacerbation – PCE (CMC)
- Statin Therapy for Patients with Cardiovascular Disease – SPC (CMC)
- Statin Therapy for Patients with Diabetes – SPD (CMC)
- Antidepressant Medication Management – AMM (CMC)
- Follow-Up After Emergency for Department Visit for Mental Illness – FUM (CMC)
- Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence – FUA (CMC)
- Follow-Up After Emergency Department Visit for People with Multiple High-Risk Chronic Conditions – FMC (CMC)
- Non-Recommended PSA-Based Screening in Older Men – PSA (CMC)
- Potentially Harmful Drug-Disease Interactions in the Elderly – DDE (CMC)
- Use of High-Risk Medications in the Elderly – DAE (CMC)
- Use of Opioids at High Dosage – UOD (CMC)
- Use of Opioids from Multiple Providers – UOP (CMC)
- Adults' Access to Preventative/Ambulatory Health Services – AAP (CMC)

	o Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment – IET (CMCC)

A.1 Goal:

- Exceed Medi-Cal Managed Care (MMCD) Minimum Performance Levels (MPL), which is the 25th percentile, for all Medi-Cal HEDIS Measures.
- Develop and implement interventions for MMCD Auto-Assignment Measures.
- Increase administrative (claims and encounter) data submissions across Networks.

A.2. Interventions:

- Collect and report Hybrid Healthcare Effectiveness Data and Information Set (HEDIS) rates for ALL Product Lines within specified timeframe.
- Develop member incentives to support CDC – Nephropathy, Prenatal Care, Childhood Immunizations and Hypertension.
- Present HEDIS results and analysis to:
  - SCFHP Board of Directors & SCFHP Quality Improvement Committee.
- Quality Improvement Activities:
  - Continue immunization reminder letters to parents with children at 17 months to 2 years of age to receive recommended immunizations.
  - Mail Well-child visit reminder letters to children 3-6 years old.
  - Provide education in Quarterly Member Newsletters, Provider eNewsletters, for immunizations, well child visits, diabetic care, and prenatal and postpartum care.
  - Outbound call campaign for gaps in care reminders.
  - Gaps in Care reminders in QNXT

A.3. Results:

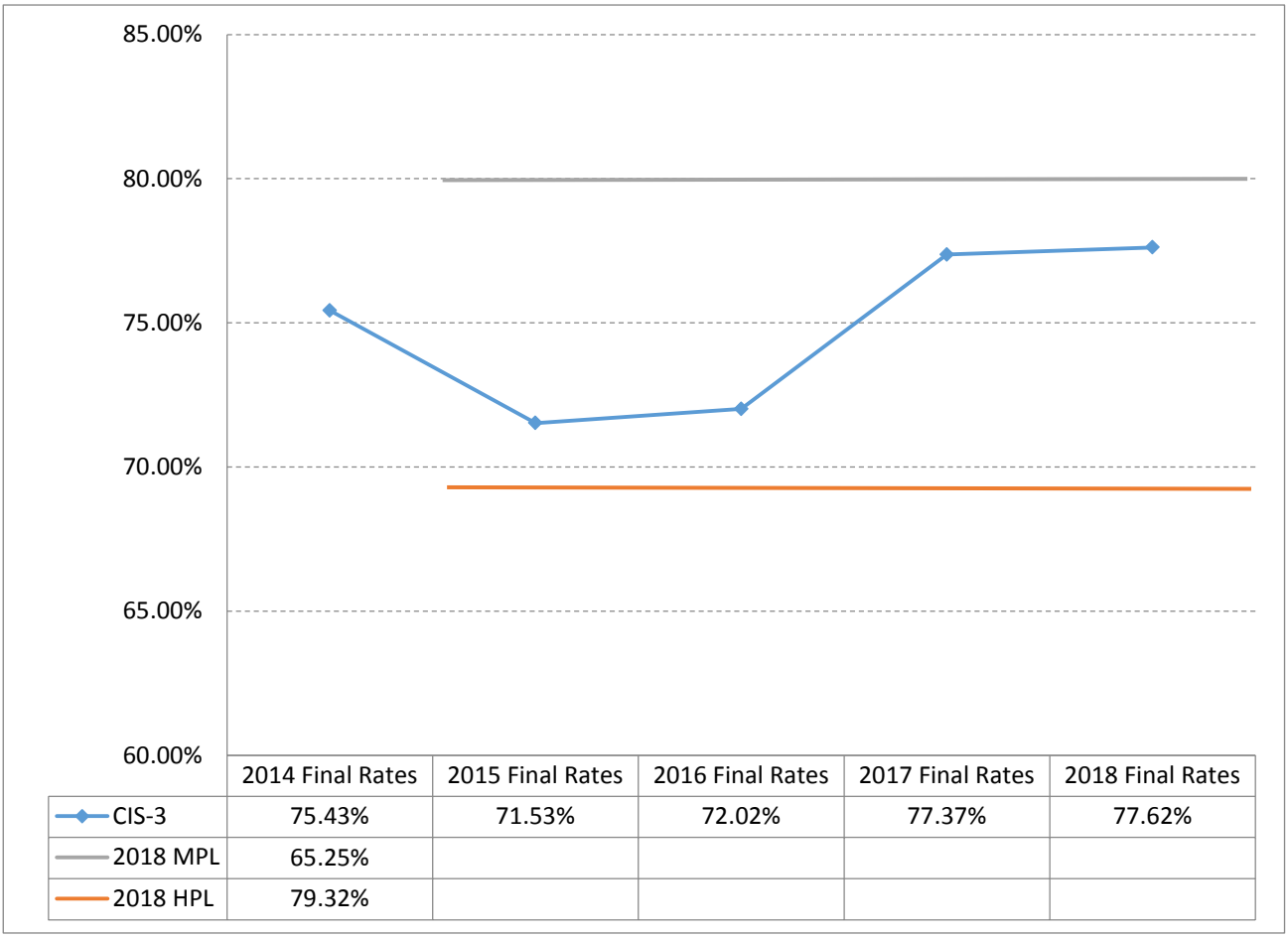
- Exceeded or at MMCD Minimum Performance Level (MPL) for all measures except CDC - Nephropathy.
- Medi-Cal measure IMA-Combo 2 exceeded the HPL.
- Medi-Cal measures that have improved significantly (>5%) from the prior year: Asthma Medication Ration (AMR), Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis (AAB), and Immunizations for Adolescents – Combo 2 (IMA).
- No Medi-Cal measures decreased significantly (>5%).
- All CMC measures reportable for 2018. There are no MPL's for the CMC line of business.

A.4. Analysis of Findings/Barriers/Progress

- Due to Administrative Data Volume being flat, continued chart abstraction and Pinpoint chart chase logic is necessary to improve key measures.
- HEDIS Member outreach and incentives is important to increase key measures.
- Providers / Networks continue to require assistance for data issue improvements:
  - Provider Address discrepancies
  - Coding issues
  - Timely data submission
- Lack supplemental/EMR data

Immunization Measures Findings

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



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
CIS-3	75.43%	71.53%	72.02%	77.37%	77.62%
2018 MPL	65.25%				
2018 HPL	79.32%				

Analysis and Findings/Barriers/Progress

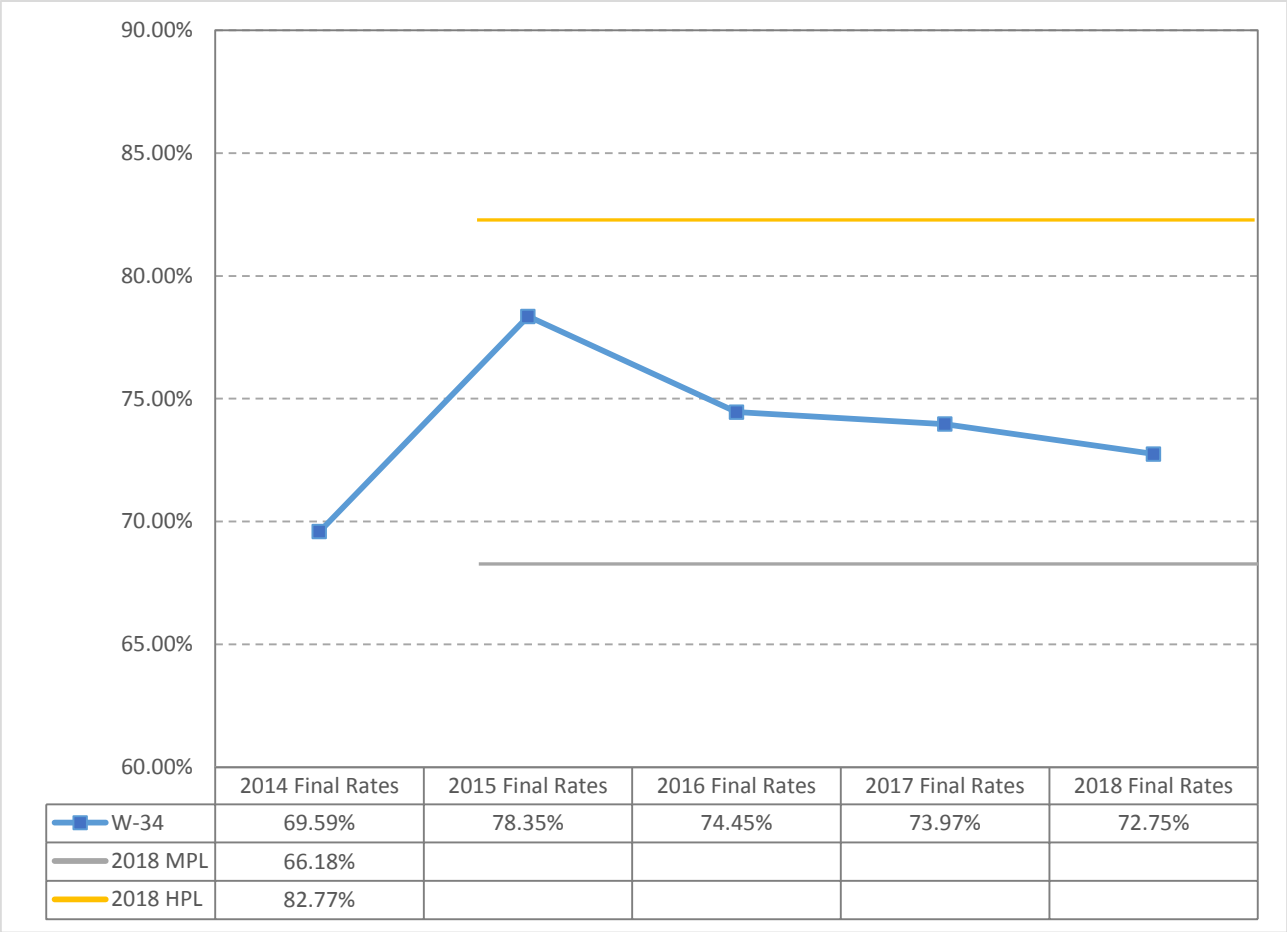
- Met goal of exceeding the MPL of 65.25% but remains below the HPL of 79.32%.
- SCFHP analysis on membership and claims data shows a continued pattern of immunizations given outside of the recommended timeframes for children 2.

Follow up/Actions:

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

Well Child Visits Key Findings

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



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
W-34	69.59%	78.35%	74.45%	73.97%	72.75%
2018 MPL	66.18%				
2018 HPL	82.77%				

Analysis and Findings/Barriers/Progress

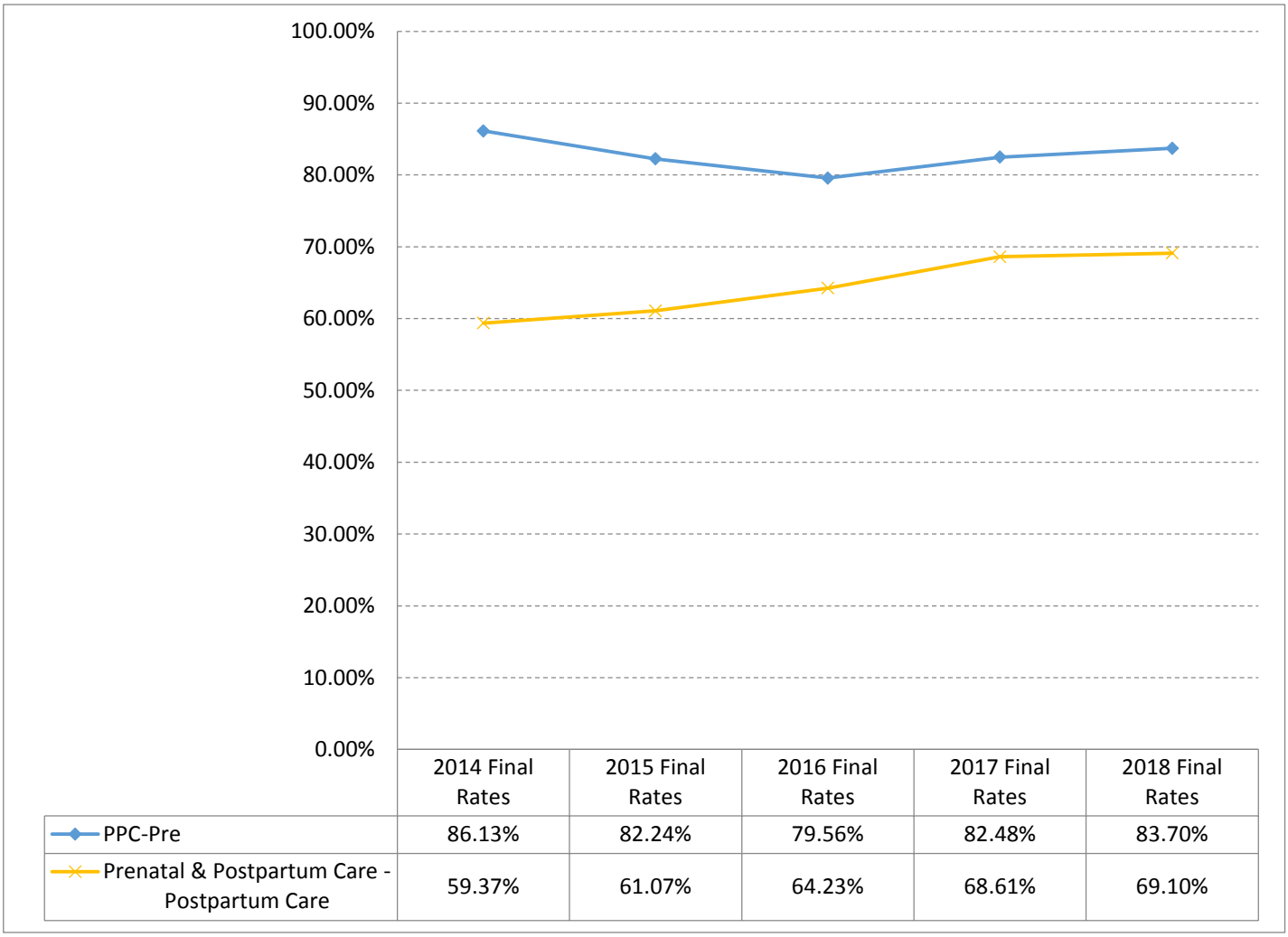
- Met goal of exceeding the MPL of 66.18%, and remains below the HPL of 82.77%.
- 2018 rate dropped by 1.22% from HEDIS 2017.
- Possible gap in data from delegates may have led to decrease of rate.

Follow up/Actions:

- Focus ideas on continue interventions in 2019 for member outreach with incentives to encourage members to see their PCP.
- Focus ideas on continue interventions in 2019 for Providers on well child visit schedule.
- Continue reconciliation of encounter data to close any data gaps.

Adult Hybrid Measures: Prenatal / Postpartum Care Key Findings

PPC – Prenatal and Postpartum Care (MC)



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
PPC-Pre	86.13%	82.24%	79.56%	82.48%	83.70%
Prenatal & Postpartum Care - Postpartum Care	59.37%	61.07%	64.23%	68.61%	69.10%

Analysis and Findings/Barriers/Progress

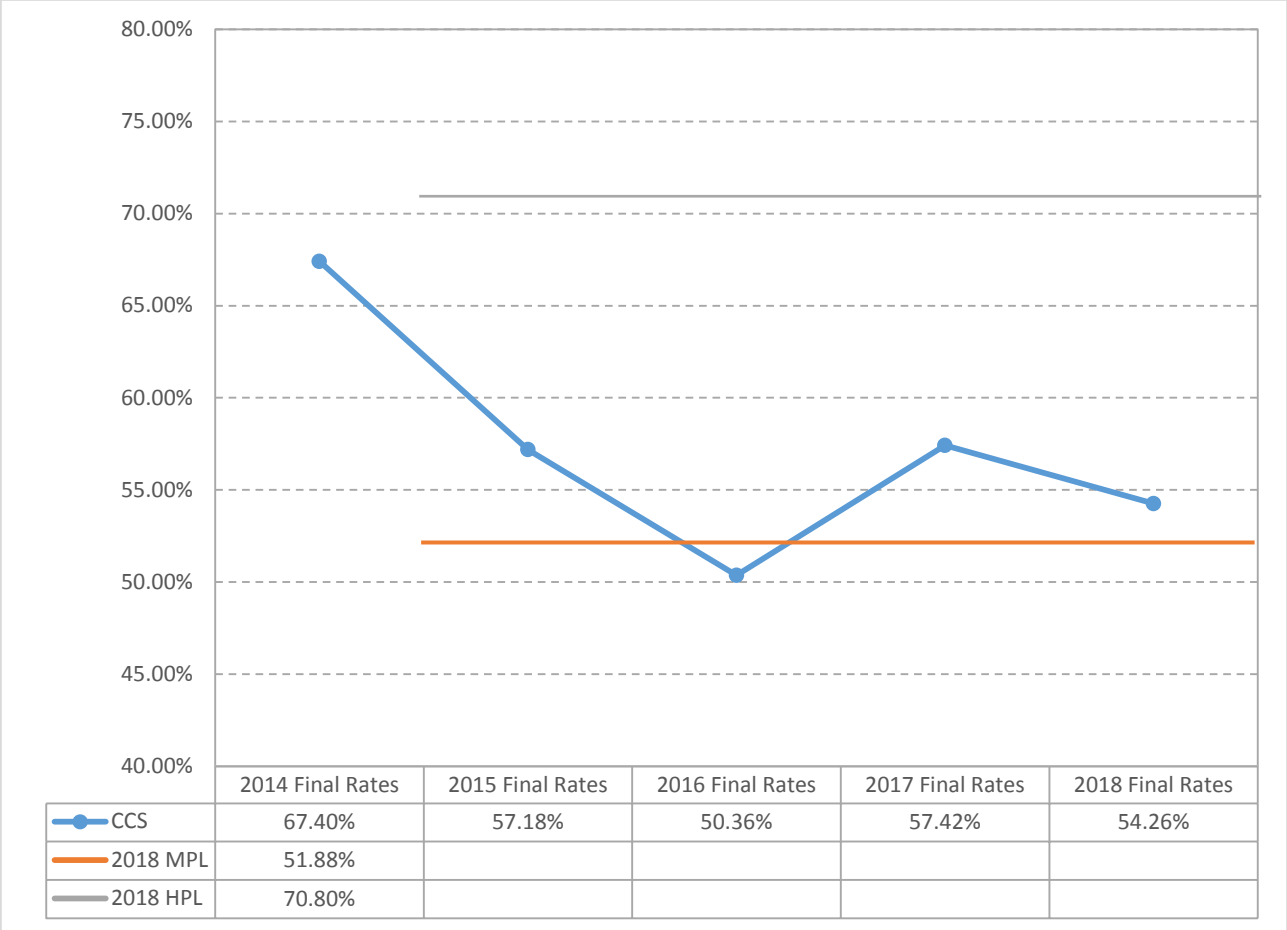
- Met goal of exceeding the MPL's (Prenatal visits 77.66%; Postpartum visits 59.59%) and remains below the HPL (Prenatal visits 91.67%; Postpartum visits 73.67%) of both indicators.
- For Prenatal visits, rate increased by 1.22%; Postpartum visits, rate increased by .49%.
- Challenging to find expecting mother's before they enter the healthcare system.

Follow up/Actions:

- Continue intervention in 2019 for member reminders and outreach.
- Open prenatal incentive to all members.
- Pinpoint chart chases for this measure for 2019 data.
- Continue to partner with community organizations where expectant mothers may receive non-healthcare related services.

Adult Measures: Cervical Cancer Screening Key Findings

CCS – Cervical Cancer Screening (MC)



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
CCS	67.40%	57.18%	50.36%	57.42%	54.26%
2018 MPL	51.88%				
2018 HPL	70.80%				

Analysis and Findings/Barriers/Progress

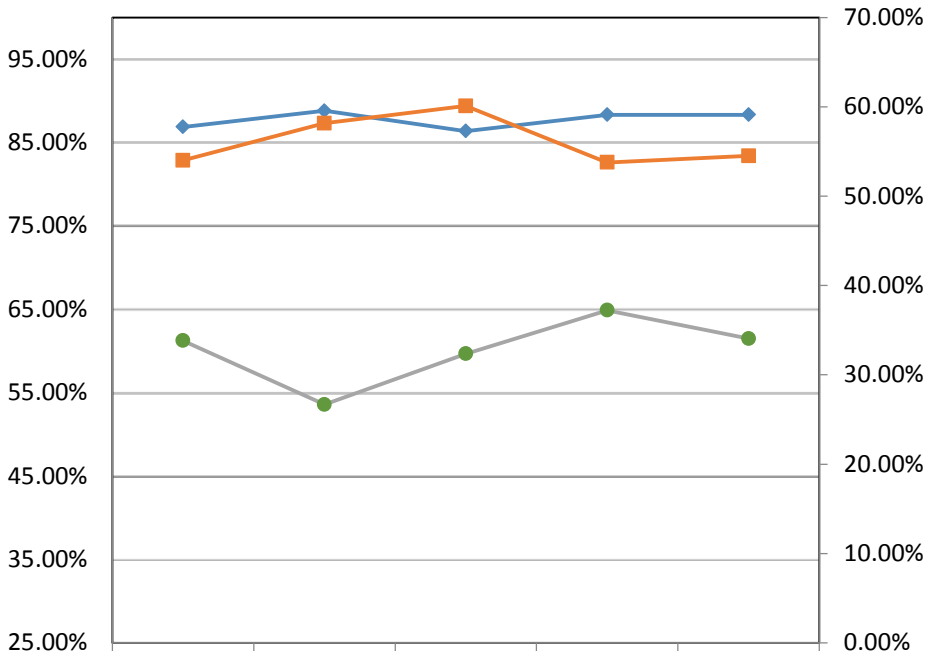
- Met goal to exceed the MPL of 51.88% but below HPL of 70.80%.
- Rate decreased 3.16% from HEDIS 2017.
- A barrier encountered for improvement of this measure relates to reluctance by some members of some ethnic groups to get this screening done which can be attributed to cultural disparities.

Follow up/Actions:

- Focus interventions in 2019 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2019 data.

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

CDC – Comprehensive Diabetes Care (MC) HbA1c



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
CDC-HT	86.86%	88.81%	86.37%	88.32%	88.32%
Comprehensive Diabetes Care - HbA1c Poor Control (>9.0%)	33.82%	26.68%	32.36%	37.23%	34.06%
Comprehensive Diabetes Care - HbA1c Control (<8.0%)	54.01%	58.15%	60.10%	53.77%	54.50%

Analysis and Findings/Barriers/Progress

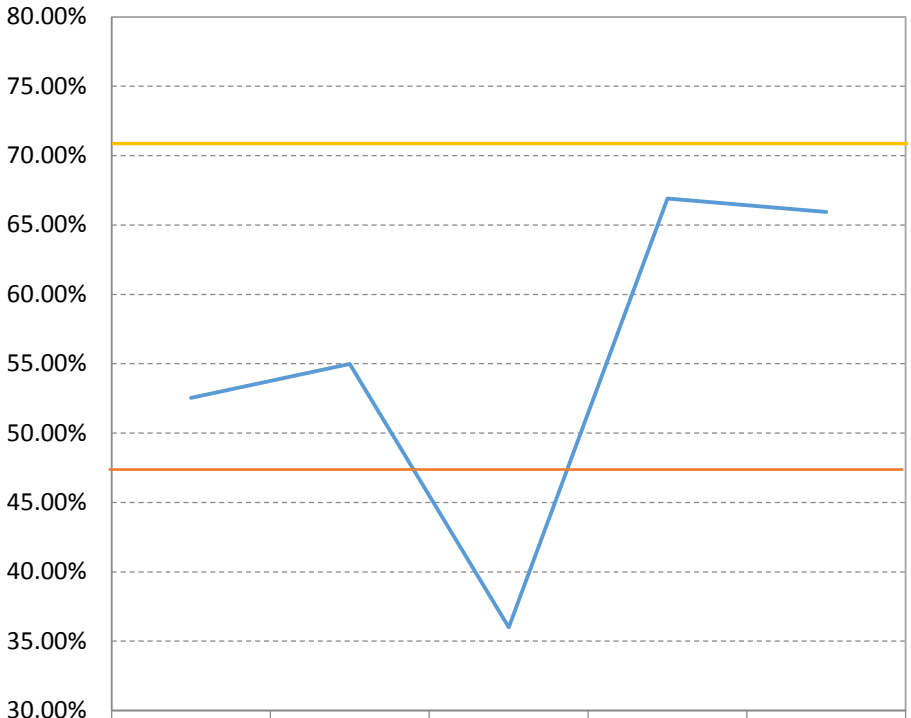
- Met goal of exceeding the MPL for all the CDC HbA1c indicators. MPL's are as follows:
  - CDC HT: 84.32%
  - CDC HbA1c Poor Control: 48.57%
  - CDC HbA1c Control: 41.94%
- Rate is flat for HbA1c Testing and increased .73% for CDC HbA1c Control from HEDIS 2017. For HbA1c Testing Poor Control a lower rate is better. HEDIS 2018 rate shows a decrease of 3.17% from HEDIS 2017.

Follow up/Actions:

- Focus ideas on new intervention in 2019 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2018 data.

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

CBP - Controlling High Blood Pressure (MC)



	2014 Final Rates	2015 Final Rates	2016 Final Rates	2017 Final Rates	2018 Final Rates
Controlling High Blood Pressure	52.55%	54.99%	36.01%	66.91%	65.94%
2018 MPL	47.69%				
2018 HPL	71.69%				

Analysis and Findings/Barriers/Progress

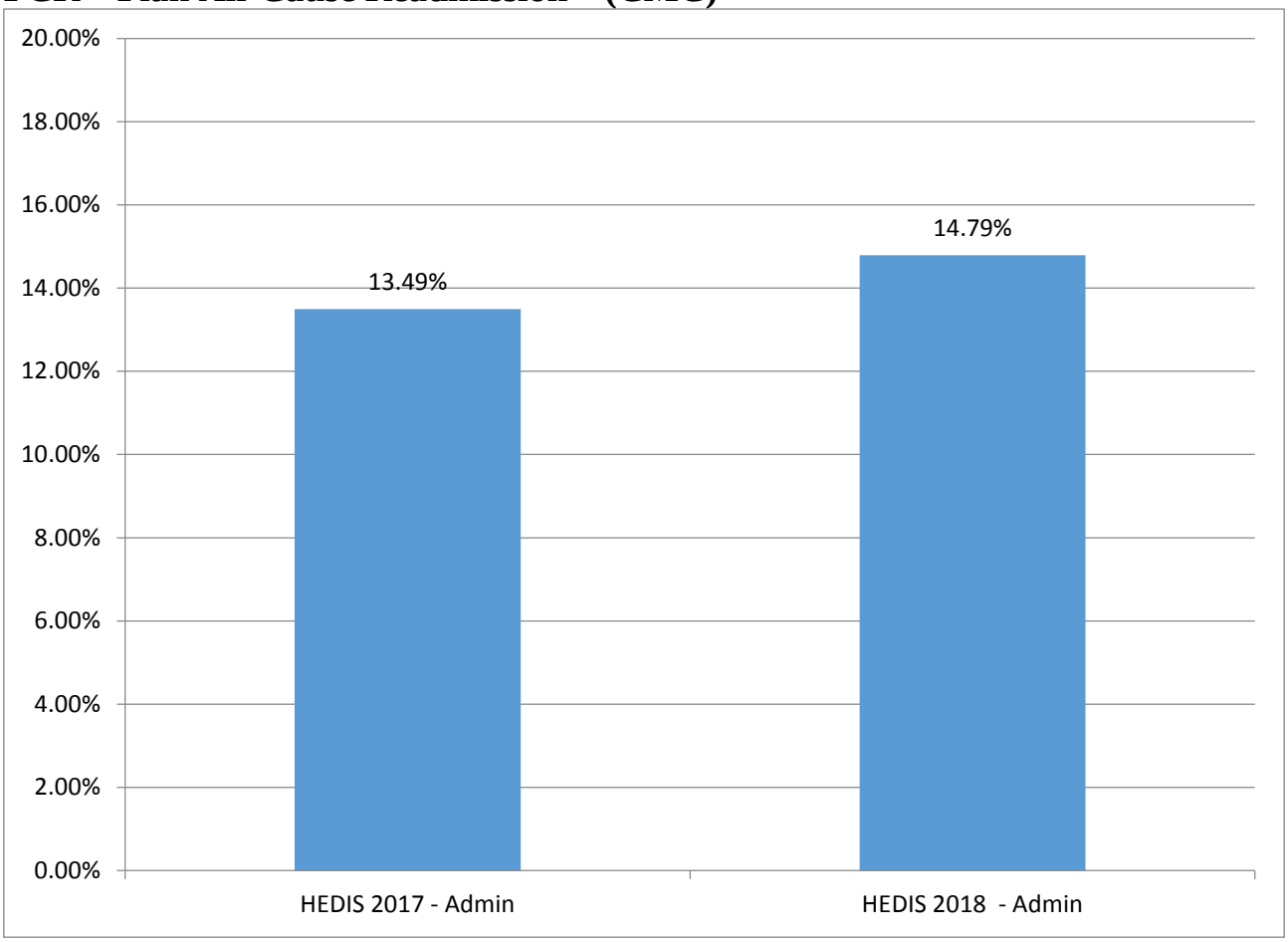
- Met goal of Blood Pressure Control exceeding the MPL of 52.55%, and below HPL of 71.69%.
- Rate decreased by .97%.
- Barriers for this measure include the challenge of this being a 100% chart pull measure, in addition to lack of supplemental data and EMR access.

Follow up/Actions:

- Continue interventions in 2019 for member reminders and outreach. Incentive form to be signed by the PCP.
- Discuss data share opportunities with delegate groups.

Quality Withhold Measure: Plan All-Cause Readmission

PCR – Plan All-Cause Readmission – (CMC)



Analysis and Findings/Barriers/Progress

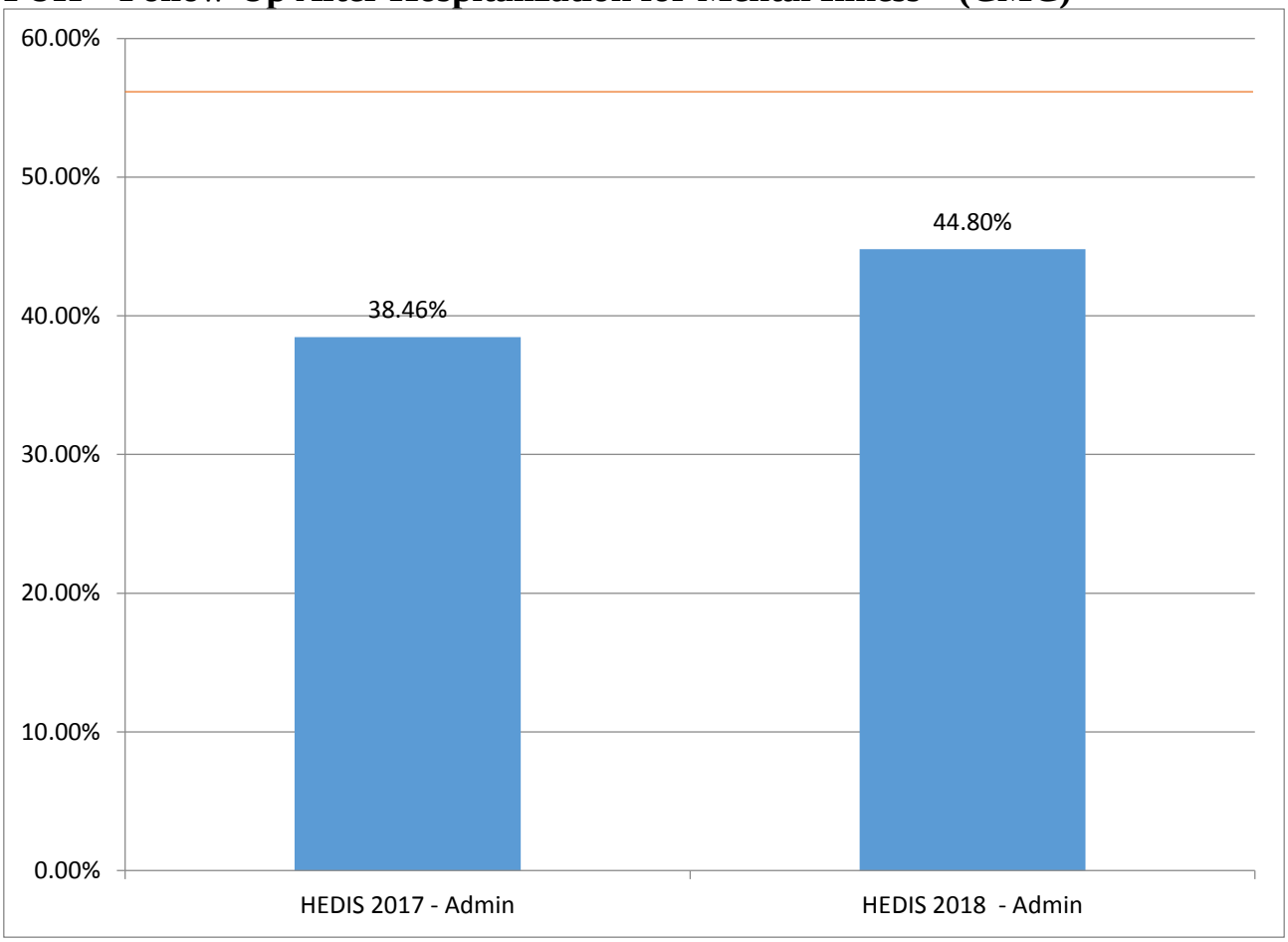
- Lower is better for PCR. HEDIS 2018 rate increased by 1.30%. CMS changed the Quality Withhold standard to use the Observed Readmission/Expected Readmissions (O/E) Ratio as the benchmark as of March 2018 with the ratio being less than 1. SCFHP's O/E Ratio for HEDIS 2018 is under 1, therefore meeting the Quality Withhold benchmark.
- Lack of timely notification of discharge is a barrier for this measure.

Follow up/Actions:

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

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

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



Analysis and Findings/Barriers/Progress

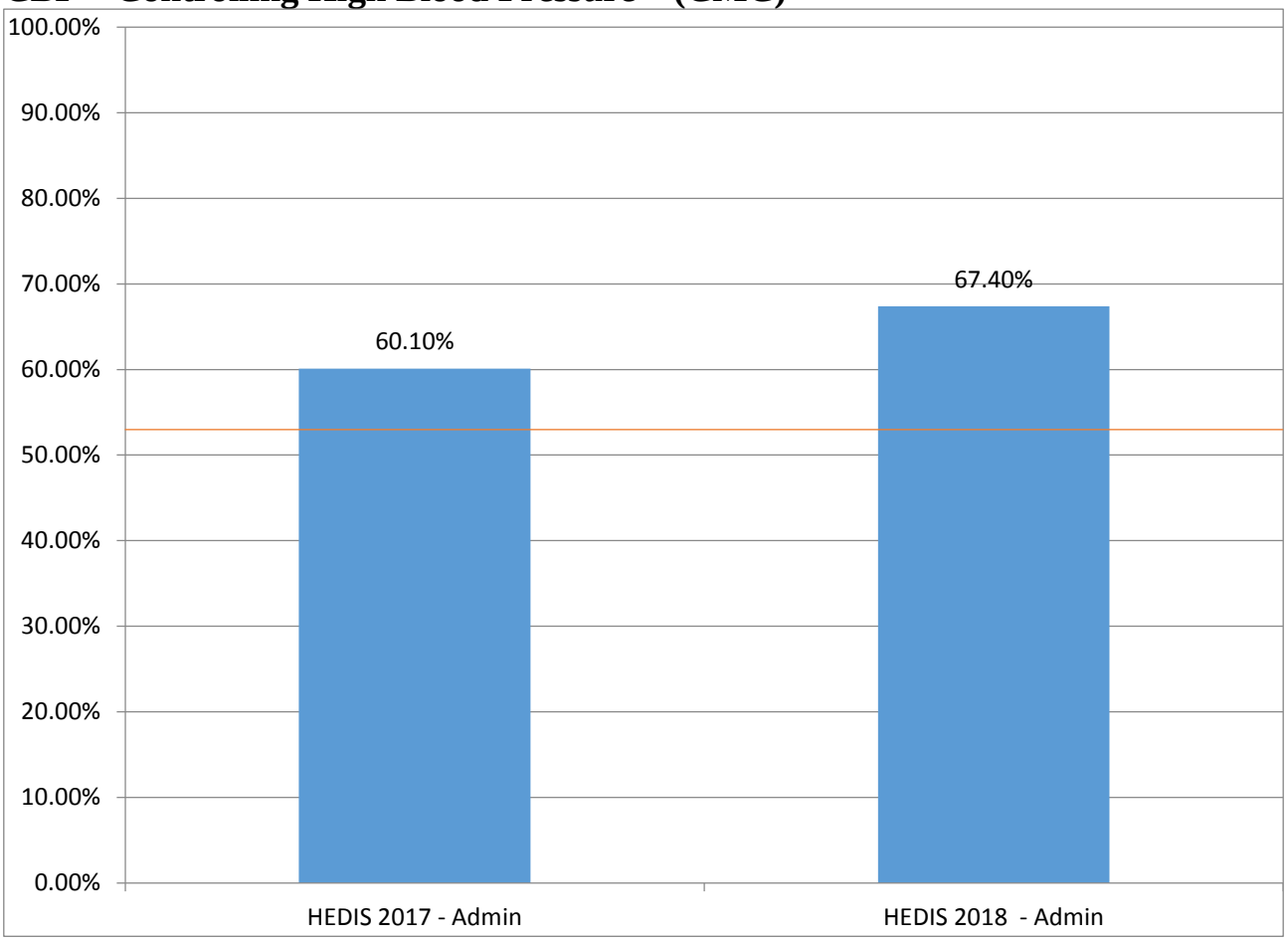
- Measure is below the Quality Withhold benchmark of 56%, but met the 10% improvement score of 40.21% for HEDIS 2018.
- Barriers for this measure include not being notified of hospitalization and patient not getting follow up care from the right provider types.

Follow up/Actions:

- Continue to monitor and collaborate with Behavioral Health delegates to ensure members obtain follow-up appointment after hospitalization for mental illness.
- Meet with County Behavioral Health Services (CBHS) on a monthly basis to collaborate and get data.

Quality Withhold Measure: Controlling High Blood Pressure

CBP – Controlling High Blood Pressure – (CMC)



Analysis and Findings/Barriers/Progress

- Measure is above the Quality Withhold benchmark of 53.11% which meets goal.

Follow up/Actions:

- Continue interventions in 2019 for member reminders and outreach.
- Pinpoint chart chases for this measure for 2018 data.
- Discuss data share opportunities with delegated groups.

B. Clinical Improvement Activities
External and Internal QIP's (2018 Measurement Year)

All Cause Readmissions CMS Quality Improvement Project (QIP)

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

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

Design
This three year QIP began in January of 2016 and ended on December 31, 2018. Medical Management staff used a daily census report from Regional Medical Center to identify all discharged Cal Med connect members. Staff made three attempts to contact the member within 72 hours of discharge to conduct a successful transition of care discharge call to help prevent a readmission to the hospital within 30 days of discharge.

Results:
For the intervention post discharge calls, results indicate that for 2018, 69 enrollees (28.8%) out of 239 eligible enrollees received a post discharge call within 72 hours of discharge. The low number of successful completions is largely the result of an inadequately designed intervention strategy. 72 hours was not a feasible goal and it should have been 72 business hours. Additionally, the goal would have been more attainable if the intervention had been limited to members being discharged to home rather than to any setting such as a Skilled Nursing Facility.

The percentage of enrollees who experienced a readmission within 30 days of discharge through 12/1/ 2018 was 13.22%. This is an increase from the 2017 rate of 12.69% but a decrease from the 2016 rate of 16.86%. The 2015 baseline rate was 15.1%. By year three, SCFHP's goal was to further decrease and get closer to 11% by the end of the QIP. SCFHP improved from the baseline rate 2 out of the 3 measurement years but the 3 year goal was not met.

Analysis of Findings/Barriers/Progress
The three year goal was not met due to deficiencies in the initial design of the intervention but the process as designed was eventually was stabilized as of July 2018 with no further implementable, feasible, improvements identified.

Individual Care Plan (ICP) CMS , Performance Improvement Project (PIP)

Goal:
- Increase total number of high risk members who had an ICP completed from in 58% 2017 to 63% in 2018
- Increase total number of low risk members who had an ICP completed from 56.8 % in 2017 to 61.8% in 2018.
- Increase the total number of Cal MediConnect members with at least one documented discussion of care goals in the initial ICP from 18.33% in 2017 to 60% in 2018

Intervention:
The Medical Management Department has implemented interventions including data reviews, increased member outreach, staff training, process improvements and resource/staffing models to meet goals.

Design:
This three year project began in January 2018 and will conclude on December 31, 2020. The study question is:

- Do targeted interventions increase the percentage of eligible members with an ICP completed and the percentage of eligible members with documented discussions of care goals?

2018 Results:

Study Indicator 1 Title: High risk members with an ICP completed						
Time Period Measurement Covers	**Indicator Measurement**	**Numerator**	**Denominator**	**Rate or Results**	**Goal**	**Statistical Test, Statistical Significance, and *p* Value**
01/01/2017-12/31/2017	**Baseline**	1206	2080	58.0%	n/a	n/a
01/01/2018-12/31/2018	**Re-measurement 1**	1437	2458	59.0%	63.0%	Fisher's exact test - The two-tailed P value equals 0.8829. The association between rows (groups) and columns (outcomes) is considered to be not statistically significant.
01/01/2019-12/31/2019	**Re-measurement 2**	n/a	n/a	n/a	68.0%	n/a

Study Indicator 2 Title: Low risk members with an ICP completed						
Time Period Measurement Covers	**Indicator Measurement**	**Numerator**	**Denominator**	**Rate or Results**	**Goal**	**Statistical Test, Statistical Significance, and *p* Value**
01/01/2017-12/31/2017	**Baseline**	2578	4641	55.5%	n/a	n/a
01/01/2018-12/31/2018	**Re-measurement 1**	2853	4941	58%	61.8%	Chi-square with Yates correction. Chi squared equals 1.258 with 1 degrees of freedom. The two-tailed P value equals 0.2620. This considered to be not statistically significant.
01/01/2019-12/31/2019	**Re-measurement 2**	n/a	n/a	n/a	66.8%	n/a

Study Indicator 3 Title: Total number of CalMediConnect members with at least one documented discussion of care goals in the initial ICP						
Time Period Measurement Covers	**Indicator Measurement**	**Numerator**	**Denominator**	**Rate or Results**	**Goal**	**Statistical Test, Statistical Significance, and *p* Value**
01/01/2017-12/31/2017	**Baseline**	145	791	18.3%	n/a	n/a
01/01/2018-12/31/2018	**Re-measurement 1**	432	759	56.9%	60.0%	Fisher's exact test, Less than 0.0001(extremely statistical significant)
01/01/2019-12/31/2019	**Re-measurement 2**	n/a	n/a	n/a	65.0%	n/a

Analysis of Findings/Barriers/Progress

- In 2018, 1437 out of 2458 (59.0%) of Santa Clara Health Plan's Cal MediConnect high risk members had an ICP created for them. This is an improvement from the baseline rate 58.0% but based on Fisher's exact test, the two-tailed P value equals 0.8829 and is considered to be not statistically significant from the baseline rate of 58.0%. The Plan closed the gap but missed the Re-measurement Year 1 goal of 63.0% by 4 percentage points.
- The original 2017 baseline rate was re calculated for 2017 based on the revised California 1.5 reporting requirements released in February of 2018. The original rate reported was 56.8 %. The re calculated rate remained about the same at 56.0%. In 2018, 2853 of 4941(58.0%) of Santa Clara Health Plan's Cal MediConnect low risk members had an ICP created for them. This is an increase of 2 percentage points from the re calculated baseline rate. Using Chi-square with Yates correction, the Chi squared equals 1.258 with 1 degrees of freedom. The two-tailed P value equals 0.2620. This is considered to be not a statistically significant improvement. The Plan closed the gap but missed the Re-measurement Year 1 goal of 61.8% by only 3.8 percentage points.
- In 2018, 432 of 759 or 56.9% of Santa Clara Health Plan's Cal MediConnect members with an initial ICP completed had at least one documented discussion of care goals. This is an increase of 38.6 percentage points over the baseline rate of 18.3%. Statistically, based on Fisher's exact test**, t**his represents an extremely significant increase over the baseline rate. The Plan closed the gap by a significant amount even though the Plan fell short of the Re-measurement Year 1 goal 60% by 3 percentage points.
- The barriers, in order of priority and reiterated through this process are
    1. Data-Inconsistent and incomplete data collection for reporting purposes and ongoing routine evaluation of interventions and their effectiveness.
    2. Data- Lack of integrated data across multiple software data programs.
    3. Member Outreach- Lack of Care Goal discussions in members preferred language due to language indicator errors in eligibility file
    4. Resources-Insufficient case management staffing
    5. Processes and Training-Inadequate development and implementation of case management training materials.
- The plan has developed the following actions to further improve existing interventions:
    1. CM staffing plan was revised to add 1 additional supervisor, 3 social work case managers, 2 RN case managers and 3 personal care coordinators
    2. Individual Care Plan (ICP) Outreach and Documentation processes were updated and included extensive staff training. The process improvements will allow the team to utilize the CM system for simultaneous ICP development to occur with the member during telephonic HRA engagement
    3. An enhanced Supervisor Review Procedure was developed to evaluate staff productivity and monitor for potential risks for regulatory non- compliance.
    4. Monthly Risk Stratification Report, RP3532, was enhanced to capture monthly changes in members risk stratification levels, including the reason for the risk stratification change (poly pharmacy,

inpatient admissions, ER visits, etc.), in accordance with regulatory DPL's and three-way contract specifications to allow for increased member outreach and possible changes to member's ICP

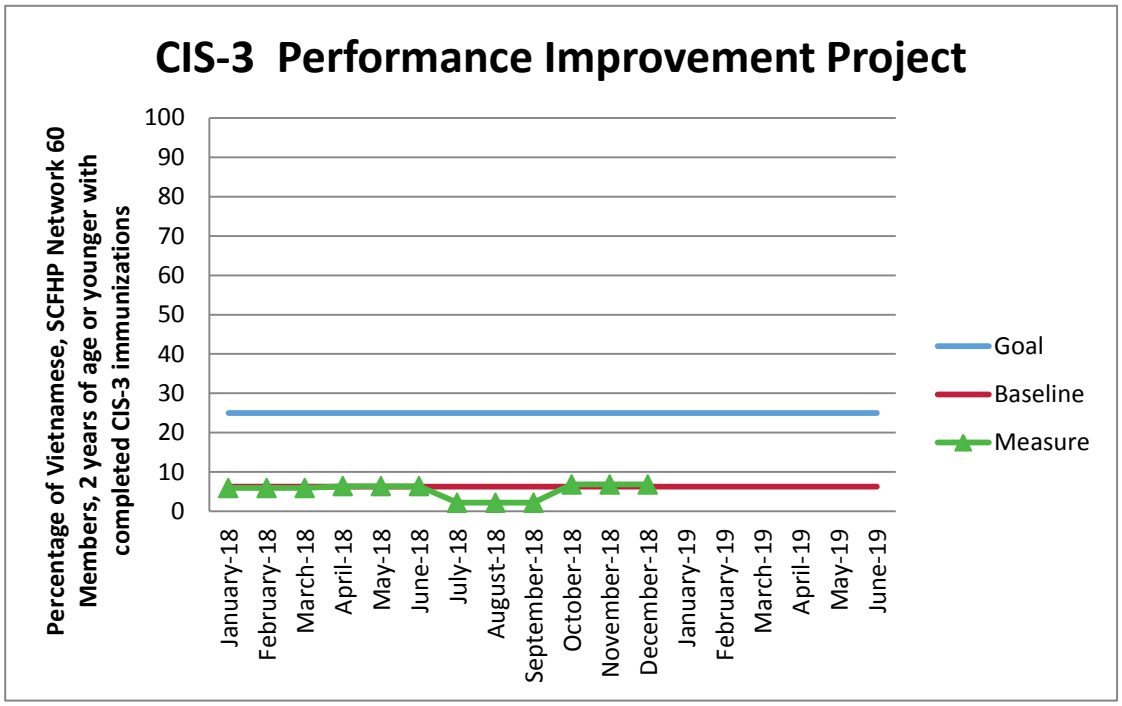
Disparities Childhood Immunization Status Combination 3(CIS-3)–DHCS Performance Improvement Project(PIP)

Goal: By June 30, 2019 increase the rate of childhood immunizations among Medi-Cal Vietnamese children 2 years and younger who reside in Santa Clara County and have a SCFHP Network 60 PCP by 18.7% or from 6.3% to 25%.

Intervention: Promote a reminder flyer and incentive for eligible Premier Care members for completing a series of immunization by the age of 2.

Design:
This 18 month PIP began in January of 2018 and will continue through June of 2019. Starting in October 2018, a list of eligible members was generated to identify those that have not completed all CIS-3 immunizations. The members are mailed a Health Education flyer with a reminder to complete their immunizations. Members are informed that if they submit proof of the completed immunizations to Health Education, they will receive a $30 Target gift card.

Smart Goal Results:



Analysis of Findings/Barriers/Progress
The Plan has not achieved the goal in 2018 but the member incentive intervention was not initiated until October. The Plan will continue to test the intervention through June of 2019 with final results to be submitted in September, 2019.

Controlling Blood Pressure -DHCS Performance Improvement Project(PIP)

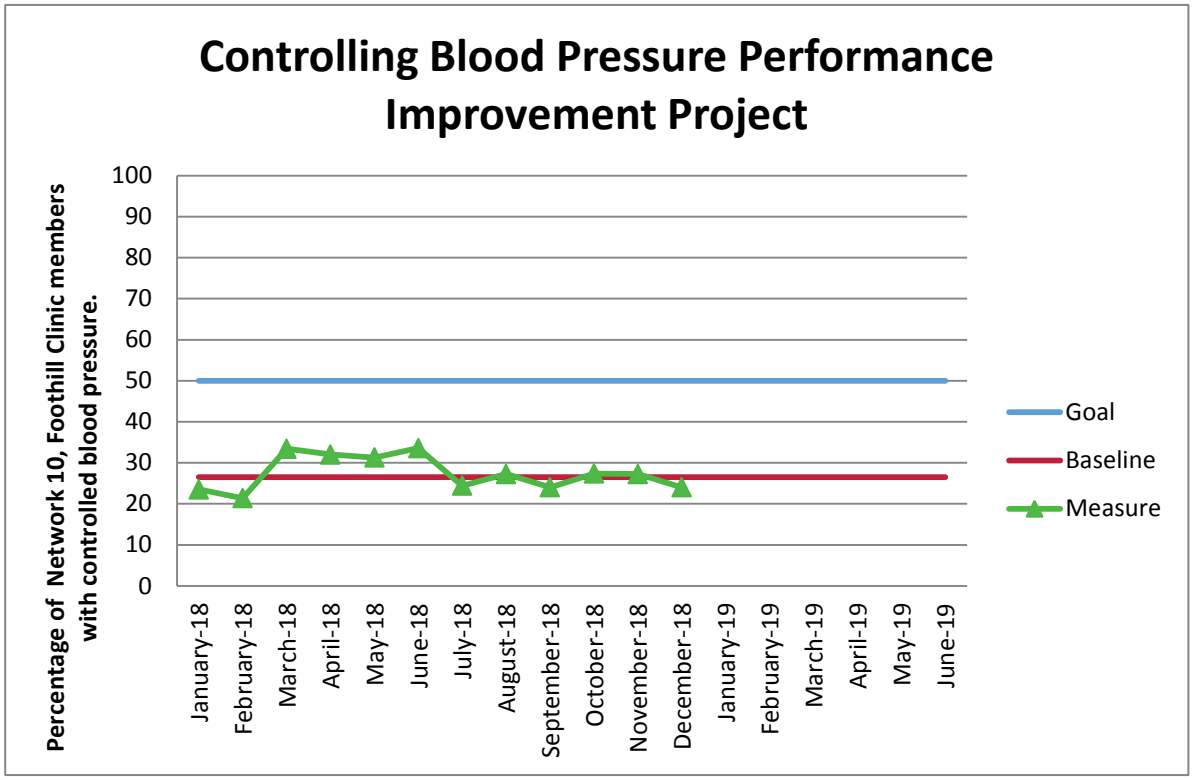
Goal: By 06/30/2019, increase the percentage rate of Network 10, Foothill Clinic members aged 18-85, with a diagnosis of hypertension, whose blood pressure is adequately controlled, during the previous rolling 12 months, from 26.47% to 50%.

Interventions: Promote a reminder and incentive for eligible Network 10, Foothill Clinic members for completing a blood pressure check.

Design

This 18 month PIP began in January of 2018, and will continue through June of 2019. On a monthly basis, a list of eligible members is generated to identify Foothill members that have not completed an annual blood pressure exam. The members are mailed a Health Education flyer with a reminder to complete a blood pressure exam. Members are informed that if they submit proof of a completed blood pressure exam to Health Education they will receive a $25 Target gift card.

Smart Goal Results: 2018 results indicate an improvement over baseline for the CBP measure in 7 out of 12 months.



Analysis of Findings/Barriers/Progress

The Plan has achieved improved results from baseline in the majority of months since the PIP was initiated and has received recommendation from HSAG to continue testing the intervention through June with final results to be submitted in August, 2019.

C. Initial Health Assessment (IHA)

C.1 Goal:

To ensure all SCFHP members complete an Initial Health Assessment (IHA) within 120 days of enrollment into the Plan, and a Staying Healthy Assessment (SHA) form in accordance with the timeframes appropriate by age. In addition, documentation of the completed assessments is evidenced in their medical record.

C.2 Interventions:

- On an annual basis, SCFHP provides information regarding the IHA to Plan members and providers in the Member and Provider Newsletters, and on the SCFHP website.
- SCFHP promotes provider education for the IHA to its delegates and independent network providers.
- The Plan updated its IHA specifications to align with the methodology of other health plans in the geographic area.
- The Plan runs IHA compliance reports on a monthly and quarterly basis.
- Plan medical record review methodology was changed to allow closer tracking of IHA criteria.

C.3 Results:

- No trending was possible for medical record review between 2017 and 2018 data, due to a change in methodology. However, monthly claims tracking through 2018 shows improvement from Quarter 1 (44.6%) to Quarter 4 (51.9%), and an annual improvement from 2017 (37.9%) to 2018 (48.3%).

C.4 Analysis of Findings/Barriers/Progress

- QI Nurse continues to audit medical records to determine compliance with IHA criteria requirements and report results to the Quality Improvement Committee.
- QI Nurse monitors and submits IHA rates to the SCFHP Compliance Dashboard monthly.
- QI Nurse provides internal staff trainings for member facing teams.
- QI Nurse continues to work with Provider Network Management team to train providers and delegates.
- QI Team continues to work with the Community Health Partnership IHA Collaboration Workgroup on a quarterly basis.

D. Patient Safety: Facility Site Review (FSR) / Medical Record Review(MRR)

D.1 Goal:

All contracted SCFHP Primary Care Providers (PCP's) receive a FSR Part A (site), Part B (medical records) and Part C (physical accessibility) evaluation every three years. PCPs that score below 80% are monitored more frequently. All newly contracted SCFHP PCP's must complete and pass FSR Part A and C as part of their contract. FSR Part B is completed within 90 days of effective date. SCFHP PCPs who move office locations are reviewed within 30 days of the date QI is notified of the move.

D.2 Intervention:

- Complete FSR A/B/C review of all PCP sites at least every third year unless required more frequently for corrective action reasons.
- Complete FSR A/B/C review for all newly contracted sites.
- Complete FSR A/B/C review for all PCPs who move location.
- Continue to collaborate with Anthem Blue Cross.
- Maintain current materials for educating providers and staff during site reviews.

D.3 2018 Results:

- Completed 32 PCP FSR site reviews.
- Completed 37 MRRs (includes MRRs repeated for low scoring providers).
- Completed 1 Initial FSR.
- Conducted 2 collaboration meetings with Anthem Blue Cross to share data.
- Completed 30 FSR Part C reviews. (Providers with a FSR-C review in the last six years may attest no changes rather than having FSR-C completed.)

D.4 Analysis of Findings/Barriers/Progress

- 26 FSR Corrective Action Plans (CAPs) issued, monitored and validated. 19 CAPs closed (remainder issued have closure dates in 2019).
- 35 MRR CAPs issued, monitored and validated. 28 CAPs closed (remainder issued have closure dates in 2019).

E. Patient Safety: Provider Preventable Conditions (PPCs)

E.1 Goal:

To report 100% of identified PPCs to DHCS.

E.2 Intervention:

- Review encounter data submitted by network providers for evidence of PPCs that must be reported.

E.3 Results:

- 0 PPCs identified 1/2018 – 12/2018.

E.4 Analysis of Findings/Barriers/Progress

- There are current technical issues obtaining accurate data for PPCs report. IT has been notified and working to resolve.
- Will reissue PPC notice to network regarding reporting PPCs to DHCS and to SCFHP.

F. Potential Quality of Care Issues Summary

F.1 Goal:

To identify, address, investigate, report and resolve any potential quality of care issues (PQI) to ensure that services provided to members meet established professional quality of care standards and improve member outcomes. This includes Critical Incidents (CI) and Provider Preventable Conditions (PPC's).

F.2 Intervention:

- QI Nurse reviews and track and trends member grievances for PQIs and CIs.
- QI Nurse analyzes issues and correlates with other reports to identify areas requiring improvement activities.
- QI Nurse submits monthly PQI data to the SCFHP Compliance Dashboard.
- QI submits quarterly PQI report to QIC for review and appropriate action.

F.3 Results:

- 472 PQI's were reported in 2018.
- 386 PQI's were closed in 2018. Of the 386 closed;
    - 5 were Level 0 – Does not meet PQI criteria, Not our member/Not our provider
    - 275 were Level 1 –Quality of Care is Acceptable
    - 87 were Level 2 - Opportunity for Improvement, no adverse occurrence
    - 10 were Level 3 – Opportunity for Improvement, adverse occurrence
    - 0 were Level 4-Immedicate Jeopardy.
    - 9 Critical Incidents

F.4 Analysis of Findings/Barriers/Progress

- There was an increase in the number of PQIs in 2018. This was due to the following: increased grievances, process improvements and improved communication between the Grievance and Appeals team and the Quality team. A new tracking system was implemented as well. The majority of PQIs reviewed were unsubstantiated, or closed as Level 1- Quality of Care is Acceptable issues.

- The Plan identified 9 PQI's with critical incidents in 2018. Of those, 6 involved cab companies, 1 occurred at a skilled nursing facility (SNF), 1 involved a provider and 1 involved home care. Critical Incidents are high priority cases. Those occurring at SNFs are reported to the California Department of Public Health Licensing and Certification office in San Jose for investigation. SCFHP uses those findings to create a CAP depending on the State's findings.
    - Level 1 – 1, no CAP (Cab)
    - Level 2 – 4, no CAPs (2 Cab, 1 SNF, 1 PCP)

- Level 3 – 1, no CAP (Cab)
- Open, investigation in progress – 3 (2 Cab, 1 Home Care)

- The increase in Critical Incidents in 2018 was due to an increased awareness on the part of plan staff regarding what constitutes a critical incident after additional training.

G. Timely Access and Availability

G.1 Goal:

To ensure that SCFHP meets the provider appointment access standards established by DMHC and other regulatory agencies and to meet the needs of its members.

G.2 Objectives:

- Complete the following surveys annually:
  - Provider Appointment and Availability Survey (PAAS)
  - Third Next Available Appointment (TNAA)
  - After-Hours Survey (AHS)
  - Provider Satisfaction Survey (PSS)
  - Member Satisfaction Survey (MSS) - Customer Service
- Measure timely appointment access, at least annually.
- Measure primary care after-hours access, at least annually.
- Evaluate SCFHP's timely access performance in comparison to goals.
- Identify areas to improve timely appointment access.
- Develop interventions as appropriate to address deficiencies and/or gaps in care.

G.3 Results:

Table I: Primary Care Provider (PCP)

A. Standard: Urgent Care Appointment within 48-hours

# Surveyed	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
480	261	177	100%	No	68%	72%	-4%

B. Standard: Non-Urgent/Routine Appointment within 10-days

# Surveyed	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
480	276	248	100%	No	90%	91%	-1%

Table II: Specialists

A. Standard: Urgent Care Appointment within 96-hours

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
Cardiology (N=103)	34	24	100%	No	71%	73%	-2%
Endocrinology (N=33)	8	5	100%	No	63%	24%	+39%
Gastroenterology (N=74)	12	5	100%	No	42%	13%	+29%
Psychiatry (N=90)	5	3	100%	No	60%	1%	+59%

B. Standard: Non-Urgent/Routine Appointment within 15-days

Provider Group	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
Cardiology (N=131)	40	28	100%	No	70%	72%	-2%
Endocrinology (N=33)	14	7	100%	No	50%	18%	+32%
Gastroenterology (N=74)	20	6	100%	No	30%	1%	+29%
Psychiatry (N=90)	10	7	100%	No	70%	1%	+69%

Table III: Non-Physician Mental Health

A. Standard: Urgent Care Appointment within 96-hours

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
Applied Behavioral (N=6)	2	0	100%	No	0%	NA	NA
Clinical Social Worker (N=10)	3	2	100%	No	67%	NA	NA
Marriage/Family Counseling (N=21)	3	1	100%	No	33%	NA	NA
Psychology (N=20)	0	NA	100%	NA	NA	NA	NA

B. Standard: Non-Urgent/Routine Appointment within 15-days

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
Applied Behavioral (N=6)	1	0	100%	No	0%	NA	NA
Clinical Social Worker (N=10)	3	3	100%	Yes	100%	NA	NA
Marriage/Family Counseling (N=21)	1	1	100%	Yes	100%	NA	NA
Psychology (N=20)	0	NA	100%	NA	NA	NA	NA

Table IV: Ancillary

A. Standard: Non-Urgent/Routine Appointment within 15-days

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
Physical Therapy (N=10)	9	9	100%	Yes	100%	100%	0
Mammogram (N=3)	2	2	100%	Yes	100%	100%	0
MRI (9)	5	5	100%	Yes	100%	100%	0

AFTER-HOURS SURVEY

GOALS

(Ctrl)

To ensure that SCFHP primary care providers meet after-hours access standards established by the Plan, DMHC and other regulatory agencies and to ensure members access to health care needs are met.

OBJECTIVES

- Measure primary care after-hours access at least annually.
- Evaluate SCFHP's after-hours performance in comparison to goals.
- Identify areas to improve after-hours access.
- Develop interventions as appropriate to address deficiencies and/or gaps in care.

RESULTS

Table I:

A. PCP Access Compliance: 911 Information

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=480)	401	401	100%	Yes	100%	88%	+12%

B. PCP Timeliness Compliance: 30-minutes or less

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=480)	401	176	100%	No	44%	74%	-30%

C. Mental Health Access Compliance: 911 Information

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=153)	98	98	100%	Yes	100%	NA	NA

D. Mental Health Timeliness Compliance: 30-minutes or less

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=153)	84	10	100%	No	12%	NA	NA

Third Next Available Appointment Survey

GOALS
Assess the average length of time in days between the day a patient makes a request for an appointment with a physician and the third available appointment for a new patient physical, routine exam, or return visit exam.

DEFINITION:
The "third next available" appointment is used rather than the "next available" appointment since it is a more sensitive reflection of true appointment availability. For example, an appointment may be open at the time of a request because of a cancellation or other unexpected event. Using the "third next available" appointment eliminates these chance occurrences from the measure of availability.

OBJECTIVES:

- Measure the average length of time between the survey date and the third available appointment.
- Measure the time it takes the providers office to answer the call (standard: 60 seconds or less) and
- Measure the timeframe in which a member would receive a return call from the provider's office (medical triage/screening and non-medical related inquires-standard: 30 minutes or less).
- Survey also includes an After-Hours inquiry.

The providers to be surveyed are Primary Care Providers (PCP), Specialists and Obstetrics and Gynecology (for the initial prenatal care visit only).

RESULTS

Table I:

A. Office Call Pick Up (within 60-seconds)

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	10	100%	Yes	100%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	3	3	100%	Yes	100%	NA	NA
Pediatric Neurologists (N=2)	2	2	100%	Yes	100%	NA	NA

B. Appointment Availability – 3rd Date (New Patient)

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	0	100%	No	0%	NA	NA
OBGYN (N=10)	10	5	100%	No	50%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	2	1	100%	No	50%	NA	NA
Pediatric Neurologists (N=2)	2	0	100%	No	0%	NA	NA

C. Appointment Availability – 3rd Date (Established Patient) PCP/SPC ONLY

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	8	100%	No	80%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	2	1	100%	No	50%	NA	NA
Pediatric Neurologists (N=2)	2	0	100%	No	0%	NA	NA

D. Average In-Office Wait Time PCP/SPC ONLY

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	10	100%	Yes	100%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	3	3	100%	Yes	100%	NA	NA
Pediatric Neurologists (N=2)	2	2	100%	Yes	100%	NA	NA

E. Wait Time for a Return Call During Business Hours- Medical Triage/Screening

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	4	100%	No	40%	NA	NA
OBGYN (N=10)	10	8	100%	No	80%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	3	3	100%	Yes	100%	NA	NA
Pediatric Neurologists (N=2)	2	1	100%	No	50%	NA	NA

F. Wait Time for a Return Call During Business Hours- Non-Medical Related

Provider Type	# Responded	# Compliant	Goal	Goal Met	MY2018 Rate of Compliance	MY2017 Rate of Compliance	% Change MY2018
PCP (N=10)	10	10	100%	Yes	100%	NA	NA
OBGYN (N=10)	10	6	100%	No	60%	NA	NA
Dermatologist (N=1)	1	1	100%	Yes	100%	NA	NA
Gastroenterologists (N=4)	4	4	100%	Yes	100%	NA	NA
Otolaryngoloists (N=3)	3	3	100%	Yes	100%	NA	NA
Pediatric Neurologists (N=2)	2	2	100%	Yes	100%	NA	NA

G.4 Analysis of Findings/Barriers/Interventions

INTERVENTIONS:

Following data collection and generation of reports on survey results, SCFHP issues corrective action letters to providers who do not meet access standards. PAAS resurveys were completed within 60 days from the date on the CAP letters. The resurveys were conducted in October 2018 and resurveyed providers who showed continued non-compliance were issued a requirement to complete SCFHP's timely access training program and to submit a training attestation. SCFHP's PNM staff continue to conduct provider outreach and train non-compliant providers on timely appointment standards.

OPPORTUNITIES

Barrier	Opportunity	Intervention	Selected for 2019	Date Initiated
Timely access	• Improve access to urgent and non-urgent care appointments • Expand behavioral health provider network	• Improve training materials • Conduct provider outreach(Training/BH Contracting) • Provider Access Communications-Fax Blast	Yes	On-going
After-Hours Access (return call within 30min or less)	• Improve after-hours access	• Improve training materials • Provider Access Communications-Fax Blast	Yes	On-going
Wait time return call – Triage/Screening & Non-Medical Related	• Improve provider call backs for triage/screening	• Improve training materials • Provider Access Communications-Fax Blast	Yes	On-going

H. Consumer Assessment of Healthcare Providers and Systems(CAHPS)

H.1 Goal:

Use Consumer Assessment of Healthcare Providers & Systems (CAHPS) results to improve member satisfaction and for results to exceed California Medicare Medicaid Plan's (MMP) average scores in all categories.

H.2 Interventions:

- The Plan sent 2 reminder post cards to members regarding the importance of completing the CAHPS survey and providing the plan with feedback.
- The Plan included an oversample of 800 members (1600 total) to help with CAHPS response rate.
- The Plan tested sending out CAHPS surveys in Chinese and Vietnamese to measure the effect of these two languages to the results.
- The Plan worked with DSS Research to break down results by provider group.
- The Plan conducted training to member and provider facing departments on the results from year one and two to brain storm ideas on how to improve rates.
- The Plan shared results with provider advisor committee and quality improvement committee and delegated groups.

H.3 Results

- In 2018, the Plan response rate was 26.1 %. Overall California response rate was 27.8%.
- Category results indicate:
  - The Plan showed significant improvement in:
    - Rating of Health Plan
  - The Plan showed moderate improvement in:
    - Rating of Drug Plan
    - Customer Service
  - The Plan stayed about the same in:
    - Getting Needed Prescription drugs
    - Getting needed care
    - Getting needed appointments and care
    - Rating of personal doctor
    - Rating of specialists
    - Doctors who communicate well
- The Plan did not exceed the California MMP average in any of the Categories.
- The Plan exceed the California MMP average in the following questions within the categories:
  - In the last 6 months, how often did you see the person you came to see within 15 minutes of your appointment time?
  - In the last 6 months, how often did you and your personal doctor talk about all the prescription medicines you were taking?
  - In the last 6 months, how often was it easy to use your prescription drug plan to get the medicines your doctor prescribed?
  - In the last 6 months, how often was it easy to use your prescription drug plan to fill a prescription at a local pharmacy?
  - In the last 6 months, how often was it easy to use your prescription drug plan to fill prescriptions by mail?
  - Influenza Vaccination
  - Pneumonia Shot

H.4 Analysis of Findings/Barriers/Progress

- The health plan decreased in its 2018 CAHPS response rate from 29% in 2017, but accomplished the process goal of getting more actionable data and was only slightly lower than the overall California rate.
- The interventions between year two and year three identified specific opportunities for improvement in Health Plan Composite Measures and Overall Health Plan rankings.
- With changes in the CMS process that allowed for additional languages, the Plan tested using Chinese and Vietnamese survey's and found that inclusion of those languages in the official survey would have increased scores and response rates. Chinese and Vietnamese will be part of the official survey in 2019.
- Results were broken down by provider group for the first time and shared with provider group representatives.
- Plan has reached out to its providers directly and shared provider group level results and broad areas for improvement.

I. Appeals and Grievances

SCFHP

I.1 Goal:

Increase member satisfaction by addressing member grievances within mandated timelines.

I.2 Intervention:

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

I.3 Results:

- 2018 showed an improved compliance rate of 95.95% for standard grievances resolved in the mandated time frames, this was an improvement of over 7% from the prior year's rate of 88.3%.
- The lowest performing time frame was Q4 2018 where the compliance rate dipped to 88.9% in the month of November.

I.4 Analysis of Findings/Barriers/Progress

- Low number of grievance staff compared the volume of grievances received has presented a barrier
- Lack of monitoring process prevented G&A Management from overseeing timeliness
- Staff turnover also presented a barrier throughout the year
- G&A Staffing needs were addressed by approving additional staff to the department. Three additional Coordinator positions were approved. Additionally, a G&A Data Analyst has been hired to assist with making performance metrics transparent.

QI Program Effectiveness

The 2018 Quality Improvement(QI) Program was effective in demonstrating improvements in both the clinical and service areas for Medi-Cal, Healthy Kids and Cal MediConnect members. The Program resources, which include staffing, committee structure, external and internal practitioner participation, along with the plan's leadership, proved to be sufficient in meeting the QI Program's goals and objectives.

2019 Quality Improvement Work Plan

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues
Quality of Care	QI Program Evaluation	QI Program Annual Evaluation	CMC 2.16.3.3.4 NCQA 2018 QI1 Elements A and B	- To evaluate the results of QI initiatives and submit the results to DHCS and CMT - QI Program and QI Work Plan will be evaluated for effectiveness on an annual basis	- collect aggregate data on utilization - review of quality services rendered - review and analyze outcomes/findings from Improvement Projects, customer satisfaction surveys and collaborative initiatives - trending of measures to assess performance in the quality and safety of clinical care and quality of service - analysis and evaluation of the overall effectiveness of the QI Program and of its progress toward influencing network-wide safe clinical practices	- submission of QI Program evaluation to - QIC - Board	Annual Evaluation	QI Manager	Annually	May-19		Approved by QIC: Adopted by Board:
Quality of Care	Member Safety	SCFHP provides members with the information they need to understand and use their pharmacy benefit.	NCQA 2018 MEM2C	Ensure pharmacy benefit information provided to members on an ongoing basis is accurate	- The Pharmacy Department and Customer Service will collect data and review for accuracy and ensure quality of information being provided to members	- Annually the Pharmacy Department will report -data collection - assessment -actions	100%	Pharmacy Manager and Customer Service Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP provides members with the information they need to easily understand and use health plan benefits	NCQA 2018 MEM3C	Ensure members can use personalized information to navigate health plan services effectively	- The Customer Service Department will collect data on the quality and accuracy provided, compare information against goals, and determine deficiencies in delivery of information act to improve deficiencies identified	- Annually the Customer Service Department will report data collection, analysis, deficiencies, and actions to improve data	100%	Customer Service Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP provides members with the information they need to easily understand and use health plan benefits	NCQA 2018 MEM3D	Ensure quality and timely email communication to members is happening on an ongoing basis	- The Customer Service Department will collect data email responses to members is happening on an ongoing basis in a timely manner	Annually the Customer Service Department will report data collection, analysis, deficiencies, and actions of email responses to members	100%	Customer Service Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1A	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- SCFHP assesses the cultural, ethnic, racial and linguistic needs of its members and adjusts the availability of practitioners within its network, if necessary.	Analysis of cultural, ethnic, racial and linguistic needs of it's members relative to the provider network	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP maintains sufficient numbers and types of primary care, behavioral health and specialty care practitioners in its network	NCQA 2018 NET1B	SCFHP maintains an adequate network of primary care, behavioral healthcare and specialty care practitioners (SCP) and monitors how effectively this network meets the needs and preferences of its membership.	- Evaluate the availability of practitioners who provide primary care services, including general medicine or family practice, internal medicine and pediatrics, the organization: 1. Establishes measurable standards for the number of each type of practitioner providing primary care 2. Establishes measurable standards for the geographic distribution of each type of practitioner providing primary care. 3. Annually analyzes performance against the standards for the number of each type of practitioner providing primary care. 4. Annually analyzes performance against the standards for the geographic distribution of each type of practitioner providing primary care.	Analyze performance against primary care availability standards	100%	Provider Network Access Program Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues
Health Plan Accreditation	NCQA Accreditation	SCFHP systematically collects, integrates and assesses member data to inform its population health management programs	NCQA 2018 PHM2B	SCFHP assesses the needs of its population and determines actionable categories for appropriate intervention.	- SCFHP annually: 1. Assesses the characteristics and needs, including social determinants of health, of its member population. 2. Identifies and assesses the needs of relevant member subpopulations. 3. Assesses the needs of child and adolescent members. 4. Assesses the needs of members with disabilities. 5. Assesses the needs of members with serious and persistent mental	Annual report	100%	Health Educator	Annually	First quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP coordinates services for its highest risk members with complex conditions and helps them access needed resources.	NCQA 2018 PHM5	SCFHP helps members with multiple or complex conditions to obtain access to care and services, and coordinates their care.	-SCFHP implements on an annual basis a member survey on members experience with case management -collects member complaint data on an ongoing basis from grievance process	Annual report	100%	Case Management Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP has a systematic process to evaluate whether it has achieved its goals and to gain insights into areas needing improvement	NCQA 2018 PHM6A	- Quantitative results for relevant clinical, cost/utilization and experience measures -Comparison of results with a benchmark or goal. -Interpretation of results	-collect data on relevant cost, utilization and experience measure	Annual report	100%	Case Management Manager	Annually	First quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP monitors member experience with its services and identifies areas of potential improvement	NCQA 2018 QI4A	-Using valid methodology, the organization collects and performs an annual analysis to measure its performance against its standards for access to Member Services by telephone	- Annual analysis to measure telephone access against standards	Annual report	100%	Customer Service Director	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP implements mechanisms to assess and improve member experience	NCQA 2018 QI4C	To assess member experience with its services, the organization annually evaluates member complaints and appeals	Collect valid measurement data for each of the following categories -quality of care -access -attitude and service -billing and financial issues -quality of practitioner office site	Annual report	100%	Grievance Manager	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP implements mechanisms to assess and improve member experience	NCQA 2018 QI4D	SCFHP annually identifies opportunities for improvement, sets priorities and decides which opportunities to pursue based on analysis	Analyze and identify opportunities for improvement from the following sources -Member complaint and appeal data -CAHPS survey	Annual report	100%	Performance Improvement Manager	Annually	Fourth quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues
Medi-Cal and CMC	UM Program	Annual oversight of UM Program and Work Plan	CMC 2.11.5.1	- To document and initiate appropriate modifications to the UM Program, and set UM goals each year. - To identify areas of focus for the UM program. - To organize and prioritize the workload with assignments given for accountability and responsibility	UM Program and UM Work Plan will be evaluated for effectiveness on an annual basis	- submission of UM Program evaluation to - UMC - QIC - Board	Annual Adoption	Medical Director UM	Annually	September-19		Approved by QIC: Adopted by Board:
Quality of Service	CAHPS	Annual Oversight of CAHPS Survey and Work Plan		Complete Annual Survey. Analyze Results,	Develop Improvement Plans based on results	Areas for improvement identified in the CAHPS 2019 survey	Annual recommendation	QI Project Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Quality of Service	HOS	Annual Oversight of HOS Survey and Work Plan		Complete Annual Survey. Analyze Results. Develop Improvement Plans based on results	Develop Improvement Plans based on results	Areas for improvement identified in the HOS survey	Annual recommendation	QI Project Manager	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Quality of Service	NCOA Plan Ratings	Annual Oversight of NCQA Plan Ratings and Work plan		Analyze Results	Develop Improvement Plans based on results							Approved by QIC: Adopted by Board:
Timely Access	Access/Availability	Access to needed medical services in a timely manner is maintained	CMC 2.11.9.1		Measure and analyze data against goals for the following: 1. Regular & routine appointments within 30 days 2. Urgent Care appointments within 48 hours 3. After-hours care within 6 hours 4. Member services, by telephone ASA 30 seconds with abandonment rate <5% 5. PCP capacity		97%	Provider Services Director	Quarterly	February 2019 April 2019 Aug 2019 Dec 2019		Approved by QIC: Adopted by Board:

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues
Quality of Service	Internal Performance Improvement Projects - CMC	Increase number of members with an ICP and discussion of care goals	CMC 2.16.4.3.1.2.1	Increase the percentage of members with an ICP completed and percentage of members with documented discussion of care goals	- Plan will further develop and implement new processes and training materials to improve consistency of documentation within SCFHP's case management software program	Annual Submission	By December 31st 2018, increase by 5% from baseline in all three submeasures	Health Services Director	Annually	January 2019	Ongoing	
Quality of Clinical Care	Chronic Clinical Performance Improvement Projects CMC	Target Chronic Condition: Behavorial Health Condition - Mental Illness	CMC	Increase the number of follow up visits for members with a discharge from the Emergency Department with a diagnosis of mental illness	Plan will develop and implement a 3 year project to increase the precentage of discharges for members 6 years of age and older who were hospitalized for treamentet of selected mental illness or intentional self-harm diagnosis and who had a follow up visit with a metnal health practiioner within 30 days of discharge.	Annual Submission	By December 31, 2021, increase measure rate from 43.18 % to 53.18%.	Behavioral Health Manager and QI Project Manager	Annually	December 31, 2019 December 31, 2020 December 31, 2021		
Quality of Clinical Care	Internal Performance Improvement Projects Medi-Cal and CMC	HEDIS Measure: Controlling High Blood Pressure (CBP)	DHCS 2019 External Accountability Set	Increase member awareness of availibility of blood pressure monitor	Develop and implement intervention to educate members and providers on the availibility of a blood pressure monitor.	Annual Submission	By December 31, 2019, increase the number of blood pressure monitor scripts by 10%.	Pharmacy Manager and QI Project Manager	Annually	December 2019		
Quality of Clinical Care	Project: Prevention and Screening	HEDIS Measure: Cervical Cancer Screening (CCS)	DHCS 2019 External Accountability Set	Increase the number of SCFHP women who have a screening exam for cervical cancer	- Develop and implement interventions based on a barrier analysis for CCS - Reminder letters on birthday month - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	-increase cervical cancer screening rates over the Medicaid 25th percentile (51.88) - 54.26% HEDIS 2018	QI Manager or designee	Quarterly	October-19		
Quality of Clinical Care	Project: Prevention and Screening	HEDIS Measure: Childhood Immunization Status (CIS) – Combination 3	DHCS 2018 External Accountability Set	Increase the number of SCFHP children who are compliant for their immunizations through Combo 3	- Develop and implement interventions based on a barrier analysis for CIS Combo 3 - Televox reminder calls for non compliant members - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- Increase CIS Combo 3 rate over the Medicaid 50th Percentile (71.58%) - 77.37% HEDIS 2017 - 77.62% HEDIS 2018	QI Manager or designee	Quarterly	Ongoing - Monthly		
Quality of Clinical Care	Project: Diabetes	HEDIS Measure: Comprehensive Diabetes Care (CDC) - HbA1c Testing	DHCS 2019 External Accountability Set	Increase the number of SCFHP members with diabetes who have an HbA1c screening annually	- Develop and implement interventions based on a barrier analysis for CDC HbA1c Testing - Annual reminder postcards for non-compliant members - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- increase CDC - HbA1c testing rate over Medicaid 75th percentile (90.05%) - 88.32% HEDIS 2018	QI Manager or designee	Quarterly	October-19		
Quality of Clinical Care	Project: Cardiovascular Conditions	HEDIS Measure: Controlling High Blood Pressure (CBP)	DHCS 2019 External Accountability Set	Increase the number of SCFHP members with hypertension who have their blood pressure below 140/90	- Develop and implement interventions based on a barrier analysis for CBP - work with network providers to develop an organized system of regular follow up and review of patients with hypertension - develop a system to evaluate effectiveness of interventions	successful implementation of intervention and evaluation of interventions effectiveness	- increase blood pressure control for members with hypertension over the Medicaid 50th percentile (56.93%) -65.94% HEDIS 2018	QI Manager or designee	Quarterly	October-19		

Scope	Area	Objective	Contract Reference	Project Objectives	Activity	Final Deliverable(s)	Goals or Baseline	Responsible Position	Reporting Frequency	Target Completion	Completed	Assessments, Findings, Monitoring of Previous Issues
Safety of Clinical Care	Quality of Care	- Identify potential quality of care (PQI) - Identify and Report Provider Preventable Conditions	DPL 15-002	Complete all PQI's originating from Grievance and Appeals within 60 days	- update PQI policy - Roll out retraining of Medical Management and Member Services Staff - develop methodology for retrospective review of call notes to identify PQI's - ongoing reporting of PPC's to DHCS	- revised PQI policy - training materials used	100%	QI Nurse	Ongoing	Ongoing - Monthly	N/A	
Health Plan Accreditation	NCQA Accreditation	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 A	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually collects data about opportunities for collaboration between medical care and behavioral healthcare in the following areas: 1. Exchange of information 2. Appropriate diagnosis, treatment and referral of behavioral disorders commonly seen in primary care 3. Appropriate use of psychotropic medications 4. Management of treatment access and follow-up for members with coexisting medical and behavioral disorders 5. Primary or secondary preventive behavioral healthcare program implementation 6. Special needs of members with severe and persistent mental illness	Aggregate available data	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 B	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually conducts activities to improve the coordination of behavioral healthcare and general medical care, including: 1. Collaborating with behavioral healthcare practitioners 2. Quantitative and causal analysis of data to identify improvement opportunities 3. Identify and selecting two opportunities for improvement from QI6A 4. Taking collaborative actions to address two identified opportunity for improvement from QI6A	Analyze data identified in QI6A	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:
Health Plan Accreditation	NCQA Accreditation	SCFHP collaborates with behavioral healthcare practitioners to monitor and improve coordination between medical care and behavioral healthcare.	NCQA 2018 QI6 C	SCFHP collaborates with behavioral healthcare practitioners and uses information at its disposal to coordinate medical care and behavioral healthcare.	SCFHP annually measures the effectiveness of improvement actions taken for activities identified in QI6B	measure effectiveness of collaborative actions take as part of QI6B	100%	Behavioral Health Director	Annually	Third quarter Quality Improvement Committee		Approved by QIC: Adopted by Board:

Santa Clara Family Health Plan (SCFHP)
Cal MediConnect (CMC)
Population Assessment
2019

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BACKGROUND

Santa Clara Family Health Plan (SCFHP) is a not-for-profit organization established in 1997 that offers comprehensive and affordable health coverage for low-income residents in Santa Clara County, California. SCFHP current services over 7,500 beneficiaries covered under its Cal MediConnect (CMC) line of business. In order to qualify for the program, beneficiaries must meet the following criteria: live in Santa Clara County, be 21 years of age or older, have both Medicare Part A and B, and be eligible for full scope Medi-Cal. Reporting requirements for this program closely follow the reporting requirements for Centers for Medicare & Medicaid Services (CMS) Medicare Advantage programs. SCFHP serves 75% of the CMC population in Santa Clara County, while Anthem Blue Cross serves the remaining 25%.

INTRODUCTION

This report provides an overview of SCFHP's CMC beneficiary demographics and explores the population by breakdown of geographic location, disabilities, ethnicity, and language. It examines various social determinants of health and health disparities affecting residents of Santa Clara County and SCFHP's CMC beneficiaries, providing insight on factors that directly impact health outcomes. This report also assesses the needs of SCFHP's beneficiary subpopulations, including those with multiple chronic conditions, severe mental illnesses (SMI), beneficiaries receiving long-term services and support, and the homeless.

Additionally, this report dives into SCFHP's Healthcare Effectiveness Data and Information Set (HEDIS) data, the Medicare Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey, and the beneficiary self-reported Health Risk Assessment (HRA). Various data sources were utilized to assess the needs of beneficiaries, including: reports from CMS, the Santa Clara County Public Health Department, SCFHP's claims, encounter, pharmacy, socioeconomic, and demographic data.

Using this data, SCFHP can address the needs of beneficiaries and help connect them with appropriate programs and services. Furthermore, SCFHP will be able to strengthen existing practices and develop new resources and interventions to better serve SCFHP beneficiaries, moving towards reducing health disparities and a more equitable future.

SCFHP CMC BENEFICIARY DEMOGRAPHICS CALENDAR YEAR (CY) 2018

SCFHP serves a diverse population. Women make up 58% of the CMC population, whereas men make up 42%. Beneficiaries ages 65 and older make up 80% of the population, while beneficiaries ages 64 and under make up 20%. Table 1 summarizes the SCFHP CMC beneficiary demographics for 2018. This includes beneficiaries who were eligible at any time during calendar year 2018. Asians make up a majority of the CMC population at 39%, followed by Hispanics at 26%.

Table 1. SCFHP CMC Beneficiary Demographics CY2018.

ETHNICITY	NUMBER OF MEMBERS	PERCENTAGE
AFRICAN AMERICAN	326	4%
ALASKAN/AMER INDIAN	38	0%
ASIAN/PACIFIC	3506	39%
CAUCASIAN	1642	18%
HISPANIC	2357	26%
OTHER/UNKNOWN	1083	12%
TOTAL	**8952**	**100%**

Disabled Population

Table 2 summarizes the number of beneficiaries with disabilities by ethnicity within the SCFHP CMC population. Asians had the highest number of disabled beneficiaries at 36% followed by Hispanics at 25%.

Table 2. SCFHP CMC beneficiaries with Disabilities by Age and Ethnicity.

ETHNICITY	AGES 65+	AGES UNDER 65	TOTAL	PERCENTAGE
AFRICAN AMERICAN	126	105	231	3%
ALASKAN/AMER INDIAN	16	13	29	0%
ASIAN/PACIFIC	2535	181	2716	40%
CAUCASIAN	738	460	1198	18%
HISPANIC	1358	350	1708	25%
OTHER/UNKNOWN	706	161	867	13%
TOTAL	**5479**	**1270**	**6749**	**100%**

Disease State

Table 3 summarizes the top ten emergency room (ED) diagnoses for CMC beneficiaries and Table 4 summarizes the top ten diagnoses for hospitalizations among CMC beneficiaries in 2018. Urinary Tract infections were the number one reason for ED visits and the seventh most common diagnoses for hospitalizations among CMC beneficiaries in 2018. Interestingly, cardiovascular conditions, including chest pain, hypertension, and heart disease, were the most common diagnoses for CMC beneficiaries for ED and hospitalizations in 2018. This data suggests that future interventions should focus on cardiovascular health for this population. Further analysis of the data is needed to determine if there is a disparity among certain ethnicity groups or subpopulations.

Table 3. Top Ten ED Diagnoses for CMC Beneficiaries.

RANKING	DIAGNOSIS CODE	DIAGNOSIS DESCRIPTION	NUMBER OF VISITS
1	N39.0	Urinary tract infection, site not specified	129
2	R07.9	Chest pain, unspecified	124
3	R42	Dizziness and giddiness	98
4	R07.89	Other chest pain	91
5	R10.9	Unspecified abdominal pain	77
6	I10	Essential (primary) hypertension	72
7	M54.5	Low back pain	59
8	R51	Headache	59
9	R05	Cough	55
10	F43.25	Adjustment disorder with mixed disturbance of emotions and conduct	54

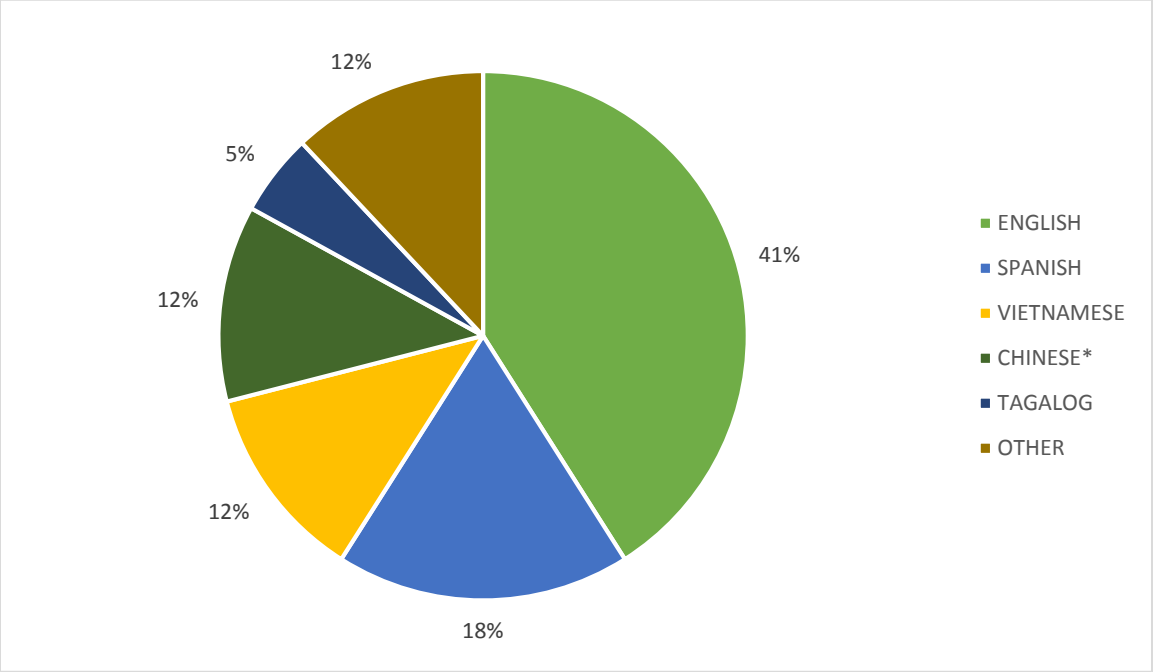
Table 4. Top Ten Hospitalization Diagnoses for CMC Beneficiaries.

RANKING	DIAGNOSIS CODE	DIAGNOSIS DESCRIPTION	NUMBER OF VISITS
1	A41.9	Sepsis, unspecified organism	401
2	I11.0	Hypertensive heart disease with heart failure	94
3	I13.0	Hypertensive heart and chronic kidney disease with heart failure and stage 1 through stage 4 chronic kidney disease, or unspecified chronic kidney disease	92
4	A41.51	Sepsis due to Escherichia coli [E. coli]	68
5	J69.0	Pneumonitis due to inhalation of food and vomit	64
6	N17.9	Acute kidney failure, unspecified	63
7	N39.0	Urinary tract infection, site not specified	52
8	J44.1	Chronic obstructive pulmonary disease with (acute)	50
9	J18.9	Pneumonia, unspecified organism	46
10	I63.9	Cerebral infarction, unspecified	44

Language Utilization

SCFHP has five threshold languages as defined by the California Department of Healthcare Services (DHCS), including English, Spanish, Vietnamese, Tagalog, and Chinese (Mandarin and Cantonese). These languages are the most frequently spoken languages among SCFHP beneficiaries. SCFHP partners with language vendors to provide telephonic and face-to-face interpreter services and utilizes California Relay Services for TDD/TTY services. All language services are provided at no cost to beneficiaries. Figure 1 summaries the languages spoken by CMC beneficiaries in 2018.

Figure 1. Language Spoken by SCFHP CMC Beneficiaries 2018.



*Chinese includes Mandarin and Cantonese speakers.

In 2018, Language Line Interpreter Services, SCFHP's primary language vendor, was utilized for over 8,600 calls for CMC beneficiaries. Requests were made for 44 different languages. The top three request languages included: Spanish (3,107), Chinese (2,284), and Vietnamese (1,572). Table 5 shows the breakdown of language services utilization by CMC beneficiaries in 2018.

Table 5. Telephone Utilization of Interpreter Services by CMC Beneficiaries in 2018.

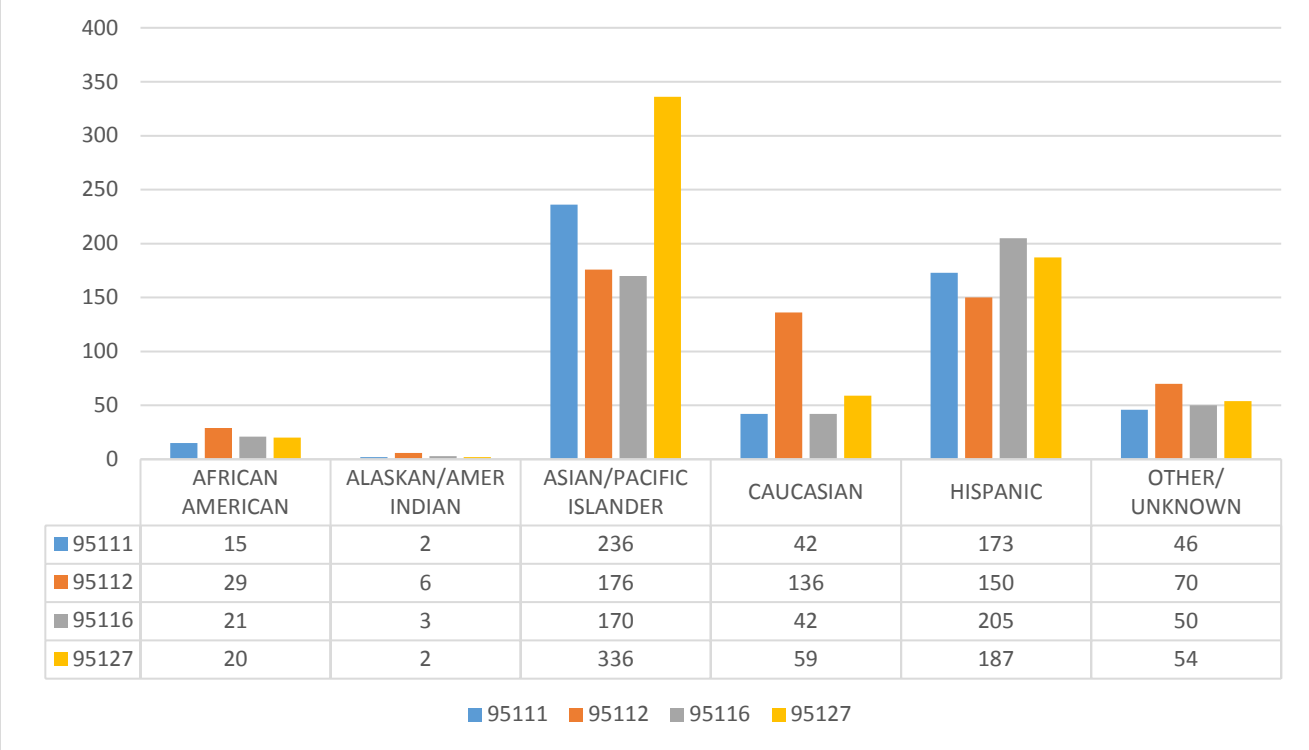
LANGUAGE	NUMBER OF CALLS	PERCENTAGE
SPANISH	3,107	36%
CHINESE	2,284	27%
VIETNAMESE	1,572	18%
TAGALOG	558	6%
RUSSIAN	238	3%
FARSI	235	3%
PUNJABI	114	1%
CAMBODIAN	79	1%
KOREAN	74	1%
HINDI	59	1%
OTHER	284	3%
TOTAL	**8,604**	**100%**

SOCIAL DETERMINANTS

According to the World Health Organization (WHO), social determinants of health are the conditions in which people are born, grow, live, work, age, and play that affect a wide range of health, functioning, and quality-of-life outcomes and risks. These social and/or demographic characteristics of individuals, groups, communities, and societies have been shown to have powerful influences on health and well-being at the individual and population levels.[1] Social determinants are also the root cause of health disparities, a measure of differences in health outcomes between populations. It is vital to address social determinants of health to decrease health disparities and in turn move towards achieving health equity. Health equity implies that ideally everyone should have a fair opportunity to attain their full potential and that no one should be disadvantaged from achieving this potential.

A geographic analysis of SCFHP's CMC beneficiary population was conducted to determine where in the county beneficiaries resides. This data was examined further to explore the ethnic distribution among these four zip codes (see Figure 2). Asians followed by Hispanics are the most predominant ethnic groups.

Figure 2. SCFHP CMC Beneficiary Ethnic Distribution by Zip Codes 95111, 95112, 95116, and 95127.



	AFRICAN AMERICAN	ALASKAN/AMER INDIAN	ASIAN/PACIFIC ISLANDER	CAUCASIAN	HISPANIC	OTHER/ UNKNOWN
95111	15	2	236	42	173	46
95112	29	6	176	136	150	70
95116	21	3	170	42	205	50
95127	20	2	336	59	187	54

Using data from the 2016 Santa Clara County (SCC) Zip Code Profiles[6], social determinants were examined among the four zip codes and SCC overall. The social determinants include: ethnicity, language, income, education, access to nutritious foods, housing, and exposure to crime and violence.

Demographic Snapshot

Ethnicity and language were examined among the four zip codes. Zip code 95127 has the highest population, with Hispanics being the predominant group. Interestingly, 95116 has the highest percentage of individuals who speak a language other than English at home. Table 6 providers a demographic snap shot of Santa Clara County and Zip Codes 95111[2], 95112[3], 95116[4], and 95127[5].

Table 6. Demographic snapshot of SCC and Zip Codes 95111, 95112, 95116, and 95127.

METRIC	95111	95112	95116	95127	SANTA CLARA COUNTY*
Population	58,466	55,927	51,496	61,325	1,781,642
Number of SCFHP CMC Beneficiaries	514	567	491	443	-
Percent of SCFHP CMC Beneficiaries	0.87%	1%	0.95%	0.72%	-
African American	4%	4%	2%	2%	2%
API	34%	24%	24%	21%	32%
Latino	51%	44%	65%	59%	27%
White	10%	25%	7%	16%	35%
Speaks a language other than English at home	74%	53%	80%	67%	52%

*Santa Clara County data column is provided for comparison for the overall county.

Economic and Educational Opportunities

Median income among the four zip codes is significantly low in comparison to Santa Clara County. Overall, the 95116 zip code has the highest number of individuals that have less than a high school education at 37% and the lowest median income level at $47,413. Interestingly, the 95127 zip code has the highest median income at $70,692, but only 20% of individual are college graduates. In comparison, the 95112 zip code has a higher number of individuals who are college graduates at 32%.

Table 7 summarizes the economic and educational opportunities of residents in the four zip codes. The 95116 zip code has the highest number of families and children living under the 185% Federal Poverty Line (FPL).

Table 7. Economic and Educational Opportunities among Residents in SCC and Zip Codes 95111, 95112, 95116, and 95127.

METRIC	95111	95112	95116	95127	SANTA CLARA COUNTY
Median income	$57,047	$55,927	$47,413	$70,692	$93,854
Families percent below 185% FPL	38%	37%	43%	26%	16%
Children percent below 185% FPL	49%	50%	56%	40%	25%
Education - Less than high school	34%	23%	37%	28%	13%
Education - High school graduate	24%	21%	26%	27%	15%
Education - Some college or associates degree	26%	24%	22%	24%	24%
Education - College graduate or higher	16%	32%	16%	20%	47%

Access to Affordable and Nutritious Foods

According to the centers for Disease Control and Prevention (CDC), food deserts are areas that lack access to affordable produce, whole grains, low-fat milk, and other foods that make up a full and healthy diet. Often, food deserts have a higher number of convenience stores, where healthy foods are less available.[7] In addition, food swamps have been described as areas with a high-density of establishments selling high-calorie fast food and junk food, relative to other healthier food options.[8] Access to affordable and nutritious food is vital in maintaining overall health. However, studies show that low-income and racial-ethnic minorities are more likely than Whites to live near unhealthy food retailers, which has been associated with poor diet.[9]

Table 8 summarizes access to affordable and nutritious foods among the four zip codes. Interestingly, zip code 95116 has less fast food outlets per square mile in comparison to zip codes 95112 and 95127. It also has the least distance to full service grocery stores for residents in the area in comparison to all other zip codes. Furthermore, even though there are more residents living under the FPL, only 16% of residents are receiving CalFresh benefits in comparison to 95127, which has a lower number of residents living under the FPL, but the highest utilization of CalFresh benefits. This data suggests that individuals may not be aware of the availability of CalFresh benefits. Overall, the data suggests that the four zip codes have adequate access to full service grocery stores in comparison to the overall county.

Table 8. Access to Affordable and Nutritious Foods in SCC and Zip Codes 95111, 95112, 95116, and 95127

METRIC	95111	95112	95116	95127	SANTA CLARA COUNTY
Distance (in miles) to full service grocery store	0.47	0.55	0.4	0.42	0.56
Distance (in miles) to nearest farmers market	1.67	0.67	1.12	1.27	1.6
Percent of households receiving CalFresh	17%	10%	16%	19%	5%
Fast food outlets per square mile	1.9	6.2	3.9	6.3	2.8

Access to Affordable and High Quality Housing

According to the article "Housing and Health: An Overview of the Literature", people who are not chronically homeless, but face housing instability in the form of moving frequently, falling behind on rent, or couch surfing are more likely to experience poor health in comparison to their stably housed peers.[10] The article continues to discuss how the stress of unstable housing can result in disruption to employment, social networks, education, and the receipt of social service benefits. It can also decrease the effectiveness of health care by making proper storage of medication difficult or impossible. According to the 2016 report, "Perspectives on Helping Low-Income Californians Afford Housing", California has a housing shortage and the high housing costs make it difficult for many Californians to find housing that is affordable and that meets their needs. This forces them to make trade-offs, such as living in overcrowded housing.[11] Residential crowding can contribute to psychological distress[12].

Table 9 summarizes access to affordable housing among residents in the four zip codes. Among the four zip codes we reviewed, the 95112 zip code reported the highest percentage of renters at 71%. Interestingly, this zip code had the lowest percentage of cost burdened households at 51% and the lowest percentage of overcrowded households at 13% in comparison to the other zip codes. Overall, the percentage of costs burdened households and overcrowded households is considerably higher across all four zip codes in comparison to the overall county.

Table 9. Access to Affordable Housing in SCC and Zip Codes 95111, 95112, 95116, and 95127

METRIC	95111	95112	95116	95127	SANTA CLARA COUNTY
Renters	44%	71%	61%	52%	43%
Cost burdened - 30% or more of household income allocated to rent	64%	51%	59%	64%	46%
Overcrowded Households	19%	13%	26%	16%	8%

Safe Communities Free of Crime and Violence

According to Healthy People 2020, crime and violence can have a direct impact on health outcomes for victims and witnesses, including lifelong negative physical, emotional, and social consequences[13].

For the four zip codes examined in SCC, the 95112 zip code reported the highest average of violent crimes within 1 mile of households at 72.73, however, this zip code had the lowest percentage of adults who reported crime/violence/drug activity as a major problem at 66% of all zip codes. Interestingly, the 95116 zip code reported an average of 46.6 violent crimes within 1 mile of households, but 83% of adults reported crime/violence/drug activity as a major problem (see Table 10).

Table 10. Safe Communities Free of Crime and Violence in SCC and Zip Codes 95111, 95112, 95116, and 95127.

METRIC	95111	95112	95116	95127	SANTA CLARA COUNTY
Average violent crimes within 1 mile of household	23.09	72.73	46.6	39.25	16.04
Reporting crime/violence/drug activity as a major problem	75%	66%	83%	81%	42.00%

Opportunities for Improvement

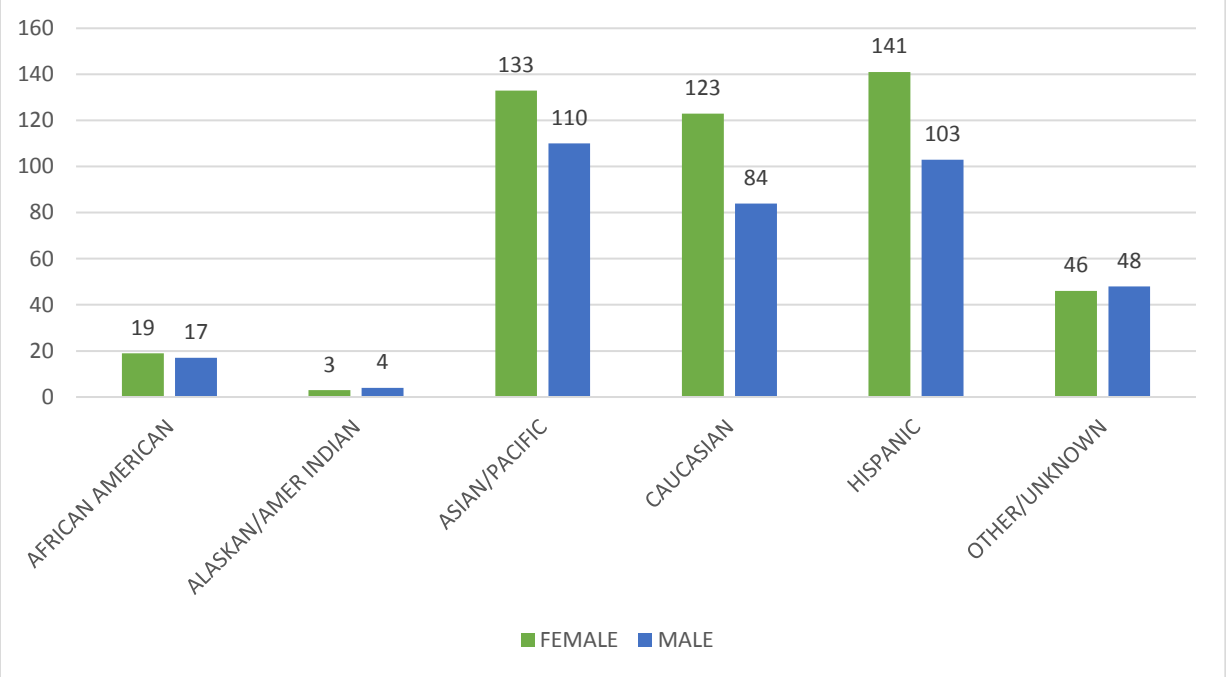
The data suggests there is adequate access to nutritious foods across all four zip codes and is comparable to the county average. Families and children living under the FPL is considerably high in these areas in comparison to the county, however, the data for Calfresh utilization is low. This suggests that individuals and families may not be aware of this benefit and there is a need to raise more awareness. Overcrowded and cost burdened households among the four zip codes is considerably higher than the county average, suggesting there is a need for interventions to help individuals find affordable housing.

SUBPOPULATIONS

Multiple Chronic Conditions

As of December 2018, SCFHP identified 7,751 eligible beneficiaries current enrolled with SCFHP. The population was stratified to identify those who have three or more chronic conditions. Approximately 11% (831 beneficiaries) were identified as having three or more chronic conditions with one uncontrolled condition. Figure 3 provides a breakdown of the population by ethnicity and gender. Overall, Hispanics represent a majority of the population with multiple chronic conditions (244 beneficiaries) followed by Asians (243 beneficiaries) and Caucasians (207 beneficiaries). Generally, there are more females with multiple chronic conditions.

Figure 3. SCFHP CMC Beneficiaries with 3 or more Chronic Conditions by Ethnicity and Gender.



Long-Term Support Services (LTSS)
A subset of the CMC population are beneficiaries living with multiple chronic conditions and limited functional capacity that makes it difficult for them to live independently without long-term services and supports (LTSS). These individuals require assistance with at least three activities of daily living, are in poor or fair health and may have cognitive impairments or behavioral health issues. They can either be living in the community or in a long-term care nursing facility and are a population at high risk for falls and isolation due to their impairments.

A 2017 evaluation of the CMC program in California (University of California San Francisco-UCSF Cal MediConnect Rapid Cycle Polling Project) surveyed dual-eligible (or qualifying for both Medicare and Medi-Cal) beneficiaries and found that 50% reported needs help with personal care (eating, bathing, dressing or getting around the house). Of those who reported needing LTSS assistance, 4 out of 10 had unmet personal care or routine needs. Of all the dually-eligible surveyed, 84% reported that they were receiving In Home Supportive Services (IHSS), a consumer-directed personal assistance program.
The data from the 2017 CMC evaluation highlighted how care coordination, a center component of CMC, can deliver better outcomes in LTSS. Social determinants of health that impact LTSS needs including: lack of adequate access to food, low literacy, low educational attainment, homelessness, extreme poverty and caregiver need or burden. Approximately 40% of SCFHP's beneficiaries have not graduated from high school and about 60% report that they receive SSI payment.

Severe Mental Illness (SMI) in the CMC Population
Of all CMC beneficiaries, approximately 1,000 (14%) have a mental health diagnosis. SCFHP collaborates with the County Behavioral Health Services Department (CBHSD), which serves consumers ages 18 and above. The CBHSD Call Center screens individuals for functional impairments, such as homelessness, lack of support, and recent job loss, etc. and can direct individuals based on whether they have a diagnosis. Once the screening has been completed, CBHSD refers individuals who are identified as SMI to either a County Mental Health clinic or a community based organization (CBO) for services. These are considered Specialty Mental Health providers and may include: psychiatry, therapy, and case management. For an example of the CBHSD screening tools, see Appendix A.

Those identified as mild to moderate are accommodated within a County clinic or are referred to SCFHP for placement within the health plans' network for services. SCFHP Behavioral Health Department's Social Workers assists with care coordination for all beneficiaries that are referred, including: shared care plans, integrating care plan goals, assistance with transportation to medical appointments, coordinating medical care with primary and specialty care and behavioral health care to identify unmet needs, ensuring follow up care is received, etc. Services are initiated within 15 days once a referral is received.

In addition to receiving referrals from CBHSD, referrals are also received from internal SCFHP staff. Beneficiaries may also be identified through historical and current claims data, pharmacy information and responses from the self-reported SCFHP Health Risk Assessment (HRA).

Table 11 and 12 summarizes the top ten behavioral health ED and hospitalization diagnoses for CMC beneficiaries. Commonalities between the two groups include diagnoses for alcohol use and schizophrenia/schizoaffective.

Table 11. Top Ten Behavioral Health ED Diagnoses for CMC Beneficiaries

RANKING	DIAGNOSIS CODE	DIAGNOSIS DESCRIPTION	NUMBER OF VISITS
1	F43.25	Adjustment disorder with mixed disturbance of emotion	54
2	F25.0	Schizoaffective disorder, bipolar type	45
3	F41.9	Anxiety disorder, unspecified	35
4	F25.9	Schizoaffective disorder, unspecified	17
5	F20.0	Paranoid schizophrenia	13
6	F20.9	Schizophrenia, unspecified	10
7	F29	Unspecified psychosis not due to substance or known physiological condition	10
8	F32.9	Major depressive disorder, single episode, unspecified	10
9	F10.129	Alcohol abuse with intoxication, unspecified	8
10	F10.920	Alcohol use, unspecified with intoxication, uncomplicated	8

Table 12. Top Ten Behavioral Health Hospitalization Diagnoses for CMC Beneficiaries

RANKING	DIAGNOSIS CODE	DIAGNOSIS DESCRIPTION	NUMBER OF VISITS
1	F25.0	Schizoaffective disorder, bipolar type	20
2	F10.239	Alcohol dependence with withdrawal, unspecified	8
3	F20.0	Paranoid schizophrenia	5
4	F20.9	Schizophrenia, unspecified	5
5	F25.9	Schizoaffective disorder, unspecified	5
6	F03.90	Unspecified dementia without behavioral disturbance	4
7	F10.231	Alcohol dependence with withdrawal delirium	3
8	F15.93	Other stimulant use, unspecified with withdrawal	3
9	F29	Unspecified psychosis not due to a substance or known physiological condition	3
10	F31.30	Bipolar disorder, current episode depressed, mild	3

For beneficiaries with SMI diagnoses, symptoms are a barrier in accessing primary care and specialty care due to their inability to navigate the systems involved. These beneficiaries exhibit a high level of anxiety and have difficulty staying organized enough to manage these aspects of their lives.

Barriers to care include the lack of housing, including housing with support services, in the county. Beneficiaries who utilize most their Supplement Security Income (SSI) checks to pay for board and care homes are left with little funding for additional food, transportation, or incidentals. Furthermore, unlicensed board and care homes are utilized for placement and do not assist beneficiaries with medication management, transportation or other needed services, which are vital to managing their condition. Lack of connection to the beneficiaries Primary Care Provider (PCP) is another barrier to accessing care for the SMI population.

Opportunities for Improvement

For the SMI population there are several opportunities for improvement identified. There is a need for increased presence of internal psychiatry services within the SCFHP network and increased connection with the beneficiary's PCP. Decentralizing transportation services to community mental health providers so that providers can assist with transportation arrangement as appointments are schedule would help promote timely access to care. Increasing the availability of "health homes" providing wraparound services to the SMI population would also be beneficial. Health homes would serve as a one stop model of services which would include medical management, case management, and activities to decrease the social determinants impacting the SMI population.

Homeless Population

SCFHP lacks consistent data on the impact of homelessness in its membership and has opted to use county specific data as a proxy. This report relies on homelessness data from the Santa Clara County Point-in-Time Census to draw conclusions on the state of homelessness in Santa Clara County. The biennial Point-in-Time Census is the only source of nationwide data on sheltered and unsheltered homelessness, and is required by the U.S. Department of Housing and Urban Development (HUD) of all jurisdictions receiving federal funding to provide housing and services for individuals and families experiencing homelessness[14].

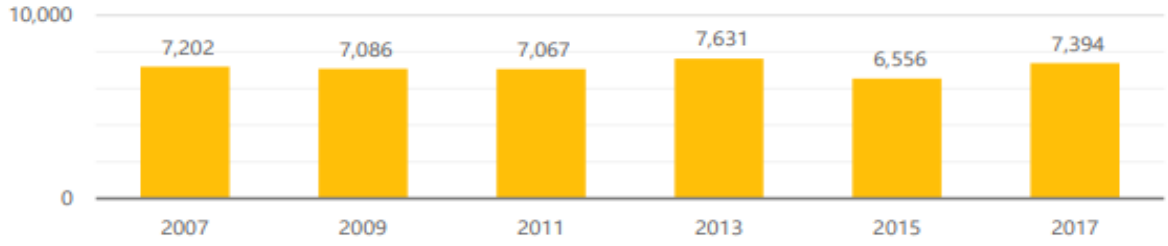
HUD defines a chronically homeless individual as someone who has experienced homelessness for a year or longer, or who has experienced at least four episodes of homelessness in the last three years, and also has a long term disabling condition[15]. Many survey respondents reported experiencing multiple physical or mental health conditions.

Survey Demographics

In 2017, Santa Clara County conducted its homeless population census and found there were a total of 7,394 individuals experiencing homelessness, a 13% increase since 2015. Out of those that were homeless, 74% reported being unsheltered. Figure 4 shows the results of the biennial Point-In-Time count from 2007-2017.

Figure 4.

TOTAL NUMBER OF HOMELESS INDIVIDUALS ENUMERATED DURING THE POINT-IN-TIME HOMELESS CENSUS WITH TREND, SANTA CLARA COUNTY



Source: Applied Survey Research. (2007-2017). Santa Clara County Homeless Census and Survey.

TOTAL NUMBER OF HOMELESS INDIVIDUALS ENUMERATED DURING THE POINT-IN-TIME HOMELESS CENSUS, SHELTERED VS. UNSHELTERED

Source: Applied Survey Research. (2017). Santa Clara County Homeless Census and Survey.

Eight percent (8%) of respondents were under the age of 25, 23% were between the ages of 25 and 50, 61% were between the ages of 41 and 60, and 9% were 61 years and older. Over one-third of respondents (34%) identified as female, 64% identified as male, and 1% as transgender. The remaining 1% identified as neither female, male, nor transgender. About 42% of respondents reported identify as Hispanic or Latino. When compared to the Santa Clara County general population, more individuals identified as Black or African American (16% homeless compared to 3% SCC general population), whereas a very small percentage of the homeless surveyed identified as Asian when compared to the general population (4% compared to 34%). Over two-thirds (64%) of individuals reported they had been homeless for over a year or more.

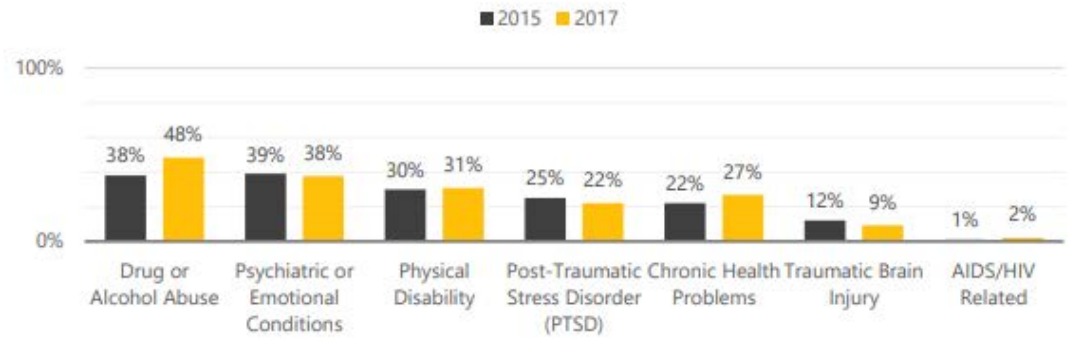
Cause of Homelessness

According to the report, it is difficult to identify the primary cause of an individual's inability to obtain or retain housing as it is often the result of multiple and compounding causes. People who experience homelessness face significant barriers in obtaining permanent housing, such as housing affordability and availability to accessing the economic and social supports (e.g. increased income, rental assistance, case management) needed to access and maintain permanent housing. An inability to secure adequate housing can lead to an inability to address other basic needs, such as healthcare and adequate nutrition. About 62% of survey respondents reported that they could not afford rent.

Health Conditions

The average life expectancy for individuals experiencing homelessness is 25 years less than those in stable housing. Without regular access to healthcare and without safe and stable housing, individuals experience preventable illness and often endure longer hospitalizations. Homeless members are hospitalized four times higher than the average for the population over all[16]. It is estimated that those experiencing homelessness stay four days (or 36%) longer per hospital admission than non-homeless patients. Drug or alcohol abuse among Santa Clara County homeless census survey respondents was higher in 2017 than in 2015 (48% compared to 38%). Similarly, chronic health problems were cited more frequently in 2017 than in 2015 in the same survey (27% and 22%, respectively). Figure 5 summarizes different health conditions the homelessness population faces.

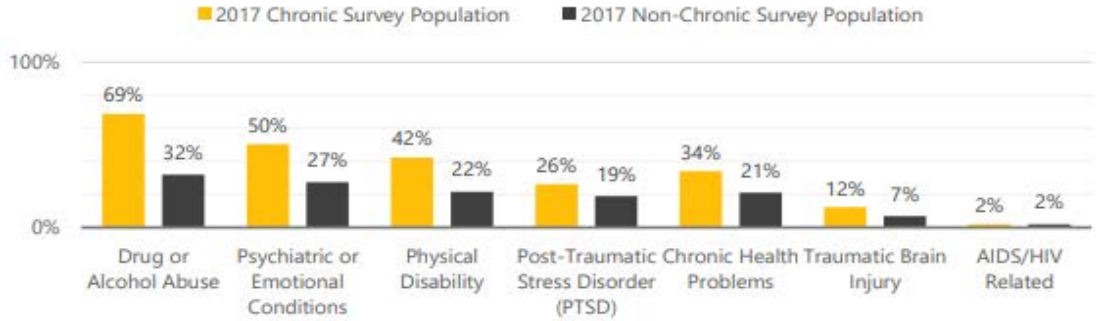
Figure 5. Health Conditions



2015 n: 880-902; 2017 n: 548-570
Source: Applied Survey Research. (2015-2017). Santa Clara County Homeless Census and Survey.
Note: Multiple response question. Percentages may not add up to 100.

Figure 6 shows a comparison of health conditions among chronically and non-chronically homeless survey respondents. In general, higher rates of health conditions were reported among those who were chronically homeless compared to their non-chronically homeless counterparts.

Figure 6. Health Conditions, Chronic and Non-Chronic Comparison



Chronic Survey Population: 239-255; Non-Chronic Survey Population: 309-318
Source: Applied Survey Research. (2017). Santa Clara County Homeless Census and Survey.
Note: Multiple response question. Percentages may not add up to 100.

SCFHP CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS (CAHPS) SURVEY 2018

The CAHPS survey is conducted annually to assess the experiences of beneficiaries in Medicare Advantage and Prescription Drug Plans, including Medicare-Medicaid Plans (MMPs). The 2018 survey was conducted in the first half of 2018 and measure beneficiaries experiences with SCFHP over the previous six months. The survey sample was drawn from all individuals who had been members of the plan for at least six month. The survey asked about overall health plan ratings, prescription drug composite, overall rating of drug plan, Medicare-specific and HEDIS measures collected through CAHPS, two items about contact from a doctor's office, pharmacy, or drug plan, and six single item measures. Some categories were scored as N/A because there weren't enough responses to permit reporting or the score had very low reliability. Overall, SCFHP had a response rate of 26.1% for the CAHPS survey in comparison with 27.8% average for all MMP contracts in California, and 29.5% for all MMP contracts nationally.

Health Plan Composite Measures

Responses to individual survey questions were combined to summarize measures of beneficiaries' experiences with their health plans. SCFHP scored less than the national and state averages. The doctors who communicate well did not apply to SCFHP (see Table 13).

Table 13.

Health Plan Composite Measure	National MMP	State MMP – California	SCFHP
Getting Needed Care	3.43	3.36	3.25
Getting Appointment and Care Quickly	3.30	3.23	3.15
Doctors Who Communicate Well	3.71	3.68	N/A
Customer Service	3.68	3.64	3.52
Care Coordination	3.56	3.50	3.47

Overall Health Plan Ratings

Survey respondents rated their health plan, care received from their plan overall, their personal doctor, and the specialist (if any) they had seen most frequently in the past 6 months. SCFHP scored lower in the categories of rating of health plan and rating of health care quality in comparison to the national and state averages. Personal doctor and specialist categories were not applicable to SCFHP (see table 14).

Table 14.

Overall Health Plan Ratings	National MMP	State MMP - California	SCFHP
Rating of Health Plan	8.6	8.6	8.4
Rating of Health Care Quality	8.5	8.4	8.3
Personal Doctor	9.0	9.0	N/A
Specialist	8.9	8.8	N/A

Prescription Drug and Overall Rating of Drug Plan

Beneficiaries were asked about prescription drugs and the overall rating of the drug plan. SCFHP scored lower compared to the National MMP average for getting needed prescriptions and was equal to the State MMP average. For overall rating of drug plan, SCFHP scored slightly lower than the national and state averages for this category (see table 15).

Table 15.

Prescription Drugs and Overall Rating of Drug Plan	National MMP	State MMP – California	SCFHP
Getting Needs Prescriptions	3.68	3.63	3.63
Overall Rating of Drug Plan	8.6	8.5	8.4

Medicare-Specific HEDIS Measures

Beneficiaries were asked whether they received a flu vaccination recently and whether they had ever received a pneumonia vaccination. For the flu vaccine, SCFHP scored 82%, significantly higher than the national and state averages. SCFHP scored higher than the national and state averages for pneumonia vaccination (see table 16).

Table 16.

Medicare-Specific and HEDIS Measures	National MMP	State MMP – California	SCFHP
Annual Flu Vaccine	66%	69%	82%
Pneumonia Vaccination	56%	58%	65%

Contact from Doctor's Office, Pharmacy, or Drug Plan

Beneficiaries were asked whether their doctor's office, pharmacy, or health plan contacted them about making sure they filled their prescriptions and were taking their medications as directed. SCFHP's score for reminders to fill prescriptions was equal to the national and state averages. For reminders to take medications, SCFHP scored slightly lower in comparison to the state and national averages (see table 17).

Table 17.

Contact from Doctor's office, Pharmacy, or Drug Plan	National MMP	State MMP – California	SCFHP
Reminders to fill prescriptions	58%	58%	58%
Reminders to take medications	48%	50%	47%

Single Item Measures

Beneficiaries were asked whether they had delayed or not filled a prescription. Additional, they were also asked about daily activities (difficulty walking or climbing stairs, difficulty dressing or bathing, difficulty performing errands alone), whether or not they spent one or more nights in the hospital, and internet usage at home. SCFHP scored below the state average for delaying or not filling a prescription. In general, SCFHP beneficiaries also reported more difficulty with daily activities and also more beneficiaries report that they spent one or more nights in the hospital in comparison to the national and state averages (see table 18).

Table 18.

Single Item Measures	National MMP	State MMP – California	SCFHP
Delaying or Not Filling a Prescription	94%	92%	90%
Difficulty walking or climbing stairs	48%	52%	58%
Difficulty dressing or bathing	75%	76%	75%
Difficulty performing errands alone	63%	65%	66%
Spent one or more nights in hospital	84%	87%	89%
Internet use at home	37%	37%	44%

Opportunities for Improvement

SCFHP performed above the state average for the annual flu and pneumonia vaccines measure. SCFHP scored below the state average on the following measures, including: getting needed care, getting appointments and care quickly, rating of health care quality, rating of health plan, customer service, care coordination, and getting needed prescription drugs.

SCFHP CMC HEALTH RISK ASSESSMENT (HRA) SURVEY DATA 2018

The health risk assessment (HRA) is a self-reported questionnaire that is provided to low-risk CMC members within the first 90 calendar days or 45 calendar days for high-risk members of enrollment into SCFHP. The HRA questionnaire includes questions about the beneficiary's demographics, current health status, change in health status, hospitalizations. It is also used to identify social determinants of health such as safety at home, family involvement (or lack thereof), and nutritional risk.

The data below summarizes HRA responses from 2018 from 994 beneficiaries that completed a HRA. If the beneficiary completed more than one HRA during the year, only data from the most recent HRA was included in the data set below. Areas examined include:

- Hospitalizations and overnight stay settings
- Housing, including safety and family support
- Nutritional risks
- Current health status and change in the last 12 months.

HRA questions relevant to the indicators discussed below can be found in Appendix B.

Hospitalizations

When asked if they had an overnight stay over the past 12 months, CMC beneficiaries have the option to choose from hospital, psychiatric, rehabilitation, skilled nursing facilities or other. Approximately 38% of the beneficiaries reported they had an overnight stay at a hospital (Figure 7). Generally, women reported more overnight stays at a hospital than men and Hispanics reported the highest number of hospitalizations in 2018. Figure 8 summarizes the breakdown of hospitalizations by ethnicity and gender. Of all reported hospitalizations, 65% of the beneficiaries were ages 65 and older.

Figure 7. Beneficiary reported overnight stay settings in the last 12 month.

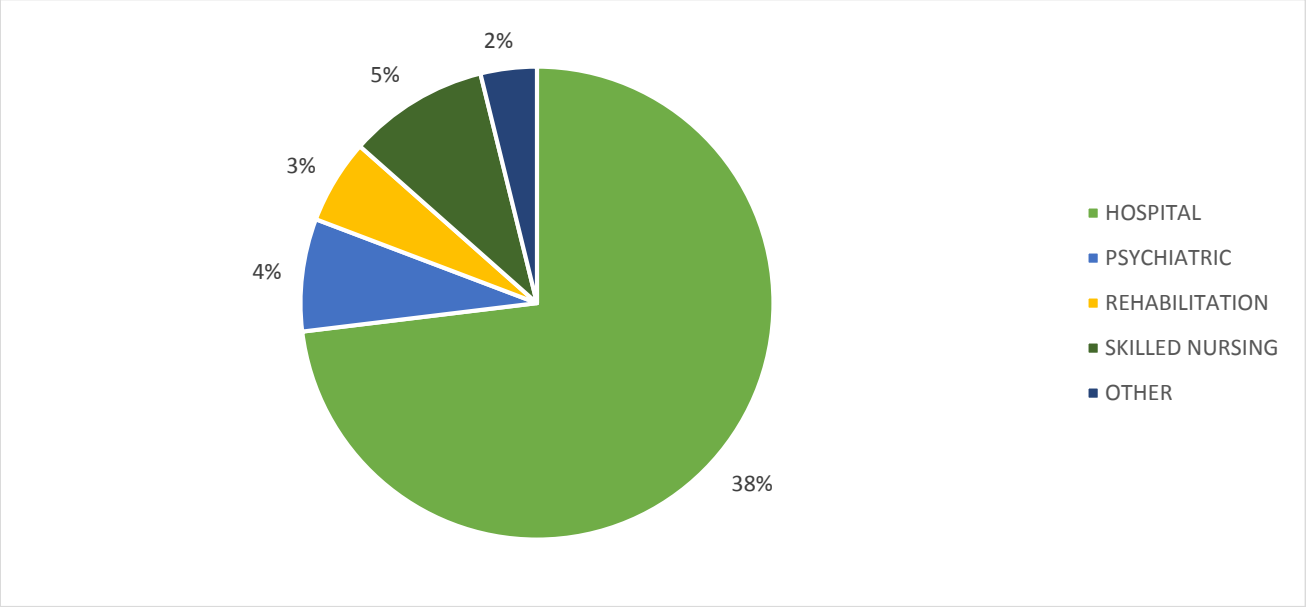
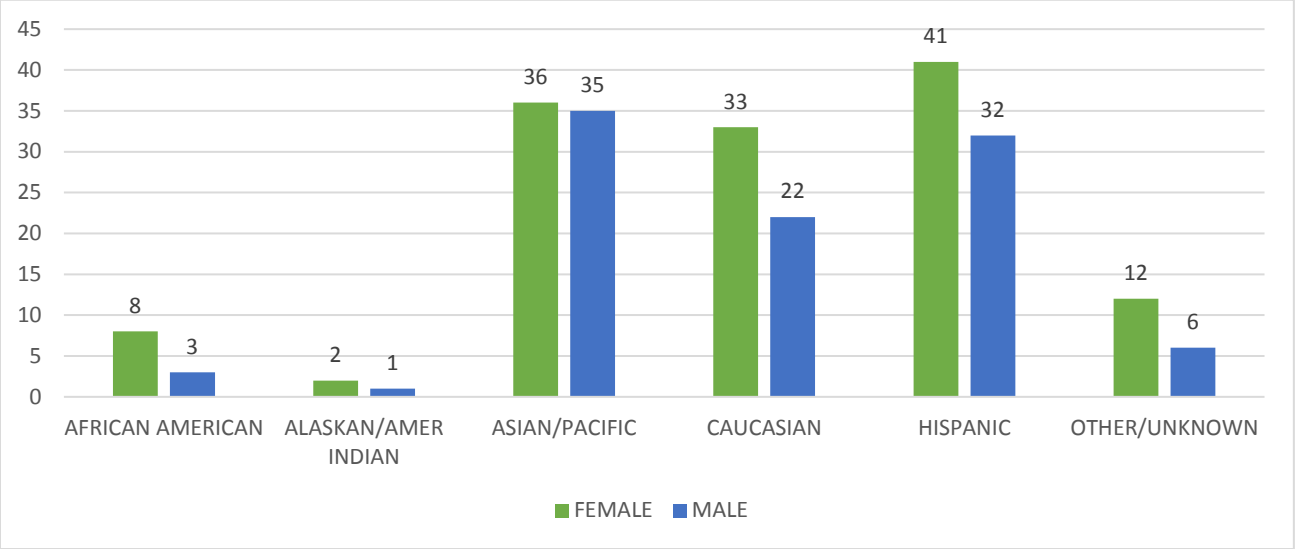


Figure 8. Beneficiary reported hospitalizations by ethnicity and gender.



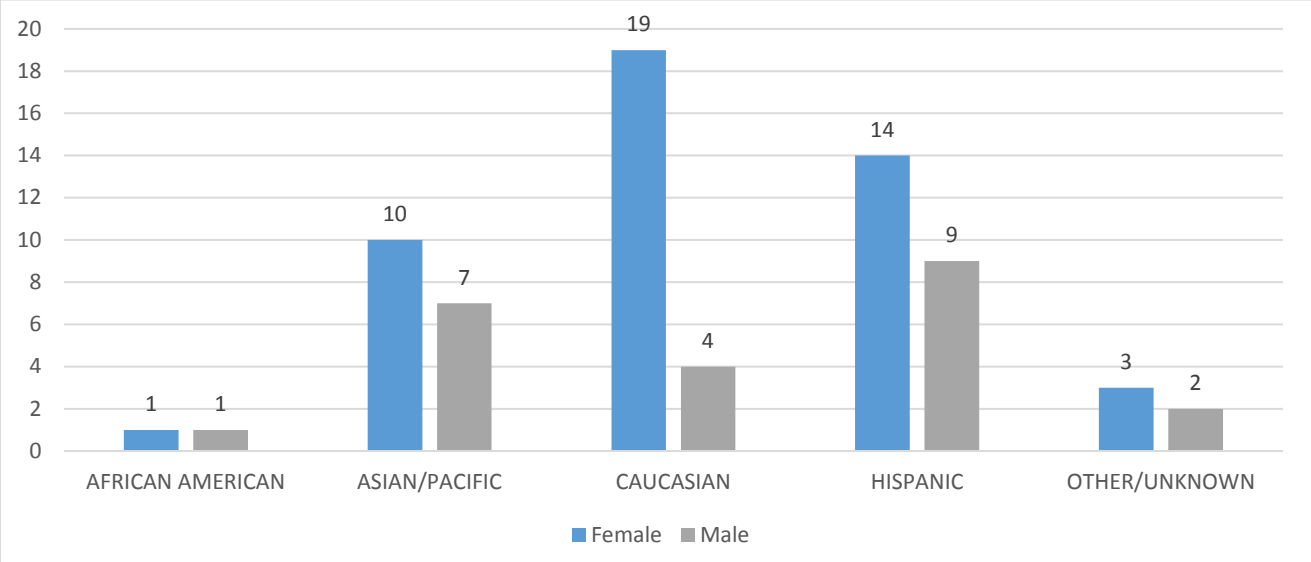
Nutritional Needs

The HRA asks beneficiaries about their nutritional needs. The following nutrition indicators were analyzed as a social determinant:

- Lost or gained 10 pounds in the last 6 months, involuntarily
- Not always able to shop/cook/feed self
- Not enough money to buy food needed

Hispanics and Caucasians beneficiaries had the highest number of responses for all nutrition indicators. By gender, females had the highest number of responses for all indicators. By age, beneficiaries 65 and older had the highest number of responses for all indicators. Figure 9 summarizes the nutritional needs indicators listed above by gender and ethnicity.

Figure 9. Beneficiary reported nutritional needs by ethnicity and gender.

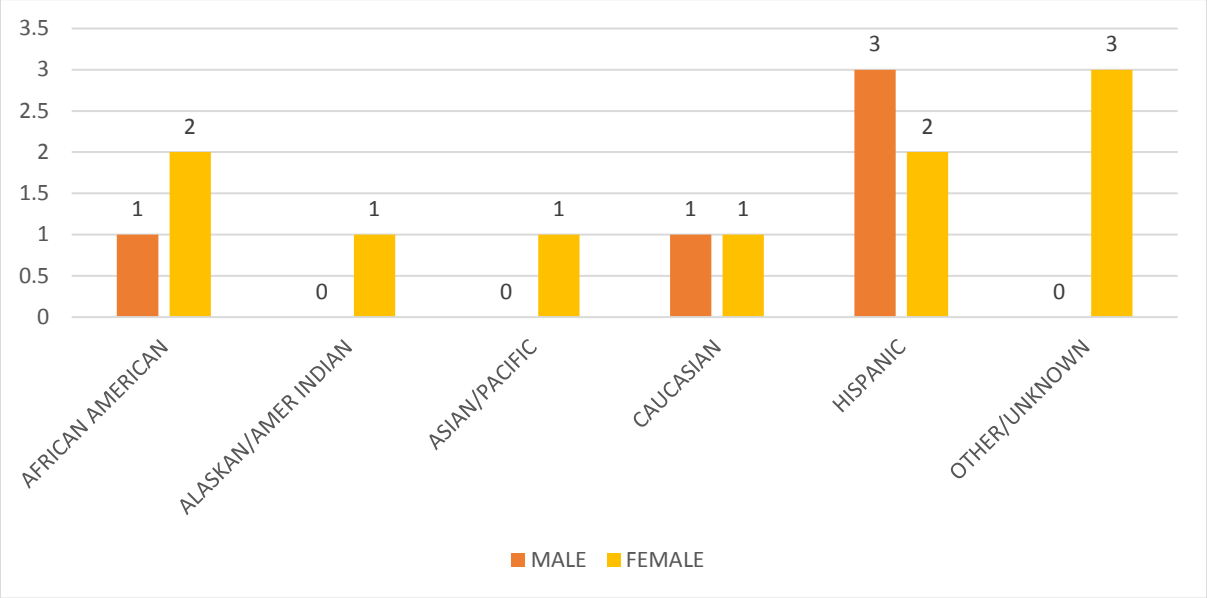


Safety and Social Supports
Beneficiaries are asked about safety in their home. Specifically, beneficiaries are asked if anyone in their household or family has been:

- Verbally abused or controlled their actions
- Hurt, beaten, or neglected them
- Made them feel fear or threatened

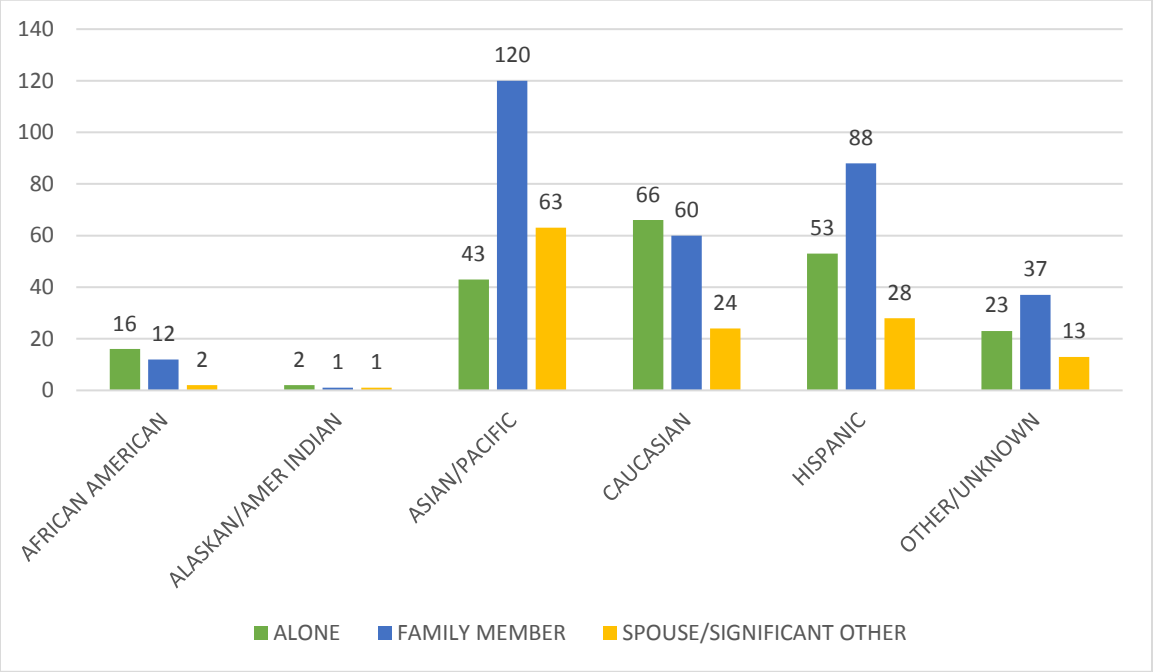
Of all ethnicities, Hispanics had the highest responses for all indicators. By gender, females had the most Reponses. By age group, beneficiaries 64 and under had the highest number of responses. Figure 10 summarizes responses to safety indicators by ethnicity and gender.

Figure 10. Beneficiary reported safety indicators by ethnicity and gender.



Living Conditions
Living arrangements were analyzed using the following assumption: living along was categorized as negative and living with a family member or significant other as positive. These indicators serve as proxies for the strength of the beneficiary's social support network. When the responses were examined by ethnicity, 26% of Hispanics and 19% of Caucasians were the most likely to live with a family member or spouse. Of all ethnicities, Caucasians were most likely to live alone at 33% followed by Hispanics at 26%. Females were more likely to live alone at 57% compared to males at 43%. Females were also more likely than males to live with a family member or spouse. Beneficiaries ages 65 and older were more likely to live with a significant other or family member at 69% in comparison to those ages 64 and under at 31%. Of those 65 and older, 64% were more likely to live alone in comparison to 36% of beneficiaries 64 and under. Figure 11 summarizes HRA responses related to living conditions.

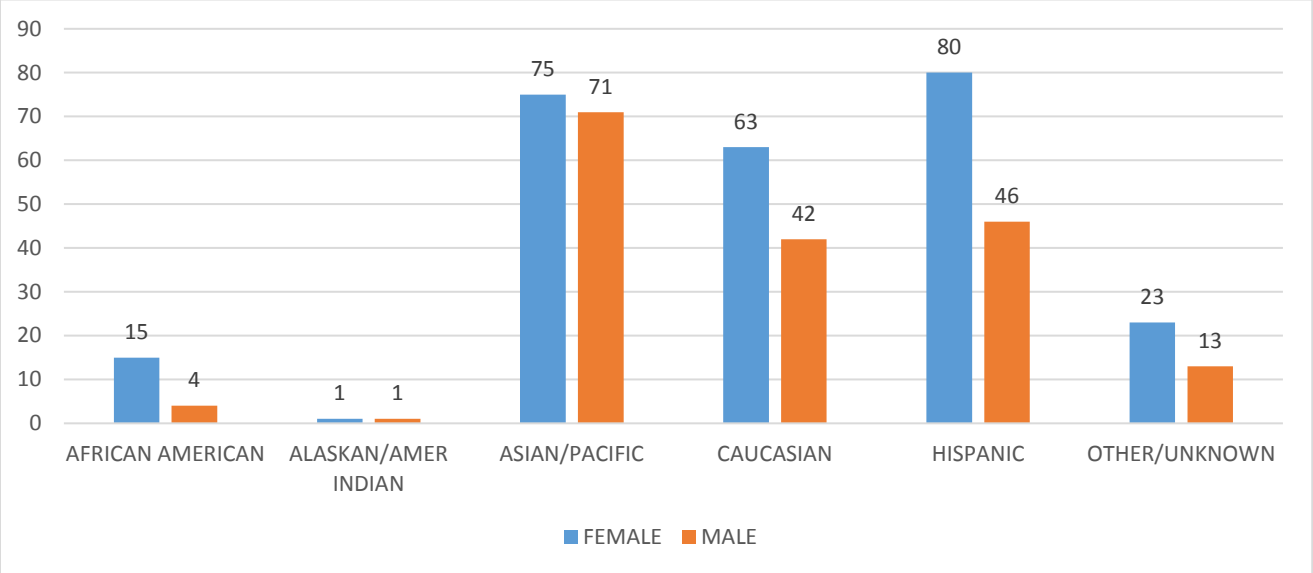
Figure 11. Beneficiary reported living condition indicators by ethnicity.



Health Status Change

Health status change was analyzed based on responses received about daily activities of living. Specifically, responses for two indicators "more difficult" and "slightly more difficult" were combined for analysis. Hispanics and Asians reported that their ability to perform daily routines was more difficult in comparison to last year. By gender, 15% of females reported that performing daily routines was more difficult in comparison to 11% of males. Among age groups, 17% of beneficiaries ages 65 and older reported that at their ability to perform daily routines was more difficult than in comparison to last year compared to 9% of those 64 and under. Figure 12 summarizes health status change by ethnicity and gender as reported by beneficiaries.

Figure 12. Beneficiary reported health status change by ethnicity and gender.



Opportunities for Improvement

The data reported by CMC beneficiaries suggests there is that there is a need for further analysis for hospitalizations among Asian and Hispanic beneficiaries and to determine whether their hospitalization was due to having multiple chronic conditions. Also, there is a need to connect beneficiaries to resources for nutritious foods and resources for strengthening social supports.

SCFHP HEALTHCARE EFFECTIVENESS DATA AND INFORMATION SET (HEDIS) DATA 2018

SCFHP's 2018 HEDIS data (Calendar Year 2017 services) was analyzed review timely care for chronic conditions, transitions of care across acute to primary care for mental health issues, the ability to reduce numbers of readmissions, as well as the ability of primary care providers to monitor persistence medication use.

Comprehensive Diabetes Care

Diabetes is a chronic condition that impacts many residents in Santa Clara County. The incidence rate of diabetes has steadily increased from 2000, up to 8% by 2009. The Comprehensive Diabetes Care (CDC) HEDIS measure assesses adults 18-75 years of age with diabetes (type 1 and 2) who had hemoglobin A1c (HbA1c) testing, a retinal eye exam, and nephropathy screening. Within SCFHP's CMC population, 1,402 beneficiaries were identified as diabetics using the HEDIS definition. In 2018, SCFHP reported a 91.73% overall compliance rate, which was below the national 25th percentile in comparison to Medicare Advantage plans. The 2018 rate increased slightly from the 2017 rate of 91.24%. Tables 19-21 provide an overview of each CDC screening compliance by ethnicity among SCFHP CMC diabetic beneficiaries.

Overall, compliance for the nephropathy screening was the highest at 92%, followed by HbA1c screening at 90%, and retinal eye exam at 68%. Hispanics make up the largest ethnicity group in the CDC measure at 463 beneficiaries and had a 90% compliance rate for HbA1c and 94% compliance rate for nephropathy screening. Interestingly, their compliance rate for the retinal eye exam was only 66%. Caucasians had the lowest compliance for retinal eye exam at 59% followed by African Americans at 61%. There was no statistical significance for HbA1c screening (p=0.01) and Nephropathy screening (p=0.01) by for those that were compliant and non-compliant by ethnicity. However, there was a statistical significant for eye exams for those that were compliant and non-compliant by ethnicity at p=0.11.

Table 19. CDC HbA1c Screening Compliance by Ethnicity among SCFHP CMC Diabetic Beneficiaries.

HbA1c				
ETHNICITY	NON-COMPLIANT	COMPLIANT	TOTAL	PERCENTAGE COMPLIANT
AFRICAN AMERICAN	5	59	64	92%
ALASKAN/AMER INDIAN	0	9	9	100%
ASIAN/PACIFIC	38	403	408	91%
CAUCASIAN	31	206	237	87%
HISPANIC	48	415	463	90%
OTHER/UNKNOWN	22	166	188	88%
TOTAL	**144**	**1258**	**1402**	**90%**

Table 20. CDC Nephropathy Screening Compliance by Ethnicity among SCFHP CMC Diabetic Beneficiaries.

Nephropathy				
ETHNICITY	**NON-COMPLIANT**	**COMPLIANT**	**TOTAL**	**PERCENTAGE COMPLIANT**
AFRICAN AMERICAN	7	57	64	89%
ALASKAN/AMER INDIAN	1	8	9	89%
ASIAN/PACIFIC	27	414	441	94%
CAUCASIAN	24	213	237	90%
HISPANIC	28	435	463	94%
OTHER/UNKNOWN	20	168	188	89%
TOTAL	**107**	**1295**	**1402**	**92%**

Table 21. CDC Retinal Eye Exam Compliance by Ethnicity among SCFHP CMC Diabetic Beneficiaries.

Eye Exam				
ETHNICITY	**NON-COMPLIANT**	**COMPLIANT**	**TOTAL**	**PERCENTAGE COMPLIANT**
AFRICAN AMERICAN	25	39	64	61%
ALASKAN/AMER INDIAN	2	7	9	78%
ASIAN/PACIFIC	97	344	441	78%
CAUCASIAN	97	140	237	59%
HISPANIC	156	307	463	66%
OTHER/UNKNOWN	67	121	188	64%
TOTAL	**444**	**958**	**1402**	**68%**

Plan All-Cause Readmission

The Plan-All Cause Readmission (PCR) measure assesses the rate of adult acute inpatient stays that were followed by an unplanned acute readmission for any diagnosis within 30 days after discharge. Readmission occurs when a patient is discharged from the hospital and then admitted back into the hospital within a short period of time. A high rate of readmissions may indicate inadequate quality of care in the hospital and/or a lack of appropriate post-discharge planning and care coordination, therefore a lower percentage means better performance. Unplanned readmissions are associated with increased mortality and higher health care costs. They can be prevented by standardizing and improving coordination of care after discharge and increasing support for patient self-management.[17] In 2018, SCFHP reported a compliance rate of 14.79% compared to 13.49% in 2017. African Americans had a highest percentage of readmissions at 21% followed by Caucasians, Chinese, and Asian Indians at 18% (see table 22). There is a statistical significance between the no readmission and readmission within 30 day groups by ethnicity with p = 0.02.

Table 22. SCFHP CMC Beneficiaries Plan All-Cause Readmissions by Ethnicity.

ETHNICITY	NO READMISSION	READMISSION WITHIN 30 DAYS	TOTAL	PERCENTAGE OF READMISSIONS
AFRICAN AMERICAN	42	11	53	21%
ALASKAN/AMER INDIAN	7	1	8	13%
ASIAN/PACIFIC	302	48	350	14%
CAUCASIAN	287	62	349	18%
HISPANIC	347	49	396	12%
OTHER/UNKNOWN	78	12	90	13%
TOTAL	**1063**	**183**	**1246**	**15%**

Follow-Up after Hospitalization for Mental Illness

The Follow Up after Hospitalization (FUH) measures focuses on post discharge follow-up within 30 days for beneficiaries who had a hospitalization for mental illness. The follow-up visit can occur in multiple outpatient settings or partial inpatient stays. Like the PCR measure, this measure focuses on the transitions of care from acute to outpatient settings for a specific type of discharge. In 2018, SCFHP reported a compliance rate of 44.80% for thirty-day visits, which was a great increase from the 2017 rate of 38.46%. When examining by ethnicity, Hispanics were the least compliant at 36% followed by Caucasians at 38% (see table 23). There is no statistical significance between the no 30-day follow-up and 30-day follow-up groups with at p =0.84, however, drawing valid conclusions based on ethnicity is difficult due to the small population size.

Table 23. Follow Up after Hospitalization for Mental Illness among SCFHP CMC Beneficiaries

ETHNICITY	No 30-DAY FOLLOW-UP	30-DAY FOLLOW-UP	TOTAL	PERCENTAGE COMPLIANT
AFRICAN AMERICAN	0	1	1	100%
ASIAN/PACIFIC	2	4	6	67%
CAUCASIAN	13	8	21	38%
HISPANIC	7	4	11	36%
NO ETHNICITY	0	2	2	100%
TOTAL	**22**	**19**	**41**	**46%**

Opportunities for Improvement

For diabetic beneficiaries, the data shows they are compliant with screenings for HbA1c and nephropathy screenings. Rates for retinal eye exam are considerably low in comparison to HbA1c and nephropathy screenings, especially among Caucasians, African Americans, and Hispanics. For the PCR measure, there is a need to focus on the African American population to reduce the number of readmissions.

CONCLUSION

The overall goal of this report was to identify the needs of SCFHP's CMC population and identify opportunities for improvement. Key indicators were identified and analyzed using factors such as age, ethnicity, and gender. Areas identified for improvement include the following:

- There is a need for interventions focusing on cardiovascular conditions. Claims data for the top ten ED and hospitalization diagnoses showed cardiovascular conditions, including hypertension, heart disease, and chest pain, as the top diagnoses for CMC beneficiaries. Further analysis will need to be conducted to determine disparities by ethnicity.
- Diabetes screening for retinal eye exam is an area where beneficiaries have a lower compliance in comparison to other diabetes screenings. Interventions should focus on Caucasians, African Americans, and Hispanics.
- Plan all cause readmissions data shows that African Americans have the highest number of readmissions among all ethnicities and interventions should focus on this population.
- For the SMI population the following opportunities have been identified:
    - Increased presence of internal psychiatry services within the SCFHP network
    - Increased connection with the beneficiary's PCP
    - Decentralizing transportation services to community mental health providers
    - Increasing availability of health homes providing wraparound services
- A 2017 study determined that 4 out of 10 beneficiaries had unmet personal care and routine needs, suggesting there should be more resources focusing on this area.
- The Santa Clara County 2017 Homeless Census and Survey Comprehensive report provided insight into the homeless population in the county. Interventions should focus on Hispanics and African Americans due to the prevalence of homelessness among these ethnicity groups.
- The Santa Clara County Zip Code Profiles provided insight into access to affordable and nutritious foods. Overall, the four zip codes analyzed had a large percentage of families and children living under the FPL in comparison to the county, however, the data for Calfresh utilization is low. This suggests that there may be a lack of awareness about this benefit and there is a need to raise more awareness.
- Overall, SCFHP CMC beneficiaries identifying as Hispanics and Asians were more likely to have three or more chronic conditions. The same ethnic groups also reported a decrease in health status over the last year and being hospitalized at least once in the last 12 months. Further analysis is needed to determine the cause of hospitalizations among beneficiaries with multiple chronic conditions and ethnicity.
- SCFHP serves a diverse beneficiary population. All interventions should take into consideration the beneficiary populations needs and ensure all services are provided in a culturally relevant manner.

The data analyzed in this report provides key information about the CMC population's healthcare experience and barriers that may exist to obtaining care and maintaining optimal health. It also provides insight into social determinants of health and the role they plan in shaping an individual's healthcare experience.

Using the information in this report, SCFHP will explore new ways to strengthen existing interventions and identify new strategies to address beneficiaries' needs.

APPENDIX

Appendix A – Santa Clara County BHSD Screening Tool

Santa Clara County BHSD Screening Tool

Beneficiary Name_____ Gender Identity ☐ Male ☐ Female ☐ Other_____ Date of Birth____/____/____

Insurance Type_____ Medi-Cal Plan Name_____ Provider Network_____

Preferred Language_____ Identified Culture_____

Address_____ City_____ Zipcode_____ Phone(___)_____-_____

Conservator/Caregiver/other consented contact_____ Phone(___)_____-_____

Primary Care Physician_____ _____Location_____ VMC PCP (Y/N)_____

Probation/Parole (Y/N)____AB109 (Y/N)_____ Preferred Clinic_____

Crisis Screening conducted (Y/N)_____ Mandated report required (Y/N)_____ if Y, date filed_____/_____/_____

Referral Criteria		
List A	List B	List C
1 ☐ MH sx, impairments and stressors	1 ☐ 2 Psychiatric Hospitalizations in 12 months	☐ 3+ psychiatric hospitalizations in 12 months
2 ☐ Comorbid Physical and MH condition	2 ☐ 2 EPS visits in 12 months	
3 ☐ Situationally driven life stressors *	3 ☐ Functionally significant Psychosis (specify below)	
4 ☐ Hx of Trauma/PTSD impacting functioning	4 ☐ Recent and/or ongoing SI/HI, or self harm bx	☐ 3+ EPS contacts in 12 months
5 ☐ Isolation or lack of social/family support	5 ☐ Eating disorder with related medical issues	
6 ☐ Hx of SI/HI or attempts	6 ☐ Requires Assistance with ADLs due to MH symptoms	
7 ☐ Behavior problems, i.e. aggressive bx	7 ☐ Receiving services from San Andreas Regional Center	
8 ☐ Behavior incongruent with age (18-21)	8 ☐ Used illicit and/or prescrip. drugs/ETOH (last 30 days**)	
9 ☐ 3+ ED visits due to MH concerns	9 ☐ Personality Disorder w/significant fx impairment	
10 ☐ 1 acute psych hospitalization in 12 mo		
	Note: If #8 in list B selected, conduct SUTS screening (ASAM)	

Referral Algorithm		
Criteria	Disposition	Call
4 or less in List A, and None in List B	(Age 18-59) Refer to Mild to Moderate or FFS provider (Age 60+) Refer to Specialty MH OA program	BHS Call Center 1-800-704-0900
5 or more in List A, (4 or more for 18-21) or 1 or more in List B	Refer to Specialty MH services	BHS Call Center 1-800-704-0900
1 from List C	Refer to FSP	BHS Call Center 1-800-704-0900

Referral Disposition_____

Symptom description/details_____

_____

_____

Brief summary of relevant history_____

_____

_____

Screener Signature_____

Screener Name_____ Screener title_____ Date_____/_____/_____

* Examples of stressors include, but are not limited to, homelessness, recent death in family, job loss, divorce, etc.
** This does not include drugs for medical use, or to treat a medical condition

Revised Jan 6, 2017

Appendix B – Relevant HRA Questions

1. In the last 12 months have you stayed overnight as a patient?
2. Has someone in your family or household:
    a. Been verbally abusive or tried to control your actions
    b. Hurt, beaten, or neglected you
    c. Made you feel fear or threatened.
3. Have you ever experience any of the following:
    a. Lost or gained 10 pounds in the last 6 months, involuntarily
    b. Not always able to shop/cook/or feed self
    c. Not enough money to buy food needed
4. Who do you live with?
    a. Alone
    b. Family member
    c. Significant other/spouse
    d. Friend
    e. Other
5. Compared to last year, would you say your ability to perform your daily routines is:
    a. Slightly easier
    b. Much easier
    c. Same
    d. Slightly difficult
    e. Much difficult

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Member Satisfaction with Complex Case Management Program

Survey results for January – April 2019	Survey results for June – December 2018
SCFHP ***did*** meet the 90% performance goal in four areas 1. Help in finding services needed (91%) 2. Increased understanding of the member's condition (100%) 3. Improved ability to manage own health (100%) 4. Improved overall health situation (91%) 5. Member Grievances (0) *11/13 qualifying respondents	SCFHP ***did not*** meet the 90% performance goal in four areas: 1. Help in finding services needed (71%) 2. Increased understanding of the member's condition (71%) 3. Improved ability to manage own health (72%) 4. Improved overall health situation (72%) 5. Member Grievances (0) *9/12 qualifying respondents

Contributing factors to suboptimal performance rates in 2018 include:

- Limited survey format
- Insufficient types of written health education and community resource materials
- Narrowly detailed survey questions

Issues noted were the survey format, in which not all members can be reached telephonically and the survey content which was not detailed enough to evaluate specific program elements that need improvement. Written resource material regarding health education on community resources was limited and or not provided regularly. (Page 8)

2019 Action Plan:

In January 2019 the Survey was updated and configured in the CM platform Essette to include 7 additional questions specific to; care planning elements, help finding resources and understanding health condition. Initiated the development of a CCM Experience Survey document that can be mailed to the member directly from the CM platform Essette. CM leadership identified additional health education and community resources and implemented them available in Essette to supplement member education and provide reference materials for ongoing support. (Page11)

2019 Survey Summary

Due to the corrective actions initiated after the first survey for June-December 2018, SCFHP was able to increase the 2019 cohort by 29% from 9 to 11 participating respondents out of 13 qualifying members. CM continues to have (0) grievances filed for CCM services. Overall satisfaction remained the same at 90% throughout both reporting periods. There was a 20% increase in satisfaction when it came to receiving help finding services needed and understanding members own condition. There was a 28% increase in satisfaction with in the area of members feeling more confident managing their health. By Q3 2019 SCFHP will have fully implemented the mailed survey process and projects an increase in the rate of survey participation in the next reporting cycle. (Page 9)

Santa Clara Family Health Plan™

Experience with Complex Case Management

(NCQA Requirement PHM 5 Element F)

Presented to: Quality Improvement Committee on April 10, 2019

Presented by: Sandra Carlson, Director, Medical Management

Experience with Case Management

- The Case Management Department evaluates member's experience with Complex Case Management (CCM) Services by obtaining feedback from members and analyzing member complaints for the purpose of identifying opportunities for improvement.
- 100% of members enrolled in CCM are provided the opportunity to complete the survey within 30 days of their transition to a lower level of CM services.

Specific feedback measured:

A. Information about the overall program
B. The program staff
C. Usefulness of the information
D. Member's ability to adhere to the recommendations
E. Percentage of members indicating that the program helped them achieve health goal.
F. Member complaints

CCM Satisfaction Methodology

- Members who were enrolled in CCM for 60 days or more are provided telephonic outreach by coordination staff not directly involved in their care.
- Survey period is January – April 2019 there were a total of 11 respondents
- Survey responses are collected on an ongoing basis and reported monthly. And are analyzed and interpreted as part of Evaluating PHM Strategy Effectiveness on an annual basis.
- Feedback data is documented in and reported from the CM software platform Essette.
- There are a total of 16 survey questions
- Responses to questions are scored on a 1-4
- **4** = Strongly agree
- **1** = Strongly disagree
- Highest score possible is 64

GOAL

Survey responses are scored based on the members answer to the questions. Answers are scored as follows 4=Strongly Agree/Very Satisfied, 3=Agree/Satisfied, 2=Disagree/Somewhat Satisfied, 1=Strongly Disagree/Not at all Satisfied with the highest score possible being 64. Overall **goal** is to have members respond “agree or “strongly agree” for questions 1 – 15 and “satisfied” or “very satisfied” for question 16 for an overall satisfaction percentage rate of 90% or higher.

CCM Member Satisfaction Report	Strongly Agree		Agree		Disagree		Strongly Disagree		Sample Size	90% Goal Met
	N	%	N	%	N	%	N	%	11	Yes / No
My case manager treated me with respect.	9	82	2	18	0	0	0	0	11	Yes
My case manager listened to what I had to say.	10	91	1	9	0	0	0	0	11	Yes
My case manager returned my phone calls in a timely manner.	10	91	1	9	0	0	0	0	11	Yes
My case manager helped me find services that I needed.	10	91	1	9	0	0	0	0	11	Yes
My case manager involved me in discussing and planning my care.	9	82	2	18	0	0	0	0	11	Yes
I better understand my disease or condition after being in the case management program.	7	64	4	36	0	0	0	0	11	Yes
My case manager helped me better communicate with my providers.	4	36	7	64	0	0	0	0	11	Yes
I am able to better manage my health and health care after being in the case management program.	7	64	4	36	0	0	0	0	11	Yes
I know what to do if I need help.	4	36	7	64	0	0	0	0	11	Yes
I feel like I have achieved my CCM goals.	4	36	7	64	0	0	0	0	11	Yes
My situation is better because of my case manager's help.	7	64	4	36	0	0	0	0	11	Yes
I feel ready to transition to a lower level of case management.	3	27	7	64	0	0	1	9	11	Yes
I know what to avoid when it comes to my health conditions.	2	18	9	82	0	0	0	0	11	Yes
My Care Plan was clear and easy to understand.	3	27	8	73	0	0	0	0	11	Yes
My input was considered when developing my plan	4	36	7	64	0	0	0	0	11	Yes
	Very Satisfied		Satisfied		Somewhat Satisfied		Not at all Satisfied			
Overall, how satisfied are you with the Case Management Services you received?	10	91	0	0	1	9	0	0	11	Yes

Survey results for January– April 2019

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

1. Help in finding services needed (91%)
2. Increased understanding of the member's condition (100%)
3. Improved ability to manage own health (100%)
4. Improved overall health situation (91%)
5. Member Grievances (0)

CCM Satisfaction Survey

Quantitative Analysis/Summary

- 91% of respondents stated they were overall satisfied or somewhat satisfied resulting in meeting the 90% goal for measure A.
- 100% percent of respondents believe that their assigned case manager treated them with respect, listened to what they had to say and returned phone calls in a timely manner meeting the 90% goal for measure B.
- 100% of respondents felt they better understood their condition by being involved in the care planning process and being provided assistance with communication with providers about available resources meeting the 90% goal for measure C.
- 100% of respondents felt they had a better understanding of what to avoid, what to do if they need help and are better able to manage their health care after participating in the CCM Program meeting the 90 % goal for measure D.
- 100% percent of respondents felt their situation is better because they were able to achieve their CCM goals and were ready to transition to a lower level of case management meeting the 90% goal for measure E.

CCM Satisfaction Summary

Qualitative Analysis/Summary

Due to the corrective actions taken from December – April SCFHP was able to increase the 2019 cohort by 29% from 9 to 11 participating respondents out of 13 qualifying members. CM continues to have (0) grievances filed for CCM services. Overall satisfaction remained the same at 90% throughout both reporting periods. There was a 20% increase in satisfaction when it came to receiving help finding services needed and understanding members own condition. There was a 28% increase in satisfaction with in the area of members feeling more confident managing their health. By Q3 2019 SCFHP will have fully implemented the mailed survey process and projects an increase in the rate of survey participation in the next reporting cycle.

CCM Member Complaints

- Grievance and Appeals (G&A) notifies the CM Supervisory team via direct email of members' complaints regarding the CCM program
- There are currently (0) CCM grievance cases open for members enrolled in CCM since June 1, 2018
- CCM care managers provide information to enrolled members about how to and/or will assist members to file a grievance or appeal if necessary
- Since there are no complaints regarding CCM, a qualitative analysis cannot be conducted. SCFHP will continue to monitor for complaints in CY 2019.

2018 Survey results June – December

SCFHP ***did not*** meet the 90% performance goal in four areas:

1. Help in finding services needed (71%)
2. Increased understanding of the member's condition (71%)
3. Improved ability to manage own health (72%)
4. Improved overall health situation (72%)
5.

Contributing factors to suboptimal performance rates include:

- Limited survey format
- Insufficient types of written health education and community resource materials
- Narrowly detailed survey questions

Issues noted were the survey format, in which not all members can be reached telephonically and the survey content which was not detailed enough to evaluate specific program elements that need improvement. Written resource material regarding health education on community resources was limited and or not provided regularly.

2019 Action Plan:

July 2018 – October 2018 CCM survey responses resulted in a 72% satisfaction rate overall. We identified several areas of improvement that we have been addressed including increasing member access to low/no cost resources and community programs, expanding opportunities to complete the satisfaction survey by mail option and expanding the survey questions. All 3 interventions were initiated and have resulted in optimal results for this performance period.

In January 2019 the Survey was updated and configured in the CM platform Essette to include 7 additional questions specific to; care planning elements, help finding resources and understanding health condition. Initiated the development of a CCM Experience Survey document that can be mailed to the member directly from the CM platform Essette. CM leadership identified additional health education and community resources and implemented them available in Essette to supplement member education and provide reference materials for ongoing support.

Santa Clara Family Health Plan

Your feedback is valuable. These discussions help us improve the quality of our Complex Case Management Program.

If you have any questions or suggestions for ways we can improve this program, please contact:

Sandra Carlson, Director, Case Management (scarlson@scfhp.com)

Shawna Cagle, Manager, Case Management (scagle@scfhp.com)

Jamie Enke, Manager, Process Improvement (jenke@scfhp.com)

Santa Clara Family
Health Plan™

Santa Clara Family Health Plan Member Satisfaction with Complex Case Management: 2018 Analysis

Quality Improvement Committee: April 10, 2019

Author: Shawna Cagle, Manager, Case Management

I. Introduction

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

Member Satisfaction with CCM Processes

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

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

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

CCM Program Evaluation Process:

1. Members who complete the CM transition process are notified that they will receive a call in the following 30 days to complete the CCM Satisfaction Survey.
2. Members receive 2 or more calls to complete the survey.
3. Members are provided assistance to complete the survey in their preferred language.
4. Surveys are completed in the Case Management platform Essette.
5. IT pulls survey responses into the CCM survey response template.
6. CCM survey data is compiled and a report is provided to CM management.
7. Survey results and member grievance data is analyzed.
8. Potential gaps and inefficiencies are identified for areas of improvement.

9. Overall member satisfaction with the CCM experience drives potential action plans and is reported annually to the Quality Improvement Committee.

Methodology

Essette case management was configured to house the survey assessment. Case Management staff conduct 2 telephonic outreach calls and document the outcomes with in the survey assessment. Then number of members who are reached to complete the survey is a subset of the number of members that the health plan attempted to reach. Survey responses are data entered the survey assessment in real time by Personal Care Coordinators (PCCs). Survey responses can be provided by member or formal/informal caregiver on record. Survey responses are scored based on the members answer to the questions. Answers are scored as follows 4=Strongly Agree/Very Satisfied, 3=Agree/Satisfied, 2=Disagree/Somewhat Satisfied, 1=Strongly Disagree/Not at all Satisfied with the highest score possible being 80. Overall goal is to have members respond "agree or "strongly agree" for questions 1 – 15 and "satisfied" or "very satisfied" for question 16 for an overall satisfaction percentage rate of 90%. Members are also encouraged to leave feedback which is documented in the comments section. Survey responses are collected on an ongoing basis throughout the look back year starting June 1, 2018. Survey responses are pulled into CCM survey response report. Report data is analyzed by CM Manager.

During this sample look back period 13 members met the inclusion criteria but only 11 were reached and chose to complete the survey.

This report includes survey results from a portion of the 2018 -19 look back period form December 2018 – April 2017. In October 2018 we identified that the CCM survey lacked enough detail to evaluate specific program areas. In December 2018 the CCM survey was updated to include additional questions to meet NCQA PHM 5F requirements. Total question count went from 9 to 16. Additionally the response choices were reduced to 4 from 6 to 4. ("not sure"& "refused to answer" were eliminated) please see crosswalk below. The additional questions added in December are in **BOLD.**

Factor 1 Analyzing member feedback	
	Question Mapping
Information about the overall program	• Overall, how satisfied are you with the Case Management Services you received? • **My Care plan was clear and easy to understand.** • **My input was considered when developing my plan of care.**
The program staff	• My case manager treated me with respect. • My case manager listened to what I had to say. • My case manager returned my phone calls in a timely manner.

Usefulness of the information disseminated	• I better understand my disease or condition after being in the complex case management program. • My case manager involved me in discussing and planning my care. • My case manager helped me find the services that I needed. • **My case manager helped me better communicate with my providers.**
Member' ability to adhere to recommendations	• I am able to better manage my health and health care after being in the case management program. • **I know what to do if I need help.** • **I know what to avoid when it comes to my health conditions.**
Percentage for members indicating that the program helped them achieve health goals.	• My situation is better because of my case manager's help. • **I feel ready to transition to a lower level of case management.** • **I feel like I have achieved my CCM goals.**

Member Complaints

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

Satisfaction Survey Results

CCM Member Satisfaction Report	Strongly Agree		Agree		Disagree		Strongly Disagree		Sample Size	90% Goal Met
	N	%	N	%	N	%	N	%	11	Yes / No
My case manager treated me with respect.	9	82	2	18	0	0	0	0	11	Yes
My case manager listened to what I had to say.	10	91	1	9	0	0	0	0	11	Yes
My case manager returned my phone calls in a timely manner.	10	91	1	9	0	0	0	0	11	Yes
My case manager helped me find services that I needed.	10	91	1	9	0	0	0	0	11	Yes
My case manager involved me in discussing and planning my care.	9	82	2	18	0	0	0	0	11	Yes
I better understand my disease or condition after being in the case management program.	7	64	4	36	0	0	0	0	11	Yes
My case manager helped me better communicate with my providers.	4	36	7	64	0	0	0	0	11	Yes
I am able to better manage my health and health care after being in the case management program.	7	64	4	36	0	0	0	0	11	Yes
I know what to do if I need help.	4	36	7	64	0	0	0	0	11	Yes
I feel like I have achieved my CCM goals.	4	36	7	64	0	0	0	0	11	Yes
My situation is better because of my case manager's help.	7	64	4	36	0	0	0	0	11	Yes
I feel ready to transition to a lower level of case management.	3	27	7	64	0	0	1	9	11	Yes
I know what to avoid when it comes to my health conditions.	2	18	9	82	0	0	0	0	11	Yes
My Care Plan was clear and easy to understand.	3	27	8	73	0	0	0	0	11	Yes
My input was considered when developing my plan	4	36	7	64	0	0	0	0	11	Yes
	Very Satisfied		Satisfied		Somewhat Satisfied		Not at all Satisfied			
Overall, how satisfied are you with the Case Management Services you received?	10	91	0	0	1	9	0	0	11	Yes

Analysis:

SCFHP sets goals for each performance measure and through the analysis process, identifies opportunities to improve member satisfaction with the CCM process. Performance measures analyzed in this report are specific to NCQA PHM 5F survey content requirements regarding members overall satisfaction with CCM services including experience with the following 5 measures:

A. Information about the overall program
B. The program staff
C. Usefulness of the information disseminated
D. Members ability to adhere to recommendations
E. Percentage of members indicating that the program helped them achieve health goals.
F. Member Grievances

Quantitative analysis

- **91%** of respondents stated they were overall satisfied or somewhat satisfied resulting in meeting the 90% goal for measure **A**.
- **100%** percent of respondents believe that their assigned case manager treated them with respect, listened to what they had to say and returned phone calls in a timely manner meeting the 90% goal for measure **B**.
- **100%** of respondents felt they better understood their condition by being involved in the care planning process and being provided assistance with communication with providers about available resources meeting the 90% goal for measure **C**.
- **100%** of respondents felt they had a better understanding of what to avoid, what to do if they need help and are better able to manage their health care after participating in the CCM Program meeting the 90 % goal for measure **D.**
- **91 %** percent of respondents felt their situation is better because they were able to achieve their CCM goals and were ready to transition to a lower level of case management meeting the 90% goal for measure **E.**
- **(0)** Member Grievances

Quantitative analysis showed that for this portion of the performance period Santa Clara Family Health Plan met all goals and there are no new opportunities for improvement identified at this time related to satisfaction with the CCM process.

Qualitative analysis

SCFHP met the 90% or above performance goal for all 5 measures.
July 2018 – October 2018 CCM survey responses resulted in a 72% satisfaction rate overall. We identified several areas of improvement that we have been addressed including increasing member access to low/no cost resources and community programs, expanding opportunities to complete the satisfaction survey by mail option and expanding the survey questions. All 3 interventions were initiated and have resulted in optimal results for this performance period.

2019 Survey Summary

Due to the corrective actions taken from December – April SCFHP was able to increase the 2019 cohort by 29% from 9 to 11 participating respondents out of 13 qualifying members. CM continues to have (0) grievances filed for CCM services. Overall satisfaction remained the same at 90% throughout both reporting periods. There was a 20% increase in satisfaction when it came to receiving help finding services needed and understanding members own condition. There was a 28% increase in satisfaction with in the area of members feeling more confident managing their health. By Q3 2019 SCFHP will have fully implemented the mailed survey process and projects an increase in the rate of survey participation in the next reporting cycle.

<2018 Barrier and Opportunity Analysis Table

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

Member Satisfaction with the CCM Process Reporting

Approving Committee	Date of Approval	Recommendations

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

The purpose of this policy is to avoid a conflict of interest from occurring as related to Quality Improvement Committee (QIC) activities.

II. Policy

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

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

III. Responsibilities

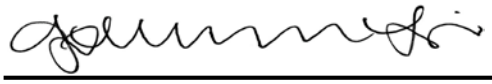
The Quality Improvement Department provides and maintains a Conflict of Interest statement to all Plan Committees that report up to the QIC annually. The Utilization Management Committee, Pharmacy and Therapeutics Committee, and Credentialing and Peer Review Committee all sign the agreement and are obligated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

IV. References

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

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
06/06/2018	06/06/2018
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1.0	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1.0	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	
V1.0	**Reviewed**	**Quality Improvement**	**Approve 06/06/2018**	

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

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

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

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

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

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

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

III. Responsibilities

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

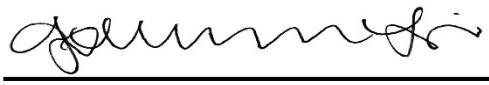
IV. References

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

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

NCQA Guidelines. 2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 6/6/2018	Title 6/6/2018
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
v**2**	**Revised**	**Quality Improvement**	**Approve 5/10/2017**	
V2	**Reviewed**	**Quality Improvement**	**Approve 06/06/2018**	

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

III. Responsibilities

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

IV. References

NCQA, 2018

V. Approval/Revision History

First Level Approval	Second Level Approval
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
06/06/2018	06/06/2018
Date	Date

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

V1	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	
V1	**Reviewed**	**Quality Improvement**	**Approve 06/06/2018**	

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

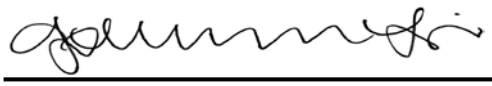
III. Responsibilities

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

IV. References

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
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Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
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Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1	**Reviewed**	**Quality Improvement**	**Approve 5/10/2017**	
V1	**Reviewed**	**Quality Improvement**	**Approve 06/06/2018**	

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

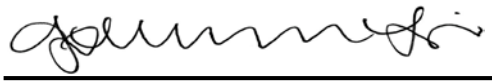
III. Responsibilities

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

IV. References

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
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Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
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06/06/2018	06/06/2018
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1.0	**Original**	**Quality Improvement**	**Approve 5/10/2016**	
V1.0	**Reviewed**	**Quality Improvement**	**Approve 05/10/2017**	
V1.0	**Reviewed**	**Quality Improvement**	**Approve 06/06/2018**	

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

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

III. Responsibilities

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

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

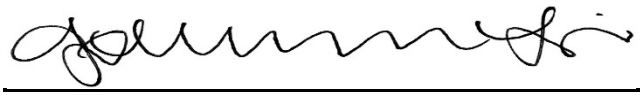
iii. Quality Improvement, Marketing Communications and Outreach, and Compliance maintain a list of member threshold languages, which is reviewed and updated as needed based on member assessment needs, but no later than every five years based on the results of the GNA survey.

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

IV. References

CMS.gov; Managed Care Manual, Chapter 13
NCQA 2018
California Code of Regulations (28 CCR 1300.67.04) (d) (9) (A) (B) (C)
DHCS Contract
Title 22 CCR Section 53876
Title 22 CCR 53853 (c)
CA Health and Safety Code Sections 1367.04 (b)(1)(a), (b)(4) and (b)(5)
Section 1367.04(h)(1)
Civil Rights Act of 1964, (42 U.S.C. Section 2000d, and 45 C.F.4. Part 80)
PL – 99-003
APL 99-005
APL 17-011
CFR 42 § 440.262

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
6/06/18	6/06/18
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement Committee**	**Approved 06/06/2018**	

Santa Clara
Family Health Plan

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

I. Purpose

The purpose of this policy is to describe Santa Clara Family Health Plan's (SCFHP) Health Education Program and its functions. Health Education at SCFHP is operationalized within the Quality Improvement Department.

II. Policy

The Health Education Program provides organized programs, services, functions, and resources necessary to deliver health education, health promotion, and patient education. It includes assessment, monitoring, and evaluation of all services provided by SCFHP and contracted Vendors.

A. The Health Education Program will provide classes and/or materials free of charge to beneficiaries including, but not limited to, the following topics:
   a. Nutrition
   b. Healthy weight maintenance and physical activity
   c. Individual and group counseling and support services
   d. Parenting
   e. Smoking and tobacco use cessation
   f. Alcohol and drug use
   g. Injury prevention
   h. Prevention of sexually transmitted diseases, HIV, and unintended pregnancy
   i. Chronic disease management, including asthma, diabetes, and hypertension
   j. Pregnancy care

B. SCFHP also offers self-management tools through the Member Portal.

C. All SCFHP members are eligible to receive Health Education classes through SCFHP.

III. Responsibilities

The Quality Department and Health Educator will do the following:

A. Ensure all programs and services are provided at no cost to members.

B. Ensure the organized delivery of health education programs using educational strategies and methods that are appropriate for members and effective in achieving behavioral change for improved health.

C. Ensure that health education materials are written at the sixth grade reading level and are culturally and linguistically appropriate for the intended audience.

D. Maintain a program that provides educational interventions addressing the topics listed above.
E. Ensure that members receive point of service education as part of preventive and primary health care visits. Health Education shall provide education, training, and program resources to assist Network Providers in the delivery of health education services for members.
F. Maintain policies and procedures, and standards and guidelines; conduct appropriate levels of program evaluation; and monitor the performance of providers that are contracted to deliver health education services to ensure effectiveness.
G. Periodically review the health education program to ensure appropriate allocation of health education resources and maintain documentation that demonstrates effective implementation of the health education requirements.

IV. References

- Contract between United States Department of Health and Human Services Centers for Medicare & Medicaid Services in Partnership with the California Department of Health Care Services and Santa Clara County Health Authority.
- NCQA 2018 Health Plan Accreditation Requirements PHM 4A-K (Wellness and Prevention), PHM 1B (Informing Members)

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	**Signature** Jeff Robertson, MD
Name Director of Quality and Pharmacy	**Name** Chief Medical Officer
Title 06/06/2018	**Title** 06/06/2018
Date	**Date**

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V2	Revised	**Quality Improvement Committee**	**Approve 06/06/2018**	

POLICY

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

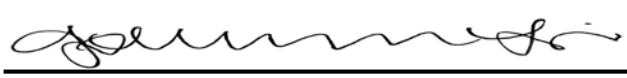
III. Responsibilities

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

IV. References

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature	Signature
Johanna Liu, PharmD	Jeff Robertson, MD
Name	Name
Director of Quality and Pharmacy	Chief Medical Officer
Title	Title
06/06/2018	06/06/2018
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement Committee**	**Approve; 08/10/2016**	
V1	**Reviewed**	**Quality Improvement Committee**	**Approve: 05/10/2017**	
V1	**Reviewed**	**Quality Improvement Committee**	**Approve: 06/06/2018**	

Santa Clara
Family Health Plan

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

I. Purpose

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

II. Policy

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

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

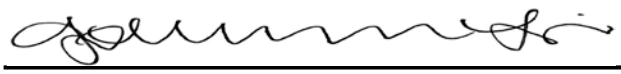
III. Responsibilities

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

IV. References

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 06/06/2018	Title 06/06/2018
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	**Original**	**Quality Improvement**	**Approve: 11/9/2016**	
V1	**Reviewed**	**Quality Improvement**	**Approve: 5/10/2017**	
V1	**Revised**	**Quality Improvement**	**Approve 06/06/2018**	

POLICY

Santa Clara Family Health Plan

Policy Title:	Health Homes Program	Policy No.:	QI.28
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Quality Improvement	Policy Review Frequency:	Annually
Lines of Business (check all that apply):	× Medi-Cal	□ Healthy Kids	□ CMC

I. Purpose

The Health Homes Program (HHP) offers coordinated care to individuals with multiple chronic health conditions, including mental health, substance use disorders and those experiencing homelessness. The HHP is a team-based clinical approach that includes the member, their providers, and family members (when appropriate). The HHP builds linkages to community supports and resources, as well as enhances coordination and integration of primary and behavioral health care to better meet the needs of people with multiple chronic illnesses.

The Medi-Cal HHP offers comprehensive, high quality health care for eligible Santa Clara Family Health (SCFHP) Plan Medi-Cal members. The purpose of this policy is to identify all of the HHP requirements for SCFHP and selected Community-Based Care Management Entities (CB-CMEs). SCFHP will work with selected CB-CMEs to facilitate care planning, care coordination, care transitions, and housing navigation services. SCFHP will utilize communication and reporting capabilities to perform health promotion, encounter reporting, and quality of care reporting. Selected CB-CMEs will serve as the community-based entity with responsibilities that will ensure members receive access to HHP services.

II. Policy

SCFHP will be responsible for the overall administration of the HHP. SCFHP will have oversight of the CB-CMEs and their performance. CB-CMEs will provide all members with access to the same level of HHP service, in accordance with the tier/risk grouping that is appropriate for members' needs and HHP service requirements. SCFHP will perform regular auditing and monitoring activities to ensure that all HHP services are delivered according to the contract signed by the selected CB-CMEs and SCFHP. SCFHP will select and assess the readiness of community organizations to serve as CB-CMEs. Selected entities will need to provide all core services of the HHP, including:

- Comprehensive Care Management
- Care Coordination
- Health Promotion
- Comprehensive Transitional Care
- Individual and Family Support Services
- Referral to Community and Social Supports
- Housing Navigation

I. SCFHP Responsibilities:

a. Maintain the HHP infrastructure with contracted CB-CMEs and ensure that the roles and division of responsibility between the CB-CME and SCFHP are clearly identified

b. SCFHP members are assigned to CB-CMEs based on the following factors:

i. PCP Assignment

ii. Geographic Location of the Member

iii. Behavioral Health Needs

~~a.~~iv. CB-CME's Experience with Certain Populations (Homelessness, Language, Demographic, etc.)

~~i.~~c. SCFHP will utilize Model I

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POLICY

i. ~~All qualified members will be served by Model I~~ CB-CMEs contracted for HHP embeds care coordinators on-site in the community provider offices

~~i.~~1. CB-CMEs will emply staff that meet the care coordination ratio of 1:60 over two years

~~0.~~ ~~Model II will only be used if delegation occurs~~

~~iii.~~d. ~~SCFHP will partially use delegation~~ Delegation will occur when applicable

i. ~~Delegation will occur if the delegated health plan can implement Health Homes Model I and/or Model II~~ Delegated entity will use Model I or Model II

ii. Delegated entity will oversee Health Home responsibilities with their subcontracted CB-CMEs

i. Delegated entity and their CB-CMEs will follow the same HHP policies and procedures set forth by SCFHP

ii. To ensure consistency among all CB-CMEs under SCFHP and delegated entites, SCFHP will approve all CB-CME sites and contracts

iii. Delegated entity will be responsible for capturing data and reporting on the measures for each CB-CME they subcontract with

~~1.~~iv. Delegated entity will be responsible for meeting all reporting deadlines set forth by SCHFP

~~0. Model II should only be used if the delegated plan provides adequate reason to why care management services cannot be held at the CB-CME~~

~~. Selected CB-CMEs will either be a care management entity or a clinic based facility with care management services~~

~~. The same care management system will be used among all CB-CMEs and delegated health plans to ensure reporting and information sharing can be completed on a timely basis Ensure that the CB-CME has the capacity to provide assigned HHP members with a multi-disciplinary care team~~

e. SCFHP is responsible for selecting, and overseeing the implementation of a shared HIT platform that will assist in data collection and reporting

f. Ensure that the CB-CME have the capacity to provide assigned HHP members with a multi-disciplinary care team

i. This is completed through site reviews prior to the initial launch date of HHP and during quarterly auditing reviews

~~e.~~g. SCFHP will provide outreach to provider networks and hospital systems to strengthen multi-disciplinary participation from non-participating CB-CMEs

i. Site visits, marketing materials, and ongoing informational webinars ~~–~~will be utilize to disseminate information (See Outreach Procedure)

~~f.~~h. Share information with CB-CMEs to assist with identifying patients and providing HHP services; data sharing agreements will be established with selected CB-CMEs and SCFHP:

i. SCFHP will notify CB-CME of inpatient admissions and ED visits/discharges
ii. SCFHP will share each member's health history with assigned CB-CMEs
iii. Data will be exchanged between CB-CME and SCFHP to better track CMS-required quality measures and state-specific measures, including health status and outcomes data for the DHCS evaluation process

~~g.~~i. Identify, review and prioritize HHP eligible members by tier/risk grouping and assign members to CB-CMEs

i. Identify members through the DHCS-provided Targeted Engagement List (TEL), internal TEL, and member/provider referrals
ii. Group members according to a tier structure, which should correlate with the member's risk grouping and intensity of services needed

~~h.~~j. Reduce the duplication of services to the member by verifying eligible members' involvement in other case management programs (e.g.~~,~~ Whole Person Care)

~~i.~~k. Develop CB-CME training tools as needed, as well as coordinate trainings to strengthen skills for CB-CMEs in conjunction with HHP

~~j.~~l. Develop and administer payment structure for CB-CMEs

i. Payment structure may consider the payments received from DHCS, member's tier/risk grouping and any other supplemental funding

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POLICY

~~k.~~m. Prepare SCFHP's Customer Service, Nurse Advice Line, and other staff as necessary to ensure HHP members' needs can be addressed

II. **CB-CME Responsibilities**

a. CB-CMEs retain overall responsibility for all duties that the CB-CME has agreed to perform for SCFHP, as defined in the contract between the CB-CME and SCFHP
   i. CB-CME will perform all seven core services to the HHP-eligible member, as defined in the DHCS HHP Program Guide

b. Complete a readiness assessment as developed by SCFHP
   i. If services are insufficient, CB-CME will work with SCFHP to fulfill the readiness gaps prior to enrolling members

c. Ensure that providers with experience servicing frequent utilizers of health services and those experiencing homelessness, are available as needed per AB 361 requirements

d. Leverage existing county and community provider care management infrastructure and experience, where possible and appropriate

e. Ensure assigned HHP members receive access to HHP services including completing a patient-centered health action plan (HAP) within 90 days of enrollment

~~i.~~f. Maintain a strong and direct connection to the PCP and ensure PCP's participation in HAP development and ongoing coordination

~~ii.~~g. Assess the HHP member's physical, behavioral, substance use, palliative, trauma-informed care, and social services need using screenings and assessments with standardized tools

~~f.~~h. Maintain a multi-disciplinary care team to provide the 7 core services~~outreach and enrollment~~

i. CB-CME will utilize assigned member lists provided by SCFHP to complete outreach and enrollment

~~ii.~~j. Ensure needs are met based on the member's HAP and the tiered structure outlined by SCFHP

~~g.~~k. Utilize existing health information technology (HIT) to collect and share data to SCFHP
   i. If CB-CME does not have adequate technology, CB-CME will work with SCFHP to determine how information will be shared for HHP services and reporting purposes

~~h.~~l. CB-CME will attend required trainings for the HHP

~~. CB-CME may utilize community health workers to conduct outreach and other services as appropriate~~

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~~III.~~I. **References**

- Department of Health Care Services. (2018). *Medi-Cal Health Homes Program-Program Guide.* Sacramento, CA
- Department of Health Care Services. (2018). *All Plan Letter 18-012.* Sacramento, CA: Managed Care Quality and Monitoring Division.
- Legislative Counsel's Digest. (2013). *AB-361 Medi-Cal: Health Homes for Medi-Cal Enrollees and Section 1115 Waiver Demonstration Population with Chronic and Complex Conditions.* Sacramento, CA: Marjorie Swartz.

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~~IV.~~II. **Approval/Revision History**

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

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

POLICY

Insert Version # of policy	Indicate if this is an original, reviewed or revised policy	Name of the Committee reviewing prior to going to Board	Indicate whether the committee approved or is recommending approval & Date	Indicate Approve or Ratify & Date

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

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

Credentialing Committee February 27, 2019

Areas of Review or Committee Activity

Credentialing of new applicants and recredentialing of existing network practitioners

Findings and Analysis

Initial Credentialing (excludes delegated practitioners)		
Number initial practitioners credentialed	7	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	6	
Number practitioners recredentialed within 36-month timeline	6	
% recredentialed timely	100%	100%
Number of Quality of Care issues requiring mid-cycle consideration	0	
Percentage of all practitioners reviewed for ongoing sanctions or licensure limitations or issues	100%	100%
Terminated/Rejected/Suspended/Denied		
Existing practitioners terminated with cause	0	
New practitioners denied for cause	0	
Number of Fair Hearings	0	
Number of B&P Code 805 filings	0	
Total number of practitioners in network (excludes delegated providers) as of 01/31/2019	266	

(For Quality of Care ONLY)	**Stanford**	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Suspension	0	0	0	0	0	0
Total # of Terminations	0	0	0	0	0	0
Total # of Resignations	0	0	0	0	0	0
Total # of practitioners	1484	1291	711	761	395	118

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

Actions Taken

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

Outcomes & Re-measurement

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

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

Regular Meeting of the
Santa Clara County Health Authority d.b.a. Santa Clara Family Health Plan
OPEN SESSION - **Pharmacy & Therapeutics Committee**
Thursday, December 13, 2018
6:00 PM - 8:00 PM
6201 San Ignacio Avenue San Jose, CA 95119

MINUTES

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

Non-Voting Committee Members	Specialty	Present (Y or N)
Lily Boris, MD	SCFHP Medical Director	N
Caroline Alexander	SCFHP Administrative Assistant, Medical Management	Y
Tami Otomo, PharmD	SCFHP Clinical Pharmacist	Y
Duyen Nguyen, PharmD	SCFHP Clinical Pharmacist	Y
Dang Huynh, PharmD	SCFHP Pharmacy Manager	Y
Amy McCarty, PharmD	MedImpact Clinical Program Manager	Y
Tiffanie Pham, CPhT	SCFHP Pharmacy Coordinator	Y

	Topic and Discussion	Follow-Up Action
1	**Introductions**	
	The meeting convened at 6:06 PM.	
2	**Public Comment**	
	No public comment.	

3	**Past Meeting Minutes**	
	The SCFHP 3Q2018 P&T Minutes from September 20, 2018 were reviewed by the Committee as submitted.	Upon motion duly made and seconded, the SCFHP 3Q2018 P&T Minutes from September 20, 2018 were approved and will be forwarded to the QI Committee and Board of Directors.
4	**Plan Updates**	
	CMO Health Plan Updates Dr. Nakahira introduced herself as the new Chief Medical Officer at the plan and shared her professional background.	
	Appeals & Grievances Dr. Huynh presented the Appeals & Grievances report Q3 2017 through Q3 2018. Slight decrease in Medi-Cal appeals, downward trend. Slight decrease in Part C & D Appeals, downward trend. Committee asked about the most common grievance. Dr. Liu responded that she believes that the most common grievance is regarding transportation.	
	SCFHP/DHCS Global DUR Dr. Otomo presented updates on the plan's global drug utilization review (DUR) programs. SCFHP will be mirroring two DHCS DUR programs for Medi-Cal line of business: (1) to improve the quality of care among members 65 years of age and older taking a 2nd generation antipsychotic with an anticholinergic (benztropine and/or trihexyphenidyl), and (2) to improve the quality of pain treatment among non-cancer, non-hospice members at increased risk of opioid overdose. Currently working on the data reporting, then will determine the member/provider impact to conduct educational mailings.	
	DHCS Provider Enrollment (APL 17-019) Dr. Huynh presented the All Plan Letter (APL) stating that managed care health plan network providers must enroll in the Medi-Cal Program.	
	Consumer Assessment of Health Care Provider And Systems (CAHPS) Dr. Liu shared information about the CAHPS survey, which is a member satisfaction survey where SCFHP Cal MediConnect members are contacted by an external administrator (DSS Research) to ask about	

	their views on different benefit areas. This survey happens in Q2 of every year. Survey will be facilitated in English and Spanish with a pilot in Vietnamese and Chinese.	
	Emergency Supply Report 4Q2017 & 1Q2018 Dr. Nguyen presented the Emergency Prescription Access Report for 4Q17 and 1Q18.	
	Adjourn to Closed Session Committee adjourned to closed session at 6:48 PM to discuss the following items: Membership Report, Pharmacy Dashboard, Drug Use Evaluation Results, Drug Utilization & Spend, Recommendations for Changes to SCFHP Cal MediConnect Formulary and Prior Authorization Criteria, Recommendations for Changes to Medi-Cal and Healthy Kids Formulary and Prior Authorization Criteria, Recommendations for Changes to SCFHP Medical Benefit Drug Prior Authorization Grid for All Lines of Business, and New Drugs and Class Reviews.	
	Reconvene in Open Session Committee reconvened to open session at 7:56 PM.	
8	**Discussion Items**	
	New Drugs and Generic Pipeline Dr. McCarty presented the new drugs and generic pipeline. High impact-interest drugs include: Onpattro, Takhzyro, dasotraline, Ajovy, Emgality, Talzenna, Xofluza, lorlatinib, solriamfetol, caplacizumab, bremelanotide, netarsudil/latnoprost, siponimod, sotaglifozin, risankizumab, selinexor, cladribine, and esketamine. High impact generic pipeline drugs include: Onfi, Byetta, Nuvaring, Remodulin, Epclusa, Harvoni, Tracleer, Restasis, and Sensipar.	
9	**Adjournment at 7:59 PM**	

Date 3/21/19

Jimmy Lin, MD, Chair
Pharmacy and Therapeutics Committee Chairperson

MINUTES
UTILIZATION MANAGEMENT COMMITTEE
January 16, 2019

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

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

ITEM	DISCUSSION	ACTION REQUIRED
I. /II. Introductions Review/Revision/Approval of Minutes	Meeting was started with a Quorum at 6:05 PM. There was a motion to approve the October 18, 2018 minutes.	Minutes approved as presented.
III. Public Comment	No public comment.	
IV. CEO Update **V. CMO Update**	Dr. Robertson presented the CEO & CMO Updates noting the current and upcoming audits for the first half of the year. We completed our Medicare Audit in September a lot of remediation almost done they will come back for a 2nd CMS Independent Validation Audit sometime	No action required

ITEM	DISCUSSION	ACTION REQUIRED
	between May – July 2019. In addition, DHCS/DMHS will be onsite March 18-22, 2019, NCQA (1st Survey submitted 12/11/2018, Onsite February 4-5, 2019. Dr. Robertson further reported the Plan implemented a change to the Division of Financial Responsibility (DOFR) for Valley Health Plan, our largest delegate with half of our members. Previously they did not have responsibility for out of area health care and skilled nursing care beyond two months. The care of patients whether in or out of the area was effective 1/1/2019. Ms. Tomcala reported on the governor's new proposals that would affect the Health Plan; 1) carving out pharmacy as a statewide fee for service and also proposed extending coverage to undocumented youth up through age 26. In addition. There have been discussions in the community regarding the County purchasing O'Connor and St. Louise Hospitals. The attorney general is now raising some concerns about that.	
VI. Old Business/Follow up items	**a.** Ms. Boris presented the MCG Criteria for Colonoscopy, EGD, and Up-to-date criteria for Frenulectomy. Prior authorization requirements were renmovedewed for a colonoscopy procedures because there is no way of determining whether it is a screening colonoscopy of a follow-up colonoscopy. SCFHP Ddoes not have Prior authorization criteria for colonoscopy any longer. Dr. Robertson noted the prior authorization preventive services - was eliminated because the State does not allow the Plan to authorize preventive services such as screening colonoscopy. **b.** Ms. Castillo presented data for Skilled Level of Care to Long Term Care Level of Care for the period of 6/1/2018 – 12/31/2018. Data is as follows: • 345 total skilled authorizations • 578 total LTC authorizations • Combined skilled and LTC authorization and identified duplicate members with skilled and LTC authorizations • Verified that the LTC authorizations were after the skilled authorization	No action required.

ITEM	DISCUSSION	ACTION REQUIRED
	48 members transitioned from skilled level of care to LTC level of care • 46 out of 48 LTC authorizations are still current and active • Two had an end date in August and November. Ms. Castillo noted that the definition of LTC are members who are institutionalized in a long term care facility that has daily needs for their ADL's daily living and they need to meet Medi-Cal criteria for long term care. The previously used term was Custodial Care, institutional not requiring any skilled therapy but unable to live outside the institution.	
VII. Action Items	**a.** UM Program Description 2019 Ms. Carlson provided an update on changes made to the 2018 Utilization Management Program Description noting there were spelling corrections, verbiage and context changes. The changes are as follows: **1.** Cover page: Changed date from ***2018 to 2019*** **2.** Page 5: spelling correction **3.** Page 9: context change, "The Utilization Management ***Department"*** changed to Utilization ***"staff"*** **4.** Page 11: context change, "The Health Services ***Utilization Manager*** is responsible for the day to day…" changed to the Health Services ***Director and Utilization Manager*** are responsible…" **5.** Page 11: context change, ***"UM Lead Coordinator"*** changed to ***UM Supervisor.*** Responsibilities section updated to include daily operation management of UM activities to include, "productivity ***and quality monitoring"*** **6.** Page 12: context change, "Utilization Review and Discharge Planning Nurses"' changed to "Utilization Review and Discharge Planning ***Registered*** Nurses" ***7.*** Page 12: context change (Section g), ***Utilization Management review Nurse (LVN) added along with description, "Under the guidance and direction of the UM department RN Mangere or Health Services Director, Licensed Vocational nurses are responsible for performing prospective and retrospective pre-service clinical review for inpatient and outpatient authorization requests in compliance with all applicable state and federal regulatory requirements, SCFHP policies and procedures, and applicable business requirements. Following regulatory or evidence-based guidelines, assesses for medical necessity of services and/or benefit coverage which result in approved determination for services or the need to collaborate with Medical Directors for potential denial considerations.***	Approved as presented

ITEM	DISCUSSION	ACTION REQUIRED
	8. Page 13: context change, "Case management services at the SCFHP are licensed registered ***nurses"*** changed to ***"(RN) or licensed clinical social workers (LCSW)"*** **9.** Page 20: spelling correction **b. Annual Review of UM Policies** Ms. Boris presented changes to Utilization Management Policies HS.01 thru HS.15 noting tall policies meet DHCS, DMHC, CMS and NCQA requirements. To meet regulatory requirements and ensure effectiveness of the program structure changes have been made. **i. HS.01 Prior Authorization** Title Change from Prior-Authorization /Or determinations Updated section H&I **H.** The Plan maintains a ***procedure for*** Continuity of Care for both medical and behavioral health services. ~~**I.**~~ Out of Area ***and Out of Network*** requests are processed in accordance to the ***Member's Evidence of coverage, the*** Plan's Continuity of Care ***procedure*** for medical and behavioral health ***and reviewed based on medical necessity.*** **ii. HS.02 Medical Necessity Criteria** Update section B: The Plan maintains a Utilization Management (UM) Program description and Prior Authorization Procedure which further describe the Plan's utilization of Medical Necessity Criteria. The following factor apply: **B.** Criteria is specific to ***services and*** procedures ***requested.*** **iii. HS.03 Appropriate Use of Professional** Update section B and D: **B.** The Plan specifies the type of personnel responsible for each level of UM decision making which includes: • Non-licensed staff may apply established and adopted UM ***Care Coordinator*** guidelines that do not require clinical judgement. ***D.*** Non-licensed and licensed staff receive training and daily supervision ***by UM Supervisor, UM Manager, Medical Management Director and Medical Directors.*** **iv. HS.04 Denial Notification** Update section C: **C.** Letters to members for denial, delay, or modification of all or part of the requested service include the following.	The content and numbering as stated on the Agenda were Approved, with the caveat to correct the numbering issue, and updating HS.09 section 4, with the definition to Medical Management Leadership

ITEM	DISCUSSION	ACTION REQUIRED
	8. Provided in the language noted on the member's plan file ***within the DHCS threshold language requirement*** **9.** Advises that notifications are available in ***other*** languages upon request **v. HS.05 Evaluation of New Technology** No changes from 2018. **vi. HS.06 Emergency Services** No changes from 2018. **vii. HS.07 Clinical Practice Guidelines** Re numbered from HS.14 to HS.07 Update sections D,E,F, and I: *D.* ***Non contracted providers and Out of area providers will follow Out of Network/Out of Area Procedure for Utilization review.*** *E.* ***SCFHP notifies LTC providers of required supporting documentation for Utilization review.*** When PAR submissions do not include required documentation, SCFHP will follow up with the nursing facility with 3 outreach attempts to request the documents and if they are not received, the PAR will be **reviewed and possibly** denied **by a medical professional for insufficient information.** *F.* Changed ~~***RN***~~ to ***Licensed Nurse*** ***I. Bed Hold*** ***a.*** SCFHP shall include as a separate benefit any leave of absence or Bed Hold that a nursing facility provides in accordance with Medi-Cal requirements ***b.*** Bed Holds (BH) and should be submitted by the SNF at the time of transfer ***c.*** **T**he member's attending physician must write a physician order for a discharge or transfer at the time a member requires a discharge or transfer from an LTC facility to a General Acute Care Hospital and include an order for Bed Hold. ***d.*** Bed Hold (BH) ***is limited to seven (7) calendar days per discharge*** **viii. HS.08 Second Opinion** No changes from 2018 **ix. HS.09 Interrater Reliability** Update section B, III and IV: ***B.*** **Review** **4.** All cases will be reviewed ***by Medical Management Leadership*** for a consensus decision-making within 1 week following due date. **III. Records**	Specify in Policy what Medical Management Leadership is, managers and above.

ITEM	DISCUSSION	ACTION REQUIRED
	All results and internal Corrective Action Plans CAPS) remain confidential and are maintained within Health Services and are reported to the ***UMC.*** ***IV. Responsibilities*** ***Health Services coordinates with both internal and external stakeholders in development, execution, maintenance and revisions to Denial Notifications. This includes but is not limited to collaboration with Quality, Benefits, IT, UM Committee, QIC, providers and community resources*** **i. HS.10 Financial Incentive** No changes from 2018 **ii. HS.11 Informed Consent** No changes from 2018 **iii. HS.12 Preventive Health Guidelines** No changes from 2018 **iv. HS.13 Nurse Advise Line** No changes from 2018 **v. HS.14 Transportation Services** Emergency medical transportation does not require prior authorization. Non-emergency medical (NEMT) and non-medical transportation services (NMT) as specified in an AP17-01 non-emergency medical and non-medical transportation services requires a physician's certification statement for physicians to have a signature for all non-medical transportation services. **vi. HS.15 Long Term Care Utilization Review** No Changes from 2018 Ms. Carlson noted that moving forward HS.13 Nurse Advice Line Policy and procedures will be moved to claims and presented at the next QIC meeting.	

ITEM	DISCUSSION	ACTION REQUIRED
VIII. Reports	**a. Membership** Dr. Robertson gave an update on membership noting that Medi-Cal experienced a gradual but linear decline, and we contribute this to three factors; 1) the economy is improving, and members are getting jobs and no longer qualifying for Medi-Cal 2) Santa Clara County is expensive and people are moving to less costly counties, and 3) the uncertainty around immigration status. Between those three things, we have seen a loss of approximately 4,000 members. The upside is the Cal Medi-Connect Medicare line of business 2018 UM Report whereas we had a loss of 150-200 a month through much effort we have turned that around and we are now growing that, not tremendous growth. 150 Medicare lives is about 1,000 Medi-Cal lives as far as the cost and amount of work involved. Do not know when it will stabilize. It looks like 250,000 a year and a half ago 285,000. **b. UM Reports 2018** **i. Dashboard Metrics** Dr. Boris reported that the 2018 UM Reports have compliance requirements around doing prior authorizations in a timely matter. We do have the Utilization Dashboard for Cal Medi-Connect as well as for Medi-Cal. Ms. Castillo reported on our daily, weekly, and quarterly tracking, so that you have an idea of the changes that have been made and how it has positively affected what you are seeing on the metrics. Cal MediConnect lines of business. • Cal MediConnect (CMC) standard Part C, October 99.2%, November 98.8%, and December 99.0%. • Expedited Part C, October 98.6%, November 98.6%, December 100%, and Year to date 96.4% • Retrospective Review - 100% last quarter and Year to Date 96.7%. Medi-Cal line of business – DHCS goal is 95% compliance. • Routine Authorization - October 97.6%, November 96.8%, December 97.7% and Year to date 92.6% • Expedited Authorizations – October 99.1 %, November 100%, December 98.7%, and Year to date 97.1%	

ITEM	DISCUSSION	ACTION REQUIRED
	• Retrospective Review - October 99.1%, November 99.4%, December 100%, and Year to Date 97.5% Ms. Castillo pointed out that we are required to monitor not just our decision making time but also our notification time. This was brought to our attention during our CMS Audit, so we are monitoring closely and this is added to the dashboard. We are monitoring our notification time from the time that a decision is made to the that we notify our providers and members. **ii. Standard Utilization Metrics** Dr. ~~Ms~~. Boris presented the Standard Utilization Metrics data for 10/1/2017 thru 9/30/2018. Discharge per thousand per member months. Our goals for this year, we are going to be developing some department specific goals so we are going to use some of these, get some clarity on them, and use them for our department goals. More details in upcoming meeting. • **Inpatient Utilization: Medi-Cal –Non-SPD:** 3.75 and average length of stay is less than 4 (moms, kids & families) • **Inpatient Utilization: Medi-Cal – SPD:** around 12 and average length of stay climbed to almost 1 day above the average for children. (seniors and persons with disabilities) • **Inpatient Utilization: Cal MediConnect (CMC):** 258 Cal MediConnect and average length of stay doubles to six. (Medicare and Medi-Cal dual eligible patients) • **Medi-Cal Inpatient Utilization NCQA Medicaid Benchmark Comparisons:** 3.75 for non-SPD and the average length of stay 12. Rank less than 10% on non-SPD but greater than 90%, means a higher utilization on SPD population. Average length of stay 4-4.75. • **Medi-Cal SPD & CMC Inpatient Utilization MCG & NCQA Medicare Benchmark Comparisons:** For the CMC line of business, we look more like a loosely managed plan compared to National Medicare patients, which is not an apples to apples comparison but it is the best we have. NCQA Medicare mean at 214 still above NCQA mean. Bed days is average length of stay is ½ day higher	Highlight going forward

ITEM	DISCUSSION	ACTION REQUIRED
	• **Inpatient Readmission: Medi-Cal – Non-SP:** part of these are HEDIS rates all cause readmission. Those 4 quarters average around 16%. • **Inpatient Readmissions: Medi-Cal – SPDs:** 21% is a high number SPD act and behave more like our Cal MediConnect product, but they do not have Medicare supporting their resource utilization. • **Inpatient Readmissions: Cal MediConnect (CMC):** Q3 2018 abnormally low at 10%, this will self-adjust as more claims come through. We remain right around 15% • **Cal MediConnect (CMC) Readiness Rates Compared to NCQA Medicare Benchmarks**: A comparison for18-64, 65 and above, and our 18-64 always have a readmission rate that is higher primarily because that population in CMC has disabilities that are resulting in their Medicare benefit. • **Frequency of Selected Procedures: Medi-Cal**: There were no dramatic shifts in frequency of procedures; most members are on the downward trend. We did look bariatric weight loss procedures and still see the highest bariatric ages 20-24, BMI is 39-64. • **ADHD Medi-Cal Behavioral Health Metrics:** looks at children prescribed ADHD medication both initiation phase and maintenance phase, antidepressants and cardiovascular monitoring. **c. MLTSS Dashboard** Ms. Castillo reported that MLTSS covers long-term care authorizations and CBAS authorizations for our community based adult services, also known as adult day cares. Cal MediConnect is 100% compliant and Medi-Cal MLTSS remains 95%, averaging 98% - 100%. **d. HS 04.01 Reporting Quality Monitoring of Plan Auths, Denials etc. (Q4 18)** Ms. Castillo presented the Q4 2018 Quality Monitoring Report. Santa Clara Family Health Plan (SCFHP) completed the 4th quarter review for timely, consistent, accurate and understandable notification to members and providers regarding adverse determinations. For the 4th Quarter review of 2018, the findings are as follows: III. For the dates of service and denials for October, of CY 2018 were pulled in the 4th quarter sampling year. a. 30 unique authorizations were pulled with a random sampling.	

ITEM	DISCUSSION	ACTION REQUIRED
	i. 60% or 12/30 were Medi-Cal LOB and 40% or 18/30 CMC LOB ii. 100% or 30/30 were denials 1. 10 of the 30 were expedited, processed in 72 hours - 20 were standard depending on whether they were Medi-Cal or CMC – 5 business days or 14 days 2. 80% or 8/10 were compliant with regulatory turnaround, 20% were not of our random sample iv. 90% of the standard authorization were compliant and 2 were non-compliant v. 67% or 20/30 were medical denials, and 10/30 were administrative denials vi. 100% or 30/30 cases were denied by MD vii. 100% or 30/30 provided member and provider notification viii. 70% or 7/10 expedited authorization provided oral notification to member ix. 97% member letters are of member's preferred language x. 97% or 29/30 letters were readable and rationale for denial was provided xi. 97% or 29/30 letters included the criteria or EOC that the decision was based upon xii. 100% or 30/30 letters included interpreter rights and instructions on how to contact CMO or Medical Director Manager of Utilization Management and Director of Health Services reviewed the findings of this audit and recommendations from those finding presented to UMC are as follows: • Provide staff training regarding oral notification to member following an expedited service authorization determination. • Provide staff training in managing regulatory turnaround time based on LOB. • Provide staff training in quality monitoring including denial language and checking members preferred language prior to sending members UM letters. • Continue QA monitoring and reporting. **e. Referral Tracking**	

ITEM	DISCUSSION	ACTION REQUIRED
	Ms. Castillo presented the data for the Referral Tracking report for 2018 noting the report was completed for the rolling 12-month look back of: January 1, 2018 to December 31, 2018. Findings: **1.** There were 14,554 unique authorizations for all lines of business (roughly 1200 auths/month). • Cal MediConnect: 5126 o 2297 without Claims • Healthy Kids: 40 o 19 without claims • Medi-Cal 9388 o 3979 without claim **2.** It was identified that there is an average 3 months claim lag time. • 53.5% Authorized services were rendered within 90 days of authorization • 2.3% were rendered after 90 days of authorization • 44.2% were not yet rendered to date. Follow Up **1.** 55 unique case authorization were pulled for sample calls. • 21 Cal MediConnect • 34 Medi-Cal **2.** Types of Services • 1 EGD • 1 Home Health • 7 MRI • 25 Outpatient therapy • 3 Sleep studies • 1 SBRT • 7 Transportation • 10 Other **3.** 14 of 55 cases confirmed that they received services already. **4.** Reasons why member did not get service: • Members refuse service – 1	

ITEM	DISCUSSION	ACTION REQUIRED
	• Member is too sick to receive service – 2 • Scheduling issue – 5 • Taking care of family member, waiting for holidays to pass, member or provider scheduling issues • Wants to talk to PCP prior to receiving service – 1 • Service location issue – 2 **5.** 30 unreachable member to confirm reason for incomplete services **6.** Zero termed members **f. Nurse Advice Line Stats** Ms. Carlson presented the Nurse Advice Line Stats by Line of Business for the dates of October 1, 2018 – December 31, 2018. Call Volume summary by disposition; • Medi-Cal 2,114, Healthy Kids 56 calls, and Cal MediConnect 94 calls Highest volume for Triage Guidelines used for call types; • Medi-Cal: CareNet Health Information only, Influenza/Flu like symptoms, abdominal pain, fever, and Cough/URI • Healthy Kids: Croup, Fever, and Abdominal pain, vomiting with diarrhea • Cal MediConnect: Influenza/Flu like symptoms, CareNet Information only, Cough/URI, and abdominal or pelvic pain **g. Annual report on physician peer to peer process** Dr. ~~Ms~~. Boris noted that in accordance with Procedures HS.02.02, the provider dispute process includes a Peer to Peer (P2P) review with the SCFHP physicians who make determinations (in case denials of service.) It is the goal of SCFHP medical team to ensure quality of service and return calls when there is a requested P2P. YTD there were 19 requests for Peer-to-Peer Reviews. All 19 cases were reviewed for compliance. This ensures that the P2P process is working and that the community physician requests for call back are completed and do in fact occur. The findings are as follows: 1. 84% (16/19) calls were completed with the SCFHP physician and the requesting physician	

ITEM	DISCUSSION	ACTION REQUIRED
	2. 81% (13/16) had documentation of the call in our QNXT system SCFHP recommendation to UMC: 1. Corrective Action: a. Since 6/2017, QNXT system holds authorization for all Lines of Business (Medi-Cal, Cal MediConnect, and Healthy Kids.) As such, both physicians know the system and have agreed to enter their call documentation into QNXT. b. The current findings are that the majority of the physician calls are completed. Only three calls were not returned. Two of the cases have no notes, and one case was redirected successfully to Stanford Medical Center. c. SCFHP will reinforce the use of QNXT fir the completion of P2P call notes within the original authorization **d. Conflict of Interest Forms** Dr.~~Ms~~. Boris reported on the annual confidentiality agreement and asked all members to sign and return at the close of the meeting. Dr. Robertson introduced Natalie McKelvey the new manager in Behavioral Services you may recall Sherri Holm retired. We do not intend to replace the director position and so Ms. McKelvey is picking up our internal operations. Dr. Robertson responded to Dr. Kai's question regarding autism noting that this is a Brown Act Meeting so we cannot discuss items that are not on the agenda. What I can tell you is 900 children receiving autism services, behavioral treatment out of about 96,000 children which about 1%. Pretty close to the prevalence of autism in the community. We have a high saturation. If you would like a more detailed discussion we can add as this as an agenda item at next meeting.	Add Autism as Agenda item for next meeting

ITEM	DISCUSSION	ACTION REQUIRED
IX. Behavioral Health UM Reports	**i. Turn around time/dashboard metrics** Ms. McKelvey reported on the UM Dashboard for Behavioral Health noting that Cal MediConnect 100%; Medi-Cal 99%; Timely Decisions 89%; Retrospective for timely notification 100%; Retrospective for 99.3%. **ii. Technical assistance guide (TAG) update fir Behavioral Health** Ms. McKlevey presented a report on the Behavioral Health Technical Assistance Guide factors (TAG). California law requires the DMHC to conduct a routine medical survey of each licensed full service and specialty health plan at least once every three years specifically surrounding the following areas: • Quality Assurance • Grievances and Appeals (enrollee complaints) • Access and Availability • Utilization Management (referrals and authorizations) • Overall plan performance in meeting enrollees' health care needs A Technical Assistance Guide (TAG) is used by surveyors to measure a health plan's performance and determine compliance. Each requirement listed will cite the statutory/regulatory citations, those to be interviewed in the survey, documents to be reviewed, and lists the key elements to meet the standards. TAG tools are updated as necessary based on legislative and regulation changes. DMHC has provided TAGS specific to Behavioral Health to help guide our program to ensure compliance. **iii. DMHC findings update and recommendations** Procedure QI.17.01 (Medically Necessary Behavioral Health Treatment Services/EPSDT) was updated to reflect current APL 18-006. **iv. ASD evaluation of timely screening and diagnosis for CY 2018** Ms. McKelvey presented the ASD evaluation for timely screening and diagnosis for CY 2018. The American Academy of Pediatrics (AAP) recommends all children receive autism-specific screening at 18 and 24 months of age, in addition to the broad developmental screening (Ages and Stages Questionnaire) at 9, 18, and 24 months.	

ITEM	DISCUSSION	ACTION REQUIRED
	In July 2017, SCFHP pays the developmental screening code: 96110 as an additional fee-for-service payment if billed with a (Child Health and Disability Prevention) CHDP visit. In CY 2018, SCFHP met with Healthier Kid Foundation and First Five of Santa Clara County to help promote the use of age appropriate screening. Dr. Robertson noted that it is a separately reimbursable code at $58 and most physicians are not aware of this. Health Education sent a memo to providers also included an article in the PCP news. The results are as follows: 2016 - 134 2017 - 284 2018 - 2817	
X. Adjournment	Meeting adjourned at 8:00 PM	

ITEM	DISCUSSION	ACTION REQUIRED
NEXT MEETING	The next meeting is scheduled for Wednesday, April 17, 2019, 6:30 PM	

Prepared by:

_____ Date _____

Reviewed and approved by:

_____ Date _____

Jimmy Lin, M.D.
Committee Chairperson

Regular Meeting of the

Santa Clara County Health Authority
Quality Improvement Committee

Wednesday, June 12, 2019, 6:00-8:00 PM
Santa Clara Family Health Plan, Redwood
6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference At:
Residence
3411 S. Conway Ct.
Kennewick, WA 99337

Voting Committee Members Present:
Ria Paul, MD and Chair
Jimmy Lin, MD, Internal Medicine
Ali Alkoraishi, MD, Psychiatrist
Christine Tomcala, CEO, SCFHP
Laurie Nakahira DO, CMO, SCFHP

Voting Committee Members Absent:
Nayyara Dawood, MD
Jennifer Foreman, MD
Jeffrey Arnold, MA

Committee Members Present:
Chris Turner, Chief Operating Officer
Johanna Liu, Director, Quality and Process Improvement
Sandra Carlson, Director of Medical Management
Robin Larmer, Chief Compliance and Regulatory Affairs Officer
Lori Andersen, Director, Long-Term Services and Support
Mai Chang, Quality Improvement Manager
Mary Perryman, Grievances and Appeals Supervisor
Nancy Aguirre, Administrative Assistant

Via Teleconference:
Carmen Switzer, Provider Network Access Manager

1. **Introduction**

   Dr. Ria Paul called the meeting to order at 6:05 p.m. A Quorum was established.

2. **Review and Approval of Meeting Minutes**

   The minutes of the April 10, 2019 Quality Improvement Committee were reviewed.
   It was moved by Dr. Lin and seconded by Dr. Alkoraishi to approve the minutes as written.

3. **Public Comment**

No Public Comment.

4. **CEO Update**

Christine Tomcala, CEO, shared the following updates:
As of June 2019, at the Plan has 249,205 enrollees. This is an anticipated decrease from the figure of 250,778 members reported in April, but an increase from the month of May.

Ms. Tomcala stated that, with respect to the Healthy Kids program, the majority of the enrollees will be moved into Medi-Cal later this year, according to the schedule announced by DHCS. Only three children of the approximately 3,500 children enrolled will be considered ineligible, although Ms. Watkins believes there is a strong possibility they will also be found eligible.

No action required. Informational only.

5. **Action Items**

a. **CMC Assessment of Member Cultural and Linguistic Needs and Preferences**

Ms. Switzer presented the results of the assessment of SCFHP's provider network's ability to address the cultural, ethnic, racial, and linguistic needs and preferences of the Plan's Cal MediConnect members.The Plan is committed to providing members with language services at no cost, and with equal access to members with hearing or language-related needs. Ms. Switzer reviewed the statistical breakdown of the 3 most common non-English languages spoken, and the percentage of members that speak each.

Ms. Switzer reviewed a statistical breakdown of the CMC providers who speak these same 3 languages, including the high-volume behavioral health providers. Ms. Switzer noted that 52.7% of Santa Clara County citizens are speakers of a language other than English. This is higher than the national average of 21.5%. However, the Plan's analysis indicated that members' needs for services in languages other than English are being met either through languages spoken by providers or through the use of interpreter services.

Dr. Paul raised concern that there is only 1 Chinese-speaking licensed clinical social worker. Ms. Switzer explained that the Plan offers telephonic and face to face interpreter services, and there appear to be no member complaints regarding this issue. The Plan will continue to seek contract providers with diverse backgrounds and language skills.

Action: Chair Paul called for a motion to approve the CMC Assessment of Member Cultural and Linguistic Needs and Preferences. It was moved by Dr. Lin and seconded by Dr. Alkoraishi to approve the CMC Assessment of Member Cultural and Linguistic Needs and Preferences. The motion carried.

b. **Review of Population Health Management Strategy 2019**

Ms. Carlson reminded the Committee that in its last meeting, the Quality team presented the Population Health Assessment, which identified member population characteristics. The results of that assessment are the foundation of recent revisions to the Population Health Strategy. Ms. Carlson gave a brief summary of the revisions, which include changes to the process for placing members into different risk tiers and programs. At the August QIC meeting, she will present the results of a Population Effectiveness Analysis, which will indicate the Plan's success in meeting the goals and objectives outlined in 2018. Ms. Carlson also gave an overview of the Case Management department goals for 2019.

Action: Chair Paul called for a motion to approve the Review of Population Health Management Strategy 2019. It was moved by Dr. Lin and seconded by Dr. Alkoraishi to approve the Review of Population Health Management Strategy 2019. The motion carried.

c. Review of Quality Improvement Policies

i. QI.13 Comprehensive Case Management
ii. QI.15 Transitions of Care
iii. QI.16 Managed Long-Term Services and Support (MLTSS) Care Coordination
iv. QI.17 Behavioral Health Care Coordination
v. QI.18 Sensitive Services, Confidentiality, Rights of Adults and Minors
vi. QI.19 Care Coordination Staff Training
vii. QI.20 Information Sharing with San Andreas Regional Center (SARC)
viii. QI.21 Information Exchange between Santa Clara Family Health Plan and Health Services Department
ix. QI.22 Early Start Program (Early Intervention Services)
x. QI.23 Alcohol Misuse: Screening and Behavioral Counseling Interventions in Primary Care
xi. QI.24 Outpatient Mental Health Services: Mental Health Parity
xii. QI.25 Intensive Outpatient Palliative Care
xiii. QI.27 Informing Members of Behavioral Health Services

Ms. Carlson reviewed the Quality Improvement Policies, noting that with just 2 exceptions, there are no substantive changes to the policies. Ms. Carlson noted one substantive change to QI.25 Intensive Outpatient Palliative Care, which removed Cal-Medi-Connect from its scope. Ms. Andersen then addressed changes to QI.16 Managed Long-term Services and Support (MLTSS) Care Coordination, related to the role of MLTSS. Finally, Ms. Carlson reviewed the Behavioral Health Care Policies, to which no substantive changes have been made.

Action: Chair Paul called for a motion to approve the Review of Quality Improvement Policies. It was moved by Dr. Lin and seconded by Dr. Alkoraishi to approve the Review of Quality Improvement Policies. The motion carried.

6. Discussion Items

Appeals and Grievances:
Ms. Mary Perryman, Grievances and Appeals Supervisor, presented an overview of Q1 2019 Grievance and Appeals reporting.

Ms. Perryman's presentation included data for New Case Assignment, Rates per 1,000, Grievances by Category and Sub-Category, and Appeals by Determinations for the Medi-Cal/Healthy Kids and Cal MediConnect lines of business, for medical and pharmacy benefits.

Rates for Grievances and Appeals trended up from January to March for Medi-Cal and Cal MediConnect. This is in part due to the issues experienced with California Home Medical Equipment (CHME). We have been monitoring CHME related grievances and appeals due to significant service concerns and CHME is no longer a preferred DME provider.

Action: The committee requested that future reports provide year over year data for comparison purposes.

7. **Committee Reports**

a. **Credentialing Committee**

Dr. Nakahira presented an overview of the April 3, 2019 Credentialing Committee report, noting actions taken, outcomes and re-measurement.

> **Action:** Chair Paul called for a motion to approve the April 3, 2019 Credentialing Committee Report. It was moved by Dr. Lin and seconded by Dr. Alkoraishi to approve the April 3, 2019 Credentialing Committee Report as presented. The motion carried.

b. **Pharmacy and Therapeutics Committee**

Dr. Lin presented a review of the minutes of the March 21, 2019 Pharmacy and Therapeutics Committee meeting. A discussion ensued regarding AB2760, which is now the law, wherein physicians must document the fact that, as applicable, they offered any patients with a history of opioid abuse a prescription for Narcan.

> **Action:** Chair Paul called for a motion to approve the minutes of the March 21, 2019 Pharmacy and Therapeutics Committee meeting. It was moved by Dr. Lin and seconded by Dr. Nakahira to approve the March 21, 2019 Pharmacy and Therapeutics Committee meeting minutes. The motion carried.

c. **Utilization Management Committee**

Dr. Lin next presented a review of the minutes of the April 17, 2019 UM Committee meeting.

> **Action:** Chair Paul called for a motion to approve the April 17, 2019 UM Committee meeting minutes. It was moved by Dr. Alkoraishi and seconded by Dr. Lin to approve the April 17, 2019 UM Committee meeting minutes. The motion carried.

d. **Compliance Report**

Ms. Larmer presented a review of the May 23, 2019 Compliance Activity Report, which includes the preliminary results of the DHCS audit. The DHCS exit conference is scheduled for June 13, 2019.

Ms. Larmer also noted that the Plan is moving into the validation phase of the CMS Program Audit, with the first validation audits beginning in July 2019. discussed that they are now moving into the phases of the independent validation audit, with the 1st phase in July, and the other 4 phases primarily taking place in August and September.

> **Action:** Chair Paul called for a motion to approve the May 23, 2019 Compliance Activity Report. It was moved and seconded to approve the May 23, 2019 Compliance Activity Report. The motion carried.

e. **Quality Dashboard**

Ms. Liu presented the May 2019 Quality Improvement Dashboard results.

> **Action:** No motion to approve or disapprove was called.

8. **Adjournment**

The meeting adjourned at 7:47 p.m.

The next QIC meeting is scheduled for Wednesday, August 14, 2019.

_____ _____

Ria Paul, MD Quality Improvement Committee Chairperson Date

Assessment of Member Cultural and Linguistic Needs and Preferences Cal MediConnect

Prepared by: Carmen Switzer, Provider Network Access Manager

For review and approval by the Quality Improvement Committee

June 12, 2019

Introduction

Santa Clara Family Health Plan collects data on the cultural, ethnic, racial and linguistic needs and preferences of its membership and the availability of providers in the network with these same characteristics to determine the adequacy of the provider network to meet the needs of its members.

SCFHP is committed to providing language services at no cost and equal access to services for members with hearing or language related needs. Oral Interpreters, signers, bilingual providers are available at all key points of contact. These services are provided in all languages spoken by SCFHP members.

This report includes a data analysis for Cal-MediConnect and is exclusive to its members/enrollees.

Data collection is from January 1, 2018 - December 31, 2018.

Member and Provider Language Assessment

Member Languages Spoken at Home **(N=7869)**

Language	Member Count	% of Members Speak the Language
English	3173	40%
Spanish	1500	19%
Vietnamese	1031	13%
Chinese	946	12%
Other	1219	15%

Top 3 - Most common non-English languages spoken by CMC Members

- Table shows the total number of members who speak English and the top 3 most common non-English languages spoken by CMC members.

Member and Provider Language Assessment

PROVIDER LANGUAGE ASSESSMENT **(CMC Providers)**

Provider Type	# of Providers	# Speaks Spanish	# Speaks Vietnamese	# Speaks Chinese
PCP	476	70	67	45
Specialist	1469	117	59	49
Behavioral Health	189	26	12	7

- Table shows the number of PCP's, Specialists and BH providers who speak the top 3 languages spoken by CMC members.

Member and Provider Language Assessment

Provider to Member Ratios (Top 3 Languages) – *slides 5-8*

PCP, Specialists, Behavioral Health (ALL)

		Spanish (Member N=1500)			Vietnamese (Member N=1031)			Chinese (Member N=946)		
Provider Type	**Provider Count**	**Providers - Spanish**	**% of Providers**	**Provider to Member Ratio**	**Providers-Vietnamese**	**% of Providers**	**Provider to Member Ratio**	**Providers -Chinese**	**% of Providers**	**Provider to Member Ratio**
Primary Care	472	70	15%	1:21	67	14%	1:15	45	9%	1:21
Specialists	1469	117	8%	1:13	59	4%	1:17	49	3%	1:19
Behavioral Health	189	26	14%	1:58	12	6%	1:86	7	4%	1:135

- Table shows the number and percentage of providers who speak the top 3 languages spoken by our CMC members.
- Provider to member ratios are also noted in the table.

Member and Provider Language Assessment

Primary Care Providers

		Spanish (Member N=1500)			Vietnamese (Member N=1031)			Chinese (Member N=946)		
Provider Type	**Provider Count**	**Providers - Spanish**	**% of Providers**	**Provider to Member Ratio**	**Providers-Vietnamese**	**% of Providers**	**Provider to Member Ratio**	**Providers-Chinese**	**% of Providers**	**Provider to Member Ratio**
Family Practice	208	40	19%	1:38	25	12%	1:41	21	10%	1:45
General Practice	12	3	25%	1:500	6	50%	1:171	2	17%	1:473
Internal Medicine	252	27	11%	1:56	36	14%	1:29	22	9%	1:43

- Table shows the number and percentage of providers who speak the top 3 languages spoken by our CMC members.
- Provider to member ratios are also noted in the table.

Member and Provider Language Assessment

Specialists – High Volume/Impact

		Spanish (Member N=1500)			Vietnamese (Member N=1031)			Chinese (Member N=946)		
Provider Type	**Provider Count**	**Providers-Spanish**	**% of Providers**	**Provider to Member Ratio**	**Providers-Vietnamese**	**% of Providers**	**Provider to Member Ratio**	**Providers-Chinese**	**% of Providers**	**Provider to Member Ratio**
Cardiology	114	8	7%	1:188	5	4%	1:206	14	12%	1:68
Ophthalmology	76	14	18%	1:107	10	13%	1:103	13	17%	1:73
Physical Therapy	43	7	16%	1:214	0	0%	0	2	5%	1:473
Gynecology	137	33	24%	1:45	13	9%	1:79	12	9%	1:79
Hematology/Oncology	57	5	9%	1:300	4	7%	1:258	5	9%	1:189

- Table shows the number and percentage of High Volume/Impact Specialists who speak the top 3 languages spoken by our CMC members.
- Provider to member ratios are also noted in the table.

Member and Provider Language Assessment

Santa Clara Family Health Plan.

Behavioral Health Providers

		Spanish (Member N=1500)			Vietnamese (Member N=1031)			Chinese (Member N=946)		
Provider Type	**Provider Count**	**Providers - Spanish**	**% of Providers**	**Provider to Member Ratio**	**Providers-Vietnamese**	**% of Providers**	**Provider to Member Ratio**	**Providers-Chinese**	**% of Providers**	**Provider to Member Ratio**
Psychiatrist	86	3	3%	1:500	4	5%	1:258	5	6%	1:189
Clinical Social Worker	34	10	29%	1:150	4	12%	1:258	1	3%	1:946
*F/M Counseling	21	4	19%	1:375	0	0%	0	0	0%	0
Addiction Medicine	3	0	0%	0	0	0%	0	0	0%	0

*Denotes Family and Marriage Counseling

- Table shows the number and percentage of Behavioral Health providers who speak the top 3 languages spoken by our CMC members.
- Provider to member ratios are also noted in the table.

Member Translation Requests

Member Telephonic Requests – Top 5 Languages

Language	Total Members with Request	% of Member Requests
Spanish (N=1500)	603	40%
Vietnamese (N=1031)	525	51%
Chinese (N=946)	398	42%
Tagalog (N=333)	194	58%
Russian (N=99)	52	53%

- Table shows the number and percentage of members who requested telephonic translation assistance.

Member Translation Requests

Member Face to Face Requests (All)

Translation Type	Total Members with Request	% of Member Requests
Sign Language (N=13)	1	0.0769%
Spanish (N=1500)	2	0.0013%
Vietnamese (N=1031)	2	0.0019%
Chinese (N=946)	3	0.0031%
Bosnian (N=1)	1	0.0030%

- Table shows the number and percentage of members who requested face to face translation assistance.

Member Grievances/Appeals

The grievances and appeals reports did not show that there were CMC member complaints or appeals relevant to race, ethnicity or language.

Conclusion:

Santa Clara Family Health Plan (SCFHP) serves a very diverse membership. Data USA reports that 52.7% of Santa Clara County citizens are speakers of a non-English language, which is higher than the national average of 21.5%.

The languages spoken by SCFHP's CMC members are heavily weighted on three languages (Spanish, Vietnamese and Chinese), where 83% of interpreter services requests come from those three languages. The assessment showed that a substantial number of the high volume/impact provider types speak the top three languages. The assessment also showed that within some provider types, there were a small number or none that speak the top 3 languages; however, interpreter services are available for members utilizing services from those provider, which concludes that member needs are being met overall.

Santa Clara Family Health Plan will continue to seek contracts with providers who have diverse backgrounds and language skills to meet the needs of our members. Santa Clara Family Health Plan will continue to evaluate the needs of its members to ensure they receive care and services in their preferred language.

Opportunity

Barrier	Opportunity	Selected for 2019	Date Initiated
Behavioral Health – HVBH provider type (Addiction Med) does not speak any of the top 3 non-English languages spoken by CMC members and HVBH provider (Family/Marriage Counseling) only speaks 1 of the top 3 non-English languages spoken by CMC members. Physical Therapy: none speak 2 of the 3 top non- English languages spoken by CMC members.	SCFHP will continue to seek contracts with providers who have diverse backgrounds and language skills to meet the needs of CMC members.	Yes	Ongoing

Approving Committee	Date of Approval	Recommendations
Quality Improvement Committee (QIC)		

Population Health Management Strategy 2019

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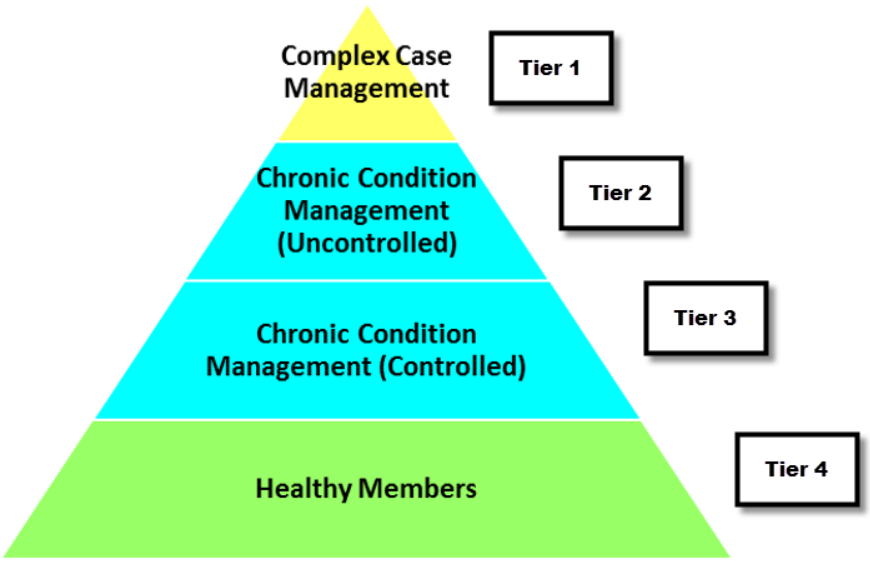
I. Comprehensive Population Health Management (PHM) Strategy

In accordance with the NCQA 2019 Standards and Guidelines for the Accreditation of Health Plans, Santa Clara Family Health Plan (SCFHP) has developed a basic framework to support a cohesive plan of action for addressing member needs across the continuum of care including the community setting, through participation, engagement and targeted interventions for a defined population. The framework is designed to address the four focus areas of population health, as outlined by NCQA, while using Cal MediConnect (CMC) and/or Medi-Cal Department of Health Care Services (DHCS)/Department of Managed Health Care (DMHC) required methods via health risk assessment (HRA) and individualized care planning (ICP) through an Interdisciplinary Care Team (ICT) approach.

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

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

Populations Targeted for PHM:



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

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

- Age 75+ with 3 ADLs
- >3 ED visits in the past year
- Hospitalized in the past 180 days
- 3+ Chronic Conditions and at least one uncontrolled*

  **Uncontrolled is defined as 1 ED Visit or Inpatient stay within the past year, with a primary diagnosis of the member's chronic condition)*

B. Tier 2: Chronic Condition Management Uncontrolled Eligibility Criteria

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

- 75+ with 3 ADLs
- >3 ED Visits in the Past Year
- Hospitalized in the Past 180 Days
- 3+ Hospitalizations in the Past Year
- 1+ Social Determinant of Health (includes members with addresses indicative of homelessness)

OR

- Member is enrolled in the Multipurpose Senior Services Program (MSSP)
- Member has uncontrolled symptoms of severe mental illness (SMI)

C. Tier 3: Chronic Condition Controlled Member Eligibility criteria

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

- Member is homeless,
- Member is in Long Term Care (LTC) with no discharge plan
- Member has been admitted to Hospice within the last 12 months

D. Tier 4 Healthy Members Eligibility

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

II. Population Health Program (PHM) Focus Areas

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

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

III. PHM Programs and Services by Focus Area

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

Table 1: Programs and Services by Focus Area

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

IV. PHM Goals

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

Managing multiple chronic illnesses

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

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

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

Managing members with emerging risk

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

Goal Justification Statement: Within SCFHP CMC line of business, there are 1,450 or 18% of members that meet the HEDIS definition of diabetes. The plan also has a larger population of Hispanic and Asian members who are at higher risk for diabetes. Uncontrolled diabetes can lead to cardiac disease and progressive decline in health. Programs and services are aligned with HEDIS efforts decrease HbA1c and improve diabetic health outcomes for members.

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

Keeping Members Healthy:

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

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

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

Patient safety or outcomes across settings

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

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

Population Targeted: Members readmitted within 30 days of discharge

V. PHM Goal Outcomes by Focus Area & Target Population

Segmentation by Focus Area: Managing Multiple Chronic Illness						
Goal	**Programs & Services**	**Targeted Population**	**Opt-in / Out**	**Member Communication**	**# of Eligible Members**	**% of participating Membership**
Decrease the number of members with 3+ ED Visits by 10 %	1. Complex Case Management *CMC *Medi-Cal SPD	Tier 1	Opt-In	Interactive	125 22	2% 1.7%
	2. Moderate Case Management	Tier 2	Opt-Out	Interactive	3028	40%
	3. Medication Therapy Management	Tier 1&2	Opt-In	Interactive	1761	23%
	4. Nurse Advice Line	Tier 1&2	Per benefit	Interactive	7500	100%
	5. Health Homes Program *Medi-Cal only	Tiers 1-2	Opt-In	Interactive	9,000	0%

Segmentation by Focus Area: Managing Members with Emerging Risk						
Goal	**Programs & Services**	**Targeted Population**	**Opt-in / Out**	**Member Communication**	**# of Eligible Members**	**% of participating Membership**
Goal **Increase HBA1c control rate by 2%**	1. Basic Case Management	Tier 3	Opt-Out	Interactive	1450	18%
	2. Health Education	All Tiers	Opt-In	Interactive	1450	18%
	3. Provider Engagement	All Tiers	Non-Member directed	Physician	7500	100%
	5. Behavioral Health, Severe Mental Illness (SMI)	Tier 1 & 2	Opt-Out	Interactive	1000	13%
	6. Gaps in Care	All Tiers	Non-Member driven	Data Sharing	1450	18%

Segmentation by Focus Area: Patient Safety across settings						
Goal	**Programs & Services**	**Targeted Population**	**Opt-in / Out**	**Member Communication**	**# of Eligible Members**	**% of participating Membership**
Decrease 30 day Readmission rate by 1%	1. Basic Case Management	Tier 3 & 4	Opt-out	Interactive	4447	59%
	2. Transition Of Care TOC	All Tiers	Opt-Out	Interactive	7500	100%
	3. Whole Person Care Nursing Home Diversion	Tier 2	Opt-Out	Interactive & Passive	260	.3%
	4. Provider Engagement	All Tiers	Opt-Out	Interactive & Passive	7500	100%

Segmentation by Focus Area: Keeping Members Healthy						
Goal	**Programs & Services**	**Targeted Population**	**Opt-in / Out**	**Member Communication**	**# of Eligible Members**	**% of participating Membership**
Decrease 30 day Readmission rate by 1%	1. Basic Case Management	Tier 3 & 4	Opt-out	Interactive	4447	59%
	2. Transition Of Care TOC	All Tiers	Opt-Out	Interactive	7500	100%
	3. Whole Person Care	Tier 2	Opt-Out	Interactive & Passive	260	3.5%
	4. Provider Engagement	All Tiers	Opt-Out	Interactive & Passive	7500	100%

IV. Description of Case Management Program and Service Activities

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

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

A. Case Management Activities:

Health Risk Assessment (HRA)

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

Individualized Care Plan (ICP)

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

Interdisciplinary Care Team (ICT)

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

Member Outreach Coordination

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

allow for various forms of communications from internal and external partners to be uploaded directly into individual member case files.

Use of SCFHP Software Systems to Coordinate Member and Provider Programs

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

B. Case management programs

1. **Complex Case Management** is provided to all eligible members in Tier 1 and is described in detail in the corresponding Complex Case Management summary. These members are offered intensive support and are contacted as often as weekly. Members are engaged in a thorough initial assessment.
2. **Moderate Case Management** is provided to members in Tier 2 and includes those members with multiple chronic conditions with at least one uncontrolled and complex social determinants of health. It includes members receiving MSSP services and care coordination around severe mental illness (SMI).
3. **Basic Case Management** is provided to members in Tiers 3 and 4 and includes at a minimum, the completion of a health risk assessment (HRA) and further assessment as needed for benefit coordination in collaboration with the PCP.
4. **Transitions of Care (TOC)** is provided across all CM Tiers for members and is episodic case management with Utilization Management (UM) coordination to support discharge planning from acute hospital or long term care facility. TOC calls are made by Case Managers who complete a TOC assessment to ensure a safe transition to the appropriate level of care and minimize risk of readmission. This service is also provided to support continuity of care for members transitioning between providers. Behavioral Health case managers complete TOC assessments specific to psychiatric admissions and follow up needs. Members will be reassessed for the appropriate tier of CM after their transition period. Case management services include integration of the discharge plan into the current ICP including facilitating follow up visits to the member's providers, post-discharge medication reconciliation, and confirmation that the discharge plan has been implemented. If a member is not connected to a BH care team in the community, both the discharging hospital and the BH CM need to ensure coordination of a visit within 7 and 30 days post discharge.

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

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

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

C. Case Management Supportive Services

24/7 Nurse Advice Line:

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

Whole Person Care Nursing Home Diversion Program

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

Health Homes Program

The Health Homes Program (HHP) becomes a benefit for Medi-Cal members enrolled in Managed Care Plans (MCPs) on July 1, 2019. This program services members with multiple chronic conditions and social determinants, and will begin serving members with Serious Mental Illness beginning January 1, 2020. The HHP serves eligible Medi-Cal beneficiaries with complex medical needs and chronic conditions who may benefit from enhanced care management and coordination. The HHP coordinates the full range of physical health, behavioral health, and community-based long-term services and supports (LTSS) needed by eligible beneficiaries. SCFHP contracts with local clinics and agencies in the community to provide these services to our members on behalf of the plan. SCFHP also directly provides HHP services to a portion of eligible members that cannot be assigned to a local clinic and/or agency due to capacity or other reasons.

Utilization Management and Concurrent Review

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

include referrals to any available CM programs and coordinating benefits across health care settings, such as DME, home health, Long Term Services and Supports (LTSS), behavioral health and outpatient services.

Within 72 business hours of a member's discharge to a residential home or his or her community setting such as an Assisted Living facility, Concurrent Review nurses notify the Case Management team to conduct a total of three documented attempts to reach the member or their caregiver all of which are expected to be completed within 5 business days from discharge. Outreach calls will be made on different days and/or different times of the day, in order to meet this process requirement. The TOC assessment within Essette evaluates for any member or caregiver supports and/or resources which are needed to minimize gaps in care which may otherwise result in readmissions or preventable emergency room visits.

Health Education

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

Category	Class	Organization/Contact
Chronic Disease Self-Management	Asthma Education	Breathe California
	Diabetes/Nutritional Counseling	Indian Health Center
		The Health Trust
		Solera
	Chronic Pain Management	The Health Trust
	Chronic Disease/Condition Management (HBP, Heart Disease, Arthritis, Medical Nutrition Therapy)	SCVMC Ambulatory Health Education Department
		The Health Trust
Counseling & Support Services	Group Counseling & Support	ACT for Mental Health
	Stress Management Class	
	Anger Management Class	
Nutrition & Weight Management	Adult Weight Management (Weight Watchers)	Weight Watchers
Prenatal Education	Infant/Child CPR & First Aid	El Camino Hospital, SCVMC Ambulatory Health Education Department

	Infant Care	El Camino Hospital, SCVMC Ambulatory Health Education Department
Safety Programs	Infant/Child CPR & First Aid	El Camino Hospital, SCVMC Ambulatory Health Education Department
	Car Seat Safety	Santa Clara County Car Seat Safety Program
Smoking Cessation	Smoker's Help-Line	English: 800.662.8887 Spanish: 800.456.6386 Vietnamese: 800.778.8440 Chinese: 800.838.8917
	Smoking Cessation Program	SCVMC Ambulatory Health Education Department Breathe California
Others:	Health Education Materials Requests	

Community Resources Integration

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

Community resources, information and contacts are made available to case managers for integration into the member care plan as needed and include programs that address the most common needs identified by our members. These include food, housing, transportation, socialization, caregiver support and respite, legal services, public services such as protective services, and specialized case management (e.g. HIV). Designated SCFHP LTSS staff manage relationships with key community providers and attend relevant community meetings to stay abreast of available resources and changes in eligibility.

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

Medication Management Therapy (MTM)

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

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

Gaps in Care

When a member's profile is searched in QNXT, automated notifications pop up that alert the reader when a member has not received a specific wellness screening. Customer Service Representatives can provide members with this information when they call in to ask a question. Members who have questions or who need assistance to schedule appointments to their PCP or require transportation assistance can be helped immediately. Gaps in Care pop-ups also serve to alert the care coordination team to include annual wellness and prevention screening elements as a members goal of care.

V. Informing Members

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

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

Indirect Member Interventions by Focus Area

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

Table 2: Indirect Member Interventions

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

Nursing Home Support and Training SCFHP has a designated staff liaison to manage relationships with all contracted nursing facilities serving a large member population. This includes conducting annual visits, monitoring quality measures, troubleshooting on issues related to authorizations, claims, notification of relevant trainings, and involvement in local shared initiatives around reducing readmissions.	2-4
Behavioral Health Services coordinates and partners with the County Behavioral Health Services Department (CBHSD), community-based organizations, and providers to facilitate patient outcomes across all settings. The coordination includes continuous education to Specialty Mental Health Clinics about the CMC population, consultation to providers and regular monthly CMC care coordination meetings.	1-4
Behavioral Health Services provides training materials to provider offices regarding SBIRT assessment and counseling.	1-4
Quality department provides intermittent training for contracted providers on appropriate wellness and preventative services (e.g. USPSTF, clinical practice guidelines) as appropriate. Clinical practice guidelines are also available to providers on the website.	1, 3
Pharmacy department performs quarterly drug use evaluations (DUEs) on various clinical areas (e.g. polypharmacy, asthma controller medication review) to look for gaps in care and contacts providers as appropriate for intervention.	1-4

VI. Population Health Delivery System Support

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

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

B) Evidence-Based Guidelines

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

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

VII. Coordination of member programs

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

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

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

VIII. Impact analysis of Population Health Management Strategy

At least annually, SCFHP conducts a comprehensive analysis of the impact of its PHM strategy that includes the following; Quantitative results for relevant clinical/cost, utilization and experience measures. Quantitative and qualitative analysis is conducted on the results. Comparison of results with established benchmarks are evaluated for evidence of program effectiveness and room for improvement. This analysis will be conducted by the Health Services Department in conjunction with IT, Member Services, Provider Services, Pharmacy Management, Quality, Process Improvement, Grievance & Appeals and LTSS to support Cal MediConnect members and promote an effective Population Health Management Strategy.

Last Update:	**Author(s):**	**Approval Date:**
May, 2019	Shawna Cagle, Manage Case Management	

	Sandra Carlson, Director Medical Management	

Santa Clara Family Health Plan™

Review of

Quality Improvement Policies

POLICY

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

I. Purpose

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

II. Policy

A. The comprehensive case management program is established to provide case management processes and procedures that helps members with multiple or complex conditions to obtain access to care and services, and the coordination of appropriate care and resources. The structure of comprehensive case management is organized to promote quality case management, client satisfaction and cost efficiency through the use of collaborative communications, evidence-based clinical guidelines and protocols, patient-centered care plans, and targeted goals and outcomes.

B. To define the fundamental components of SCFHP case management services which when appropriate for any given member, include:
   1. Initial assessment of members' health status, including condition specific issues
   2. Documentation of clinical history, including medications
   3. Initial assessment of the activities of daily living;
   4. Initial assessment of behavioral health status, including cognitive functions
   5. Initial assessment of social determinants of health
   6. Initial assessment of life-planning activities
   7. Evaluation of cultural and linguistic needs, preferences or limitations
   8. Evaluation of visual and hearing need, preferences or limitations
   9. Evaluation of caregiver resources and involvement
   10. Evaluation of available benefits
   11. Evaluation of community resources

C. Referrals to SCFHP's case management team are accepted from members or their caregivers, practitioner's or other external providers, hospital discharge planners, SCFHP internal staff (including customer service and utilization management) and/or community partners. All referrals will initially be assessed by case management staff for the appropriate level of case management support needed to coordinate care and services for medical, behavioral health and other non-medical risk factors. Successful completion of an initial assessment will determine member's placement in the most appropriate Population Health case management tier for ongoing support.

D. A Case Management referral form is available on SCFHP's public website and all completed forms and supporting documentation may be submitted directly to the Case Management department by USPS mail delivery or by secure email to: CaseManagementHelpDesk@scfhp.com. Case Management referrals may also be requested verbally thru telephonic interaction by calling SCFHP's Customer Service department at 1-877-

723-4795 (Medicare members) of 1-800-260-2055 (Medi-Cal members) and requesting case management support. All Case Management referrals will receive an initial review within 72 business hours of receipt.

E. SCFHP's 2018 Complex Case Management program description defines the process of how SCFHP coordinates services for the highest risk members with complex conditions and helps them access needed resources thru intensive and comprehensive interactions.

III. Responsibilities

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

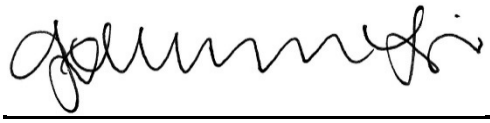
IV. References

3 Way Contract. (2017). Contract Between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services.

Cal MediConnect Continuity of Care Technical Assistance Guide (TAG). (2015, October 27). California, USA. NCQA Health Plan Accreditation Guidelines 2018 - Population Health (PHM) Element 5

DPL 17-001 and DPL 17-002

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 6/6/18	Title 6/6/18
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original 08/05/16; Reviewed 08/09/17	Quality Improvement	Approve 6/6/18	

POLICY

Policy Title:	**Transitions of Care**	**Policy No.:**	QI15
Replaces Policy Title (if applicable):	None	**Replaces Policy No. (if applicable):**	None
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

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

II. Policy

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

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

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

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

III. Responsibilities

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

Santa Clara
Family Health Plan

Policy Title:	**~~Managed~~ Long Term Services and Supports (~~M~~LTSS) Care Coordination**	**Policy No.:**	QI.16
Replaces Policy Title (if applicable):		**Replaces Policy No. (if applicable):**	
Issuing Department:	Health Services	**Policy Review Frequency:**	
Lines of Business (check all that apply):	☒ Medi-Cal	☐ Healthy Kids	☒ CMC

I. Purpose

This policy defines how SCFHP shall provide and manage Long-Term Services and Supports (LTSS) so that its members receive coordinated care across a continuum of benefits and services that includes medical, behavioral health, LTSS and community resources.

~~Santa Clara Family Health Plan (SCFHP) identifies members that are possibly at risk for institutional placement, that are currently placed in nursing facilities or those that want to move to a lower level of care.~~

The Plan promotes coordination of LTSS services with the goal of achieving optimal well-being and functionality at the least restrictive level of care most beneficial to individual members.

II. Policy

A. ~~In addition to following the Comprehensive Case Management policy,~~ SCFHP ~~the Plan~~ shall maintain an LTSS program that coordinates and monitors access, availability, and continuity ~~and coordination of care for to~~ ~~Managed~~ Long Term Services and Supports (~~M~~LTSS) for members. SCFHP, in partnership with members, providers, advocates and other community stakeholders shall support a person-driven long-term continuum of care where members with disabilities and chronic conditions have choice~~, control~~ and access to an array of quality services. LTSS shall provide an alternative to institutional placement and be available to members who meet eligibility criteria. ~~Additional procedures are specific to this form of care coordination.~~

B. SCFHP ~~The Plan~~ maintains LTSS Program procedures ~~specific to the above mentioned areas~~ as well as ~~Comprehensive~~ Case Management and Utilization Management procedures that apply ~~provide details.~~

~~The Plan defines M~~LTSS Program P~~p~~rocedures ~~to~~ include:

- ~~M~~LTSS Coordination of Services
- ~~LTSS Assessment Review~~ In-Home Supportive Services Referrals and Coordination
- Community Based Adult Services (CBAS): Eligibility/Determination and Coordination, Referrals
- Multipurpose Senior Services Program (MSSP) Referrals and Coordination ~~for Multipurpose Senior Services Program~~
- LTC Case Management and Care Transitions
- Care Plan Options and Home and Community Services (HCBS) Coordination
- ~~Individual Care Team (ICT): Specific providers required~~
- ~~Individual Care Plan (ICP): Specific requirements~~
- ~~Training: Additional needs for providers and staff~~

~~C.A.~~The Plan maintains procedures specific to the above mentioned areas as well as Comprehensive Case Management and Utilization Management procedures that provide details.

~~IV.~~III. Responsibilities

SCFHP Health Services integrates LTSS ~~collaborates~~ with internal departments ~~(IT, Claims)~~ to inform and identify members receiving or requesting LTSS ~~for MLTSS Care Coordination, and~~ to coordinate services ~~as well as contracted providers, community resources and facilities~~ and to meet the following requirements:~~.~~

a. Support coordinated care delivered by an appropriate network of providers
b. Support a comprehensive initial and annual health assessment of each member's physical, behavioral, psychosocial, functional and social support needs;
c. Support and participate in a members' Interdisciplinary Care Team (ICT), as appropriate;
d. Facilitate the development of an individual care plan in consultation with the member that identifies goals, interventions, services and benefits to be provided;

~~V.~~IV. References

~~3 Way Contract. (2014). *Contract Between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services.*~~
~~Cal MediConnect Continuity of Care Technical Assistance Guide (TAG). (2015, October 27). California, USA.~~
~~NCQA Guidelines. 2016.~~ NCQA 2019 Health Plan Accreditation Standards Population Health Management
~~87890 2016 SCFHP Model of Care~~
APL 17-012 Care Coordination Requirements for Managed Long Term Services and Supports
APL 17-013 Requirements for Health Risk Assessment of Medi-Cal Seniors and Persons with Disabilities
DPL 15-001 Interdisciplinary Care Team and Individual Care Plan Requirements for Medicare-Medicaid Plans
DPL 16-002 Continuity of Care
DPL 16-003 Discharge Planning for Cal MediConnect
DPL 17-001 Health Risk Assessment and Risk Stratification Requirements for Cal MediConnect

~~VI.~~V. Approval/Revision History

First Level Approval	Second Level Approval
Lori Andersen Signature Lori Andersen	Signature Laurie Nakahira, MD
Name Director of MLTSS	Name Chief Medical Officer
Title	Title
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1.0 v1.1	**Original** **08/05/2016;** **Reviewed** **08/08/217;** **Revised 2/13/18** **Revised 5/23/19**			

POLICY

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

I. Purpose

Santa Clara Family Health Plan (SCFHP) promotes and coordinates seamless access and availability to appropriate behavioral health providers, community services and support for members identified with behavioral/mental health and substance use needs so that member may achieve optimal health and functionality.

II. Policy

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

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

C. SCFHP defines processes for the provision of Early, Periodic Screening, Diagnostic and Treatment (EPSDT) services for members 0 to 21 years of age which includes medically necessary Behavioral Health Treatment (BHT) services with or without an Autism diagnosis and other evidence based behavioral intervention services that develop or restore functioning. SCFHP provides BHT for members who are under 21, have a recommendation from a licensed physician, surgeon or psychologist that evidence-based BHT services are medically necessary and that the member is medically stable without the need for 24 hour medical nursing monitoring. SCFHP requires Primary Care Physicians (PCP) to administer the Department of Health Services approved assessment tool as detailed in the procedure.

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

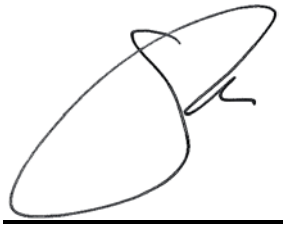
III. Responsibilities

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

IV. References

3 Way Contract. (2014). *Contract between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services.*
NCQA Guidelines 2016
WIC Sections 14182.17(d)(4) and 14186(b)
28 CCR 1300.74.72(g)(3) through (5)
DHCS All Plan Letter 18-006, Responsibilities For Behavioral Health Treatment Coverage For Members Under The Age Of 21, 03/02/2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title	Title
Date	Date

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

POLICY

Policy Title:	**Sensitive Services, Confidentiality, Rights of Adults and Minors**	**Policy No.:**	QI18
Replaces Policy Title (if applicable):	Sensitive Services, Confidentiality, Rights of Adults and Minors	**Replaces Policy No. (if applicable):**	CM036_04
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

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

II. Policy

A. Santa Clara Family Health Plan (SCFHP) allows minor children and adult members to have access to sensitive, confidential medical services without the need for prior authorization.
   1. The following services are considered confidential and sensitive services for adult and minor children aged 12 and older without parental consent:
      a. Sexually transmitted diseases
      b. Family planning
      c. Sexual assault
      d. Pregnancy testing
      e. HIV testing and counseling
      f. Abortion
      g. Drug and alcohol abuse
      h. Outpatient mental health care

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

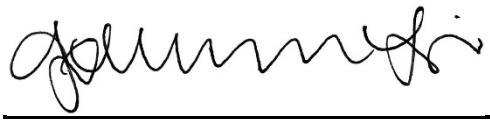
III. Responsibilities

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

IV. References

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

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 06/06/18	Title 06/06/18
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original 08/05/16 Reviewed 08/09/17	Quality Improvement	Approve: 08/09/17; 06/06/18	

POLICY

Policy Title:	**Care Coordination Staff Training**	**Policy No.:**	QI19
Replaces Policy Title (if applicable):	Long Term Support Services and Social Services Training	**Replaces Policy No. (if applicable):**	112_01
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

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

II. Policy

A. Care Coordination Staff training includes but is not limited to the following:
   1. Overview of regulatory / contractual requirements including ICP and ICT training
   2. Accessibility and accommodations; independent living
   3. Wellness principles
   4. Criteria for safe transitions, transition planning, care plans after transitioning
   5. Along with other required training as specified by DHCS—both initially and on an annual basis
   6. Dementia care management for specially designated care coordination
   7. LTSS operations including:
      a. LTSS benefits
      b. Eligibility and Service Authorization process
      c. Program limitations
      d. Referrals
      e. Interface with Case Management
      f. Overview of characteristics and needs of LTSS target population
   8. Self-direction
   9. Behavioral Health coordination
   10. Community Services
   11. Model of Care
   12. Cultural and Linguistic Services
   13. Care Plan Options
   14. Person centered planning process
   15. Home and Community Based Services

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

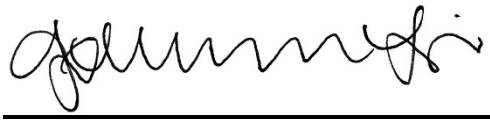
III. Responsibilities

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

IV. References

3 Way Contract. (2014). Contract between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services.
Cal MediConnect Prime Contract (§2.9.10.10.)
H7890 2016 SCFHP Model of Care

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Johanna Liu, PharmD	Signature Jeff Robertson, MD
Name Director of Quality and Pharmacy	Name Chief Medical Officer
Title 06/06/18	Title 06/06/18
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original 08/05/16; Reviewed 06/06/18	Quality Improvement	Approve: 08/09/19; 06/06/18	

POLICY

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

I. Purpose

This policy supports the agreement between San Andreas Regional Center (SARC) and the Santa Clara Family Health Plan (SCFHP) to perform care coordination and information exchange activities when Medi-Cal beneficiaries are accessing medically necessary Behavioral Health Treatment Services (BHT) without regard to diagnosis. The agreement addresses both new referrals for BHT and clients/beneficiaries receiving BHT when funding for this service is transitioning from SARC to SCFHP.

II. Policy

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

Santa Clara Family Health Plan

- SCFHP is responsible for coordination of services provided by SCFHP including primary care, and carve out services such as California Children's Services, Specialty Mental Health Services.
- SCFHP and/or its subcontracted providers and vendors shall arrange and pay for comprehensive diagnostic evaluations (CDE's) for members/clients who are suspected of needing BHT services.
- SCFHP and/or its subcontracted providers and vendors shall arrange and pay for BHT services for members who meet criteria as outlined in APL 18-006 or any revised version of these APL's.
- SCFHP shall provide client information to SARC to ensure appropriate care coordination, in compliance with all privacy laws.
- SCFHP and/or its subcontracted providers and vendors shall be available to assist, the SARC in the development of the Individual Program Plan (IPP) or Individualized Family Services Plan (IFSP) as necessary.

San Andreas Regional Center

- SARC shall provide client information, including comprehensive diagnostic evaluation(s), treatment plan(s), utilization data and assessment information to SCFHP upon receipt of appropriate release of information (ROI)
- SARC shall refer clients under age 21 who are diagnosed without regard to diagnosis for evaluation for medically necessary BHT services upon client/member request for BHT services.
- SARC shall provide case management & care coordination services related to SARC's Early Start Program clients to SCFHP for medically necessary BHT services.

- SARC shall provide case management and care coordination to eligible clients and assist those clients in maintaining an ongoing relationship with the SCFHP's assigned primary care provider when medical needs arise.
- SARC will identify a staff person to be the primary liaison to SCFHP. The liaison will meet not less than quarterly to ensure continuous communication and resolve any operational, administrative and policy complications.
- SARC will share information on community resources to SCFHP and/or its sub-contracted providers and vendors.
- SARC shall provide Targeted Case Management (TCM) services to eligible clients and their families to assure timely access to health, developmental, social, educational, and vocational services.

TCM includes, but is not limited to:

a. Coordination of health related services with SCFHP to avoid duplication of services; and
b. Provision of referrals to specialty centers and follow-up with schools, social workers and others involved in the IPP and IFSP

- SARC agrees to provide periodic training to SCFHP's staff as requested by the SCFHP concerning SARC services and requirements
- SARC shall work collaboratively with SCFHP to resolve timely access and coordination of care issues.

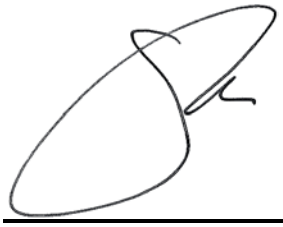
III. Responsibilities

See Memorandum of Understanding between SARC and SCFHP. Policies and Procedures to be attached. Health Services works collaboratively with plan benefits, compliance, QA , IT, plan and community providers to coordinate members' Behavioral Health Treatment services and members' Behavioral Health managed care.

IV. References

Center for Medicare & Medicaid Services approved California State Plan Amendment (SPA) 14-026
Section 1915 C waiver, CA.336 HCBS Waiver for Californians with Developmental Disabilities
DHCS All Plan Letter 18-009 Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans and Regional Centers, 03/02/2018
DHCS All Plan Letter 18-006 Responsibilities For Behavioral Health Treatment Coverage For Members Under The Age Of 21, 03/02/2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.1	Original 08/05/16; Reviewed 08/09/2017, 6/3/2019			

POLICY

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

I. Purpose

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

II. Policy

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

III. Responsibilities

1. Assessment Process

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

the member and sent to the member's primary care physician and the member's Specialty Mental Health provider for their review and changes.

2. Referrals

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

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

3. Information Exchange

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

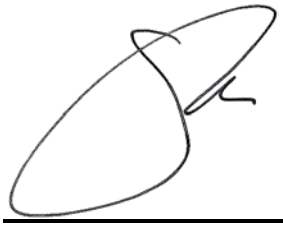
4. Care Coordination

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

IV. References

California Code of Regulations, Title 9, Division 4, Chapter 8 commencing with Section 13000
Department of Health Care Services (DHCS) Agreement 04-36069, and Amendments thereof, Exhibit A, Attachment 11, Case Management and Coordination of Care, 5. Specialty Mental Health
DHCS Agreement 04-36069, and Amendments thereof, Exhibit A, Attachment 10, Scope of Services, 7. Services for All Enrollees, D. Mental Health Services
MMCD Policy Letter 00-01
Title 9, CCR, Chapter 11, Division 1, Section (s) 1810.231; 1810.247; 1810.350; 1810.405; 1810.415; 1820.100; 1820.205; 1820.225; 1830.205; 1830.205 (b) (1); 1830.210; 1850.210 (I); 1850.505
Title 22, CCR, Chapter 3, Article 4, Section (s) 51305; 51311; 51313; 51183
Title 22, Section 51341.1, Drug Medi-Cal Substance Abuse Services; the California Health and Safety Code, Section 11752.1 (1) and the State of California Alcohol and/or Other Drug Program Certification Standards Welfare and Institutions Code Section 5600.3; and 14016.5

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.1	Original 06/06/2018; Reviewed 6/3/2019			

POLICY

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

I. Purpose

Santa Clara Family Health Plan (SCFHP) ensures that eligible members receive early screening, counseling and treatment for developmental delay or disabilities.

II. Policy

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

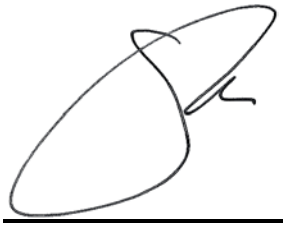
III. Responsibilities

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

IV. References

DHCS All Plan Letter 18-009 Memorandum of Understanding Requirements for Medi-Cal Managed Health Care Plans and Regional Centers, 03/02/2018

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.4	Original 06/06/2018		02/08/2017 Approve 06/06/2018 Approve	

POLICY

Policy Title:	**Alcohol Misuse: Screening and Behavioral Counseling Interventions in Primary Care**	**Policy No.:**	QI.23
Replaces Policy Title (if applicable):	Screening, Brief Intervention and Referral for Treatment for Misuse of Alcohol	**Replaces Policy No. (if applicable):**	
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☐ Medi-Cal	☐ Healthy Kids	☐ CMC

I. Purpose

Santa Clara Family Health Plan (SCFHP) primary care providers will provide Alcohol Misuse: Screening and Behavioral Counseling (AMSC) Interventions in Primary Care settings for members 18 years of age and older who misuse alcohol.

II. Policy

A. SCFHP's policy is to support the contracted network in providing an expanded alcohol screening for members 18 years of age and older who answer "yes" to the alcohol question in the Individual Health Education Behavioral Assessment (IHEBA).
B. It is the policy of SCFHP to meet the Department of Health Care Services (DHCS) expanded contractual requirements for identification of potential alcohol misuse problems.
C. Providers in SCFHP primary care settings must offer and document AMSC services are offered.
D. The SCFHP will not limit behavioral counseling interventions. Beneficiaries who meet criteria for an alcohol use disorder or whose diagnosis is uncertain, are to be referred for further evaluation to the County Gateway program at 1-800-488-9419.

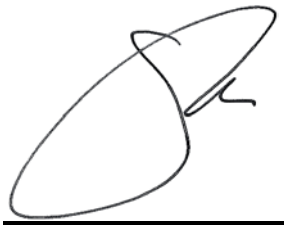
III. Responsibilities

The Quality Improvement Department is responsible for monitoring compliance with the policy and to collaborate with the assistance of the Health Education, Provider Services and Behavioral Health Departments to train/educate providers in the provision of the AMSC.

IV. References

DHCS All Plan Letter 17-016 Alcohol Misuse: Screening and Behavioral Counseling Interventions in Primary Care
Title 42 CFR Requirements with the Mental Health Parity Rule

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.1	Original 02/21/2018 Reviewed 06/03/2019	Quality Improvement		

POLICY

Policy Title:	**Outpatient Mental Health Services: Mental Health Parity**	**Policy No.:**	QI.24
Replaces Policy Title (if applicable):		**Replaces Policy No. (if applicable):**	
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☒ Healthy Kids	☒ CMC

I. Purpose

To define the contractual responsibilities of Santa Clara Family Health Plan (SCFHP) for the provision of services to adults and children with mental health disorders resulting in mild to moderate distress in the areas of mental, emotional or behavioral functioning. The responsibilities also include referring to and coordinating with the Santa Clara County Behavioral Health Services Department (CBHSD).

II. Policy

It is the policy of SCFHP to provide access to outpatient mental health services for beneficiaries who do not meet the criteria for Specialty Mental Health Services (SMHS). These mild to moderate services will be provided by licensed mental health professionals, in addition to primary care physicians within their scope of practice. The treatment limitations will not be more restrictive than the treatment limitations applied to medical or surgical benefits to ensure parity in access to mental health services. SCFHP will not restrict access to an initial mental health assessment by requiring a prior authorization. SCFHP will be responsible for the arrangement and payment of an initial mental health assessment performed by a network mental health provider unless there is no in-network provider available who can provide the necessary service.

III. Responsibilities

SCFHP will ensure that authorization determinations are based on medical necessity in a manner which is consistent with current evidence-based clinical practice guidelines.

These policies and procedures will be consistently applied to medical/surgical, mental health and substance use disorders.

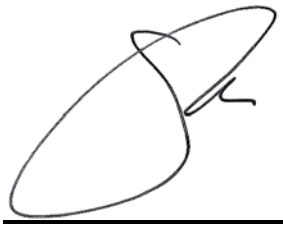
SCFHP will be responsible for outpatient mental health services as follows:

1. Individual and group mental health evaluation and treatment
2. Psychological testing, when clinically indicated to evaluate a mental health condition;
3. Outpatient services for the purposes of monitoring drug therapy;
4. Outpatient laboratory, drugs, supplies and supplements (excluding carded out medications)
5. Psychiatric consultation

IV. References

DHCS All Plan Letter 17-018 Medi-Cal Managed Care Health Plan Responsibilities For Outpatient Mental Health Services, 10/27/2017
Mental Health Parity Final Rule (CMS-2333-F)
Title42, CFR 438.915 (a) (b)
CA Health and Safety Code 1367.01

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Jeff Robertson, MD	Signature Laurie Nakahira, MD
Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v.1	Original 02/21/2018 Reviewed 06/03/2019	Quality Improvement	02/21/2018 Approve	

POLICY

Policy Title:	**Intensive Outpatient Palliative Care**	**Policy No.:**	QI25
Replaces Policy Title (if applicable):	None	**Replaces Policy No. (if applicable):**	None
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal	☐ Healthy Kids	☐ CMC

I. Purpose

To promote access to appropriate and effective symptom management and palliative care in accordance with Final Draft All Plan Letter (APL) 17-015 and Senate Bill (SB) 1004, with the intent that members facing serious illness may achieve optimal quality of life.

II. Policy

A. The Intensive Outpatient Palliative Care (IOPC) program is established to provide processes and procedures that enable SCFHP to improve the health and health care of its members with palliative care needs

B. To define the fundamental components of SCFHP palliative care services, which include: Advance Care Planning; Palliative Care Assessment and Consultation; Plan of Care; Palliative Care Team; Care Coordination; Pain and Symptom Management; and Mental Health and Medical Social Services. The structure of the IOPC program is organized to promote quality palliative care, client satisfaction and cost efficiency through the use of collaborative patient-centered palliative care services, evidence-based guidelines and protocols, and targeted goals and outcomes.

C. SCFHP defines the process of how the plan coordinates palliative care services for members with serious illness and helps them access needed resources and care.

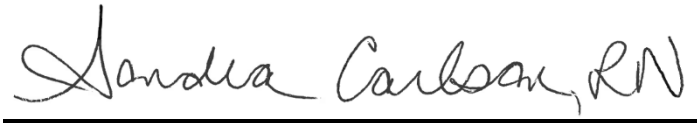
III. Responsibilities

A. Health Services collaborates with other SCFHP departments (IT, Claims, Benefits, Provider Services, and Member Services) as well as contracted IOPC providers and member providers and delegates to identify, coordinate services, coordinate benefits, and provide eligible members with IOPC palliative care services.

IV. References

California Welfare and Institutions Code (WIC) Section 14132.75
Final Draft APL 17-015, October 2017

V. Approval/Revision History

First Level Approval	Second Level Approval
	
Signature Sandra Carlson, RN	Signature Jeff Robertson, MD
Name Director of Medical Management	Name Chief Medical Officer
Title 2/21/18	Title 2/21/18
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original			

POLICY

Policy Title:	**Informing Members of Behavioral Health Services**	**Policy No.:**	QI.27
Replaces Policy Title (if applicable):		**Replaces Policy No. (if applicable):**	
Issuing Department:	Health Services	**Policy Review Frequency:**	Annually
Lines of Business (check all that apply):	☒ Medi-Cal ☐ Healthy Kids		☒ CMC

I. Purpose

The purpose of this policy is to address how members are informed of their eligibility for services through the Santa Clara Family Health Plan (SCFHP), the Santa Clara County Behavioral Health Services Department and under the Behavioral Health (BH) Department. The information to the members includes:

A. Member eligibility to participate in the BH programs
B. How to use BH program services
C. How to opt in or out of BH program services

II. Policy

It is the policy of the SCFHP, specifically, the BH Department to offer services to those Cal Medi Connect (CMC) members who are diagnosed with a Severe Mental Illness (SMI) and/or Substance Use Disorder (SUD). Services include care coordination to ensure that the members receive the specialty mental health, substance use treatment, physical health and other psycho-social services they need to be able to live in the least restrictive environment possible and to be as healthy as possible. In addition, the BH Department will provide consultation and support to the other departments and the community to assist all those members with a behavioral health diagnosis and/ or substance use disorder to access needed services.

A. Eligible members will be identified through claims, referrals from community providers, and referrals from other departments, from the Health Risk Assessment (HRA) or through self-referral. In addition, through data-sharing agreements and MOUs, the County Behavioral Health Services Department will provide information to the SCFHP BH Department to identify the members who are eligible for Specialty Mental Health Services.
    1. Behavioral Health program services will be initiated through outreach to the member, completion of the HRA and care plan and care coordination to assist the member to meet their own goals.
    2. The BH Social Worker or Personal Care Coordinator (PCC) will explain to the member that the County Behavioral Health Services Department will provide a screening through their Call Center to determine if the member is qualified for Specialty Mental Health.
    3. The member receives information from the BH Social Worker or PCC that if the member is not eligible for Specialty Mental Health services, then the SCFHP will assist with providing services such as counseling and care coordination.
    4. The information regarding BH services is also provided on the SCFHP website www.SCFHP.com

5. Information on how to reach the County Call Center is provided on the member identification card.
6. Members may participate in the BH program as they would any of the SCFHP programs. The member may opt out of any part of the case management program including the HRA and care plan or ICP.

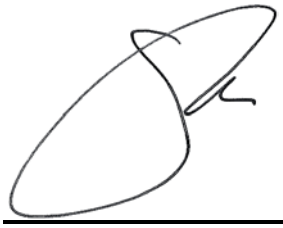
III. Responsibilities

Behavioral Health Services Department has the primary responsibility for carrying out the policy requirements. Case management and the Customer Services Department may be responsible for referring members into BH services.

IV. References

DPL # 14-003 CROSSOVER CLAIMING RESPONSIBILITY FOR MENTAL HEALTH SERVICES PROVIDED TO CAL MEDICONNECT BENEFICIARIES

V. Approval/Revision History

First Level Approval	Second Level Approval
	
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Name Medical Director	Name Chief Medical Officer
Title June 3, 2019	Title June 3, 2019
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v.1	Original 11/08/2018 Reviewed 06/03/2019			

QUALITY IMPROVEMENT
COMMITTEE or ACTIVITY REPORT

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

Credentialing Committee April 3, 2019

Areas of Review or Committee Activity

Credentialing of new applicants and recredentialing of existing network practitioners

Findings and Analysis

Initial Credentialing (excludes delegated practitioners)		
Number initial practitioners credentialed	6	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
Recredentialing		
Number practitioners due to be recredentialed	14	
Number practitioners recredentialed within 36-month timeline	14	
% recredentialed timely	100%	100%
Number of Quality of Care issues requiring mid-cycle consideration	0	
Percentage of all practitioners reviewed for ongoing sanctions or licensure limitations or issues	100%	100%
Terminated/Rejected/Suspended/Denied		
Existing practitioners terminated with cause	0	
New practitioners denied for cause	0	
Number of Fair Hearings	0	
Number of B&P Code 805 filings	0	
Total number of practitioners in network (excludes delegated providers) as of 03/31/2019	263	

(For Quality of Care ONLY)	**Stanford**	**LPCH**	**NT 20**	**NT 40**	**NT 50**	**NT 60**
Total # of Suspension	0	0	0	0	0	0
Total # of Terminations	0	0	0	0	0	0
Total # of Resignations	0	0	0	0	0	0
Total # of practitioners	1498	1326	719	771	411	118

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

Actions Taken

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

Outcomes & Re-measurement

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

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

Regular Meeting of the
Santa Clara County Health Authority d.b.a. Santa Clara Family Health Plan
OPEN SESSION - **Pharmacy & Therapeutics Committee**
Thursday, March 21, 2019
6:00 PM - 8:00 PM
6201 San Ignacio Avenue San Jose, CA 95119

MINUTES

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

Non-Voting Committee Members	Specialty	Present (Y or N)
Lily Boris, MD	SCFHP Medical Director	N
Nancy Aguirre	SCFHP Administrative Assistant	N
Dang Huynh, PharmD	SCFHP Pharmacy Manager	Y
Tami Otomo, PharmD	SCFHP Clinical Pharmacist	Y
Duyen Nguyen, PharmD	SCFHP Clinical Pharmacist	Y
Amy McCarty, PharmD	MedImpact Clinical Program Manager	Y
Tiffanie Pham, CPhT	SCFHP Pharmacy Coordinator	Y

	Topic and Discussion	Follow-Up Action
1	**Introductions**	
	The meeting convened at 6:08 PM. Dr. Liu commented to let the minutes reflect that Dr. Robertson is no longer a member of the P&T Committee.	
2	**Public Comment**	
	No public comment.	

3	**Past Meeting Minutes**	
	At the scheduled time for this part of the agenda, quorum was not reached. This item was pended until quorum was reached. Quorum was reached at 6:20. The SCFHP 4Q2018 P&T Minutes from December 13, 2018 were reviewed by the Committee as submitted. Requested corrections to the minutes: - Under Voting Committee Members, Laurie Nakahira's title should be DO	Upon motion duly made and seconded, the SCFHP 4Q2018 P&T Minutes from December 13, 2018 were approved as corrected and will be forwarded to the QI Committee and Board of Directors.
4	**Standing Agenda Items**	
	CMO Health Plan Updates Dr. Nakahira shared that SCFHP reached a milestone by receiving NCQA accreditation for three years. SCFHP is currently in the middle of DHCS and DMHC audits. The Facility Site Reviews (FSR) are scheduled for the end of April.	
	SCFHP/DHCS Global DUR Dr. Otomo presented updates on the plan's global drug utilization review (DUR) programs: 1. Morphine equivalency initiative a. Finance department is still working on applying inclusion and exclusion criteria to identify members for this program 2. Anticholinergic initiative a. After inclusion and exclusion criteria were applied, two members were identified. Although the report write up states that the plan will mail educational outreach letter and response form to impacted providers, the plan will be amending this to instead forwarding these members to Case Management for provider and member outreach.	
	Opioid Utilization Monitoring Dr. Otomo presented the current opioid monitoring in place for Cal MediConnect: 1. CMS Opioid Overutilization Monitoring System Reports 2. SCFHP Opioid Clinical Program 3. Point-of-Sale Safety Edits For the Medi-Cal line of business, the H.R.6 Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT)	

	for Patients and Communities Act requires plans to implement the following point-of-sale safety edits by October 1, 2019: 1. Opioid cumulative dosing edit(s) 2. Opioid-benzodiazepine concurrent use edit 3. Opioid-antipsychotic concurrent use edit SCFHP is working with MedImpact to meet this implementation deadline. The SUPPORT Act also expects plans to monitor antipsychotic prescribing for children.	
	Annual Pharmacy Policy Review Dr. Liu presented the following pharmacy policies for annual review. There were no changes made. 1. PH01 Pharmacy and Therapeutics Committee 2. PH02 Formulary Development and Guideline Management 3. PH03 Prior Authorization 4. PH04 Pharmacy Clinical Programs and Quality Monitoring 5. PH05 Continuity of Care for Pharmacy Services 6. PH06 Pharmacy Communications 7. PH07 Drug Recalls 8. PH08 Pain Management Drugs for Terminally Ill 9. PH09 Medications for Members with Behavioral Health Conditions 10. PH11 340B Program Compliance 11. PH14 Medications for Cancer Clinical Trial	Upon motion duly made and seconded, the pharmacy policies were approved for annual review as presented.
	Adjourn to Closed Session Committee adjourned to closed session at 6:27 PM.	
5	**Metrics & Financial Updates**	
6	**Discussion and Recommendations for changes to SCFHP Cal MediConnect Formulary & Prior Authorization Criteria**	
7	**Discussion and Recommendations for Changes to SCFHP Medi-Cal & Healthy Kids Formulary & Prior Authorization Criteria**	
8	**Discussion and Recommendations for Changes to SCFHP Medical Benefit Drug Prior Authorization Grid for SCFHP CMC, Medi-Cal, & Healthy Kids**	
9	**New Drugs and Class Reviews**	
	Reconvene in Open Session Committee reconvened to open session at 7:52 PM.	
10	**Discussion Items**	
	Update on New Drugs and Generic Pipeline	

	Dr. McCarty presented the new drugs and generic pipeline. High impact-interest agent pipeline: Cablivi, esketamine, and a drug to treat peanut allergy were a few notable drugs, as well as a lot of drugs to treat multiple sclerosis. Generic pipeline: Impactful generics (for Ventolin HFA, ProAir HFA, Advair Diskus) in the asthma/COPD class were released in January. Generic for Lyrica is scheduled to be released in July.	
11	**Adjournment at 7:57 PM**	

_____ _____

Jimmy Lin, MD
Chair of P&T Committee

Date

MINUTES

Utilization Management Committee Meeting

April, 17, 2019, 6:30-8:00 PM

Santa Clara Family Health Plan, Redwood

6201 San Ignacio Ave, San Jose, CA 95119

Committee Members Present:
Jimmy Lin, MD, Chairperson, Internal Medicine
Indira Vemuri, Pediatric Specialist
Dung Van Cai, MD, OB/GYM Specialist
Habib Tobbagi, MD, PCP, Nephrology Specialist
Ali Alkoraishi, MD, Psychiatry Specialist

Non-Committee Members Present:
Christine Tomcala, CEO
Lily Boris, MD, Medical Director
Luis Perez, Medical Management UM Supervisor
Sandra Carlson, Director of Medical Management
Natalie McKelvey, Manager of Behavorial Health
Nancy Aguirre, Administrative Assistant

1. **Introduction**
   a. Dr. Lin called the meeting to order at 6:35pm.

2. **Meeting Minutes**
   a. The minutes of the January 16, 2019 Utilization Management Committee meeting and the March 13, 2019 Ad Hoc Utilization Management Committee meeting were reviewed.
   Action: Motion to approve by Dr. Lin. Seconded by Dr. Van Cai. All in favor. Motion passed.

3. **Public Comment**
   a. No public comment.

4. **CEO Update**
   Ms. Tomcala, CEO, shared the following updates:

   The state is now interested in carving out pharmacy for Managed Care, as a fee-for-service at a state-wide level.

   The new Govener has set a new proposal. The new HEDIS quality score needs to reflect a performance of of at least within the 50th percentile within the country, The previous requirement was within the 25th percentile. This new proposal has been put into affect retrospectively, since January 2019.
   a. Dr. Tobbaggi asked what the current measure is and how far SCFHP is from reaching the 50th percentile minimum requirement.
   b. Ms. Tomcala added this is the performance expectation, not necessarily SCFHP's scores.

c. Dr. Boris offered to present HEDIS measures, reflecting which measures need improvement in the next UM meeting on 07/17/19.
d. Dr. Vemuri suggested visits from a SCFHP representative would be helpful in showing providers how to meet quality expectations.
e. Ms. Tomcala added SCFHP is identifying the gaps in care and sharing findings with providers electronically in addition to IPA's. SCFHP is also implementing new incentive programs from a member perspective. Ms. Tomcala stated SCFHP welcome any ideas and suggestions on different approaches that may be effective.

NCQA Survey: SCFHP has achieved the three year NCQA accreditation for their Cal-Medi Connect line of business. Kudos to Dr. Liu, the Quality team, and the whole organization for their efforts.

O'Connor Hospital and St. Louise Regional acquisition: Both hospitals have now been acquired by the County.

Regional Medical Center: SCFHP has signed a contract, and we are now officially contracted for all product lines.

This concludes Ms. Tomcala's update.

5. CMO Update

Dr. Boris, Medical Director, presented the following updates on behalf of Dr. Nakahira, CMO:

SCFHP reached a three year accredidation for NCQA for Cal MediConnect line of business.

DMHC and DHCS audits: DMHC and DHCS were onsite for two weeks in March. DMHC does not leave behind a report when their audit is completed. DHCS conducts an exit conference before they leave, though their finding at that point are not necessarily final.

CMS Validation Audit: Confirmation the lookback period will be May 1st through July 31st, 2019. This will be our next audit.

This condludes Dr. Boris' update.

6. Old Business/Follow Up Items

Dr. Boris, Medical Director, presented the following updates for old business and follow up items:

Autism Data: This item was missed and not placed on the agenda. We will carry it forward to the next UMC meeting on July 17, 2019. This will include how many children SCFHP services, what services are being provided, including Behavioral Health services.

7. Action Items

a. **UM Program Evaluation**

Presented by Dr. Boris. The UM Program Evaluation is part of the requirements of the state, as well as NCQA. It is divided into Quality of Clinical Care and Quality of Service.

i. SCFHP successfully reviewed all the benchmarks as they are reviewed quarterly.
ii. Completed quality of services related issues such as denials and prior authorizations.
iii. Completed interrater reliability training biannually.
iv. Review program description and program evaluation annually and review metrics based on benchmarks.

Dr. Boris asked Dr. Lin if the committee would like to review all three Action Items before voting, or vote on the Action Items one by one. Dr. Lin asked to review all three first, then cast a vote.

Dr. Boris continued to present the following Action Items:

b. **Annual Review of UM Work Plan**
The UM Work Plan reflects requirements SCFHP promises to achieve by next year. Requirements are divided by quarter. Dr. Boris highlighted item #16 in the UM Work Plan: Monitor member and provider experience with Utilization Management process through survey. This is an annual NCQA requirement. SCFHP will be conducting a member and provider satisfaction survey, specific to the Utilization Management process.

Dr. Boris introduced Mr. Perez as the Supervisor of Utilization Management.

c. **Care Coordinator Guidelines**
Mr. Perez presented the Care Coordinator Guidelines.

There has been a change made to VHP's Document of Financial Responsibility (DOFR), specific to skilled level of care, effective January 1st, 2019.

i. Section C, Point 1: VHP Long term custodial care service became the financial responsibility of SCFHP on the first day of the month following admission, if VHP submits the enrollee reassignment request to SCFHP before that day.
ii. Bed holds: Change due to VHP's DOFR change. Under Section C, VHP will be responsible for bed holds at the time the member is delegated to them.
iii. Hospice Room and Board, non contracted providers. Under Section C, VHP fully delegated for hospice services.
iv. Non Emergency Medical Transportation. Under Section 1, SCFHP removed all, as Kaiser is now fully delegated to the non-emergency medical transportation.
v. Behavioral Health: Updated the new APL, 18-006.
    a. No longer need office of diagnoses for BHT.

Action: Dr. Lin motioned to approve Action Items A, B, and C. It was moved and seconded to approve the Action Items A, B, and C. The motion carried.

8. Reports (MediCal/SPD, Healthy Kids)

a. **Membership**
Dr. Boris presented membership reports reviewed in April, 2019.

Total 250,778 members. Of those, 239K are Medi-Cal members. About 119K of which are within the Valley Health Plan Network,. Healthy Kids population has remained stable at around 3,400. The growth in Cal MediConnect is about 5% increase, reflecting a total of 7,869 members.

b. **UM Reports 2019**
Mr. Perez presented the UM Reports for 2019.

IRR Testing: April 8th, 2019, SCFHP's UM department conducted their first IRR testing. 100% of staff participated and passed with above 80% efficiency.

Ms. Carlson, Director of Medical Management, explained the IRRs are a requirement enforced by regulators to ensure anyone who has clinical decision making capacity are applying guidelines and/or the regulations similarly, for consistency in criteria.

Ms. McKelvey, Manager of Behavorial Health, reported there are four staff members that completed the IRR in Behavioral Health. All passed at 100%.

i. **Dashboard Metrics: Turn Around Time (Cal MediConnect/Medi-Cal)**
Mr. Perez reported we received 100% for standard timely decisions made within 14 calendar days for March 2019. For expedited timely decisions made, 97.8% reported. For urgent concurrent timely decisions made, 71.4%. Organization determinations, 100%.

Dr. Boris explained based on the findings from last year, SCFHP needs to obtain 100% compliance. As of now, SCFHP will be doing daily audits of all authorizations to ensure letters are being mailed out, determinations are being made within a timely fashion, and the language in the denial letters are correct.

Ms. McKelvey reported 100% for Behaviorl Health timely decisions made within 14 calendar days for Cal MediConnect.

Dr. Tobaggi asked why the requirement is 100%.

Dr. Boris explained SCFHP is funded by a combination of state and federal funds. There are a set of regulations set by DMCS for managed healthcare organizations, in which all healthcare plans have to perform at a specific level. These are outlined in regulations, then passed on to all health plans that provide managed care services. A platform is needed to compare healthplans, to ensure members receiving benefits are receiving services in a timely fashion.

Dr. Tobaggi and Dr. Vermuri expressed frustrations in reaching hurdles when referring patients for specialty services, as provider availability is limited. Ms. Carlson encouraged and offered her direct assistance in addition to SCFHP's Customer Service representatives available to help guide patients to in-network specialty services/providers.

iii. **Standard Utilization: Metrics Powerpoint**
Reviewed by Dr. Boris. Roughly about 700 case management patients. 125 of those are Complex Case Management patients. SPD population has remained at around 22%. CMC nicely flattened around 23%.

c. **MLTSS Dashboard**
The MLTSS Dashboard was reviewed during the Dashboard Metrics.

d. **HS.04.01 Reporting Quality Monitoring of Plan Auths, Denials, etc. (QI 19)**
Presented by Dr. Boris.

On a quarterly basis, SCFHP reviews about 30 auths in Cal MediConnect and Medi-Cal. We look at the turn around time, the quality, the timeliness, whether a physician or pharmacists reviewed it, and whether we met expedited or standard timeframes.

e. **Referral Tracking Quarterly Report**
Dr. Boris presented the Referral Tracking Quarterly Report. This report is reviewed on a quarterly basis, looking back at 3 months. About 50-60% of auths matched the paid claim.

f. **Nurse Advice Line Stats**
Ms. Carlson presented the Nurse Advice Line Stats.

For the 3 month period of Q1, there were a total of 1,804 Medi-Cal calls across all networks to the nurse advice line. Of those calls, 53 received the disposition to call 911 immediately.

For Healthy Kids, there were a total of 48 calls, one of which received the disposition to call 911 immediately.

For Cal MediConnect members, there were a total of 160 calls, 11 of which received the disposition to call 911 immediately.

Our Case Management team reviews each and every one of these calls for a follow up.

Nurse Advice line is offered in 5 language threshholds.

9. Behavioral Health UM Reports
Presented by Ms. McKelvey.

a. **Turn Around Time/Dashboard Metrics**
The health plan is responsible for mild to moderate referrals. The county provides services for specialty mental health. The call center will refer those members to BHT. BHT then coordinates their services to therapists as well as mild to moderate psychiatrists. This year, BHT has had 39 referrals for all lines of business.

b. **Stats on Autism (ABA Services & Other BHT)**
The county provides services for specialty mental health. We have 33 new BHT referrals this quarter. This excludes VHP and Kaiser as they delegate their own services for BHT for mild to moderate.

Ms. McKelvey will prepare information about autism services and other BHT services available for the next UMC meeting, July 17, 2019.

10. Adjournment
The meeting adjourned at 7:55pm.

The next meeting is scheduled for Wednesday, July 17th, 2019.

_____ _____
Jimmy Lin, MD, Chairperson, Internal Medicine Date

MINUTES

For a Regular Meeting of the

SANTA CLARA COUNTY HEALTH AUTHORITY

PROVIDER ADVISORY COUNCIL (PAC)

Wednesday, May 8, 2019, 12:15 – 1:45 PM
Santa Clara Family Health Plan
Boardroom
6201 San Ignacio Ave, San Jose, CA 95119

COMMITTEE MEMBERS PRESENT
Bridget Harrison, MD
Chung Vu, MD
Clara Adams, LCSW
David Mineta
Jimmy Lin, MD
Peter Nguyen, MD
Sherri Sager
Thad Padua, MD, Chair

COMMITTEE MEMBERS ABSENT
Meg Tabaka, M.D., Resident
Dolly Goel, MD

STAFF PRESENT:
Christine Tomcala, CEO
Laurie Nakahira, DO, CMO
Jeff Robertson, MD, Medical Director
Chris Turner, COO
Johanna Liu, Director, Quality & Process Improvement
Dang Huynh, Director, RX Department

OTHERS PRESENT:
Hien Truong, MD
Kelsey Kaku
Robyn Esparza, Admin Asst
Jayne Giangreco, Admin Asst
Amy O'Brien, Administrative Manager

1. **ROLL CALL/ESTABLISH QUORUM**
   Thad Padua, MD, Chair, called the meeting to order at 12:25 pm.
   - Roll call was taken and a quorum was established at 12:30.
   - Introduction of new Council members:
     ✓ Dr. Hien Truong, MD, was introduced as Dr. Chung Vu's successor as President at Premier Care.

2. **MEETING MINUTES (ATTACHMENT 🗐S)**
   The previous minutes from May 8, 2019 were reviewed
   - May 8, 2019 minutes were approved as revised.

3. **PUBLIC COMMENT**
   - There were no public comments.

4. CHIEF EXECUTIVE OFFICER UPDATE (ATTACHMENT 🗐)

Christine Tomcala, CEO, presented the April 2019 Membership Summary (Copy Attached Herein), noting no dramatic changes in the current enrollment (251,000):

- Healthy Kids: 3,465 (1%)
- Cal MediConnect: 7,869 (3%)
- Medi-Cal: 239,444 (96%)

  Total: 250,778 (100%)

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

- Pediatrics: 97,299 (41%)
- Adults: 142,145 (59%)

  Total: 239,998 (100%)

The following current event was noted:

- **NCQA SURVEY:**

  Ms. Tomcala announced that SCFHP received NCQA 3-year accreditation for the Cal Medi-Connect product line. She offered compliments to the whole team, in particular to Ms. Johanna Liu and her team for leading the survey effort.

  - No action required. Informational only.

- **PROP 56 PAYMENTS:**

  Ms. Tomcala reminded the Council of Prop 56 payments, noting there are CPT codes that are eligible for supplemental funding from the State. If providers provide those services they receive additional reimbursement through the Prop 56 payment process. She noted if not all the money allocated is used to pay providers then the money must be given back to the State.

  One of the Prop 56 services is Developmental Screening. In addition to the fee for service reimbursement, there is an additional $59.90 of Prop 56 funding available for this service.

  Council member inquired about the specific codes so he can inform his medical group. Per Ms. Chris Turner, COO, the specific codes were included in communication at JOCs, as well as a provider memo regarding Prop 56 She expanded, noting the original list of codes for 2017, was expanded for fiscal year 2018 to include an additional eight (8) codes and is expanding again for the next fiscal year to focus on value based services which will be aligned with the health plan's HEDIS measures. Payments are being sent out on a quarterly basis.

  Per Ms. Tomcala, the new version of Prop 56 starting in July is a combination of Prop 56 and Federal Funding 50-50, which increases the available funding.

  Per Ms. Turner, payments are dependent on having accurate information about provider NPIs. The health plan has been working with some of our IPAs to do a reconciliation of the NPIs on file to make sure we our capturing accurate NPIs.

  - No action required. Informational only. However, the Provider Network Management department would be happy to share more information if needed regarding Prop 56.

- **NEW GOVERNOR'S HEALTHCARE AGENDA**

  Ms. Tomcala touched base on the new governor's healthcare agenda which is very focused on quality and, in particular, how it relates to children. The governor is increasing expectations of health plans around quality. Health plans will be rated on quality measures and are expected to perform at or above the 50th percentile, nationally for HEDIS measures. Historically, minimum performance levels were at the 25th percentile of California Medi-Cal plans. If we are not performing at least at the 50th percentile, there will be immediate civil monetary penalties and will measure performance as of January 2019. Based on this, SCFHP is emphasizing quality programs, which has been one of our two critical priorities for in the past few years. SCFHP is working to increase resources so Ms. Johanna Liu can lead this effort across our organization and in collaboration with our providers.

Council member stressed frustration related to HCC (Hierarchical Condition Categories) for Cal MediConnect documentation and not being incentivized. Per Ms. Tomcala, she is not sure what other plans are doing but as a health plan, we cannot incentivize providers to increase their HCC's. It was noted that council member is suggesting that providers need to be educated and incentivized to code properly because. Ms. Turner noted an invitation was sent to providers for training related to best practices for HCC coding that was held on May 6, 2019.

Dr. Padua, Chair, stressed he would like to see feedback by way of report cards. Dr. Laurie Nakahira, CMO, stated the plan is currently working on a plan to improve reporting especially since we are focusing on HEDIS scores.

- No action required. Informational only.

5. PAC MEMBERSHIP

Due to time constraints, there was no actual discussion. Please note the following for the record:

Notification of member resignation.

- Kingston Lum
- Chung Vu, MD

- No action required. Informational only.

6. DURABLE MEDICAL EQUIPMENT (ATTACHMENT 🗐)

Ms. Chris Turner, COO, briefed the Council of the provider memorandum regarding Changes to DME & Medical Supplies (Copy Attached Herein), which was sent via fax on April 5, 2019. CHME is no longer a preferred vendor due to service issues. Providers may now refer to any of our contracted DME providers

- No action required. Informational only.

7. QUALITY (ATTACHMENT 🗐)

Ms. Johanna Liu gave a presentation on DHCS Advancements in Monitoring Quality 2019 (Copy Attached Herein), which touched on Monitoring Quality in Managed Care, Health Plan Impact, and SCFHP's Quality Program Enhancements.

- No action required. Informational only.

8. PHARMACY (ATTACHMENT 🗐)

Dang Huynh, PharmD, Director of Pharmacy, presented drug utilization reports on the Top 10 Drugs by Total Cost and Top 10 Drugs by Prior Authorization for the date range January 1, 2019 – March 31, 2019 (Copy Attached Herein).

- No action required. Informational only.

9. AUGUST MEETING

The Council was reminded that the August PAC meeting will take place on August 7th, the first Wednesday of the month, rather than the standing second Wednesday of the month, due to a scheduling conflict.

- No action required. Informational only.

10. DISCUSSION / RECOMMENDATIONS

Dr. Padua recommended that we add old business and follow ups as a standing agenda item.

- SCFHP is reviewing all agendas to standardize the process and will take this recommendation back for future updates.

11. ADJOURNMENT

It was moved, seconded and approved to adjourn the meeting at 1:50pm.

_____ _____

Dr. Thad Padua, Committee Chairman Date

MINUTES – Draft

For a Regular Meeting of the

Santa Clara County Health Authority
Consumer Advisory Committee

Tuesday, June 11, 2019, 6:00-7:00 PM
Santa Clara Family Health Plan, Redwood Conference Room
6201 San Ignacio Ave, San Jose, CA 95119

Committee Members Present
Blanca Ezquerro
Rachel Hart
Rebecca Everett
Tran Vu
Maria Cristela Trejo Ramirez

Committee Members Absent
Brenda Taussig
Danette Zuniga
Evangeline P. Sangalang
Myrna Vega
Vu Nguyen

Staff Present
Chris Turner, Chief Operating Officer
Laurie Nakahira, Chief Medical Officer
Laura Watkins, Vice President, Marketing & Enrollment
Chelsea Byom, Director, Marketing & Communications
Divya Shah, Health Educator
Stephanie Lin, Marketing Coordinator

1. **Roll Call/Establish Quorum**
   Laura Watkins, Vice President, Marketing & Enrollment, called the meeting to order at 6:05 PM.

2. **Public Comment**
   There were no public comments.

3. **Review and Approval of March 12, 2019 Meeting Minutes**
   Ms. Ezquerro moved and Ms. Everett seconded the motion to approve the minutes from the meeting held on March 12, 2019. The motion passed unanimously.

4. **Health Plan Update**
   Ms. Watkins presented the enrollment update: As of June 1, Medi-Cal enrollment is 237,697; Cal MediConnect is 8,022; Healthy Kids is 3,486, for a total enrollment of 249,205 members. The decrease in total enrollment comes from Medi-Cal. The significant increase in Cal MediConnect can be attributed to SCFHP's outreach activities.

   Ms. Watkins shared organizational updates. With the Governor's Budget and its focus on quality, SCFHP has a number of new performance measures from DHCS and a change to the minimum performance level that is required of all health plans in the state. The state requires all health plans to perform at least as well

as 50% of Medicaid plans in US. This change will be the focus of SCFHP's initiatives in the upcoming year. Sanctions for not meeting the measures go into effect January 1st, 2019.

Ms. Watkins reported that the Health Homes Program is launching on July 1st. The program offers members with multiple chronic conditions additional assistance to maintain and improve their health. Mailings to eligible members will begin next week. Ms. Ezquerro asked whether there are requirements for eligibility. Dr. Nakahira responded that the state provides the eligibility list to SCFHP. SCFHP can also evaluate members that may be eligible for the program. Ms. Watkins added that the program communications will be targeting up to 10,000 members who potentially meet the eligibility criteria.

Mr. Vu asked how the performance measures are defined. Dr. Nakahira explained the state picks the measures it wants to see improvement on. SCFHP will find out its performance ranking by end of August. Dr. Nakahira emphasized that the Governor increased the number of measures from 19 to 39 for Medi-Cal.

Ms. Watkins shared that the Santa Clara Valley Health & Hospital System purchase of O'Connor and St. Louise Hospitals was approved and completed. SCFHP is also now contracted with Regional Medical Center. Ms. Turner added that the contract with Regional may help alleviate balance billing issues SCFHP members had experienced in the past.

Ms. Watkins announced members can now choose to receive necessary durable medical equipment (DME) from any of our contracted vendors. Members were previously directed to CHME for all DME requests. SCFHP is working with members who want to transition to another DME vendor.

5. Healthy Kids CCHIP Transition

Ms. Watkins shared updates on the Healthy Kids CCHIP Transition. Under the Governor's budget, the Healthy Kids members enrolled through CCHIP will be moved into the Medi-Cal program by October 1st (targeted transition date). Health and vision insurance will not change, and dental insurance will be moved to Medi-Cal Dental (aka Denti-Cal). Premium invoicing and collection will be managed by the state. Once CCHIP members transition to Medi-Cal, they will have plan choice, as well as transportation and EPSDT benefits. Ms. Ezquerro asked whether the premium amount is changing. Ms. Watkins confirmed premium will not change, and copays will be eliminated. SCFHP is currently working with DHCS on upcoming communications for currently enrolled and newly eligible beneficiaries. A CCHIP Program Administrator toll free phone number will be on all notices to answer any questions from beneficiaries. Ms. Ezquerro asked whether the enrollment process will be the same. Ms. Watkins confirmed the enrollment process will not change.

As of June 1st, SCFHP has three Healthy Kids members who are not enrolled through CCHIP. SCFHP is currently discussing internally the future of the Healthy Kids plan. Ms. Everett asked whether the poverty level will be the same. Ms. Watkins confirmed yes.

6. Wellness Rewards Program

Ms. Byom presented a draft of the Wellness Rewards Program. All SCFHP Medi-Cal members, except Kaiser members, can receive rewards for completing select routine health exams. The program will run until December 31st, but is expected to be renewed every year. To get the rewards, the member needs to schedule an appointment with the doctor, complete one of the eligible exam/screenings by 12/31/19, then choose a gift card when eligible. Ms. Byom asked the Committee for feedback on the program name. Ms. Hart responded that the name is very self-explanatory.

The communication campaign for the Wellness Rewards Program will include letters, website, social media, newsletter, brochure, and member portal. A draft of the website landing page was presented to the Committee for feedback. Ms. Ezquerro asked whether members have to inform their doctors regarding the rewards program when they book their appointments. Ms. Byom responded that the process should be

seamless – the doctor provides the care, bills the code, then the member will be eligible to get the gift card. Ms. Shah added that a provider memo and clinic visits are in progress, to ensure providers are aware of the programs that are launching. Mr. Vu asked whether the gift cards can be chosen at the clinic when the exams are given. Ms. Watkins confirmed no and explained that the gift card information will be mailed to the member with a phone number and a web address where the member can choose their own gift cards after data is received from the provider. Ms. Ezquerro asked if there will be digital gift cards. Ms. Watkins said the team will confirm with the vendor. Mr. Vu asked why there is potentially a 3-month period from when services are received to when a member can select a gift card. Dr. Nakahira clarified that we will be using provider billing data to verify that a member has received a service, instead of requiring the member to submit a signed form. The lag may be up to 3 months, depending on how long it takes the provider to bill SCFHP for the procedure. Ms. Hart asked what would happen if a member moves within the 90-day period. Ms. Watkins said the notice would be returned to us if it was undeliverable and emphasized the importance of notifying SCFHP when there is an updated address.

Ms. Byom asked the Committee whether the measures are clear on the landing page. The Committee did not have any issues. Ms. Watkins stated that SCFHP will find out whether members can pre-register with the gift card vendor. Ms. Everett asked whether members can check their reward/eligibility status within the member portal. Ms. Byom said the portal will display gaps in care for individual members, so rewards that members may be eligible for potentially could be displayed. Ms. Hart asked how long the information will be displayed in the portal. Dr. Nakahira answered it will be at least 3 months past the program end date. Ms. Watkins added that the amount of time a member has to claim a reward will need to be specified. Ms. Everett asked if this program can be shared with nurses at San Jose Unified School District. Ms. Watkins suggested that SCFHP should make sure these measures, especially the child measures, are brought up during School Clinic meetings.

Mr. Vu asked about the SCFHP member portal app. Ms. Byom shared that the app is still in development and will potentially be built on a completely new platform. Ms. Watkins brought up the question of whether the platform of the gift card vendor will be a responsive website or an app. SCFHP will discuss with the gift card vendor.

7. SCFHP Member Communications

Ms. Byom reviewed recent and upcoming member communications, including spring newsletters, Health Homes Program flyer, and website updates.

Ms. Byom updated the committee on the progress of the new website: The website is not yet ready for review but will be coming soon.

Ms. Byom shared events that SCFHP attended and dates for upcoming outreach events. Ms. Watkins asked the committee to share any health focused events they believe SCFHP should participate in.

8. Future Agenda Items

Ms. Watkins would like to discuss the quality initiatives that SCFHP is developing and the measures that will be in place. Ms. Everett suggested having a mental health representative at the meeting. Ms. Watkins suggested an internal discussion with Dr. Nakahira and Natalie McKelvey, Manager of Behavioral Health, to discuss possible topics. Ms. Everett suggested having sleep hygiene as a topic. Any suggestions can be sent to Stephanie Lin (slin@scfhp.com).

9. Adjournment

Ms. Watkins adjourned the meeting at 7:02 pm.

Laura Watkins
Vice President, Marketing & Enrollment

Resolution to Withdraw From Healthy Kids Service Area

WHEREAS, the Santa Clara County Health Authority dba Santa Clara Family Health Plan (the Plan) administers the Healthy Kids product offered through the Santa Clara Community Health Authority (Community Health Authority), a Joint Powers Authority established by the Plan and the County of Santa Clara and licensed by the Department of Managed Health Care under the Knox-Keene Act;

WHEREAS, the May 2019 Revise of the Governor's 2019-2020 budget instructed the Department of Health Care Services to move Healthy Kids' CCHIP beneficiaries into Medi-Cal, with an October 1, 2019 target date for that transition;

WHEREAS, as a result of the above-referenced transition, on or about October 1, 2019, all but 3 of the Community Health Authority's Healthy Kids enrollees (who are not CCHIP beneficiaries) will become enrolled in the Plan's Medi-Cal product;

WHEREAS, in light of the upcoming transition of most Healthy Kids enrollees into Medi-Cal, the Department of Managed Health Care has directed the Community Health Authority to either surrender its Knox-Keene license (commonly referred to as a "QIF Plan license") or begin to comply with extensive filing requirements beginning January 1, 2020;

WHEREAS, continuing to offer the Healthy Kids product, with few or no enrolled members, would require continued maintenance of the QIF Plan license for the Community Health Authority and investment of substantial Plan resources, yet yield little benefit;

WHEREAS, similarly situated local plans have withdrawn, or intend to withdraw, from participation in Healthy Kids and have surrendered, or intend to surrender, their associated QIF Plan licenses;

WHEREAS, remaining non-CCHIP Healthy Kids enrollees who are ineligible to enroll in Medi-Cal will be eligible for health care through coverage options provided through Santa Clara Valley Health and Hospital System (SCVHHS), and the Plan and SCVHH will work collaboratively to move remaining non-CCHIP Healthy Kids enrollees to other coverage;

NOW, THEREFORE, BE IT RESOLVED:

Upon such time as substantially all Healthy Kids enrollees have been moved into the Plan's Medi-Cal product, Plan staff shall:

1. Complete a DMHC Service Area Withdrawal filing;
2. Move non-CCHIP Healthy Kids enrollees into identified alternative coverage options;
3. Take all additional actions necessary to terminate the Community Health Authority's participation in Healthy Kids; and
4. Surrender the Community Health Authority's QIF Plan License.

PASSED AND ADOPTED by the Governing Board of the Santa Clara County Health Authority this 27th day of June, 2019.

BY:

_____

Robin Larmer, Secretary

Santa Clara Family Health Plan™

Unaudited Financial Statements
For The Ten Months Ended April 30, 2019

Agenda

Santa Clara Family Health Plan

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Financial Highlights

	MTD		YTD	
Revenue	$101 M		$871 M	
Medical Expense (MLR)	$94 M	93.8%	$813 M	93.3%
Administrative Expense (% Rev)	$4.8 M	4.7%	$46.4 M	5.3%
Other Income/Expense	$577,845		$2,869,857	
Net Surplus (Loss)	**$2,102,814**		**$14,605,161**	
Cash on Hand			$270 M	
Receivables			$493 M	
Total Current Assets			$771 M	
Current Liabilities			$607 M	
Current Ratio			1.27	
Tangible Net Equity			$193 M	
% of DMHC Requirements			**604.0%**	

Financial Highlights

Net Surplus (Loss)	▸ Month: Surplus of $2.1M is $0.8M or 56.3% favorable to budget of $1.3M. ▸ YTD: Surplus of $14.6M is $8.2M or 128.3% favorable to budget of $6.4M.
Enrollment	▸ Month: Membership was 250,778 (2,290 or 0.9% favorable budget of 248,488). ▸ YTD: Member months were 2.5M (5.5K or 0.2% favorable budget of 2.5M).
Revenue	▸ Month: $100.8M ($20.5M or 25.5% favorable to budget of $80.3M) ▸ YTD: $870.9M ($63.3M or 7.8% favorable to budget of $807.6M)
Medical Expenses	▸ Month: $94.5M ($20.0M or 26.9% unfavorable to budget of $74.5M) ▸ YTD: $812.7M ($59.1M or 7.8% unfavorable to budget of $753.6M)
Administrative Expenses	▸ Month: $4.8M ($352.2K or 8.0% unfavorable to budget of $4.4M) ▸ YTD: $46.4M ($0.3M or 0.6% favorable to budget of $46.7M)
Tangible Net Equity	▸ TNE was $192.6M (604.0% of minimum DMHC requirements of $31.9M)
Capital Expenditures	▸ YTD Capital Investment of $5.7M vs. $10.9M annual budget was primarily due to building renovation.

Santa Clara Family Health Plan™

Detail Analyses

Enrollment

- Total enrollment has decreased since June 30, 2018 by 8,697 or 3.4%, in line with budget expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Child, Adult and Adult Expansion categories of aid. Medi-Cal Dual enrollment has increased slightly while CMC enrollment has grown 5% due to outreach efforts.
- Membership Trends:
  - Medi-Cal membership decreased since the beginning of the fiscal year by 3.8%. Over the past 12 months, MCAL membership has decreased 4.8%.
  - CMC membership increased since the beginning of the fiscal year by 4.9%. Over the past 12 months, CMC membership has increased 5.9%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 8.4%. Over the past 12 months, HK membership has increased 0.3%.

Santa Clara Family Health Plan Enrollment Summary

	For the Month of April 2019			For Ten Months Ending April 30 2019					
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	Δ FY18 vs. FY19
Medi-Cal	239,444	237,739	0.7%	2,429,468	2,428,182	1,286	0.1%	2,575,323	(5.7%)
Cal Medi-Connect	7,869	7,835	0.4%	76,901	76,550	351	0.5%	74,027	3.9%
Healthy Kids	3,465	2,914	18.9%	33,090	29,210	3,880	13.3%	27,878	18.7%
Total	**250,778**	**248,488**	**0.9%**	**2,539,459**	**2,533,942**	**5,517**	**0.2%**	**2,677,228**	**(5.1%)**

Santa Clara Family Health Plan Enrollment By Network
April 2019

Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,263	13%	7,869	100%	265	8%	38,397	15%
SCVHHS[1], Safety Net Clinics, FQHC[2] Clinics	119,246	50%	-	0%	1,498	43%	120,744	48%
Palo Alto Medical Foundation	6,976	3%	-	0%	380	11%	7,356	3%
Physicians Medical Group	42,718	18%	-	0%	92	3%	42,810	17%
Premier Care	14,813	6%	-	0%	1,230	35%	16,043	6%
Kaiser	25,428	11%	-	0%	-	0%	25,428	10%
Total	**239,444**	**100%**	**7,869**	**100%**	**3,465**	**100%**	**250,778**	**100%**
Enrollment at June 30, 2018	248,776		7,503		3,196		259,475	
Net Δ from Beginning of FY19	-3.8%		4.9%		8.4%		-3.4%	

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

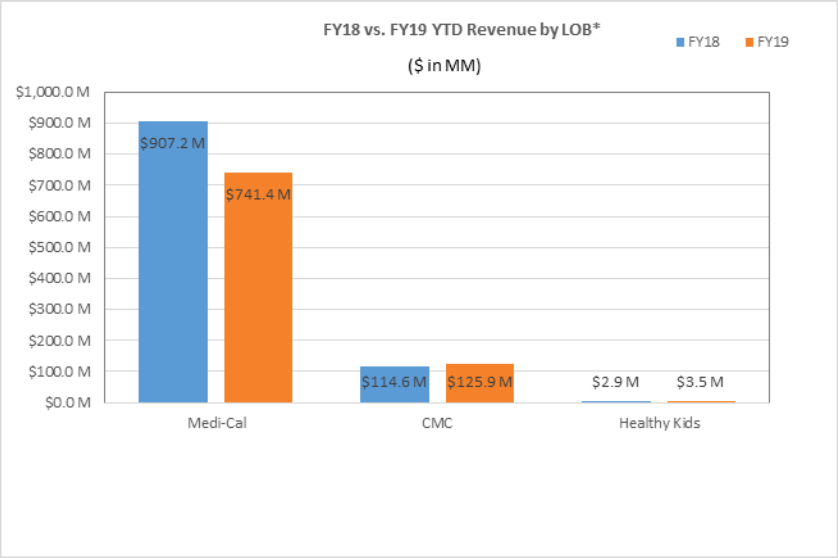
Enrollment By Aid Category

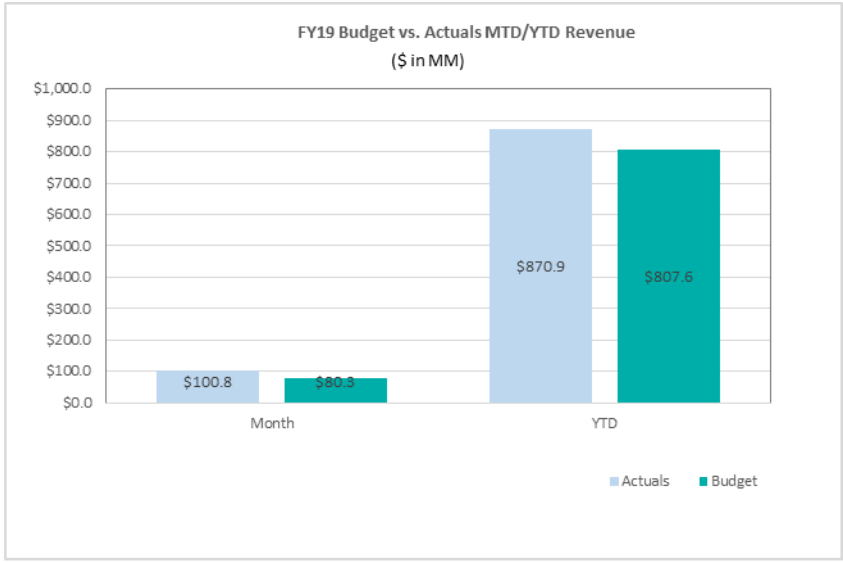
		2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04
NON DUAL	Adult (over 19)	27,465	27,359	27,351	27,185	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846	25,772	25,552
	Adult (under 19)	101,197	100,606	100,449	100,238	99,369	98,316	98,255	97,518	96,830	96,330	95,155	95,177	95,286	95,114
	Aged - Medi-Cal Only	10,906	10,924	10,891	10,963	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963	10,934	10,949
	Disabled - Medi-Cal Only	10,786	10,801	10,750	10,750	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579	10,558	10,558
	Adult Expansion	76,985	76,677	74,319	74,292	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223	72,143	72,114
	BCCTP	15	15	15	13	13	14	13	12	11	11	9	9	8	10
	Long Term Care	353	358	370	384	382	384	387	379	377	372	371	376	375	375
	Total Non-Duals	**227,707**	**226,740**	**224,145**	**223,824**	**222,676**	**220,831**	**220,703**	**219,343**	**218,340**	**217,628**	**215,093**	**215,173**	**215,076**	**214,671**
DUAL	Adult (21 Over)	416	401	397	393	387	385	382	385	390	379	373	376	367	368
	Aged (21 Over)														
	Disabled (21 Over)	23,312	22,969	23,064	22,811	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728	22,712	22,914
	Adult Expansion	470	451	421	451	455	485	521	533	538	586	556	529	479	304
	BCCTP	2	2	2	2	2	2	2	1	1	1	2	1	1	0
	Long Term Care	1,118	1,117	1,159	1,295	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203	1,201	1,187
	Total Duals	**25,318**	**24,940**	**25,043**	**24,952**	**25,079**	**25,123**	**25,181**	**25,150**	**25,059**	**25,067**	**24,905**	**24,837**	**24,760**	**24,773**
	Total Medi-Cal	**253,025**	**251,680**	**249,188**	**248,776**	**247,755**	**245,954**	**245,884**	**244,493**	**243,399**	**242,695**	**239,998**	**240,010**	**239,836**	**239,444**
	Healthy Kids	**3,415**	**3,454**	**3,220**	**3,196**	**3,278**	**3,187**	**3,163**	**3,217**	**3,460**	**3,345**	**3,252**	**3,375**	**3,348**	**3,465**
CMC	CMC Non-Long Term Care	7,153	7,194	7,203	7,275	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616	7,680	7,661
	CMC - Long Term Care	256	241	237	228	221	222	214	218	218	211	210	198	204	208
	Total CMC	**7,409**	**7,435**	**7,440**	**7,503**	**7,523**	**7,540**	**7,600**	**7,601**	**7,625**	**7,695**	**7,750**	**7,814**	**7,884**	**7,869**
	Total Enrollment	**263,849**	**262,569**	**259,848**	**259,475**	**258,556**	**256,681**	**256,647**	**255,311**	**254,484**	**253,735**	**251,000**	**251,199**	**251,068**	**250,778**

Revenue

Current month revenue of $100.8M is $20.5M or 25.5% favorable to budget of $80.3M. YTD revenue of $870.9M is $63.3M or 7.8% favorable to budget of $807.6M. This month's variances were due to several factors including:

- One-time CY18 CCI revenue adjustment of $3.9M for CMC and $11.7M for Dual MLTSS.
- Proposition 56 revenue exceeded budget by $1.8M (with an offsetting increase to medical expense).
- Non-Dual revenue was higher than budget by $1.2M due to a higher enrollment.
- Behavioral Health (BHT) and Hep-C volumes were higher than budget resulting in a $1.4M favorable variance.





	FY18 vs. FY19 YTD Revenue by LOB*			
	FY18	FY19	Variance	
Medi-Cal	$907.2 M	$741.4 M	($165.8 M)	-18.3%
CMC	$114.6 M	$125.9 M	$11.3 M	9.9%
Healthy Kids	$2.9 M	$3.5 M	$0.6 M	22.0%
Total Revenue	**$1,024.7 M**	**$870.9 M**	**($142.5 M)**	**-13.9%**

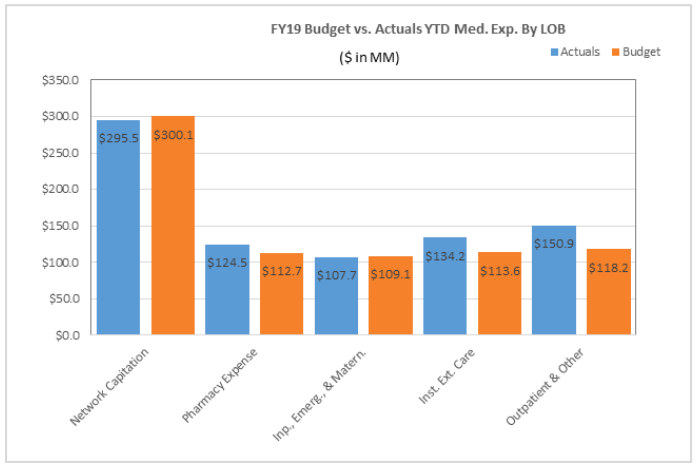
	FY19 Budget vs. Actuals MTD/YTD Revenue			
	Actuals	Budget	Variance	
Month	$100.8	$80.3	$20.5	25.5%
YTD	$870.9	$807.6	$63.3	7.8%

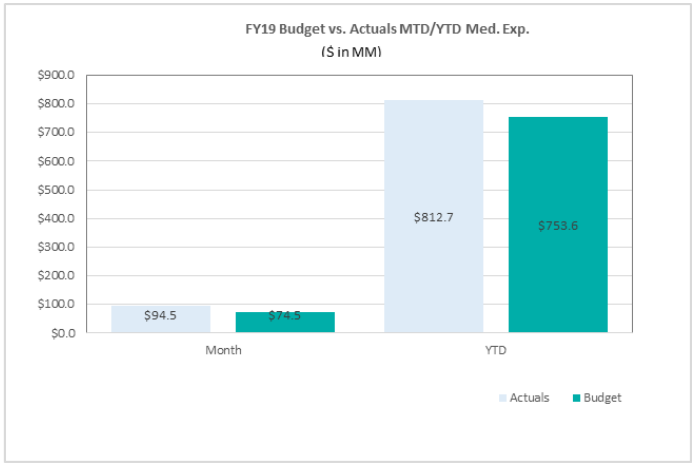
**IHSS was included in FY18 revenue through 12/31/17*

Medical Expense

Current month medical expense of $94.5M is $20.0M or 26.9% unfavorable to budget of $74.5M. YTD medical expense of $812.7M is $59.1M or 7.8% unfavorable to budget of $753.6M.The current month variances were due to a variety of factors, including:

- Accrual of $6.0M associated with the one-time CY18 CCI revenue adjustment.
- Retroactive capitation accruals triggered an unfavorable variance of $5.8M.
- FFS Inpatient, Outpatient and LTC expenses in excess of budget yielded an unfavorable variance of $3.7M.
- Proposition 56 increased medical expense by $1.8M (with offsetting an increase to revenue).
- Pharmacy costs exceeded budget by $2.1M due to increased utilization and higher specialty drug costs.





	FY19 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	$295.5	$300.1	$4.6	1.6%
Pharmacy	$124.5	$112.7	-$11.9	-9.5%
Inp., Emerg., & Matern.	$107.7	$109.1	$1.4	1.3%
Inst. Ext. Care	$134.2	$113.6	-$20.6	-15.3%
Outpatient & Other	$150.9	$118.2	-$32.7	-21.7%
Total Medical Expense	**$812.7**	**$753.6**	**-$59.1**	**-7.9%**

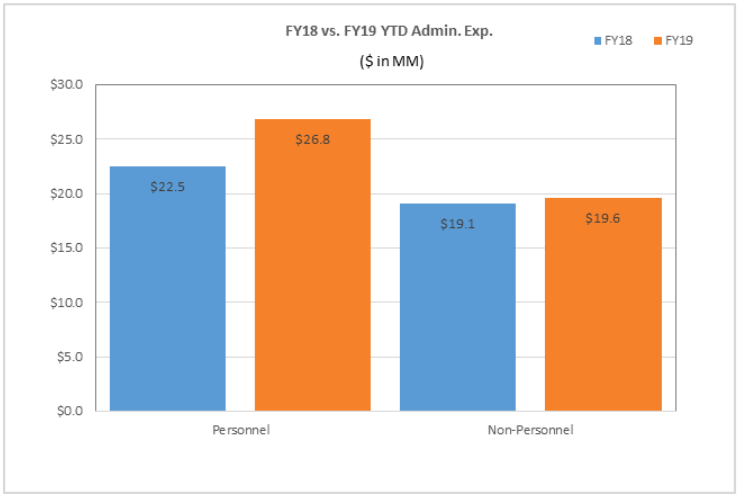
	FY19 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	$94.5	$74.5	-$20.0	-26.9%
YTD	$812.7	$753.6	-$59.1	-7.8%

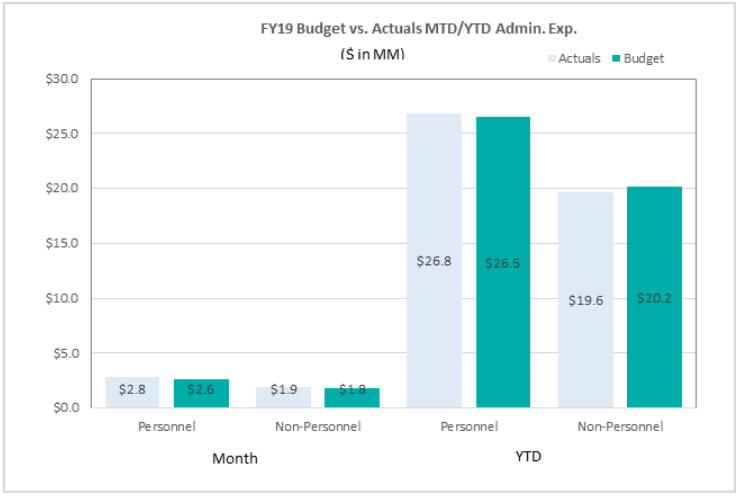
**IHSS was included in medical expense through 12/31/17*

Administrative Expense

Current month admin expense of $4.8M is $352K or 8.0% unfavorable to budget of $4.4M. YTD admin expense of $46.4M is $284K or 0.6% favorable to budget of $46.7M. The current month variances were due to a variety of factors, including:

- Personnel expenses were $212K or 8.1% unfavorable to budget due to the timing of permanent staff hiring.
- Unbudgeted expenses related to the CMC program and data validation audits resulted in an unfavorable variance of $113K.





	FY18 vs. FY19 YTD Admin. Exp.			
	FY18	FY19	Variance	
Personnel	$22.5	$26.8	$4.3	19.3%
Non-Personnel	$19.1	$19.6	$0.5	2.7%
Total Administrative Expense	**$41.6**	**$46.4**	**$4.9**	**11.7%**

		FY19 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	$2.8	$2.6	-$0.2	-8.1%
	Non-Personnel	$1.9	$1.8	-$0.1	-7.8%
	MTD Total	**$4.8**	**$4.4**	**-$0.4**	**-8.0%**
YTD	Personnel	$26.8	$26.5	-$0.3	-1.1%
	Non-Personnel	$19.6	$20.2	$0.6	2.9%
	YTD Total	**$46.4**	**$46.7**	**$0.3**	**0.6%**

Balance Sheet

- Current assets totaled $770.9M compared to current liabilities of $607.1M, yielding a current ratio (Current Assets/Current Liabilities) of 1.27:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash as of April 30, 2019 increased by $46.1M compared to the cash balance as of fiscal year-end June 30, 2018.
- Current Cash & Equivalent components and yields were as follows:

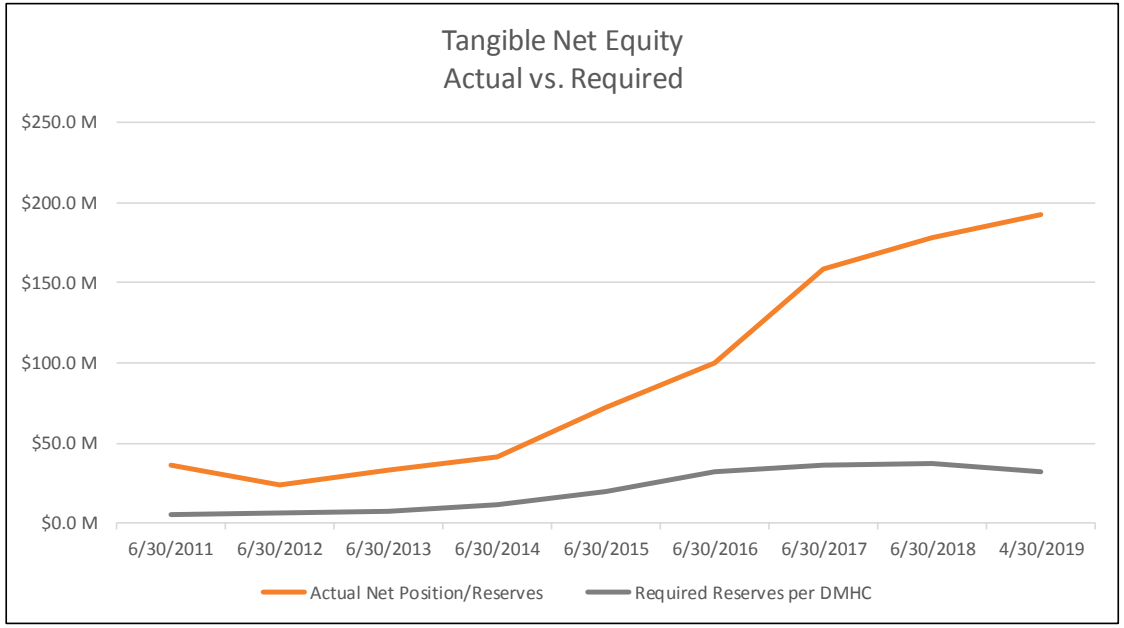
Description	Month-End Balance	Current Yield %	Interest Earned	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	$78,538,319	1.95%	$100,000	$1,194,023
Cash & Equivalents				
Bank of the West Money Market	$375,605	1.34%	$18,156	$97,016
Wells Fargo Bank Accounts	$191,032,333	2.27%	$584,452	$2,870,466
	$191,407,938		$602,608	$2,967,482
Assets Pledged to DMHC				
Restricted Cash	$305,350	0.42%	$0	$335
Petty Cash	$500	0.00%	$0	$0
Total Cash & Equivalents	**$270,252,107**		**$702,608**	**$4,161,840**

Tangible Net Equity

- TNE was $192.6M or 604.2% of the most recent quarterly DMHC minimum requirement of $31.9M.
- TNE trends are presented below:

Santa Clara Health Authority
Tangible Net Equity - Actual vs. Required
As of: April 30, 2019

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	4/30/2019
Actual Net Position/Reserves	$36.1 M	$24.2 M	$32.6 M	$40.9 M	$72.6 M	$100.3 M	$158.4 M	$178.0 M	$192.6 M
Required Reserves per DMHC	$5.0 M	$5.9 M	$7.8 M	$11.4 M	$19.3 M	$32.4 M	$35.9 M	$36.8 M	$31.9 M
200% of Required Reserve	$10.0 M	$11.8 M	$15.6 M	$22.9 M	$38.5 M	$64.8 M	$71.8 M	$73.6 M	$63.8 M
Actual as % Required	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	604.0%



Reserves Analysis

SCFHP RESERVES ANALYSIS April 2019	
Financial Reserve Target #1: Tangible Net Equity	
Actual TNE	$192,621,023
Current Required TNE	$31,880,925
Excess TNE	**$160,740,099**
Required TNE %	604.2%
SCFHP Target TNE Range:	
350% of Required TNE (Low)	$111,583,237
500% of Required TNE (High)	$159,404,624
TNE Above/(Below) SCFHP Low Target	**$81,037,787**
TNE Above/(Below) High Target	**$33,216,400**
Financial Reserve Target #2: Liquidity	
Cash & Cash Equivalents	$270,252,107
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	($22,661,197)
Total Pass-Through Liabilities	**($22,661,197)**
Net Cash Available to SCFHP	$247,590,911
SCFHP Target Liability	
45 Days of Total Operating Expense	($120,210,934)
60 Days of Total Operating Expense	($160,281,245)
Liquidity Above/(Below) SCFHP Low Target	**$127,379,977**
Liquidity Above/(Below) High Target	**$87,309,666**

In December 2018, the Governing Board established a Board Discretionary Fund of $2.2M. The specific projects/recipients have yet to be determined.

Other Pass-Through Liabilities include Prop 56 and other payables to providers.

Capital Expenditures

YTD Capital investments of $5.7M, largely to complete the renovation of the building, were comprised of the following:

Expenditure	YTD Actual	Annual Budget
Building	$4,746,927	$ 7,874,631
Systems	0	925,000
Hardware	594,956	1,550,000
Software	376,033	593,000
Furniture and Fixtures	0	0
Automobile	0	0
Leasehold Improvements	0	0
TOTAL	**$5,717,916**	**$10,942,631**

** Includes FY18 budget rollover of $6,628,131*

The timing of certain I.T. expenses has been delayed to later in the current fiscal year or possibly into the next fiscal year.

Santa Clara Family Health Plan™

Financial Statements

Income Statement

Santa Clara Family Health Plan

Santa Clara County Health Authority
Income Statement for Ten Months Ending April 30, 2019

	Current Month						Fiscal Year To Date					
	Actuals	% of Rev	Budget	% of Rev	Variance	% Var	Actuals	% of Rev	Budget	% of Rev	Variance	% Var
REVENUE												
MEDI-CAL	$ 85,561,714	84.9%	$ 67,490,327	84.0%	$ 18,071,387	26.8%	$ 741,438,307	85.1%	$ 684,140,144	84.7%	$ 57,298,163	8.4%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	4,536,984	4.5%	2,583,143	3.2%	1,953,841	75.6%	26,119,925	3.0%	25,237,983	3.1%	881,942	3.5%
CMC MEDICARE	10,294,569	10.2%	9,929,162	12.4%	365,407	3.7%	99,787,020	11.5%	95,203,938	11.8%	4,583,082	4.8%
TOTAL CMC	14,831,552	14.7%	12,512,305	15.6%	2,319,248	18.5%	125,906,945	14.5%	120,441,921	14.9%	5,465,024	4.5%
HEALTHY KIDS	371,876	0.4%	302,765	0.4%	69,111	22.8%	3,536,516	0.4%	3,034,919	0.4%	501,597	16.5%
TOTAL REVENUE	**$100,765,142**	**100.0%**	**$ 80,305,396**	**100.0%**	**$ 20,459,745**	**25.5%**	**$ 870,881,768**	**100.0%**	**$ 807,616,984**	**100.0%**	**$ 63,264,784**	**7.8%**
MEDICAL EXPENSE												
MEDI-CAL	$ 82,892,150	82.3%	$ 62,664,698	78.0%	$ (20,227,452)	-32.3%	$ 690,751,298	79.3%	$ 638,294,996	79.0%	$ (52,456,302)	-8.2%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	*2,484,665*	*2.5%*	*2,265,589*	*2.8%*	*(219,077)*	*-9.7%*	*25,467,477*	*2.9%*	*22,135,396*	*2.7%*	*(3,332,081)*	*-15.1%*
CMC MEDICARE	*8,720,400*	*8.7%*	*9,264,233*	*11.5%*	*543,833*	*5.9%*	*93,266,223*	*10.7%*	*90,475,687*	*11.2%*	*(2,790,535)*	*-3.1%*
TOTAL CMC	11,205,065	11.1%	11,529,822	14.4%	324,757	2.8%	118,733,699	13.6%	112,611,083	13.9%	(6,122,616)	-5.4%
HEALTHY KIDS	384,943	0.4%	272,690	0.3%	(112,253)	-41.2%	3,236,784	0.4%	2,733,449	0.3%	(503,335)	-18.4%
TOTAL MEDICAL EXPENSES	**$ 94,482,158**	**93.8%**	**$ 74,467,210**	**92.7%**	**$ (20,014,948)**	**-26.9%**	**$ 812,721,781**	**93.3%**	**$ 753,639,528**	**93.3%**	**$ (59,082,253)**	**-7.8%**
MEDICAL OPERATING MARGIN	**$ 6,282,984**	**6.2%**	**$ 5,838,187**	**7.3%**	**$ 444,797**	**2.2%**	**$ 58,159,987**	**6.7%**	**$ 53,977,456**	**6.7%**	**$ 4,182,531**	**6.6%**
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	$ 2,810,959	2.8%	$ 2,599,261	3.2%	$ (211,699)	-8.1%	$ 26,820,687	3.1%	$ 26,524,903	3.3%	$ (295,784)	-1.1%
RENTS AND UTILITIES	9,754	0.0%	17,611	0.0%	7,857	44.6%	383,962	0.0%	423,670	0.1%	39,708	9.4%
PRINTING AND ADVERTISING	129,197	0.1%	44,150	0.1%	(85,047)	-192.6%	860,919	0.1%	1,252,500	0.2%	391,581	31.3%
INFORMATION SYSTEMS	254,402	0.3%	226,473	0.3%	(27,929)	-12.3%	1,979,467	0.2%	2,264,731	0.3%	285,263	12.6%
PROF FEES/CONSULTING/TEMP STAFFING	965,804	1.0%	850,042	1.1%	(115,762)	-13.6%	10,663,366	1.2%	8,879,180	1.1%	(1,784,186)	-20.1%
DEPRECIATION/INSURANCE/EQUIPMENT	388,106	0.4%	469,566	0.6%	81,460	17.3%	3,703,732	0.4%	4,628,163	0.6%	924,432	20.0%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	57,826	0.1%	71,930	0.1%	14,103	19.6%	852,024	0.1%	1,408,117	0.2%	556,093	39.5%
MEETINGS/TRAVEL/DUES	71,537	0.1%	108,936	0.1%	37,399	34.3%	849,289	0.1%	1,079,949	0.1%	230,660	21.4%
OTHER	70,429	0.1%	17,804	0.0%	(52,625)	-295.6%	311,237	0.0%	247,623	0.0%	(63,614)	-25.7%
TOTAL ADMINISTRATIVE EXPENSES	**$ 4,758,014**	**4.7%**	**$ 4,405,773**	**5.5%**	**$ (352,241)**	**-8.0%**	**$ 46,424,683**	**5.3%**	**$ 46,708,836**	**5.8%**	**$ 284,153**	**0.6%**
OPERATING SURPLUS (LOSS)	$ 1,524,969	1.5%	$ 1,432,413	1.8%	$ 92,556	6.5%	$ 11,735,304	1.3%	$ 7,268,619	0.9%	$ 4,466,684	61.5%
OTHER INCOME/EXPENSE												
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	0	0.0%	(597,797)	-0.1%	(597,800)	-0.1%	3	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(750,000)	-0.1%	(750,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	712,625	0.7%	47,605	0.1%	665,020	1397.0%	4,217,654	0.5%	476,050	0.1%	3,741,604	786.0%
OTHER INCOME/EXPENSE	**577,845**	**0.6%**	**(87,175)**	**-0.1%**	**665,020**	**-762.9%**	**2,869,857**	**0.3%**	**(871,751)**	**-0.1%**	**3,741,607**	**-429.2%**
NET SURPLUS (LOSS)	**$ 2,102,814**	**2.1%**	**$ 1,345,238**	**1.7%**	**$ 757,576**	**56.3%**	**$ 14,605,161**	**1.7%**	**$ 6,396,869**	**0.8%**	**$ 8,208,292**	**128.3%**

Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY

For the Ten Months Ending April 30, 2019

	April 2019	March 2019	February 2019	June 2018
Assets				
Current Assets				
Cash and Marketable Securities	$270,252,107	$349,893,574	$270,810,416	$224,156,209
Receivables	492,698,518	521,781,883	492,373,644	493,307,425
Prepaid Expenses and Other Current Assets	7,920,323	7,163,561	7,358,731	7,024,982
Total Current Assets	**770,870,948**	**878,839,018**	**770,542,791**	**724,488,615**
Long Term Assets				
Property and Equipment	43,537,565	43,486,597	43,382,948	38,579,130
Accumulated Depreciation	(16,729,649)	(16,404,608)	(16,084,786)	(14,309,761)
Total Long Term Assets	26,807,916	27,081,988	27,298,162	24,269,369
Total Assets	**797,678,864**	**905,921,007**	**797,840,954**	**748,757,984**
Deferred Outflow of Resources	**14,535,240**	**14,535,240**	**14,535,240**	**14,535,240**
Total Deferred Outflows and Assets	**812,214,104**	**920,456,247**	**812,376,194**	**763,293,224**
Liabilities and Net Assets				
Current Liabilities				
Trade Payables	4,808,233	5,344,550	4,263,225	8,351,090
Deferred Rent	(0)	(0)	(0)	17,011
Employee Benefits	1,817,397	1,765,354	1,738,577	1,473,524
Retirement Obligation per GASB 45	4,148,592	4,088,812	4,029,032	4,882,795
Advance Premium - Healthy Kids	94,963	91,854	95,070	66,195
Deferred Revenue - Medicare	-	-	-	9,928,268
Whole Person Care/Prop 56	22,418,108	16,962,490	15,198,657	9,263,004
Payable to Hospitals	243,089	243,089	243,089	0
IGT, HQAF & Other Provider Payables	16,057,886	110,652,871	14,159,501	6,691,979
MCO Tax Payable - State Board of Equalization	8,784,630	26,354,443	17,569,814	(0)
Due to DHCS	37,700,004	47,065,057	52,268,200	24,429,978
Liability for In Home Support Services (IHSS)	416,092,527	416,092,527	416,092,527	413,549,551
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	92,524,194	86,448,529	83,187,262	92,470,504
Total Current Liabilities	**607,064,144**	**717,484,102**	**611,219,480**	**573,498,425**
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	2,574,796	2,499,796	2,424,796	1,824,796
Total Non-Current Liabilities	**8,494,296**	**8,419,296**	**8,344,296**	**7,744,296**
Total Liabilities	**615,558,440**	**725,903,398**	**619,563,776**	**581,242,721**
Deferred Inflow of Resources	**4,034,640**	**4,034,640**	**4,034,640**	**4,034,640**
Net Assets / Reserves				
Invested in Capital Assets	26,807,916	27,081,988	27,298,162	24,269,369
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	150,902,597	150,628,524	150,412,350	133,805,841
Current YTD Income (Loss)	14,605,161	12,502,346	10,761,915	19,635,303
Total Net Assets / Reserves	192,621,023	190,518,209	188,777,778	178,015,863
Total Liabilities, Deferred Inflows, and Net Assets	**812,214,104**	**920,456,247**	**812,376,194**	**763,293,224**

Cash Flow – YTD

Cash Flows from Operating Activities	
Premiums Received	893,545,330
Medical Expenses Paid	(800,759,210)
Adminstrative Expenses Paid	(45,189,959)
Net Cash from Operating Activities	**$47,596,161**
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(5,717,916)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	4,217,654
Net Increase/(Decrease) in Cash & Cash Equivalents	**46,095,899**
Cash & Cash Equivalents (Jun 2018)	224,156,209
Cash & Cash Equivalents (Apr 19)	**$270,252,107**
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	**$14,605,161**
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	3,179,369
Changes in Operating Assets/Liabilities	
Premiums Receivable	608,907
Other Receivable	(4,217,654)
Due from Santa Clara Family Health Foundation	-
Prepaids & Other Assets	(895,341)
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	(451,507)
State Payable	22,054,655
IGT, HQAF & Other Provider Payables	9,365,906
Net Pension Liability	750,000
Medical Cost Reserves & PDR	53,689
IHSS Payable	2,542,975
Deferred Inflow of Resources	-
Total Adjustments	**29,811,631**
Net Cash from Operating Activities	**$47,596,161**

Statement of Operations - YTD

Santa Clara Family Health Plan

Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Ten Months Ending April 30 2019

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
P&L (ALLOCATED BASIS)						
REVENUE	$741,438,307	$26,119,925	$99,787,020	$125,906,945	$3,536,516	**$870,881,768**
MEDICAL EXPENSE	$690,751,298	$25,467,477	$93,266,223	$118,733,699	$3,236,784	**$812,721,781**
(MLR)	93.2%	97.5%	93.5%	94.3%	91.5%	**93.3%**
GROSS MARGIN	$50,687,009	$652,449	$6,520,797	$7,173,246	$299,733	**$58,159,987**
ADMINISTRATIVE EXPENSE	$39,524,353	$1,392,392	$5,319,414	$6,711,807	$188,523	**$46,424,683**
(% of Revenue Allocation)						
OPERATING INCOME/(LOSS)	$11,162,656	($739,944)	$1,201,383	$461,439	$111,209	**$11,735,304**
(% of Revenue Allocation)						
OTHER INCOME/(EXPENSE)	$2,443,296	$86,074	$328,833	$414,907	$11,654	**$2,869,857**
(% of Revenue Allocation)						
NET INCOME/(LOSS)	$13,605,951	($653,870)	$1,530,216	$876,346	$122,863	**$14,605,161**
PMPM (ALLOCATED BASIS)						
REVENUE	$305.19	$339.66	$1,297.60	$1,637.26	$106.88	**$342.94**
MEDICAL EXPENSES	$284.32	$331.17	$1,212.81	$1,543.98	$97.82	**$320.04**
GROSS MARGIN	$20.86	$8.48	$84.79	$93.28	$9.06	**$22.90**
ADMINISTRATIVE EXPENSES	$16.27	$18.11	$69.17	$87.28	$5.70	**$18.28**
OPERATING INCOME/(LOSS)	$4.59	($9.62)	$15.62	$6.00	$3.36	**$4.62**
OTHER INCOME/(EXPENSE)	$1.01	$1.12	$4.28	$5.40	$0.35	**$1.13**
NET INCOME/(LOSS)	$5.60	($8.50)	$19.90	$11.40	$3.71	**$5.75**
ALLOCATION BASIS:						
MEMBER MONTHS - YTD	2,429,468	76,901	76,901	76,901	33,090	2,539,459
REVENUE BY LOB	85.1%	3.0%	11.5%	14.5%	0.4%	100.0%

Santa Clara Family Health Plan™

Date: June 27, 2019

To: Governing Board, Santa Clara County Health Authority

From: Christine Tomcala, CEO & Dave Cameron, CFO

Re: **Fiscal Year 2019-2020 Operating and Capital Budgets**

The enclosed package contains a draft of the fiscal year 2019-2020 Operating and Capital Budgets for your review and consideration.

The proposed fiscal year 2019-2020 Operating Budget anticipates revenues of $1.07 billion, representing a 1.6% increase over fiscal year 2018-2019 Forecast revenue of $1.05 billion. The proposed budget projects total expenses of $1.06 billion, representing a 2.6% increase from fiscal year 2018-2019 total expenses of $1.04 billion. The proposed budget projects a net surplus of $7.7 million, or 0.7% of revenue, representing a decrease of $10.4 million from the fiscal year 2018-2019 forecast.

Key fiscal year 2019-2020 budget assumptions include:

Membership

- Total projected membership is expected to decrease from fiscal year-end 2018-2019 forecast of 248,079 to the fiscal year 2019-2020 budget of 236,845 - representing a decrease of 11,235 members or 4.5%. Total annual member months are expected to decrease by 132,902 or 4.4%. Both reflect continuation of recent declining enrollment trends.
- Medi-Cal membership is projected to decrease 3.6%, reflecting a 3.7% decrease in Non-Dual enrollment (primarily in the Adult, Expansion & Child categories of aid) and a 2.2% decrease in Dual enrollment. Non-Dual enrollment reflects the expected transition of all remaining Healthy Kids members effective October 1, 2019.
- CMC membership is projected to increase by 6.6% due to additional outreach efforts.
- Healthy Kids enrollment is expected to decrease 100%, as CCHIP members transition into the Medi-Cal program effective October 1, 2019.

Revenue

- Revenue is expected to increase from $1.05 billion per the fiscal year 2018-2019 forecast to $1.06 billion per the fiscal year 2019-2020 budget.
- Revenue reflects projected Medi-Cal rates based on the draft rates received from DHCS in April 2019 with estimates added for Countywide averaging and risk-sharing:
    - Overall, Medi-Cal rates are expected to increase 6.6%.
    - Medi-Cal Non-Dual categories of aid reflect an overall increase of 8.5% (primarily in the MCE, SPD & Child categories of aid)

Santa Clara Family Health Plan™

  - Medi-Cal Dual categories of aid reflect a 1.5% rate decrease.
- Cal MediConnect (CMC) revenue is based on calendar year 2019 Medicare rates received from CMS, with the Medi-Cal component based on calendar year 2018 rates, further adjusted for actual enrollment in the specified population cohorts.
- Healthy Kids revenue is expected to remain flat for the remaining months of the program.

Medical Expense

- Medical expenses are expected to increase from $980 million per the fiscal year 2018-2019 forecast to $998 million per the fiscal year 2019-2020 budget.
- Medical expense projections are based on several methods, predominantly current trends calculated from historical experience. In addition, adjustments were made to account for known changes to program structure, expected provider increases, and/or actuarial estimates for Medi-Cal Classic, Medi-Cal Expansion, Cal MediConnect, and Coordinated Care Initiative.

Administrative Expense

- Administrative expenses are budgeted at 6.0% of revenue. This increases from the 5.3% forecasted for FY 2018-2019, primarily from the impact of Quality initiatives, additional staffing (to fulfill the expanding compliance and quality requirements), and opening of a satellite office effective January 1, 2020.

Operating Surplus

The fiscal year 2019-2020 budget yields a projected annual surplus of $7.7 million or 0.7% of revenue.

Capital Expenditures

The fiscal year 2019-2020 budget includes capital expenditures of $4.8 million, including facilities enhancements of $3.1 million (including those related to the satellite office), and I.T. hardware and software purchases of $1.6 million.

Santa Clara Family Health Plan™

Fiscal Year 2019-2020
Proposed Operating & Capital Budgets

Governing Board Meeting of June 27, 2019

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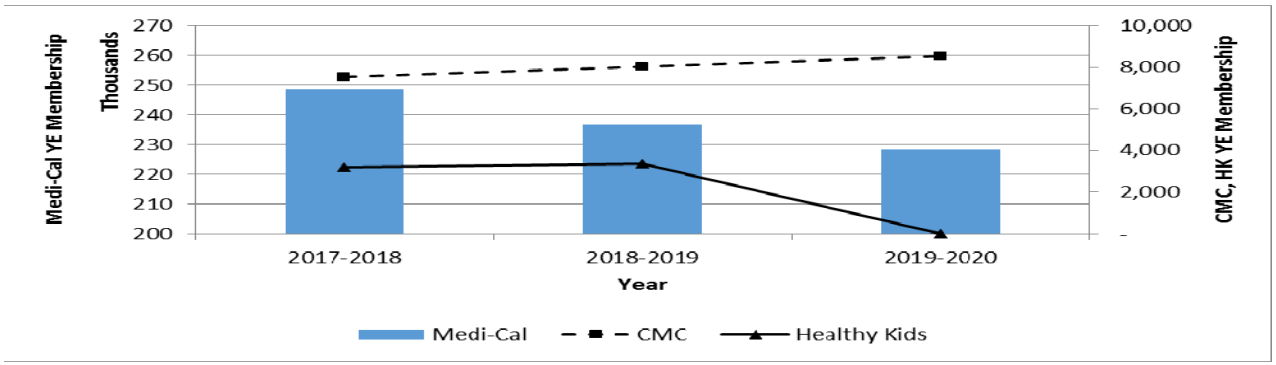
Major Changes & Updates

- **FY18/19 Operational/Budget Updates**:
  - Ground Emergency Medical Transportation (GEMT) added as a Medi-Cal benefit.
  - Prop 56 enhanced physician payments significantly increased.
  - Directed Payments Program commenced (no funds yet received).
  - Department of Health Care Services (DHCS) and Department of Managed Care (DMHC) increases requirements on Compliance & Quality.
  - Cal MediConnect program extended through 2022.

- **FY19/20 Budget Updates:**
  - July 1: Risk adjustment frozen at 25% plan-specific and 75% countywide average.
  - July 1: Health Homes Program launches.
  - July 1: Quality initiatives/investments commence.
  - October 1: Healthy Kids members to move to Medi-Cal program & HK program closes.
  - January 1: Satellite office opens ($423K operating cost for 6 months & $1.25M capital)
  - DHCS is moving to a calendar rate-setting year & provided 18-month bridge rates through December 2020.

Enrollment Assumptions

- **Medi-Cal Line of Business:**
  - Trends are based on actual data through May 2019.
  - Membership declining in most categories of aid.
  - Healthy Kids are expected to transition to Medi-Cal effective October 1.
  - Total Medi-Cal membership is expected to decline from projected FY19 close of 236,721 to 228,302 at close of FY20 (net decline of 3.6%).
- **Cal MediConnect Line of Business:**
  - With additional outreach, CMC membership is expect to increase from the projected FY19 close of 8,010 to 8,543 members at the close of FY20 (annual increase of 6.6%).
- **Healthy Kids Line of Business:**
  - Healthy Kids will substantially transition to Medi-Cal October 1.



Enrollment Detail

NON DUALS	Jun 19 Projected	Jun 20 Budget	Variance Increase/ (Decrease)	Variance %
Adult Expansion	71,066	66,918	(4,149)	-5.8%
Adult/Family (under 19)	93,801	91,673	(2,128)	-2.3%
Adult/Family (over 19)	25,387	23,905	(1,482)	-5.8%
SPD	21,465	21,359	(106)	-0.5%
BCCTP	8	8	0	0.0%
Long Term Care	375	373	(2)	-0.5%
Non-Dual Subtotal	**212,102**	**204,236**	**(7,866)**	**-3.7%**
DUALS				
Adult Expansion	481	491	10	2.0%
Adult/Family (21 over)	356	316	(40)	-11.4%
SPD	22,599	22,151	(448)	-2.0%
BCCTP	1	1	0	0.0%
Long Term Care	1,182	1,107	(75)	-6.3%
Dual Subtotal	**24,619**	**24,066**	**(553)**	**-2.2%**
Total Medi-Cal	**236,721**	**228,302**	**(8,419)**	**-3.6%**
Cal MediConnect	8,010	8,543	533	6.6%
Healthy Kids	3,348	0	(3,348)	-100.0%
TOTAL ENROLLMENT	**248,079**	**236,845**	**(11,235)**	**-4.5%**

- FY20 budgeted enrollment is based on current trends.

Trended Enrollment Summary

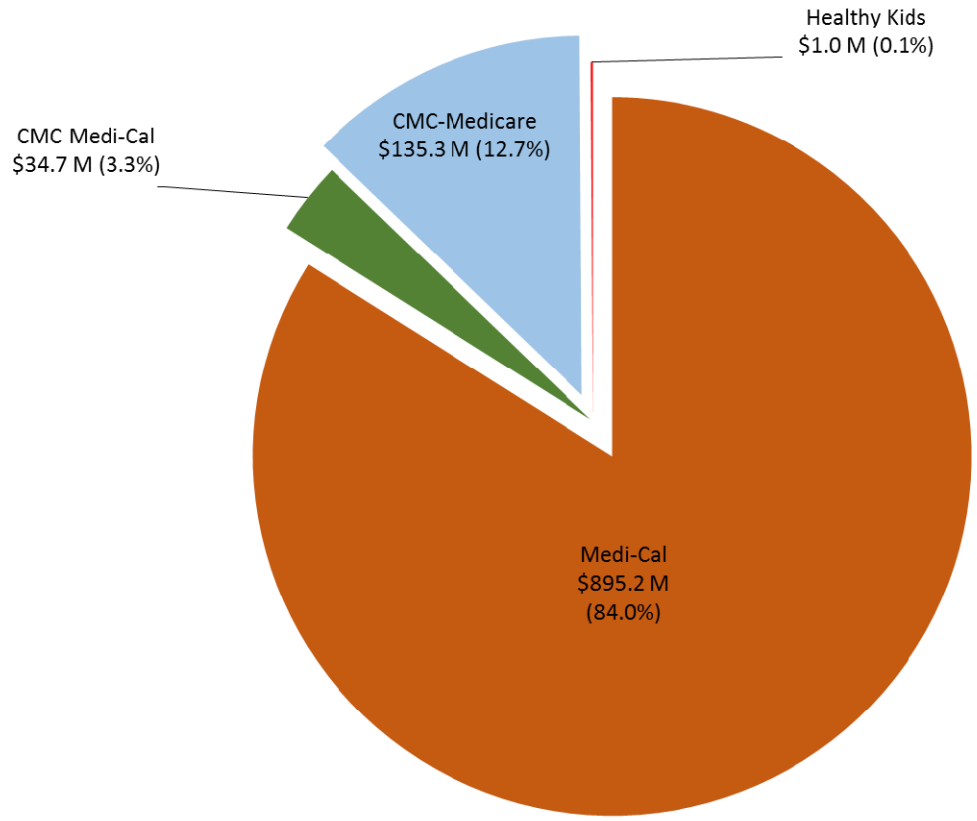
	Actual Member Months			Forecast	Budget
	FY16	FY17	FY18	FY19	FY20
Medi-Cal	3,039,275	3,217,527	3,073,184	2,903,329	2,793,616
Annual Growth	*17.5%*	*5.9%*	*-4.5%*	*-5.5%*	*-3.8%*
Cal MediConnect	101,943	92,376	88,970	92,826	99,539
Annual Growth	*158.0%*	*-9.4%*	*-3.7%*	*4.3%*	*7.2%*
Healthy Kids	52,025	35,692	34,294	39,945	10,044
Total	3,193,243	3,345,595	3,196,448	3,036,100	2,903,198
Annual Growth	*19.0%*	*4.8%*	*-4.5%*	*-5.0%*	*-4.4%*
Average Covered Lives	266,104	278,800	266,371	253,008	241,933

- Enrollment is expected to continue the general decline, which commenced in October 2016, from 248,079 at the close of FY19 to 236,845 members at the close of FY20 (4.5%).

Revenue Assumptions

- Revenue is expected to increase from projected FY19 of $1.049 billion to $1.066 billion per the FY20 Budget. The increase is attributable to the following:
  - While enrollment is decreasing, Medi-Cal rates are increasing 6.6% overall.
  - For the 18-month “bridge rate” period, DHCS froze risk adjustment at prior-year levels of 25% plan-specific and 75% countywide average.
  - CMC revenue is based on the CY19 risk score Medicare rate, with the Medi-Cal component based on CY18 rates.
  - Healthy Kids revenue is projected to be flat for the remaining three months of the program.

Revenue Composition

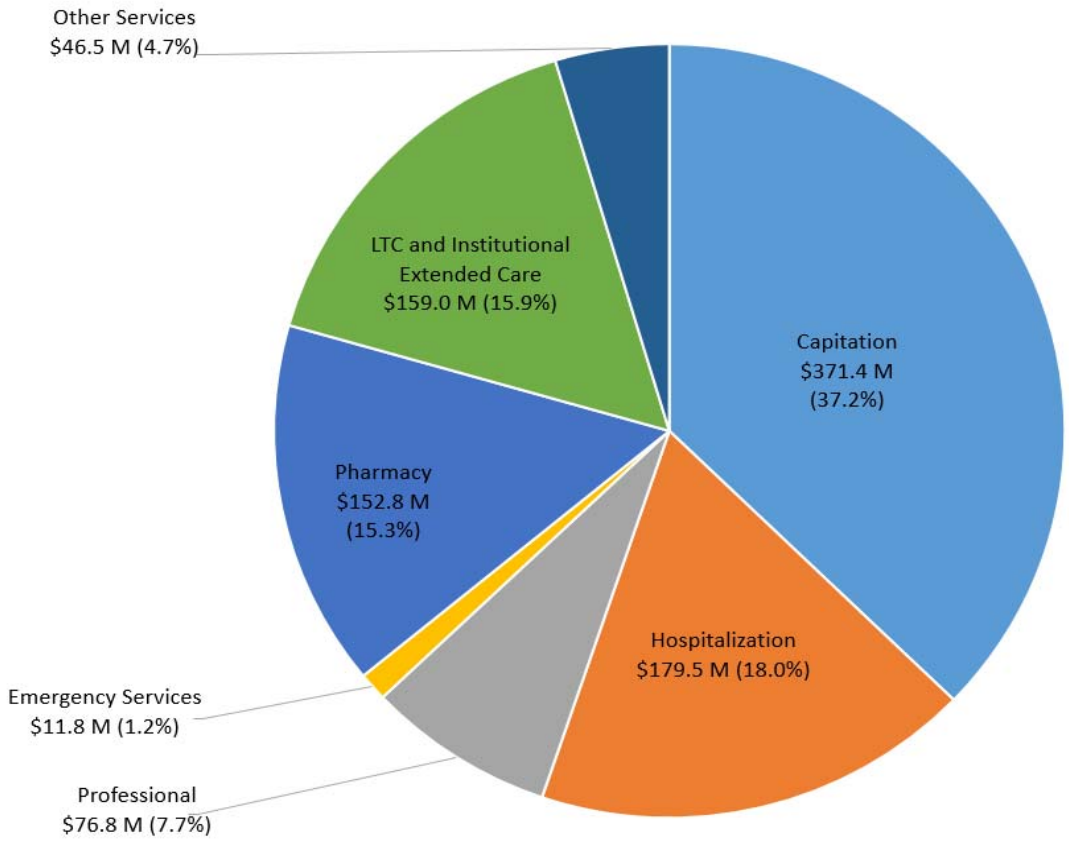


Total FY20 Revenue = $1.066 B

Medical Expense Assumptions

- Medical expenses are expected to increase from projected FY19 of $980 million to $998 million per the FY20 Budget.
- FY20 medical expenses are projected to be 93.6% of FY20 budgeted revenue (compared to 93.4% projected for FY19).
- Several methods were utilized in the development of medical expense forecasts. Primarily, projections were based on trends calculated from historical experience and known contract changes.
- Adjustments were applied to account for expected changes to operations, program structure, benefits, and regulatory policies.

Medical Expense Composition



Total FY20 Medical Expense = $998 M

Administrative Expense Comparative Analysis

	FY19 Forecast		FY20 Budget	
Revenue	$1,049,147,004		$1,066,239,698	
Member Months	3,036,100		2,903,198	
FTEs (at fiscal year end)	276		328	
	EXPENSE	PMPM	EXPENSE	PMPM
Salaries & Benefits	$32,081,086	$10.57	$34,868,059	$12.01
Rents & Utilities	$419,327	$0.14	$133,000	$0.05
Depreciation / Insurance / Equipment	$4,441,976	$1.46	$4,420,539	$1.52
Prof Fees / Consulting / Temp Staffing	$12,670,431	$4.17	$13,922,356	$4.80
Printing & Advertising	$933,817	$0.31	$1,703,360	$0.59
Information Systems	$2,460,717	$0.81	$3,708,516	$1.28
OfficeSupplies / Postage / Telephone	$1,063,637	$0.35	$1,524,288	$0.53
Meetings / Travel / Dues	$1,010,183	$0.33	$1,494,037	$0.51
Other Expenses	$332,807	$0.11	$1,994,501	$0.69
Total Administrative Expenses	$55,413,981	$18.25	$63,768,656	$21.96
Administrative Ratio	5.3%		6.0%	

- FY19 Actual represents ten months of actual and two months of forecast.
- Recent FY19 monthly administrative expense reflects an annual run rate of $58-60 million.

Administrative Expense Assumptions

- Personnel Expense:
  - Costs are increasing over projected FY19 by $2.8 million or 8.7%.
  - Staffing includes 276 current FTEs and 37 open positions.
    - 13 open positions are attributable to attrition.
  - FY20 budget adds 15 new positions:
    - 8 Quality positions to meet DHCS increased “minimum plan level” (MPL) requirements and expanded quality measures.
    - One additional position in each of the following departments to meet additional workload and compliance demands:
      - Grievances & Appeals, Human Resource, Customer Service, Long-Term Services & Supports (LTSS), Marketing, Support Services & Compliance

Administrative Expense Assumptions, continued

- Non-Personnel Expense:
  - Annual costs are increasing $5.6 million over projected FY19 by 23.9%.
  - Largely due to Quality / Process Improvement Initiatives:
    - **Objectives:**
      - To achieve at/above 50% MPL for 21 HEDIS measures, including 10 new measures
      - To achieve 100% of CMC Quality Withhold earn-back.
      - To improve HEDIS & CAHPS scores to reach NCQA Commendable status *
    - **Non-Personnel Quality:**
      - Costs of $4.4M are planned, comprised of the following:

• Additional Marketing Materials	$375K
• Enhanced IT Portals	$100K
• Expanded Call Outreach	$720K
• Implement Member Incentives	$1.2M
• Physician/Clinic Practice Consulting	$750K
• Support Supplemental Data Collection	$1.25M

* HEDIS – Healthcare Effectiveness Data and Information Set
CAHPS – Consumer Assessment of Healthcare Providers and Systems

Consolidated Budget

Santa Clara Family Health Plan.

	FY19 Forecast		FY20 Budget	
	Total $	PMPM	Total $	PMPM
Enrollment	3,036,100		2,903,198	
Revenues	$1,049,147,004	$345.56	$1,066,239,698	$367.26
Health Care Expenses	$979,557,413	$322.64	$997,697,167	$343.65
Gross Margin	$69,589,591	$22.92	$68,542,531	$23.61
Administrative Expenses	$55,413,981	$18.25	$63,768,656	$21.96
Non Operating Income	$3,910,413	$1.29	$2,930,701	$1.01
Net Surplus	$18,086,023	$5.96	$7,704,575	$2.65
Medical Loss Ratio	93.4%		93.6%	
Administrative Ratio	5.3%		6.0%	
Net Surplus %	1.7%		0.7%	

Consolidated Budget by Line of Business

Santa Clara Family Health Plan.

	Consolidated	Medi-Cal		CMC-Medi-Cal		CMC-Medicare		Total CMC		Healthy Kids	
	Totals	Totals	PMPM	Totals	PMPM	Totals	PMPM	Totals	PMPM	Totals	PMPM
Member Months	**2,903,198**	2,793,616		99,539		99,539		99,539		10,044	
Revenues:											
Capitation and Premium Revenue	**1,066,239,698**	$ 895,160,703	$ 320.43	$ 34,704,820	$ 348.66	$ 135,330,602	$ 1,359.58	$ 170,035,422	$ 1,708.23	$ 1,043,572	$ 103.90
MCO Revenue net of expense	**-**				$ -		$ -		$ -		$ -
Total Revenues	**$ 1,066,239,698**	**$ 895,160,703**	$ 320.43	**$ 34,704,820**	$ 348.66	**$ 135,330,602**	$ 1,359.58	**$ 170,035,422**	$ 1,708.23	**$ 1,043,572**	$ 103.90
Medical Expenses:											
Capitation	**$ 371,391,301**	$ 370,972,917	$ 0.41		$ -		$ -		$ -	$ 418,384	$ 41.66
Hospitalization	**$ 179,522,458**	$ 115,191,624	$ 41.23	$ 5,302,496	$ 53.27	$ 58,647,973	$ 589.20	$ 63,950,468	$ 642.47	$ 380,366	$ 37.87
Professional	**$ 76,759,540**	$ 54,590,913	$ 19.54	$ 6,679,134	$ 67.10	$ 15,281,381	$ 153.52	$ 21,960,515	$ 220.62	$ 208,112	$ 20.72
Emergency Services	**$ 11,762,167**	$ 8,692,353	$ 3.11	$ 379,247	$ 3.81	$ 2,690,566	$ 27.03	$ 3,069,814	$ 30.84	$ -	$ -
Pharmacy	**$ 152,797,869**	$ 118,926,236	$ 42.57	$ -	$ -	$ 33,759,074	$ 339.15	$ 33,759,074	$ 339.15	$ 112,559	$ 11.21
LTC and Institutional Extended Care	**$ 158,985,805**	$ 126,052,996	$ 45.12	$ 22,010,285	$ 221.12	$ 10,922,524	$ 109.73	$ 32,932,809	$ 330.85	$ -	$ -
Other	**$ 46,478,028**	$ 42,812,912	$ 15.33	$ 2,211,829	$ 22.22	$ 1,449,302	$ 14.56	$ 3,661,131	$ 36.78	$ 3,985	$ 0.40
Total Medical Expenses	**$ 997,697,167**	**$ 837,239,951**	$ 299.70	**$ 36,582,991**	$ 367.52	**$ 122,750,820**	$ 1,233.20	**$ 159,333,811**	$ 1,600.72	**$ 1,123,405**	$ 111.85
MLR	93.6%	93.5%		105.4%		90.7%		93.7%		107.7%	
Gross Margin	**$ 68,542,530**	**$ 57,920,752**	$ 20.73	**$ (1,878,171)**	$ (18.87)	**$ 12,579,782**	$ 126.38	**$ 10,701,612**	$ 107.51	**$ (79,834)**	$ (7.95)
Administrative Expenses	**$ 63,768,656**	$ 53,537,458	$ 19.16	$ 2,075,733	$ 20.85	$ 8,094,271	$ 81.32	$ 10,170,004	$ 102.17	$ 61,195	$ 6.09
ALR	**6.0%**	6.0%		6.0%		6.0%		6.0%		5.9%	
Other Income	**$ 2,930,701**	$ 2,460,424	$ 0.88	$ 95,404	$ 0.96	$ 372,027	$ 3.74	$ 467,431	$ 4.70	$ 2,846	$ 0.28
Net Surplus (Deficit) $	**$ 7,704,575**	**$ 6,843,718**	**$ 2.45**	**$ (3,858,499)**	**$ (38.76)**	**$ 4,857,539**	**$ 48.80**	**$ 999,039**	**$ 10.04**	**$ (138,182)**	**$ (13.76)**
Net Surplus (Deficit) %	0.7%	0.8%		-11.1%		3.6%		0.6%		-13.2%	

Medi-Cal Line of Business - Overview

- Revenue of $895.2 million, an increase of $484 thousand or 0.1% over FY19.
  - 2,793,616 member months, a decrease of 3.8%.
  - Medi-Cal rates are increasing by 6.6% overall - including Non-Duals, Duals & Kick payments.

- Medical Expense of $837.2 million, an increase of $5.6 million or 0.7% over FY19.
  - FFS costs based on historic claims experience adjusted for utilization trends and contracted rates.
  - Unit cost trends reflect increases of 1.0-7.0% for various categories of service.
  - Capitation payments based on expected rates and network distribution.

- Administrative Expense of $53.5 million.
  - Allocated by line of business based on premium revenue.
  - Admin cost as a percentage of revenue = 6.0%.

Cal Medi-Connect Line of Business

- Revenue of $170 million, an increase of $19.8 million or 13.2% over FY19.
  - 99,539 projected member months, an increase of 7.2%.
  - Medicare Revenue based on 2019 risk score Medicare rates with anticipated CMS savings and quality withhold targets included.
  - Medi-Cal revenue blending based on projected membership mix and CY18 DHCS rates.

- Medical Expense of $159.3 million, an increase of $15.3 million or 10.7% over FY19.
  - FFS costs based on historic claims experience adjusted for utilization trends and contracted rates.
  - Unit cost trends reflect increases of 1.0-7.0% for various categories of service.
  - Capitation payments based on expected rates and network distribution.

- Administrative Expense of $10.1 million.
  - Allocated by line of business based on premium revenue.
  - Admin cost as a percentage of revenue = 6.0%.

Healthy Kids Line of Business

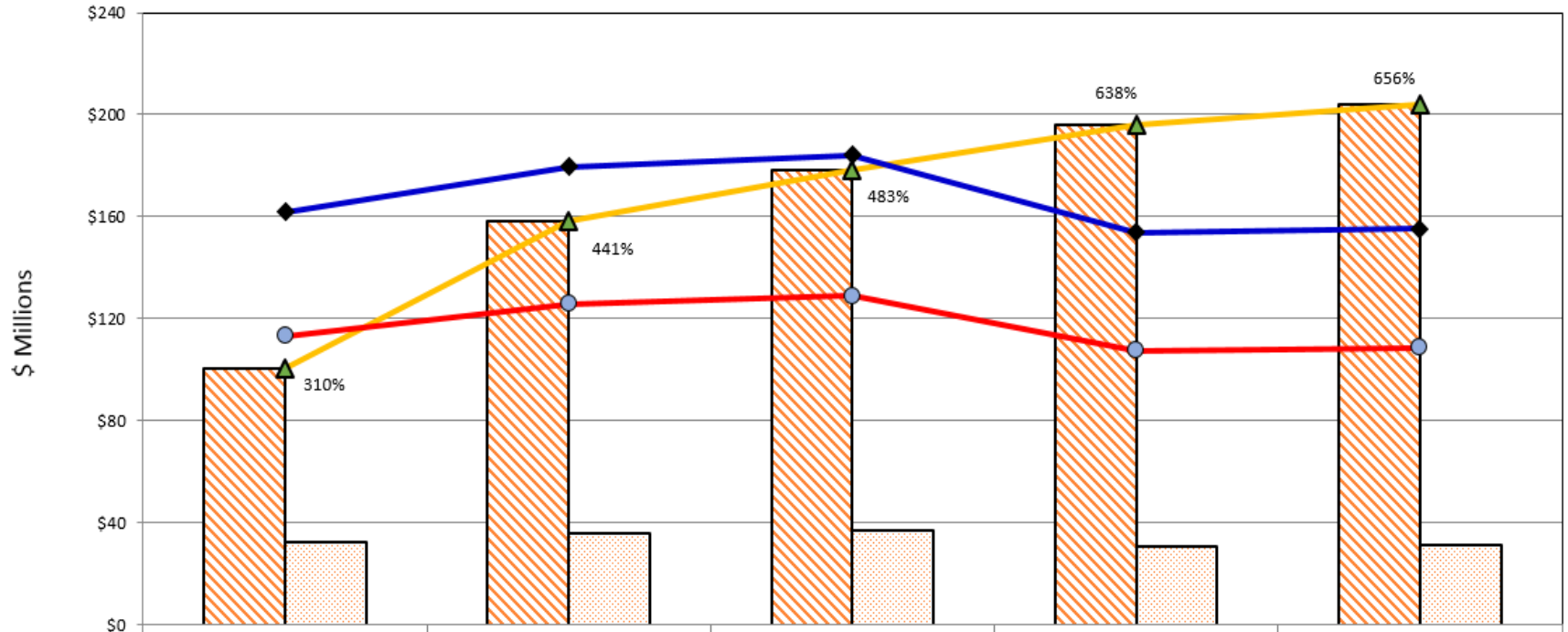
- Revenue of $1.0 million, a decrease of $3.2 million or 76% over FY19.
  - 10,044 projected member months for the three remaining months of the program.
  - Rates are assumed flat.

- Medical Expense of $1.1 million, a decrease of 72% over FY19.
  - FFS & capitation expenses are assumed flat.

- Administrative Expense of $61 thousand.
  - Allocated by line of business based on premium revenue
  - Admin cost as a percentage of revenue = 5.9%

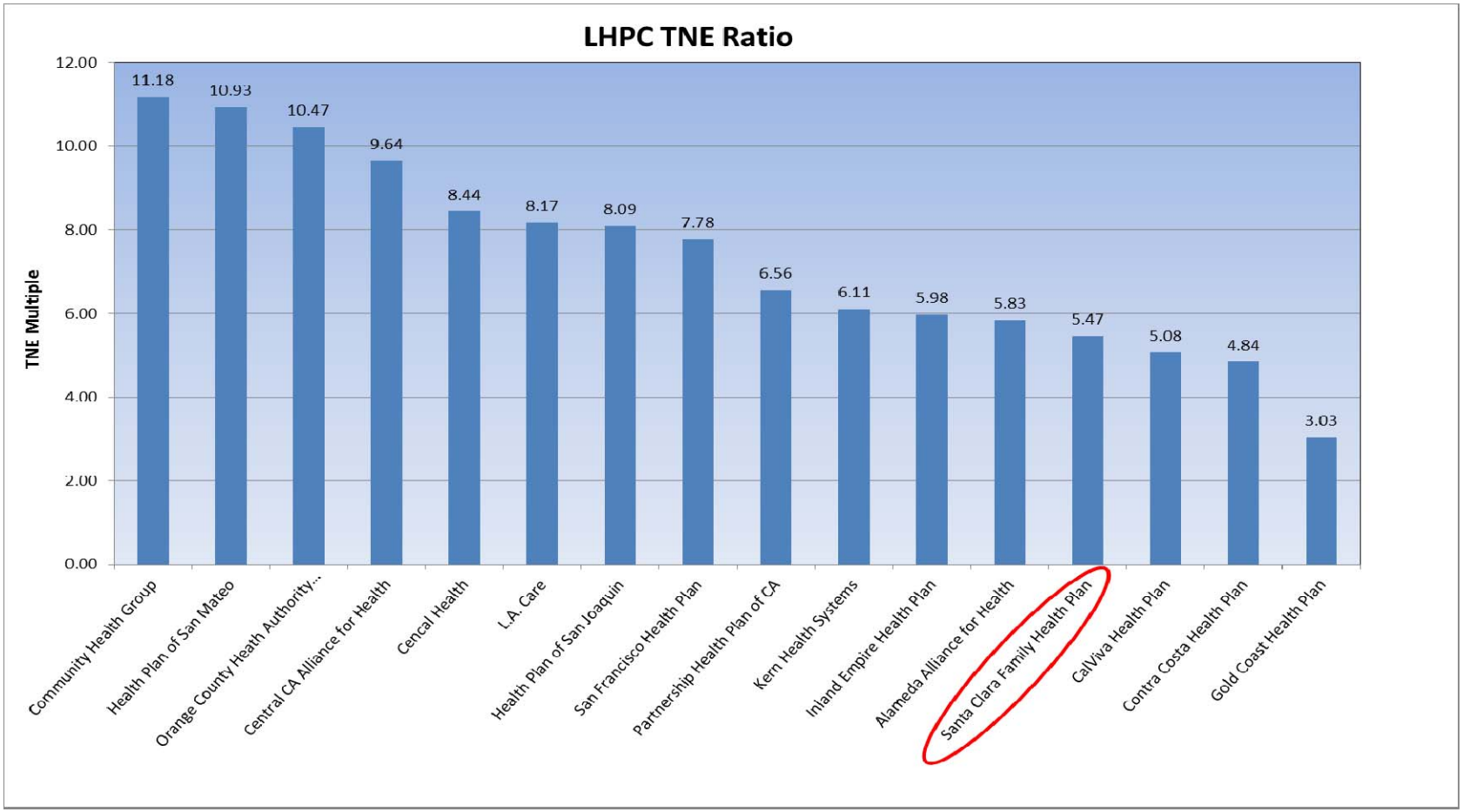
- As noted previously, Healthy Kids members are expected to transfer to Med-Cal effective October 1, 2019 and the program will close.

Tangible Net Equity



	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Forecast	FY20 Budget
Tangible Net Equity	$100.3 M	$158.4 M	$178.0 M	$196.1 M	$203.8 M
Minimum TNE	$32.4 M	$35.9 M	$36.8 M	$30.7 M	$31.1 M
Tangible Net Equity	$100.3 M	$158.4 M	$178.0 M	$196.1 M	$203.8 M
350% Low Target	$113.3 M	$125.6 M	$128.9 M	$107.6 M	$108.7 M
500% High Target	$161.9 M	$179.5 M	$184.1 M	$153.7 M	$155.3 M

Tangible Net Equity Multiples at 03/31/19



Capital Budget – Key Components

Description	Amount ($)
Storage expansion and upgrade for disaster recovery site	$210,000
Additional server hardware and software for disaster recovery site	$150,000
Backup system improvements	$100,000
Network firewall for disaster recovery site	$85,000
Workstation hardware (PC, Laptops, iGel, Tablet)	$75,000
HARDWARE	**$620,000**
EDI process improvement project	$250,000
HEDIS vendor implementation	$240,000
Portal enhancements	$235,000
Network security enhancements	$150,000
Financial reporting	$64,000
Purchase order tracking system	$50,000
Email archive and encryption solution	$40,000
SOFTWARE	**$1,029,000**
Satellite office tenant improvements	$1,250,000
Roof-top solar installation	$785,000
Roof-top restoration application	$460,000
Outside storage build-out	$335,000
Audio-visual equipment	$100,000
Trash enclosure	$80,000
Perimeter building wall painting with elastomeric paint	$40,000
Acoustics consultation and sound transmission solutions	$25,000
New roof hatch access	$25,000
Building weatherproofing applications	$25,000
Fitness center ceiling fan	$13,000
Perimeter and building directional signage	$8,000
Building security access cards	$3,500
FACILIITES	**$3,149,500**
TOTAL FY20 CAPITAL ASSETS REQUEST	**$4,798,500**

Capital Budget – Key Components

- IT Capital Budget Requests:
  - Hardware includes (1) disaster recovery hardware of $445K to ensure business continuity, (2) backup system improvements of $100K to assure recovery needs, and (3) workstation hardware replacements of $75K.
  - Software includes: (1) EDI file transfer of $250K, (2) new HEDIS vendor of $240K, (3) member and provider portal enhancements of $235K, (4) network security upgrade of $150K, and (5) various other software of $154K.
- Facilities Capital Budget Requests:
  - Satellite Office: tenant improvements of $1.25 million.
  - Exterior facility enhancements include (1) rooftop solar of $785K, (2) rooftop restoration of $460K, (3) exterior construction of $415K (storage & trash), and (4) painting, roof hatch, weatherproofing and signage of $98K.
  - Interior facility enhancements of $142K include: audio-visual equipment, acoustics, badge access and fitness center fan installation

Santa Clara Family Health Plan™

Enrollment and Retention

June 27, 2019

Overview

- Total Medi-Cal enrollment in Santa Clara County (SCFHP, Anthem, FFS) has been decreasing since 2016 and is projected to continue decreasing
  - Minimum wage increase
  - Strong job market – decrease in unemployment/increase in hours worked
  - Federal statements/initiatives regarding immigration (e.g., possible changes to public charge)
  - High cost of housing in Bay Area
- Regulatory changes
  - CA expansion of Medi-Cal coverage to adults 19-26, regardless of immigration status; nominal impact on enrollment
  - Pending/proposed changes to federal regulations (e.g., changes to public charge, way inflation is calculated for Federal Poverty Level)

SCFHP Enrollment and Retention

SCFHP Enrollment

- Medi-Cal
  - Total enrollment decreased 4.5% from June 2018 to June 2019
  - Market share increased 0.4% from May 2018 to May 2019
- Cal MediConnect
  - Total enrollment increased 6.9% from June 2018 to June 2019
  - Market share increased 3.7% from May 2018 to May 2019

Key factors determining new member enrollment

- Plan choice, including physician influence
- Prior plan association
- Auto-assignment rates (based on HEDIS scores)

Key factors affecting member retention

- Eligibility
- Member experience
- Physician influence

Cal MediConnect

Enrollment

- Direct mail lead generation campaign
- Assistance with qualification for Low Income Subsidy (LIS)
- Outreach to providers regarding benefits of CMC
- Incentive plan for Medicare Outreach Agents

Retention

- Outreach to beneficiaries “deemed” eligible for CMC due to loss of Medi-Cal eligibility
- Enhanced overall member experience
  - New member portal for member self service (e.g., to request transportation)
  - Focus on clinical and service quality improvement
- Disenrollment survey to identify opportunities for retention improvement

Medi-Cal

Enrollment

- Implemented Community Outreach Program
  - Hired Community Outreach Program Manager
  - Participated in 43 community events 2019 YTD
  - Established connections with 45 Community Based Organizations 2019 YTD
- Focus on clinical quality improvement to raise HEDIS scores to improve auto-assignment rate

Retention

- Launched Wellness Rewards Program
- Established internal Member Retention Workgroup to document member touchpoints
- Partnering with County Social Services on redetermination outreach
- Improved process for capturing current member contact information
- Enhanced overall member experience
  - New member portal for member self service (e.g., to request transportation)
  - Focus on clinical and service quality improvement

FY 2018-19 FOCUS
Drive Quality Improvement & Achieve Operational Excellence

	Plan Objectives	Success Measures	Preliminary Year-End Status
1	**Enhance compliance program and delegation oversight**	• **≥ 95% of metrics on Compliance Dashboard in compliance** • **Answer 80% of Customer Service calls in ≤ 30 seconds** • **90% of routine regulatory reports submitted timely, without rejection** • **Evaluate Compliance Program Effectiveness (CPE) and develop work plan**	○ 88% of metrics on May 2019 Compliance Dashboard in compliance ○ Customer Service calls answered in ≤ 30 seconds in May 2019: 83.3% for CMC; 65.5% for Medi-Cal with a 78 second average speed of answer ○ 100% of CMC and 96% of Medi-Cal routine regulatory reports submitted timely, without rejection ○ CPE evaluation completed & work plan on track ○ Of note, SCFHP was selected for, and underwent, its first CMS Program Audit starting in July 2018
2	**Pursue benchmark quality performance**	• **Achieve 3-year CMC NCQA accreditation** • **Increase HEDIS composite average to 70% for Medi-Cal and 60% for CMC** • **Develop and implement provider access & availability initiatives**	○ Achieved 3-year CMC NCQA accreditation ○ Medi-Cal HEDIS composite average 68.09%; CMC HEDIS composite average 58.12% ○ Updated and implemented provider and delegate access & availability training, and enhanced cross-functional regulatory reporting
3	**Expand reporting and analytics**	• **Develop and post dashboard metrics by department** • **Implement uniform Regulatory Report Template for 24 reports** • **Complete Phase II development of enterprise data warehouse**	○ Departmental dashboard metrics developed and posted ○ Uniform Regulatory Report Templates implemented for 30 reports ○ Phase II development of enterprise data warehouse completed in December 2018

Critical Priority

4	**Foster membership growth and retention**	• **Implement Medi-Cal retention activity plan** • **Achieve net increase of 500 CMC members** • **Develop a robust provider network strategy**	○ Medi-Cal retention initiatives: implemented Community Outreach Program, launched Wellness Rewards Program, improved capture of member contact information, launched member portal with 5% sign-up YTD, partnering with County Social Services on redetermination outreach ○ Achieved net increase of 519 CMC members for a total of 8,022 ○ Provider network strategy not developed
5	**Collaborate with Safety Net Community Partners**	• **Continue Whole Person Care partnership with SCVHHS to increase Long Term Care community transitions from baseline of 20 in FY 2017-18** • **Implement Health Homes by July 2019** • **Explore potential Satellite Office**	○ WPC partnership continued; achieved 40 Long Term Care community transitions ○ Health Homes Program being implemented effective July 2019 ○ Submitted proposal to lease Satellite Office space at N. Capitol Avenue & McKee Road
6	**Achieve budgeted financial performance**	• **Achieve FY 2018-19 Net Surplus of $9.1 million** • **Maintain administrative loss ratio ≤ 6% of revenue**	○ Projected to exceed budgeted FY 2018-19 Net Surplus ○ Projected administrative loss ratio 5.3% of revenue

Membership Growth:	**June ’19 – 249,205 members** **June ’18 – 259,475 members**	**4.0% decrease in members (10,270)** **6.0% decrease in member months**
Revenue Growth:	**FY 2018-19 – $1.05 billion** **FY 2017-18 – $1.33 billion**	**$280 million decrease in revenue** **21.1% decrease in revenue**
Employee Hiring:	**June ‘19 – 276 staff/14 temps** **June ‘18 – 236 staff/26 temps**	**20.3% turnover rate (52 departures)** **89 new hires**

Critical Priority

Santa Clara Family Health Plan™

FY 2019-20 FOCUS
Drive Quality Improvement & Achieve Operational Excellence

DRAFT

	Plan Objectives	Success Measures
1	Pursue benchmark quality performance	• Increase HEDIS composite average to 60% for CMC • Decrease Medi-Cal HEDIS measures below the new MPL (50th percentile) to ≤ 4 • Increase developmental screenings for children to ≥ 5,000 • Conduct gap analysis and roadmap for Medi-Cal NCQA accreditation • Achieve ≤ 120 second average speed of answer for Medi-Cal member calls
2	Enhance compliance program and delegation oversight	• ≥ 95% of metrics on Compliance Dashboard in compliance • 95% of routine regulatory reports submitted timely, without resubmission • Full implementation of enhanced delegation oversight program
3	Improve IT infrastructure	• Conduct HIPAA security risk assessment • Implement and optimize phone system upgrade by December 2019 • Implement monthly gaps in care on the provider portal by December 2019
4	Foster membership growth and retention	• Increase Medi-Cal market share from 78.3% • Achieve net increase of 533 CMC members • Develop a robust provider network strategy
5	Collaborate with Safety Net Community Partners	• Continue Whole Person Care partnership with SCVHHS and achieve ≥ 40 Long Term Care community transitions • Implement Health Homes for members with severe mental illness by January 2020 • Establish satellite office/community resource center
6	Achieve budgeted financial performance	• Achieve FY 2019-20 Net Surplus of $7.7 million • Maintain administrative loss ratio ≤ 7% of revenue

Critical Priority

Fiscal Year 2019-2020 Team Incentive Compensation

June 27, 2019

D R A F T

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

Calculation:

- 0.20 (Medi-Cal HEDIS Payout %) + 0.20 (CMC HEDIS Payout %) + 0.20 (Service Level Payout %) + 0.40 (Compliance Metrics Payout %) = **Overall Percent Payout**
- All staff are eligible to receive the Overall Percent Payout multiplied by the salary/wages they were paid as a regular employee from July 2019 through June 2020. (Does not include PTO cash out.)

Process:

- Santa Clara Family Health Plan must achieve a **Net Operating Surplus** as a gate to any incentive award consideration.
- Incentive compensation will be determined upon receipt of the audited financial statements for the fiscal 2019-20 performance year.
- **Medi-Cal HEDIS** will be calculated as the number of measures with scores below the HEDIS 50th percentile.
- **CMC HEDIS** will be calculated as the overall average of the percentage performance on each HEDIS measure.
- **Medi-Cal Member Calls** will be calculated as the average number of seconds a member waits on the line before a Customer Service representative answers the call (July 2019 – June 2020).
- **Compliance Metrics** will be calculated as the percent of compliance dashboard measures that meet or exceed regulatory requirements (July 2019 – June 2020).
- To be eligible to receive a payout, an employee must be employed by Santa Clara Family Health Plan in a regular position at the time of distribution.

Santa Clara County Health Authority
Updates to Pay Schedule
June 20, 2019

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Director, Government Relations	Annually	140,157	182,204	224,251
Director, Marketing & Communications	Annually	140,157	182,204	224,251
Director, Pharmacy	Annually	168,189	218,645	269,102
Director, Quality and Process Improvement	Annually	168,189	218,645	269,102
Medical Management Personal Care Coordinator	Annually	52,516	65,645	78,774
Provider Dispute Resolution Intake Specialist	Annually	43,303	53,046	62,789

Santa Clara County Health Authority
Job Titles Removed from Pay Schedule
June 20, 2019

Job Title	Pay Rate	Minimum	Midpoint	Maximum
Director, Quality and Pharmacy	Annually	168,189	218,645	269,102