

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

Thursday, November 19, 2020, 11:30 PM – 1:30 PM
 Santa Clara Family Health Plan
 6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference
 (669) 900-6833
 Meeting ID: 955 1419 2965
 Passcode: ExFin1120
<https://zoom.us/j/95514192965>

AGENDA

- | | | | |
|---|--------------|-------|--------|
| 1. Roll Call | Ms. Alvarado | 11:30 | 5 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. | Ms. Alvarado | 11:35 | 5 min |
| 3. 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
a. Approve October 22, 2020 Executive/Finance Committee Minutes
b. Accept Network Detection and Prevention Update | Ms. Alvarado | 11:40 | 5 min |
| 4. CEO Update
Discuss status of current topics and initiatives. | Ms. Tomcala | 11:45 | 25 min |
| 5. Government Relations Update
Discuss local, state, and federal legislative and policy issues impacting the Plan and its members. | Mr. Haskell | 12:10 | 20 min |
| 6. September 2020 Financial Statements
Review September 2020 Financial Statements.
Possible Action: Approve the September 2020 Financial Statements | Mr. Jarecki | 12:30 | 20 min |
| 7. Quality Update
Discuss CY'19 Medi-Cal HEDIS Network Comparison Rates | Dr. Nakahira | 12:50 | 20 min |
| 8. Institute on Aging (IOA) Funding Request
Review and discuss the funding request for Assisted Living Services.
Possible Action: Approve the IOA proposal for Assisted Living Services | Ms. Andersen | 1:10 | 20 min |
| 9. Adjournment | | 1:30 | |

Notice to the Public—Meeting Procedures

- Persons wishing to address the Governing Board on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
- The Committee may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.
- In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Rita Zambrano 48 hours prior to the meeting at (408) 874-1842.
- To obtain a copy of any supporting document that is available, contact Rita Zambrano at (408) 874-1842. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 6201 San Ignacio Ave, San Jose, CA 95119.
- This agenda and meeting documents are available at www.scfhp.com.

Regular Meeting of the

Santa Clara County Health Authority Executive/Finance Committee

Thursday, October 22, 2020, 11:30 PM – 1:30 PM

Santa Clara Family Health Plan - Teleconference

6201 San Ignacio Ave, San Jose, CA 95119

Minutes

Members Present

Dolores Alvarado, Chair
Bob Brownstein
Dave Cameron
Liz Kniss
Sue Murphy

Staff Present

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

Others Present

Chris Pritchard, Moss Adams LLP
Rianne Suicco, Moss Adams LLP

1. Roll Call

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

2. Public Comment

There were no public comments.

Ms. Alvarado requested that the Outreach & Retention Update for Medi-Cal be presented immediately following the CEO Update.

3. Fiscal Year 2019-2020 External Independent Auditor's Report

Neal Jarecki, Chief Financial Officer, introduced Chris Pritchard, Partner, and Rianne Suicco, Senior Manager, from the Plan's independent accounting firm, Moss Adams LLP. Mr. Pritchard presented the Plan's audited financial statements and Board communication letter for the fiscal year ended June 30, 2020. He indicated the financial statements received an unmodified audit opinion (meaning that the Plan has presented fairly its financial position, results of operations, and changes in cash flows and that the financial statements are in

conformity with generally accepted accounting principles). Ms. Suicco reviewed a summary of the Plan's financial statement detail and advised that: (1) management's accounting estimates were reasonable, (2) there were no disagreements with management, and (3) no audit adjustments to the financial statements were necessary.

It was moved, seconded, and the FY 2019-2020 Independent Auditor's Report was unanimously approved.

Motion: Ms. Kniss

Second: Mr. Cameron

Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Kniss, Ms. Murphy

4. Meeting Minutes

The minutes of the August 27, 2020 Executive/Finance Committee were reviewed.

It was moved, seconded, and the August 27, 2020 Executive/Finance Committee Minutes were unanimously approved.

Motion: Ms. Kniss

Second: Mr. Brownstein

Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Kniss, Ms. Murphy

5. CEO Update

Christine Tomcala, Chief Executive Officer, presented highlights on the updated SCFHP COVID-19 Responses. Ms. Tomcala referenced an outbreak of COVID positive members in skilled nursing facilities (SNFs), specifically the Gilroy Health and Rehabilitation Center (Gilroy HRC). Dr. Laurie Nakahira, DO, Chief Medical Officer, provided additional details.

Ms. Tomcala shared a status update on the Blanca Alvarado Community Resource Center (CRC), noting the projected occupancy date is October 26, 2020. Mike Gonzalez has been hired as the CRC Manager and will start on November 9th. Program planning is underway.

Ms. Tomcala spoke to a variety of activities in which SCFHP is engaged related to understanding and addressing race and health disparities, including meeting with community leaders.

She also noted that the Medi-Cal Rx carve-out will still have a January 1, 2021 effective date.

6. Outreach & Retention Update for Medi-Cal

Chelsea Byom, Director, Marketing & Communications, presented an update on Outreach and Retention for Medi-Cal, describing the strategies and goals for the 2020-2021 fiscal year and noting the corresponding Organizational Objectives. The Outreach and Retention Plan Goals are (1) create and strengthen partnerships with Community Based Organizations (CBOs), government agencies, and providers; (2) improve recognition of and engagement with SCFHP by members and prospective members; and (3) improve member retention through enhanced onboarding and service delivery. She presented an overview of outreach activity and the impact of COVID-19 on event participation. Ms. Byom also briefly reviewed the Medi-Cal marketing regulations outlined in our contract with the Department of Health Care Services (DHCS).

7. Government Relations Update

Tyler Haskell, Director, Government Relations, presented an update on state legislative and administrative developments. Mr. Haskell described three state bills recently signed into law that would affect Plan operations, and mentioned that legislation relating to telehealth and data sharing is already being drafted for the 2021 legislative session. He gave an update on the state budget, noting that the "trigger cuts" the budget included, conditional on not receiving additional federal aid, were to be enacted, and that cuts would likely continue into the FY22 budget unless state revenue projections are significantly revised. Mr. Haskell stated that the go-live date for the change to a statewide pharmacy benefit is less than 90 days away, and that significant operational and

readiness issues persisted on the part of DHCS and its pharmacy benefit contractor, Magellan.

Mr. Haskell provided an update on the ongoing effort in Congress to provide states with additional federal aid, concluding that it remains unlikely to occur until the White House and Senate majority can agree on the details. Finally, he noted that the legality of the Affordable Care Act will again be tested in the Supreme Court in November, although a decision likely won't be announced until June 2021.

8. Compliance Report

Mr. Haskell, Interim Compliance Officer, presented an update on recent and ongoing compliance audits. The Plan received the final Revalidation Audit report recognizing that we sufficiently corrected all 31 Program Audit findings, and CMS has officially closed the audit. The Committee agreed to discontinue regular reporting of compliance activity to the Executive/Finance Committee, with the understanding that compliance activity would continue to be reported to the Compliance Committee and Governing Board.

9. August 2020 Financial Statements

Mr. Jarecki presented the August 2020 financial statements, which reflected a current month net surplus of \$599 thousand (\$338 thousand unfavorable to budget) and a fiscal year to date net surplus of \$3.3 million (\$1.8 million favorable to budget). Enrollment increased by 3,234 members from the prior month to 260,270 members (7,504 unfavorable to budget). Membership growth due to COVID-19 has not been as pronounced as budgeted. Revenue reflected an unfavorable current month variance of \$626 thousand (0.6%) largely due to slightly higher capitation rates versus budget. Medical expense reflected a small favorable current month variance of \$57 thousand (0.1%) reflecting favorable capitation expense due to lower enrollment coupled with higher fee-for-service and pharmacy expenses versus budget. Administrative expense reflected a favorable current month variance of \$270 thousand (5.1%) due largely to the timing of certain expenses. The balance sheet reflected a Current Ratio of 1.18:1, versus the minimum required by DMHC of 1.00:1. Tangible Net Equity of \$213.2 million represented approximately two months of the Plan's total expenses. Year-to-date capital investments of \$1.7 thousand were made, predominately construction expenses of the Blanca Alvarado Community Resource Center.

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

Motion: Mr. Cameron

Second: Mr. Brownstein

Ayes: Ms. Alvarado, Mr. Brownstein, Mr. Cameron, Ms. Kniss, Ms. Murphy

10. Quality Update

Dr. Nakahira presented a Medi-Cal Managed Care performance review for calendar year 2019, noting DHCS ranks Managed Care Plans on an aggregated quality factor score (AQFS), which is based on HEDIS scores. She stated the scores are not official this year due to the impact of the COVID pandemic. The data is for our internal use only.

Dr. Nakahira reported that for 2019, SCFHP ranked 12th out of 56 plans and Anthem ranked 25th. She reviewed the HEDIS measures ranking, noting the Plan generally performed in the top 50% of plans. Because the HEDIS scores are not official this year, the 2020 auto-assignment rates will carry-over to 2021, rather than being updated with the most recent HEDIS data.

11. Adjournment

The meeting was adjourned at 1:28 pm.

Susan G. Murphy, Secretary



**Santa Clara Family
Health Plan™**

Network Detection and Prevention Report

November 2020

Executive/Finance Committee Meeting

Firewall Background

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

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

The attempts have been categorized in three severity levels:

Critical/High

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

Medium

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

Low/Informational

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

Attack Statistics Combined

Jul/Aug/Sep/Oct

	Number of Different Types of Attacks				Total Number of Attempts				Percent of Attempts			
Severity Level	Jul	Aug	Sep	Oct	Jul	Aug	Sep	Oct	Jul	Aug	Sep	Oct
Critical	13	20	20	30	111	3,822	261	3,193	.02	0.07	0.04	0.27
High	15	18	16	28	1,820	2,489	957	7,252	0.28	0.04	0.13	0.59
Medium	13	27	52	69	16,605	111,618	116,536	165,989	2.55	1.95	15.35	13.55
Low	6	6	10	14	636	2,512	1,448	1,770	0.10	0.04	0.19	0.14
Informational	19	19	27	29	632,234	5,608,464	639,710	1,046,648	97.05	97.90	84.29	85.45

Summary – Compare Oct to previous month of Sep 2020

- Critical Severity Level – number of threat attempts is **1223.4%** higher
- High Severity Level - number of threat attempts is 757.8% higher
- Medium Severity Level - number of threat attempts **42.4%** higher
- Low Severity Level - number of threat attempts is **22.2%** higher

Top 5 Events for August - October

Critical Events – total 7276 events

Top 5 Critical vulnerability events

- 2683 events for “Bash Remote Code Execution Vulnerability” (**Code-Execution**)
- 2683 events for “CobaltStrike.Gen Command and Control Traffic” (**Code-Execution**)
- 746 events for “Cisco IOS and IOS XE Software Cluster Management Protocol Remote Code Execution Vulnerability” (**Botnet**)
- 301 events for “Zeroshell Remote Command Execution Vulnerability” (**Code-Execution**)
- 99 events for “Mirai and Reaper Exploitation Traffic” (**Code-Execution**)

High Events – total 10,698 events

Top 5 High vulnerability events

- 2877 events for “SMB: User Password Brute Force Attempt” (**Brute Force**)
- 1911 events for “SIP INVITE Method Request Flood Attempt” (**Brute Force**)
- 1466 events for “ThinkPHP Remote Command Execution Vulnerability” (**Code-Execution**)
- 1223 events for “SIP Bye Message Brute Force Attack” (**Code-Execution**)
- 767 events for “Microsoft Windows win.ini Access Attempt Detected” (**Code-Execution**)

Medium Events – total 394143 events

Top 5 Medium vulnerability events

- 232698 events for “SCAN: Host Sweep” (**Info-Leak**)
- 132837 events for “SIPVicious Scanner Detection” (**Info-Leak**)
- 18014 events for “RPC Portmapper DUMP Request Detected” (**Info-Leak**)
- 3888 events for “ZGrab Application Layer Scanner Detection” (**Info-Leak**)
- 1552 events for “HTTP Directory Traversal Request Attempt” (**Info-Leak**)

Definitions:

Code-Execution – Attempt to install or run an application.

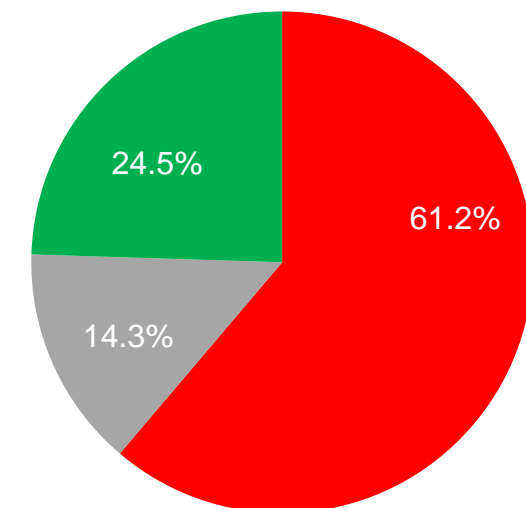
Brute Force – Vulnerability attempt to obtain user credentials.

Info-Leak – attempt to obtain user or sensitive information.

Botnet – used to perform distributed denial-of-service attack (DDoS attack), steal data and send spam.

Email Security – Monthly Statistics

Overview > Incoming Mail Summary		
Message Category	%	Messages
Stopped by Reputation Filtering	51.8%	150.7k
Stopped as Invalid Recipients	0.0%	3
Spam Detected	9.1%	26.5k
Virus Detected	0.0%	25
Detected by Advanced Malware Protection	0.0%	3
Messages with Malicious URLs	0.1%	328
Stopped by Content Filter	0.2%	525
Stopped by DMARC	0.0%	0
S/MIME Verification/Decryption Failed	0.0%	0
Total Threat Messages:	61.2%	177.8k
Marketing Messages	8.6%	25.0k
Social Networking Messages	0.2%	519
Bulk Messages	5.6%	16.2k
Total Graymails:	14.3%	41.7k
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	24.5%	71.3k
Total Attempted Messages:		290.7k



■ Spam ■ Graymails ■ Clean Mail

October

During the month.

- 61.2% of threat messages had been blocked.
- 14.3% were Graymails (*Graymail is solicited bulk email that doesn't fit the definition of email spam*).
- 24.5% were clean messages that delivered.

11/13/2020

SCFHP's COVID-19 Responses – November 18, 2020 (red indicates an update from previous report)

Group	Focus Area	Activities and Metrics
Members	Statistics	<p>Data as of 11/17; includes data from Kaiser and VMC</p> <ul style="list-style-type: none"> • 2,587 members positive • Cumulatively 1,124 members hospitalized • 75 deceased (39 SNF and 36 non-SNF), representing 17% of County-reported total (total membership equals about 12% of the County population)
	Call Center	<ul style="list-style-type: none"> • Call volume down 12.9% week of 11/9 vs prior year average • Average wait time of 25 seconds for CMC and 138 seconds for Medi-Cal
	Nurse Advice Line	<ul style="list-style-type: none"> • 394 Nurse Advice Line calls regarding coronavirus as of 11/17 • 1029 members created and activated MDLIVE accounts as of 11/17 • 861 members have completed an MDLIVE visit with a provider as of 11/17
	Grievance and Appeals	<ul style="list-style-type: none"> • 60 COVID-19 related grievances (Rx access due to provider office closed; transportation safety concerns, employment concerns) as of 11/16.
	Outreach to Vulnerable Populations	<ul style="list-style-type: none"> • Mailed flyer telling members we are here for them, to visit our website for information on resources and support, reiterate CDC's guidelines to stay safe, to call the nurse advice line for health questions, and call Customer Service for all other help. • Robo-calls to high risk members telling them they may be more vulnerable to COVID-19, reiterate CDC's guidelines to stay safe, call doctor for health questions or call nurse advice line, visit our website for more information on resources and support, and call Customer Service for questions. • Outbound calls: <ul style="list-style-type: none"> ○ To pregnant & post-partum population, asking how they are doing and if they need any help. ○ To members age 65+ with multiple chronic conditions, asking how they are doing and if they need any help.

Group	Focus Area	Activities and Metrics
		<ul style="list-style-type: none"> ○ Case Management (CM) outreached and informed 1,933 newly enrolled members about COVID resources ○ CM outreached and informed 3,289 annually reassessed members about COVID resources ○ CM outreached 19 members of our Transitions of Care program who were recently discharged after COVID hospitalizations ○ Behavioral Health outreached 207 members ○ The Health Homes Program community-based care management entities outreached 3,432 members
	Pharmacy	<ul style="list-style-type: none"> ● Refills available via mail-order for 90 day fills; pharmacy overrides to allow early refills ● Formulary expanded to include disinfectant and gloves
	Transportation	<ul style="list-style-type: none"> ● Lifted requirement to provide Customer Service notice 3-5 business days before medical appointment to arrange transportation (NMT and NEMT). Reinstated in early July for non-COVID-related appointments. ● Amended agreements with two vendors to make special accommodations and cleaning relating to transporting suspected or confirmed COVID members
	Communications to Members	<ul style="list-style-type: none"> ● Developed new webpage; published 31 member news updates ● April newsletter includes infographics on do's and don'ts of coronavirus and five steps to clean hands ● July newsletter includes telehealth and our commitment to member's health and safety (including a reminder to follow CDC guidelines to prevent the spread of coronavirus) ● Facebook posts in April through October to include more information on coronavirus precautions and getting preventive care ● Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey for Cal MediConnect was discontinued for 2020. Surveys were mailed out but no additional phone outreach will be conducted by the vendor.
	Eligibility Redetermination	<ul style="list-style-type: none"> ● State and counties have paused redeterminations from mid-March through January for beneficiaries with a change in status (affects approximately 3-5k SCFHP members each month who otherwise would have lost their eligibility), so these members will not lose eligibility ● SCFHP enrollment will be temporarily elevated April – January, and will fall as the pause is lifted

Group	Focus Area	Activities and Metrics																													
Providers	Prior Authorizations	<ul style="list-style-type: none">Suspended SCFHP requirement for all prior authorizations for network providers to decrease burden on providers; resumed authorizations on 5/1Delegates are following their own prior authorization guidelines																													
	Telehealth	<ul style="list-style-type: none">Regulations during state of emergency allow provider reimbursement, with specific coding and documentation requirementsAdded capability for Nurse Advice Line to offer members telephonic physician consultationCommunication sent to BHT providers with guidelines																													
	CBAS centers	<ul style="list-style-type: none">All five contracted CBAS centers submitted operations plans to the State outlining Temporary Alternative Services (TAS) they have been providing.All of the CBAS centers has had their operational plans approved by CDA. Internal monitoring of these TAS indicate successful implementation of the plans.																													
	Skilled Nursing Facilities	<ul style="list-style-type: none">SCFHP has requested that hospitals divert non-LTC and non-COVID-positive members away from facilities with three or more COVID positives. <table><tr><th>LTC</th><th># Positive</th><th>Expired</th><th>Total Beds</th><th>STAR Rating</th></tr><tr><td>San Tomas Convalescent</td><td>29</td><td>6</td><td>130</td><td>4</td></tr><tr><td>A Grace Subacute & Skilled</td><td>2</td><td>0</td><td>166</td><td>3</td></tr><tr><td>Canyon Springs</td><td>1</td><td>9</td><td>199</td><td>4</td></tr><tr><td>Herman</td><td>1</td><td>0</td><td>99</td><td>3</td></tr><tr><td>The Ridge</td><td>1</td><td>1</td><td>54</td><td>5</td></tr></table> <ul style="list-style-type: none"># Positive = Current (w/14 days). Expired = Cumulative & relating or subsequent COVID-positive reporting.SCFHP identified and reached out to three of the contracted SNFs hard-hit by COVID patients asking what staff support would be helpful. In response, a meal was delivered for all staff at two SNFs.Public Health Dept disallowed SNFs from unilaterally refusing patients who test positive for COVID-19	LTC	# Positive	Expired	Total Beds	STAR Rating	San Tomas Convalescent	29	6	130	4	A Grace Subacute & Skilled	2	0	166	3	Canyon Springs	1	9	199	4	Herman	1	0	99	3	The Ridge	1	1	54
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The Ridge	1	1	54	5																											

Group	Focus Area	Activities and Metrics
		<ul style="list-style-type: none"> Produced “Healthcare Heroes” flyers for contracted SNFs to thank them for caring for our members
	Clinics/Providers	<ul style="list-style-type: none"> By measure of outreach completed to community clinics, direct contracts, and IPA practice locations (last updated 10/13): <ul style="list-style-type: none"> PCPs: <ul style="list-style-type: none"> 133 locations are open to in-person visits, member walk-ins included. 26 are open to in-person visits, appointments only. 4 locations are telehealth only. 1 location anticipates opening within a month. Specialists: <ul style="list-style-type: none"> 162 are open to in-person visits, member walk-ins included. 20 are open to in-person visits, appointments only. 0 locations are telehealth only. 0 locations anticipate any future change in their operations. HEDIS Medical Record Review outreach has stopped for the Cal MediConnect line of business. The vendor will no longer call/fax/email/visit providers to obtain medical records. For Medi-Cal line of business, vendor is only reviewing records they can access electronically.
Staff	Working from home	<ul style="list-style-type: none"> 97% of staff working remotely (10 regularly on site) Planning has begun for certain staff to return to the office following shelter-in-place Implemented relaxed telecommuting agreement Staff onsite only for work that cannot be performed remotely PTO/leave emergency policies implemented consistent with federal legislation
Community	Communications	<ul style="list-style-type: none"> Informed CBOs and general community of SCFHP operational status via email and social media posts: still working and providing services for members and providers, most staff remote, lobby closed to visitors, how to contact us Published a press release to announce telehealth integration with nurse advice line
	Partnerships with CBOs	<ul style="list-style-type: none"> SCFHP staff donated \$10,250 in cash to Second Harvest of Silicon Valley Supported meal distribution programs by providing SCFHP’s reusable bags to Veggielution, Santa Clara County’s Senior Nutrition Program and Gilroy Compassion Center, Youth Alliance, and West Valley Community Services.

Group	Focus Area	Activities and Metrics
		<ul style="list-style-type: none"> • Provided financial support for Community Heath Partnership Diaper Drive, FIRST 5 certified infant formula distribution, and meal distribution to providers working in hospital settings • Provided individual hand sanitizers to Community Clinics for distribution to patients and to the Gilroy Compassion Center for distribution to the homeless population in South County • Donated reusable bags and toothbrushes to Next Door Solutions' pantry for individuals experiencing domestic violence during pandemic • Donated reusable bags to Healthier Kids Foundation to distribute books to underserved children • Participated in County assessment of food access needs for seniors to inform use of federal dollars • Continued documentation and sharing of community resources available to support members during COVID • Promoted and provided free member access to YMCA Healthy Living Day Camp

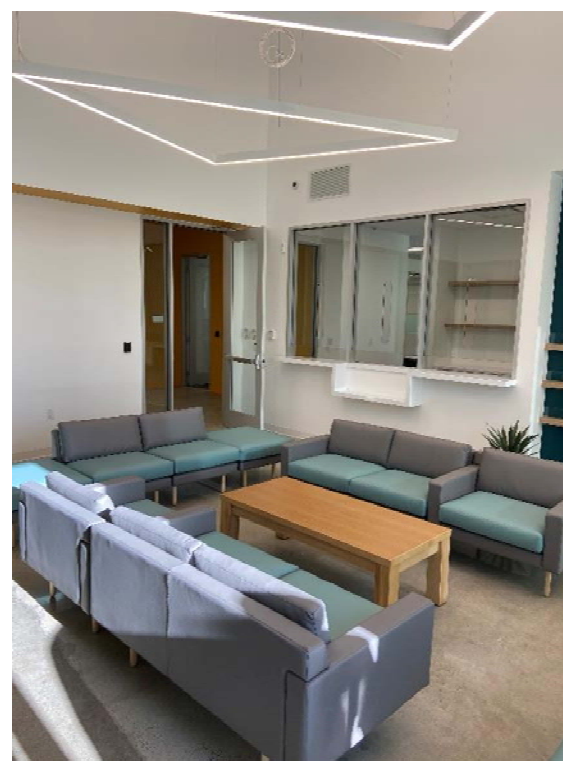
Santa Clara Family Health Plan

Blanca Alvarado Community Resource Center

Update

- All furniture, SCFHP network, AV, and security systems installed. Completing remaining punch list items with contractor.
- Temporary banner is up. Awaiting final designs for external signage.
- Welcomed CRC Manager, Mike Gonzalez, on November 9.
- Developing phased opening strategy and programming launch targeted for Q1 2021.

Santa Clara Family Health Plan Blanca Alvarado Community Resource Center



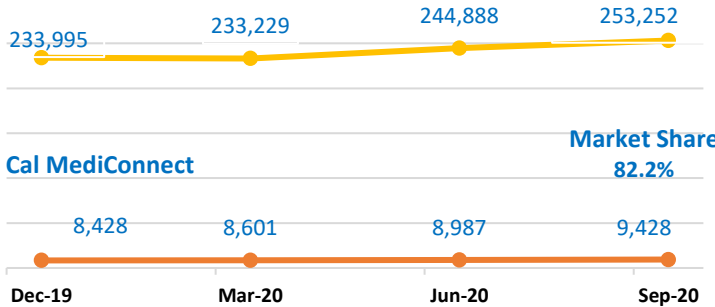
Board Dashboard- DRAFT

November 2020

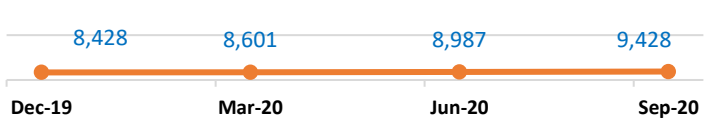


Membership

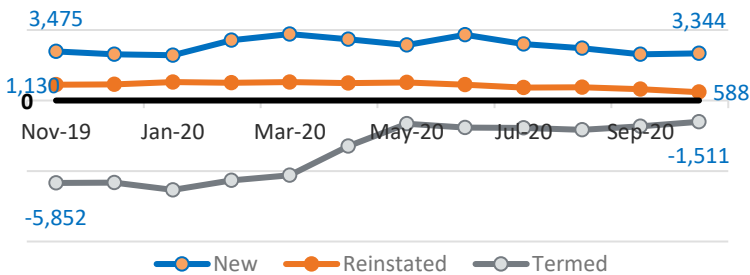
Medi-Cal



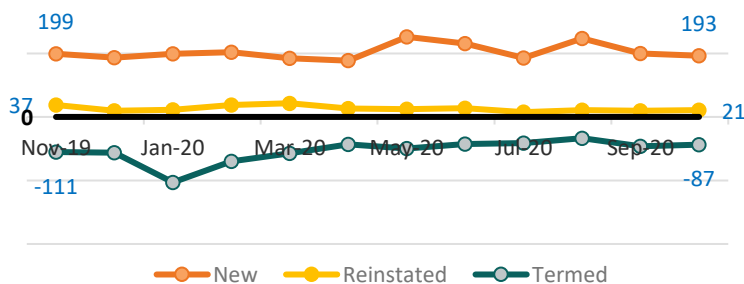
Cal MediConnect



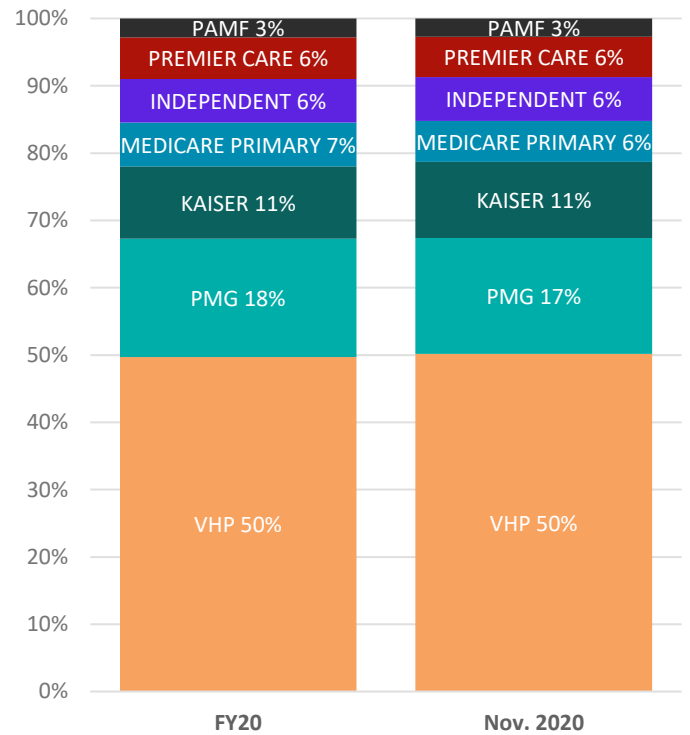
Medi-Cal Membership Gain/Loss



Cal MediConnect Membership Gain/Loss



Medi-Cal Membership by Network



Financial Highlights

	Sep 20	FYTD
Revenue	\$111.9 M	\$309.4 M
Medical Expense (MLR)	93.1%	93.0%
Administrative Expense	4.8%	5.3%
Net Surplus (Loss)	\$2.0 M	\$5.4 M

Human Resource Statistics



320
Nov 20

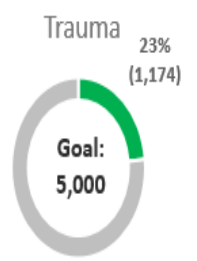
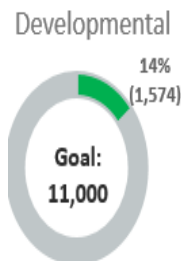


28
FY21 Nov YTD



26
Nov 20

Health Screenings FY21 Oct YTD

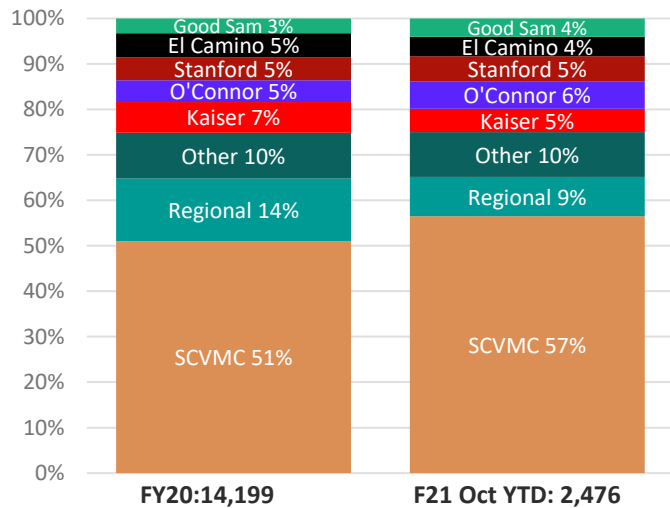


Board Dashboard- DRAFT

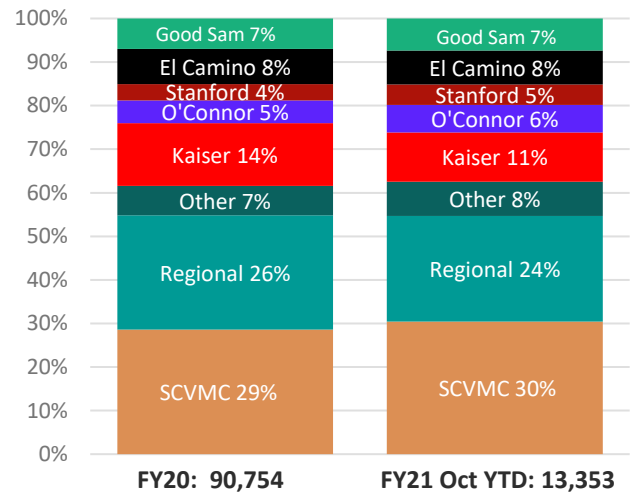
November 2020



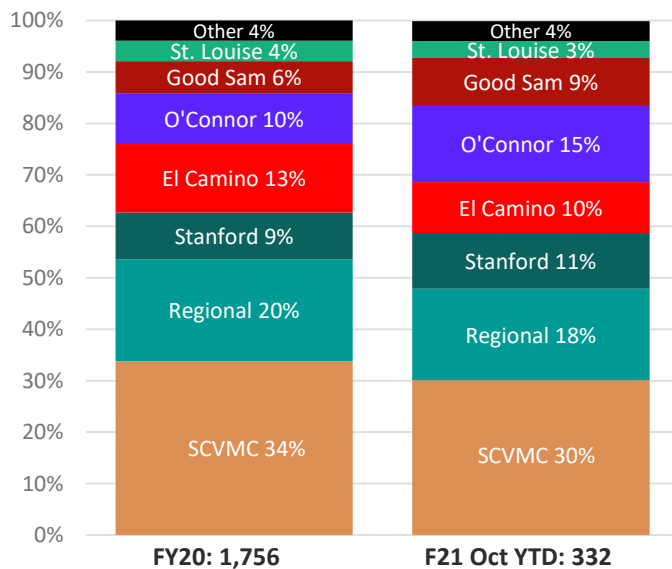
Medi-Cal Inpatient Discharges by Hospital



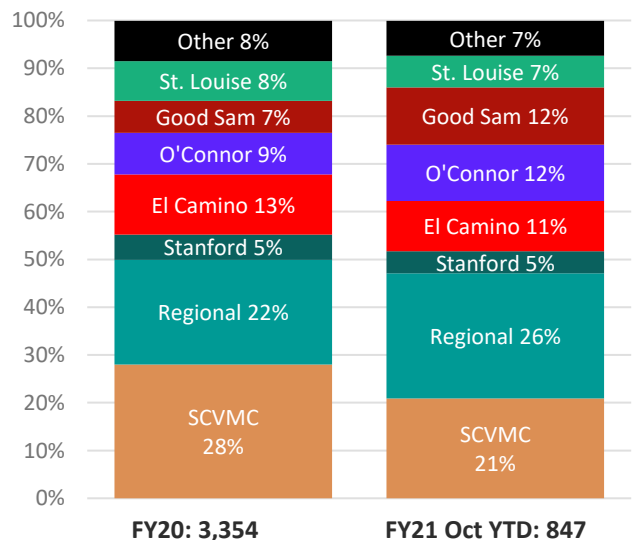
Medi-Cal Emergency Visits by Hospital



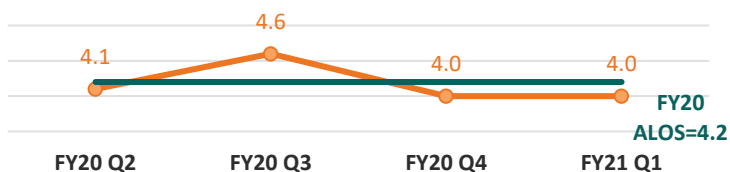
Cal MediConnect Inpatient Discharges by Hospital



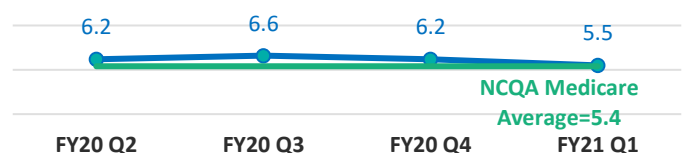
Cal MediConnect Emergency Visits by Hospital



Medi-Cal Inpatient Average Length of Stay (ALOS)



Cal Medi-Connect Inpatient Average Length of Stay (ALOS)

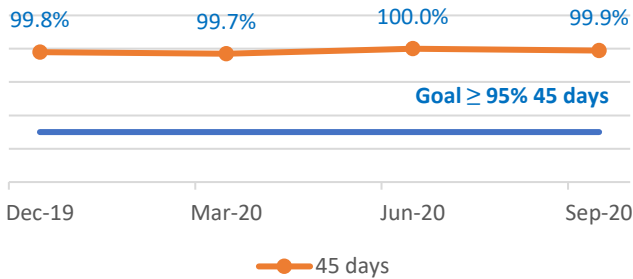


Board Dashboard- DRAFT

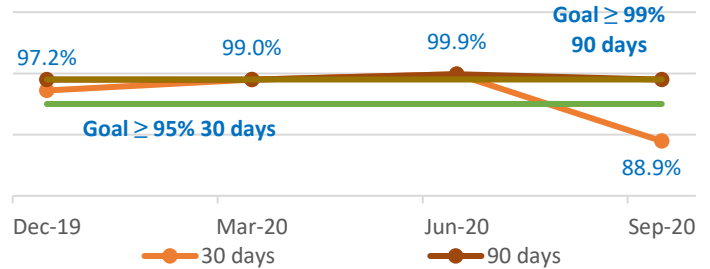
November 2020



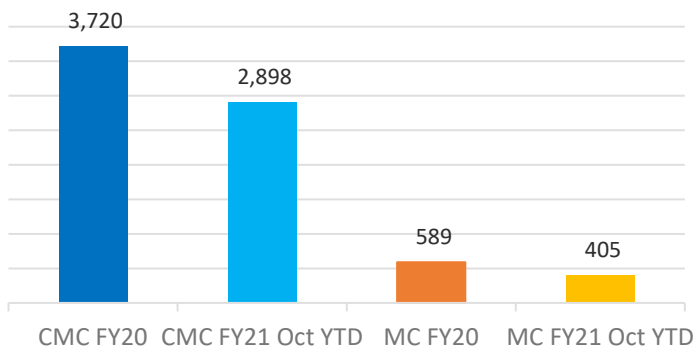
Medi-Cal Claims Processing



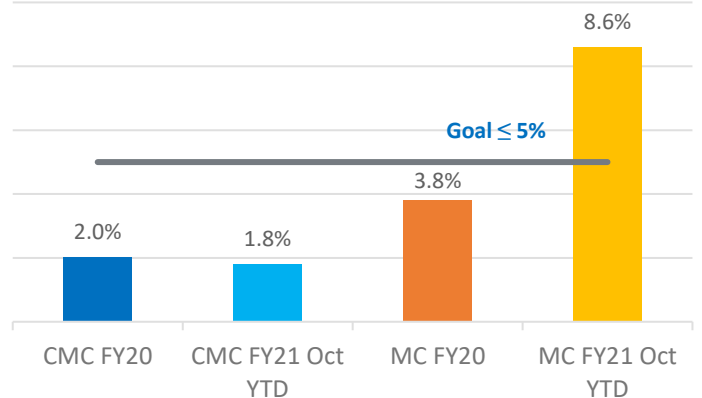
Cal MediConnect Claims Processing



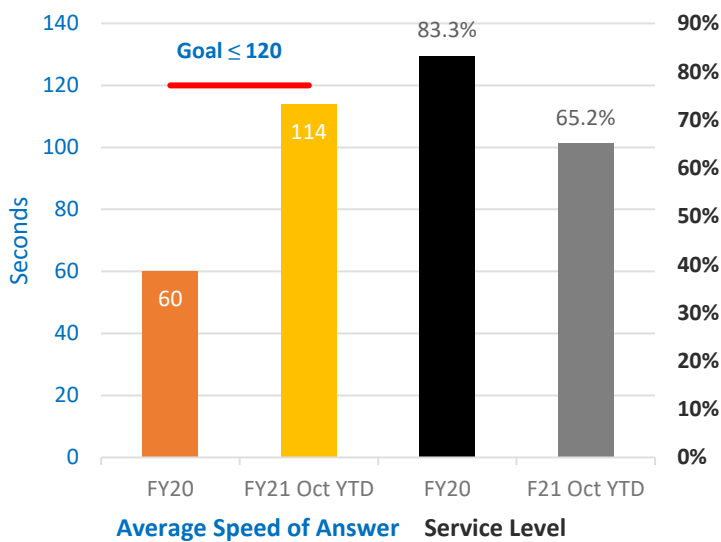
Member Calls Handled per 1,000 Members/Year



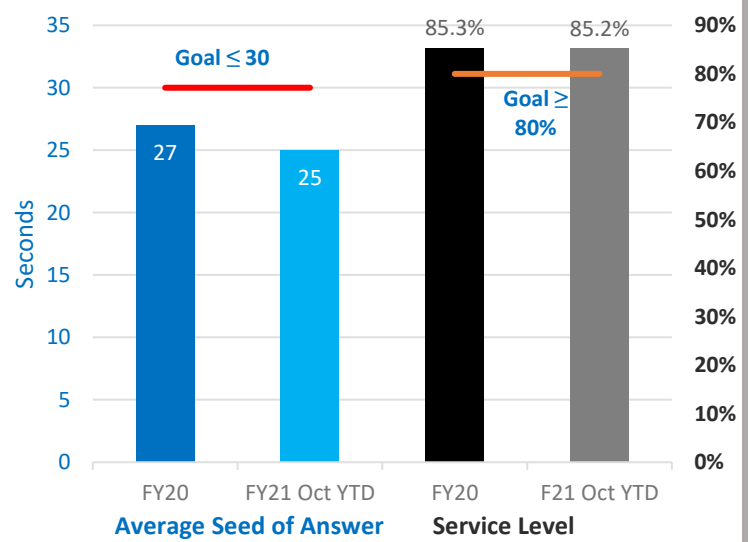
Abandoned Call Data



Medi-Cal Member Call Data



Cal MediConnect Member Call Data



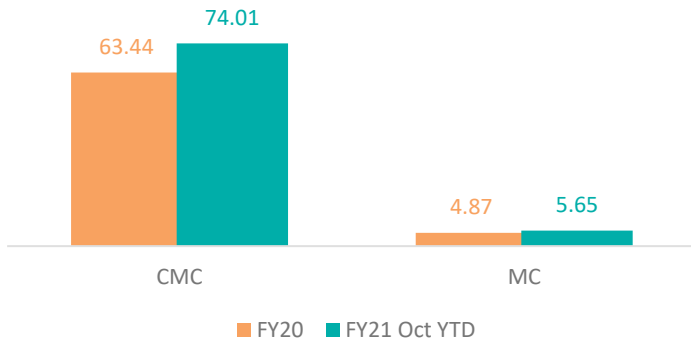
Board Dashboard- DRAFT

November 2020



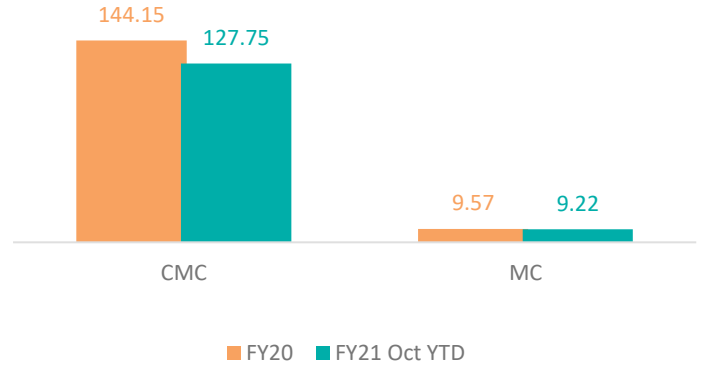
Appeals per 1,000 Members/Year

Appeal: a request to change SCFHP's decision on a coverage

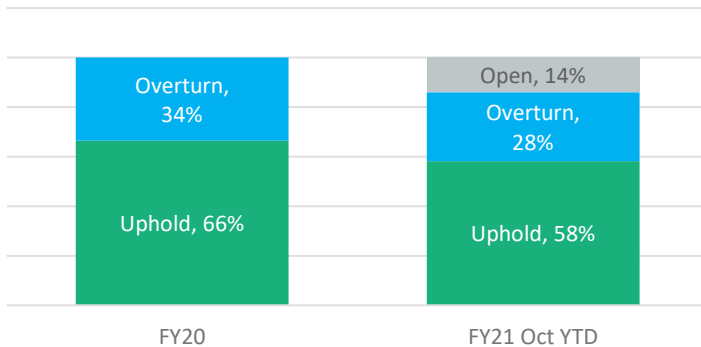


Grievances per 1,000 Members/Year

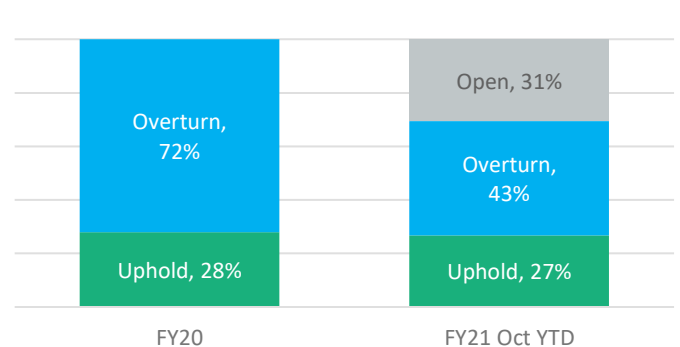
Grievance: a member's dissatisfaction with a service



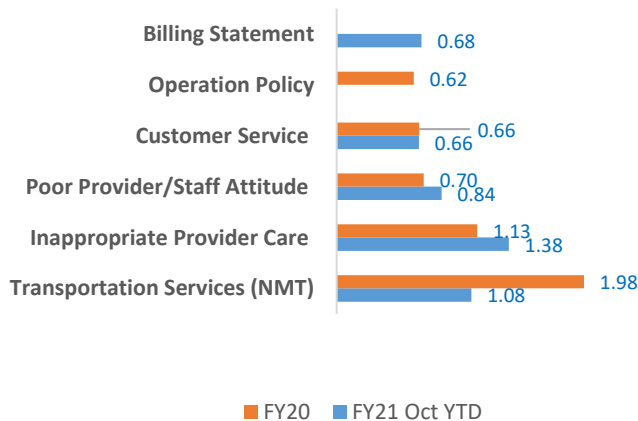
Medi-Cal Appeals by Outcome



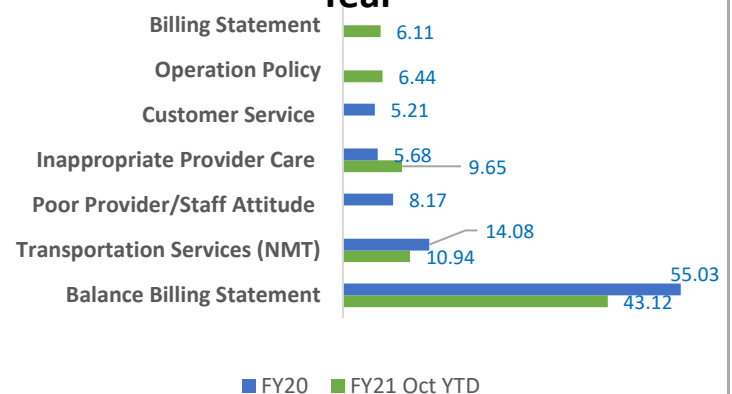
Cal MediConnect Appeals by Outcome



Medi-Cal Top Grievances per 1,000 Members/Year



Cal MediConnect Top Grievances per 1,000 Members/Year





SCFHP is a local, community-based health plan dedicated to improving the health and well-being of Santa Clara County residents. Working in partnership with providers and community organizations, we serve our neighbors through our Medi-Cal and Cal MediConnect (Medicare-Medicaid Plan) health insurance plans.

MEMBER DEMOGRAPHICS

259,202

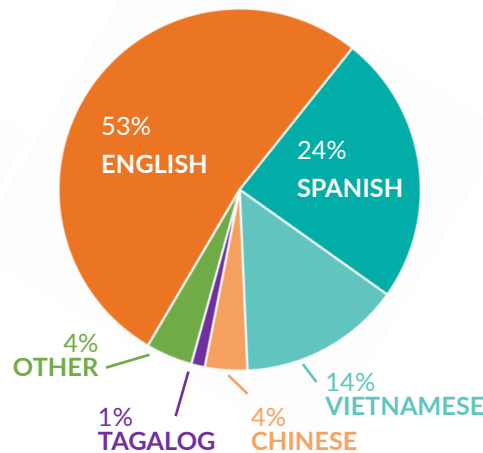
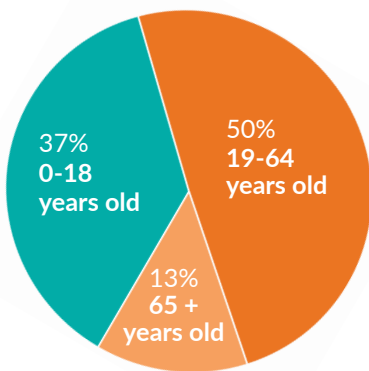
Medi-Cal
Members

31.8%

of our Medi-Cal members
are covered through ACA
expansion

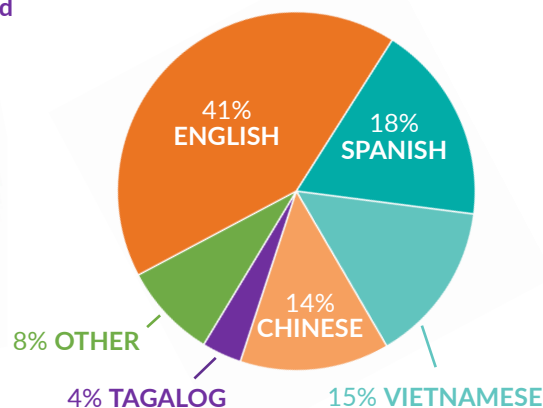
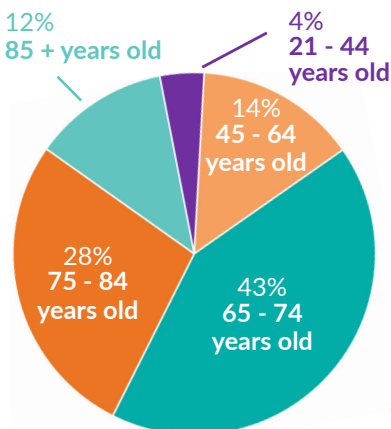
1.65

average # of kids
enrolled with
SCFHP per family



9,679

Cal MediConnect (Medicare-Medicaid Plan) Members



CONTRACTED PROVIDERS

Primary Care Physicians 821 Medi-Cal
543 Cal MediConnect

Specialists 4,388 Medi-Cal
3,081 Cal MediConnect

Ancillaries 872 Medi-Cal
227 Cal MediConnect

SCFHP is contracted with **all hospitals** in Santa Clara County, giving our members access to care that is convenient for them.

94 ¢

of every \$1 pays for
benefits and services

6 ¢

of every \$1 funds
administration

> \$1 B

invested in local
economy each year

Budget FY 20-21





Santa Clara Family
Health PlanTM

Unaudited Financial Statements
For Three Months Ended September 30, 2020

Agenda

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Financial Highlights

	MTD		YTD	
Revenue	\$112 M		\$309 M	
Medical Expense (MLR)	\$104 M	93.1%	\$288 M	93.0%
Administrative Expense (% Rev)	\$5.4 M	4.8%	\$16.3 M	5.3%
Other Income/(Expense)	(\$281K)		\$103K	
Net Surplus (Net Loss)	\$2.0 M		\$5.4 M	

Cash and Investments	\$625 M
Receivables	\$520 M
Total Current Assets	\$1,156 M
Current Liabilities	\$975 M
Current Ratio	1.18
Tangible Net Equity	\$214 M
% of DMHC Requirement	624.3%

Financial Highlights

Net Surplus (Net Loss)	<ul style="list-style-type: none"> ▶ Month: Surplus of \$2.0M is \$1.8M or 591.1% favorable to budget of \$296K. ▶ YTD: Surplus of \$5.4M is \$3.6M or 196.2% favorable to budget of \$1.8M.
Enrollment	<ul style="list-style-type: none"> ▶ Month: Membership was 262,680 (6,298 or 2.3% lower than budget of 268,978). ▶ YTD: Member Months YTD was 779,986 (18,277 or 2.3% lower than budget of 798,263).
Revenue	<ul style="list-style-type: none"> ▶ Month: \$111.9M (\$11.7M or 11.7% favorable to budget of \$100.2M). ▶ YTD: \$309.4M (\$11.2M or 3.8% favorable to budget of \$298.2M).
Medical Expenses	<ul style="list-style-type: none"> ▶ Month: \$104.2M (\$9.8M or 10.3% unfavorable to budget of \$94.5M). ▶ YTD: \$287.8M (\$7.2M or 2.6% unfavorable to budget of \$280.6M).
Administrative Expenses	<ul style="list-style-type: none"> ▶ Month: \$5.4M (\$286K or 5.1% favorable to budget of \$5.7M). ▶ YTD: \$16.3M (\$253K or 1.5% favorable to budget of \$16.5M).
Tangible Net Equity	<ul style="list-style-type: none"> ▶ TNE was \$214.0M (represents approximately two months of total expenses).
Capital Expenditures	<ul style="list-style-type: none"> ▶ YTD Capital Investments of \$2.3M vs. \$6.9M annual budget, primarily Community Resource Center.



Santa Clara Family
Health Plan™

Detail Analyses

Enrollment

- Total enrollment of 262,680 members is lower than budget by 6,298 or 2.3%. Since June 30, 2020, total enrollment has increased by 8,805 members or 3.5%.
- Medi-Cal enrollment has been increasing since January, reflecting newly-eligible and COVID enrollment (beginning in March annual redeterminations of eligibility was suspended).
- Since the beginning of the fiscal year, Medi-Cal Non-Dual enrollment has increased 3.7%, Dual enrollment has increased 1.1%, and CMC enrollment has grown 4.9% also due largely to the suspension of disenrollment.

	For the Month September 2020				For Three Months Ending September 30, 2020					Δ
	Actual	Budget	Variance	Variance (%)	Actual	Budget	Variance	Variance (%)	Prior Year Actuals	FY20 vs. FY21
Medi-Cal	253,252	259,894	(6,642)	-2.6%	752,263	771,191	(18,928)	-2.5%	2,840,218	(73.5%)
Cal Medi-Connect	9,428	9,084	344	3.8%	27,723	27,072	651	2.4%	101,391	(72.7%)
Total	262,680	268,978	(6,298)	-2.3%	779,986	798,263	(18,277)	-2.3%	2,941,609	(73.5%)

Santa Clara Family Health Plan Enrollment By Network
September 2020

Network	Medi-Cal		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	32,056	13%	9,428	100%	41,484	16%
SCVHHS ¹ , Safety Net Clinics, FQHC ² Clinics	127,102	50%	-	0%	127,102	48%
Palo Alto Medical Foundation	6,823	3%	-	0%	6,823	3%
Physicians Medical Group	43,695	17%	-	0%	43,695	17%
Premier Care	15,344	6%	-	0%	15,344	6%
Kaiser	28,232	11%	-	0%	28,232	11%
Total	253,252	100%	9,428	100%	262,680	100%
Enrollment at June 30, 2020	244,888		8,987		253,875	
Net Δ from Beginning of FY21	3.4%		4.9%		3.5%	

¹ SCVHHS = Santa Clara Valley Health & Hospital System

² FQHC = Federally Qualified Health Center

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD SEPTEMBER 2020

		2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04	2020-05	2020-06	2020-07	2020-08	2020-09	FYTD var	%
NON DUAL	Adult (over 19)	24,689	24,492	24,207	23,999	23,620	23,604	23,873	24,051	25,253	26,299	27,066	27,877	28,269	1,970	7.5%
	Child (under 19)	92,092	95,000	93,829	93,477	92,339	92,248	92,843	93,374	95,145	96,173	96,605	97,359	97,629	1,456	1.5%
	Aged - Medi-Cal Only	10,855	10,850	10,897	10,903	10,904	10,831	10,753	10,801	11,044	11,207	11,227	11,178	11,229	22	0.2%
	Disabled - Medi-Cal Only	10,814	10,836	10,865	10,839	10,845	10,854	10,882	10,851	10,902	10,922	10,944	10,910	10,839	(83)	(0.8%)
	Adult Expansion	70,418	70,285	69,889	69,069	68,130	68,372	69,272	70,458	72,546	74,553	76,262	77,701	79,263	4,710	6.3%
	BCCTP	10	10	12	11	11	11	11	11	11	11	11	11	11	0	0.0%
	Long Term Care	366	372	371	373	379	373	367	380	398	405	402	406	407	2	0.5%
	Total Non-Duals	209,244	211,845	210,070	208,671	206,228	206,293	208,001	209,926	215,299	219,570	222,517	225,442	227,647	8,077	3.7%

DUAL	Adult (21 Over)	351	341	350	341	330	328	320	311	320	321	327	320	337	16	5.0%
	SPD (21 Over)	23,445	23,531	23,577	23,498	23,472	23,540	23,541	23,443	23,595	23,508	23,641	23,686	23,654	146	0.6%
	Adult Expansion	201	122	82	177	139	130	136	134	190	241	261	289	358	117	48.5%
	BCCTP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
	Long Term Care	1,237	1,256	1,271	1,308	1,266	1,257	1,231	1,235	1,252	1,248	1,261	1,267	1,256	8	0.6%
	Total Duals	25,234	25,250	25,280	25,324	25,207	25,255	25,228	25,123	25,357	25,318	25,490	25,562	25,605	287	1.1%

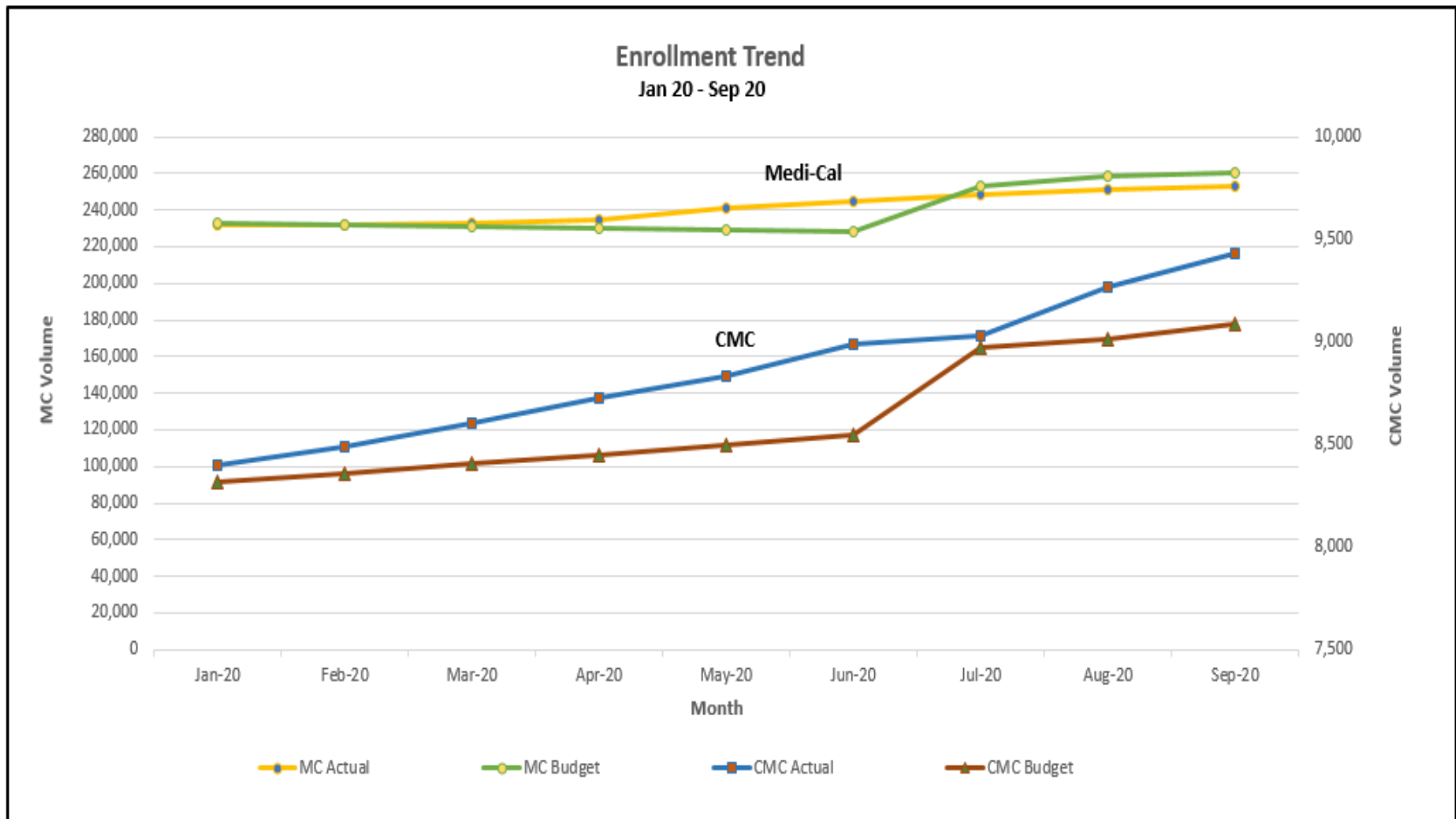
Total Medi-Cal	234,478	237,095	235,350	233,995	231,435	231,548	233,229	235,049	240,656	244,888	248,007	251,004	253,252	8,364	3.4%
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Healthy Kids	3,512	2	2	2	0	0	0	0	0	0	0	0	0	0	0.0%
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CMC	CMC Non-Long Term Care	7,982	8,016	8,069	8,206	8,177	8,261	8,388	8,511	8,625	8,775	8,814	9,055	9,212	437	5.0%
	CMC - Long Term Care	212	217	220	222	224	225	213	214	212	212	215	211	216	4	1.9%
	Total CMC	8,194	8,233	8,289	8,428	8,401	8,486	8,601	8,725	8,837	8,987	9,029	9,266	9,428	441	4.9%

Total Enrollment	246,184	245,330	243,641	242,425	239,836	240,034	241,830	243,774	249,493	253,875	257,036	260,270	262,680	8,805	3.5%
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Enrollment Trend

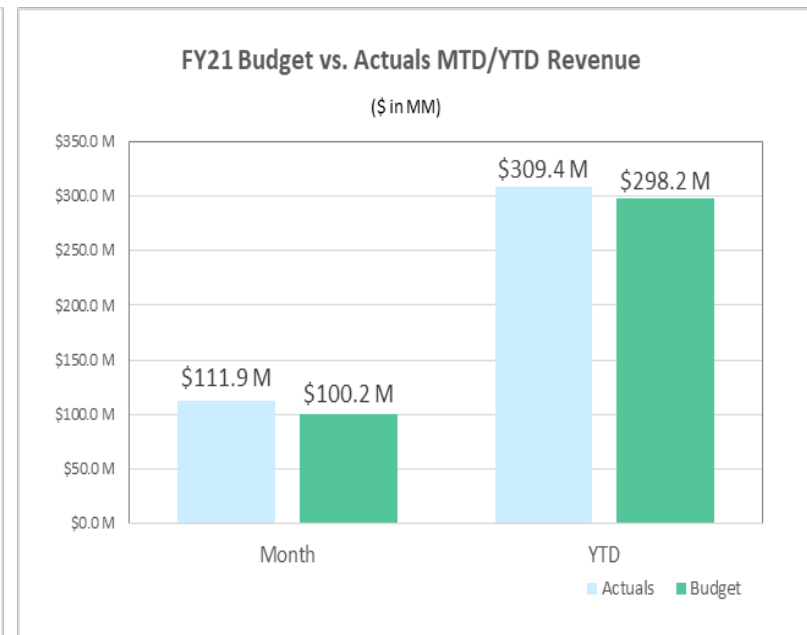
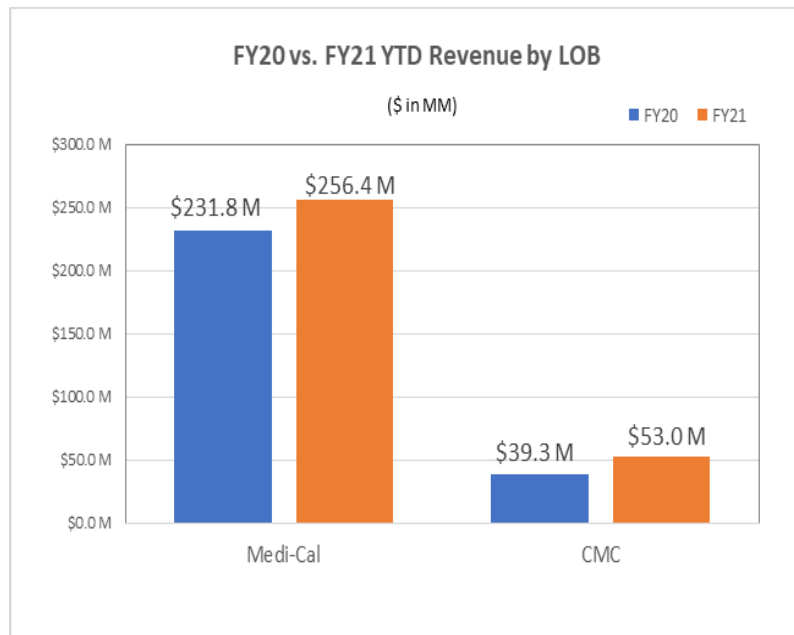


- The enrollment budget envisioned steep COVID enrollment growth early in the fiscal year followed by a flattening.
- Actual enrollment has grown steadily due to largely suspended disenrollment.

Revenue

Current month revenue of \$111.9M is \$11.7M or 11.7% favorable to budget of \$100.2M. The current month variance was primarily due to the following:

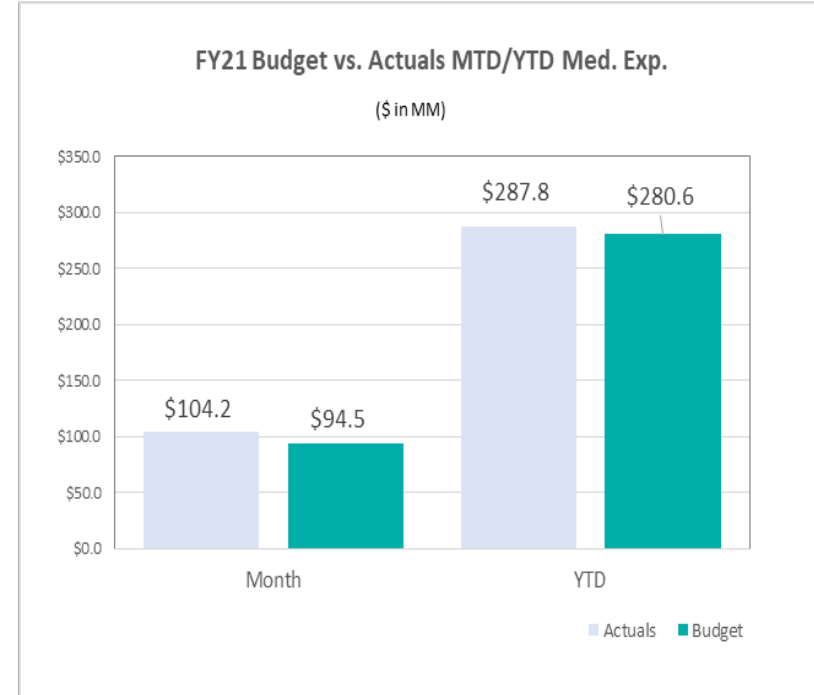
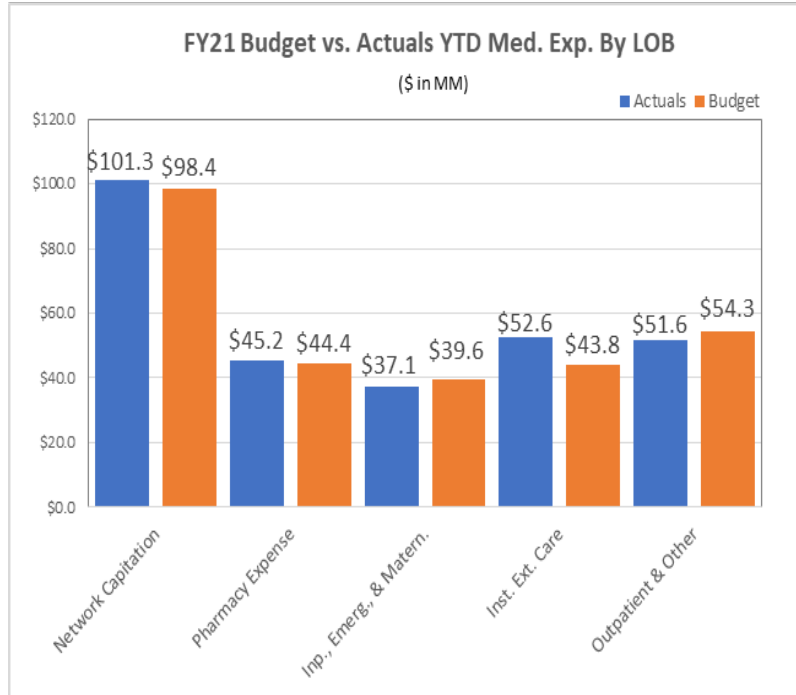
- Medi-Cal revenue is \$7.7M favorable to budget due to higher CY20 MLTSS rate than budgeted for FY21 (\$2.7M) and retroactive FY20 (\$5.3M) partially offset by lower enrollment (-\$300K).
- CMC Medicare revenue is \$1.9M favorable to budget due to higher CY19 Part-C Quality Withholding than estimated.
- CMC Medi-Cal revenue is \$2.1M favorable to budget due to higher CY20 CMC rate than budgeted for FY21 (\$1M) and retroactive FY20 (\$1.3M) and favorable enrollment (\$110K).



Medical Expense

Current month medical expense of \$104.2M is \$9.8M or 10.3% unfavorable to budget of \$94.5M. The current month variance was due largely to:

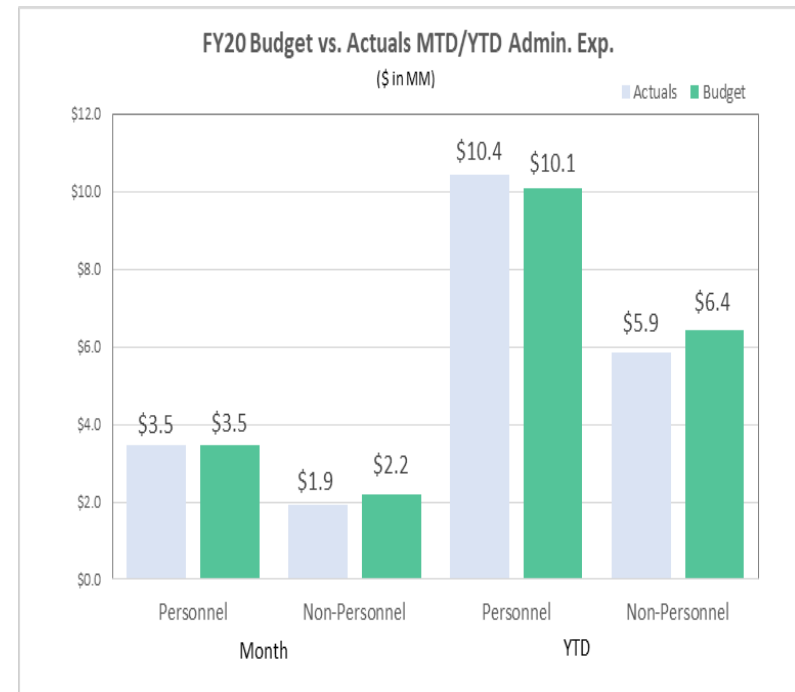
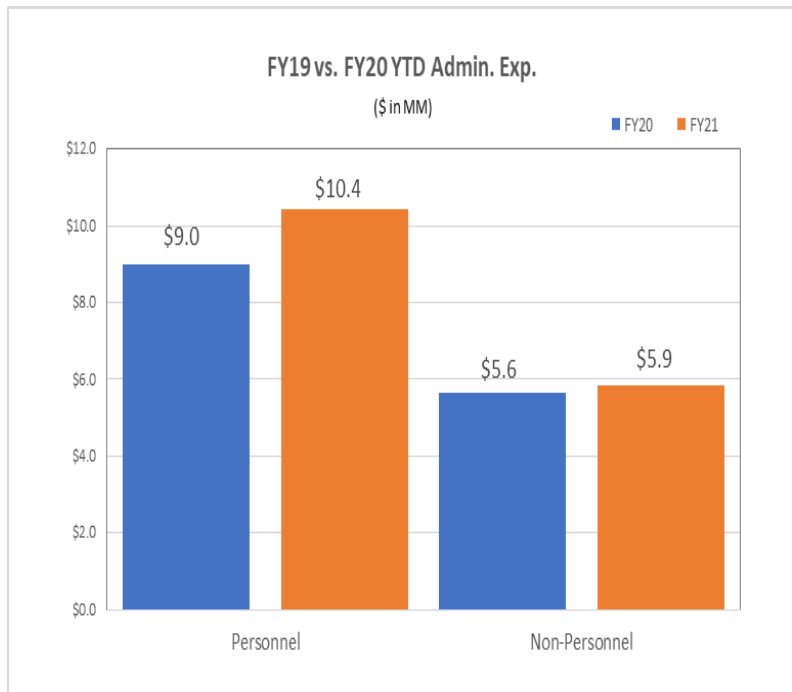
- Fee-For-Service expense is \$6.0M unfavorable variance due to an increased enrollment, retroactive LTC rate increases for COVID and increased utilization trends.
- Unfavorable capitation expense variance of \$3.8M is due to higher enrollment and retroactive revisions to Medi-Cal and CCI capitation rates payable.



Administrative Expense

Current month admin expense of \$5.4M is \$286K or 5.1% favorable to budget of \$5.7M. The current month variances were primarily due to the following:

- Personnel expenses were \$21K or 0.6% favorable to budget due to lower headcount than expected and under utilization of PTO than budgeted.
- Non-Personnel expenses were \$265K or 12.2% favorable to budget due to timing of budget spending in printing & advertising, contract, consulting and professional services.



Balance Sheet

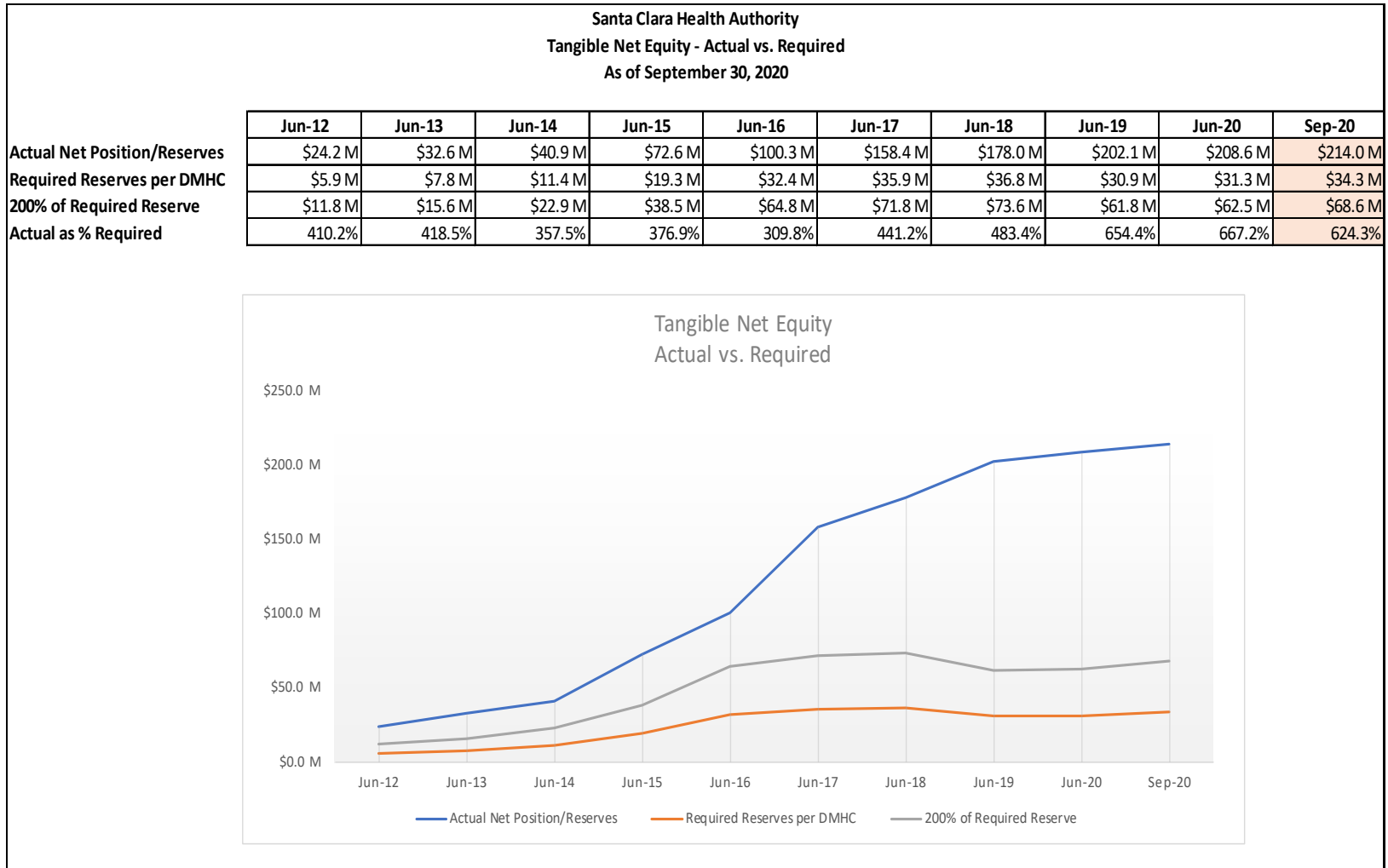
- Current assets totaled \$1.2B compared to current liabilities of \$975.5M, yielding a current ratio (Current Assets/Current Liabilities) of 1.18:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance increased by \$290.8M compared to the cash balance as of year-end June 30, 2020 due to the timing of inflows and outflows. \$275M was disbursed from Wells Fargo account in early October to Hospitals for Directed Payments.
- Current Cash & Equivalents components and yields were as follows:

Description	Cash & Investments	Current Yield %	Interest Income	
			Month	YTD
Short-Term Investments				
County of Santa Clara Comingled Pool	\$156,192,291	1.54%	\$100,000	\$300,000
Wells Fargo Investments	<u>\$433,914,925</u>	0.21%	<u>\$36,404</u>	<u>\$130,849</u>
	\$590,107,217		\$136,404	\$430,849
Cash & Equivalents				
Bank of the West Money Market	\$116,132	0.13%	\$4,372	\$7,765
Wells Fargo Bank Accounts	<u>\$34,194,092</u>	0.01%	<u>\$384</u>	<u>\$2,306</u>
	\$34,310,224		\$4,756	\$10,071
Assets Pledged to DMHC				
Restricted Cash	\$305,350	0.42%	\$107	\$107
Petty Cash	\$500	0.00%	\$0	\$0
Month-End Balance	<u><u>\$624,723,291</u></u>		<u><u>\$141,267</u></u>	<u><u>\$441,027</u></u>

- County of Santa Clara Comingled Pool funds have longer-term investments which are currently yielding a higher rate than WFB investments.
- Overall cash and investment yield is lower than budget (0.53% actual vs. 1.4% budgeted).

Tangible Net Equity

- TNE was \$214.0M - representing approximately two months of the Plan's total expenses.



Reserves Analysis

SCFHP RESERVES ANALYSIS SEPTEMBER 2020			
Financial Reserve Target #1: Tangible Net Equity			
	Approved	Expended	Balance
Unrestricted Net Assets			\$168,274,288 *
Board Designated Funds (Note 1):			
Special Project Funding for CBOs	\$4,000,000	\$540,727	\$3,459,274
Innovation & COVID-19 Fund	\$16,000,000	\$2,119,999	\$13,880,001
Subtotal	\$20,000,000	\$2,660,726	\$17,339,275
Net Book Value of Fixed Assets			\$28,111,670
Restricted Under Knox-Keene Agreement			\$305,350
Total Tangible Net Equity (TNE)			\$214,030,582
Current Required TNE			\$34,284,854
TNE %			624.3%
SCFHP Target TNE Range:			
350% of Required TNE (Low)			\$119,996,989
500% of Required TNE (High)			\$171,424,270
Total TNE Above/(Below) SCFHP Low Target			\$94,033,592
Total TNE Above/(Below) High Target			\$42,606,311
Financial Reserve Target #2: Liquidity			
Cash & Investments			\$624,723,291
Less Pass-Through Liabilities:			
Hospital Directed Payments			(275,271,449)
MCO Tax Payable to State of CA			(51,653,884)
Whole Person Care / Prop 56			(39,655,575)
Other Pass-Through Liabilities (Note 2)			(49,291,114)
Total Pass-Through Liabilities			(415,872,022)
Net Cash Available to SCFHP			208,851,268
SCFHP Target Liquidity (Note 3)			
45 Days of Total Operating Expense			(150,165,150)
60 Days of Total Operating Expense			(200,220,199)
Liquidity Above/(Below) SCFHP Low Target			58,686,119
Liquidity Above/(Below) High Target			\$8,631,069

- **Unrestricted Net Assets represents less than two months of total expenses.**
- **Cash balance is high due to receiving CYTD 20 MCO tax and Hospital Directed Payments.**

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

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

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

Capital Expenditures

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

Expenditure	YTD Actual	Annual Budget
Community Resource Center	\$1,858,715	\$3,507,100
Hardware	\$36,672	\$1,282,500
Software	\$0	\$1,194,374
Building Improvements	\$369,588	\$866,500
Furniture & Equipment	\$0	\$28,000
TOTAL	\$2,264,975	\$6,878,474



Santa Clara Family
Health PlanTM

Financial Statements

Income Statement

Santa Clara County Health Authority
INCOME STATEMENT
For Three Months Ending September 30, 2020

	Sep-2020 Actuals	% of Rev	Sep-2020 Budget	% of Rev	Current Month Variance		YTD Sep-2020 Actuals	% of Rev	YTD Sep-2020 Budget	% of Rev	YTD Variance	
					\$	%					\$	%
REVENUES												
MEDI-CAL	\$ 91,908,007	82.1%	\$ 84,205,491	84.1%	\$ 7,702,516	9.1%	\$ 256,397,242	82.9%	\$ 250,665,041	84.1%	\$ 5,732,201	2.3%
CMC MEDI-CAL	5,067,008	4.5%	2,932,382	2.9%	2,134,625	72.8%	11,111,611	3.6%	8,739,007	2.9%	2,372,604	27.1%
CMC MEDICARE	14,931,617	13.3%	13,020,733	13.0%	1,910,884	14.7%	41,885,378	13.5%	38,804,193	13.0%	3,081,185	7.9%
TOTAL CMC	19,998,624	17.9%	15,953,116	15.9%	4,045,509	25.4%	52,996,989	17.1%	47,543,200	15.9%	5,453,790	11.5%
TOTAL REVENUE	\$ 111,906,631	100.0%	\$ 100,158,606	100.0%	\$ 11,748,024	11.7%	\$ 309,394,231	100.0%	\$ 298,208,241	100.0%	\$ 11,185,991	3.8%
MEDICAL EXPENSES												
MEDI-CAL	\$ 88,734,575	79.3%	\$ 79,321,434	79.2%	\$ (9,413,142)	-11.9%	\$ 243,002,281	78.5%	\$ 235,502,729	79.0%	\$ (7,499,552)	-3.2%
CMC MEDI-CAL	3,013,315	2.7%	3,004,261	3.0%	(9,055)	-0.3%	8,959,658	2.9%	8,954,422	3.0%	(5,236)	-0.1%
CMC MEDICARE	12,459,408	11.1%	12,129,440	12.1%	(329,969)	-2.7%	35,856,043	11.6%	36,139,604	12.1%	283,561	0.8%
TOTAL CMC	15,472,724	13.8%	15,133,700	15.1%	(339,023)	-2.2%	44,815,701	14.5%	45,094,026	15.1%	278,325	0.6%
HEALTHY KIDS	417	0.0%	0	0.0%	(417)	0.0%	6,841	0.0%	0	0.0%	(6,841)	0.0%
TOTAL MEDICAL EXPENSES	\$ 104,207,716	93.1%	\$ 94,455,134	94.3%	\$ (9,752,582)	-10.3%	\$ 287,824,823	93.0%	\$ 280,596,755	94.1%	\$ (7,228,068)	-2.6%
MEDICAL OPERATING MARGIN	\$ 7,698,915	6.9%	\$ 5,703,472	5.7%	\$ 1,995,443	35.0%	\$ 21,569,409	7.0%	\$ 17,611,486	5.9%	\$ 3,957,923	22.5%
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	\$ 3,451,188	3.1%	\$ 3,471,727	3.5%	\$ 20,539	0.6%	\$ 10,427,629	3.4%	\$ 10,106,232	3.4%	\$ (321,397)	-3.2%
RENTS AND UTILITIES	25,712	0.0%	32,692	0.0%	6,980	21.4%	84,249	0.0%	76,910	0.0%	(7,338)	-9.5%
PRINTING AND ADVERTISING	9,178	0.0%	75,429	0.1%	66,251	87.8%	65,682	0.0%	209,513	0.1%	143,830	68.6%
INFORMATION SYSTEMS	277,160	0.2%	371,156	0.4%	93,996	25.3%	768,289	0.2%	1,003,966	0.3%	235,677	23.5%
PROF FEES/CONSULTING/TEMP STAFFING	905,727	0.8%	943,125	0.9%	37,399	4.0%	2,796,433	0.9%	2,943,006	1.0%	146,573	5.0%
DEPRECIATION/INSURANCE/EQUIPMENT	314,321	0.3%	360,272	0.4%	45,951	12.8%	963,275	0.3%	1,002,029	0.3%	38,754	3.9%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	72,206	0.1%	55,474	0.1%	(16,732)	-30.2%	200,127	0.1%	167,341	0.1%	(32,786)	-19.6%
MEETINGS/TRAVEL/DUES	76,956	0.1%	113,448	0.1%	36,492	32.2%	248,221	0.1%	335,711	0.1%	87,490	26.1%
OTHER	236,567	0.2%	231,642	0.2%	(4,925)	-2.1%	728,393	0.2%	690,851	0.2%	(37,542)	-5.4%
TOTAL ADMINISTRATIVE EXPENSES	\$ 5,369,014	4.8%	\$ 5,654,966	5.6%	\$ 285,952	5.1%	\$ 16,282,298	5.3%	\$ 16,535,559	5.5%	\$ 253,260	1.5%
OPERATING SURPLUS (LOSS)	\$ 2,329,901	2.1%	\$ 48,507	0.0%	\$ 2,281,394	4703.3%	\$ 5,287,110	1.7%	\$ 1,075,927	0.4%	\$ 4,211,183	391.4%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	\$ 84,067	0.1%	\$ 60,000	0.1%	\$ (24,067)	-40.1%	\$ 252,201	0.1%	\$ 180,000	0.1%	\$ (72,201)	-40.1%
GASB 68 - UNFUNDED PENSION LIABILITY	364,984	0.3%	75,000	0.1%	(289,984)	-386.6%	852,456	0.3%	225,000	0.1%	(627,456)	-278.9%
NON-OPERATING EXPENSES	\$ 449,051	0.4%	\$ 135,000	0.1%	\$ (314,051)	-232.6%	\$ 1,104,657	0.4%	\$ 405,000	0.1%	\$ (699,657)	-172.8%
INTEREST & INVESTMENT INCOME	\$ 141,160	0.1%	\$ 350,000	0.3%	\$ (208,840)	-59.7%	\$ 440,921	0.1%	\$ 1,050,000	0.4%	\$ (609,079)	-58.0%
OTHER INCOME	26,569	0.0%	32,896	0.0%	(6,327)	-19.2%	766,421	0.2%	98,687	0.0%	667,735	676.6%
NON-OPERATING INCOME	\$ 167,729	0.1%	\$ 382,896	0.4%	\$ (215,167)	-56.2%	\$ 1,207,342	0.4%	\$ 1,148,687	0.4%	\$ 58,655	5.1%
NET NON-OPERATING ACTIVITIES	\$ (281,323)	-0.3%	\$ 247,896	0.2%	\$ (529,218)	-213.5%	\$ 102,684	0.0%	\$ 743,687	0.2%	\$ (641,002)	-86.2%
NET SURPLUS (LOSS)	\$ 2,048,578	1.8%	\$ 296,402	0.3%	\$ 1,752,176	591.1%	\$ 5,389,795	1.7%	\$ 1,819,614	0.6%	\$ 3,570,181	196.2%

Balance Sheet



SANTA CLARA COUNTY HEALTH AUTHORITY As of September 30, 2020

	Sep-2020	Aug-2020	Jul-2020	Sep-2019
Assets				
Current Assets				
Cash and Investments	624,723,291	316,296,570	345,046,103	292,802,171
Receivables	520,171,179	822,345,634	822,007,092	512,431,795
Prepaid Expenses and Other Current Assets	10,630,246	10,324,440	10,905,149	11,807,126
Total Current Assets	1,155,524,716	1,148,966,644	1,177,958,344	817,041,092
Long Term Assets				
Property and Equipment	49,650,861	49,078,265	47,539,137	45,257,793
Accumulated Depreciation	(21,539,191)	(21,274,764)	(20,999,421)	(18,235,377)
Total Long Term Assets	28,111,670	27,803,501	26,539,716	27,022,416
Total Assets	1,183,636,385	1,176,770,145	1,204,498,060	844,063,508
Deferred Outflow of Resources	8,402,260	8,402,260	8,402,260	9,237,609
Total Assets & Deferred Outflows	1,192,038,645	1,185,172,405	1,212,900,320	853,301,117
Liabilities and Net Assets:				
Current Liabilities				
Trade Payables	8,837,491	7,871,178	9,718,507	7,598,240
Deferred Rent	47,728	47,822	39,871	0
Employee Benefits	2,430,308	2,324,666	2,302,119	1,740,524
Retirement Obligation per GASB 75	2,366,099	2,282,031	2,197,964	4,122,625
Advance Premium - Healthy Kids	0	0	0	85,058
Deferred Revenue - Medicare	0	0	12,385,712	0
Whole Person Care / Prop 56	39,655,575	37,973,007	34,951,070	19,531,214
Payable to Hospitals (SB90)	529,171	529,171	529,171	0
Payable to Hospitals (SB208)	274,742,278	274,742,278	274,742,278	0
Pass-Throughs Payable	26,877	26,877	26,877	6,023,114
Due to Santa Clara County Valley Health Plan and Kaiser	18,334,201	10,742,452	36,882,621	29,597,800
MCO Tax Payable - State Board of Equalization	51,653,884	66,846,203	57,730,811	31,057,710
Due to DHCS	49,264,236	49,216,269	60,308,650	28,665,798
Liability for In Home Support Services (IHSS)	419,268,582	419,268,582	419,268,582	416,092,527
Current Premium Deficiency Reserve (PDR)	8,294,025	8,294,025	8,294,025	8,294,025
Medical Cost Reserves	100,043,325	90,876,542	80,233,147	92,558,575
Total Current Liabilities	975,493,781	971,041,103	999,611,407	645,367,209
Non-Current Liabilities				
Net Pension Liability GASB 68	852,456	487,471.68	243,736	216,983
Total Non-Current Liabilities	852,456	487,471.68	243,736	216,983
Total Liabilities	976,346,237	971,528,575	999,855,143	645,584,191
Deferred Inflow of Resources	1,661,827	1,661,827	1,661,827	2,994,548
Net Assets				
Board Designated Fund: Special Project Funding for CBOs	3,459,274	3,459,274	3,459,274	2,200,000
Board Designated Fund: Innovation & COVID-19 Fund	13,880,001	13,880,001	13,880,001	0
Invested in Capital Assets (NBV)	28,111,670	27,803,501	26,539,716	27,022,416
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	162,884,493	163,192,661	164,456,447	172,597,987
Current YTD Income (Loss)	5,389,795	3,341,216	2,742,563	2,596,625
Total Net Assets / Reserves	214,030,582	211,982,003	211,383,350	204,722,378
Total Liabilities, Deferred Inflows and Net Assets	1,192,038,645	1,185,172,405	1,212,900,320	853,301,117

Cash Flow Statement

	<u>Sep-2020</u>	<u>Year-to-date</u>
Cash Flows from Operating Activities		
Premiums Received	398,936,735	596,087,954
Medical Expenses Paid	(87,449,184)	(291,497,523)
Administrative Expenses Paid	(2,655,964)	(12,768,976)
Net Cash from Operating Activities	308,831,588	291,821,454
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(572,596)	(2,264,975)
Cash Flows from Investing Activities		
Interest Income and Other Income (Net)	167,729	1,207,342
Net Increase/(Decrease) in Cash & Cash Equivalents	308,426,721	290,763,821
Cash & Investments (Beginning)	316,296,570	333,959,470
Cash & Investments (Ending)	624,723,291	624,723,291
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating Income/(Loss)	1,880,850	4,182,453
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities		
Depreciation	264,427	802,393
Changes in Operating Assets/Liabilities		
Premiums Receivable	302,174,456	290,835,537
Prepays & Other Assets	(305,806)	(766,547)
Accounts Payable & Accrued Liabilities	2,838,497	3,729,678
State Payable	(15,144,351)	(4,141,815)
IGT, HQAF & Other Provider Payables	7,591,749	(16,610,874)
Net Pension Liability	364,984	852,456
Medical Cost Reserves & PDR	9,166,783	12,938,174
Total Adjustments	306,950,738	287,639,002
Net Cash from Operating Activities	308,831,588	291,821,454

Statement of Operations by Line of Business - YTD



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

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Grand Total
P&L (ALLOCATED BASIS)					
REVENUE	\$256,397,242	\$11,111,611	\$41,885,378	\$52,996,989	\$309,394,231
MEDICAL EXPENSE	\$243,002,281	\$8,959,658	\$35,856,043	\$44,815,701	\$287,824,823
(MLR)	94.8%	80.6%	85.6%	84.6%	93.0%
GROSS MARGIN	\$13,394,962	\$2,151,953	\$6,029,335	\$8,181,288	\$21,569,409
ADMINISTRATIVE EXPENSE	\$13,493,259	\$584,764	\$2,204,276	\$2,789,040	\$16,282,298
(% of Revenue Allocation)					
OPERATING INCOME/(LOSS)	(\$98,297)	\$1,567,189	\$3,825,059	\$5,392,248	\$5,287,110
(% of Revenue Allocation)					
OTHER INCOME/(EXPENSE)	\$85,095	\$3,688	\$13,901	\$17,589	\$102,684
(% of Revenue Allocation)					
NET INCOME/(LOSS)	-\$13,202	\$1,570,877	\$3,838,960	\$5,409,837	\$5,389,795
PMPM (ALLOCATED BASIS)					
REVENUE	\$340.83	\$400.81	\$1,510.85	\$1,911.66	\$396.67
MEDICAL EXPENSES	\$323.03	\$323.19	\$1,293.37	\$1,616.55	\$369.01
GROSS MARGIN	\$17.81	\$77.62	\$217.48	\$295.11	\$27.65
ADMINISTRATIVE EXPENSES	\$17.94	\$21.09	\$79.51	\$100.60	\$20.88
OPERATING INCOME/(LOSS)	-\$0.13	\$56.53	\$137.97	\$194.50	\$6.78
OTHER INCOME/(EXPENSE)	\$0.11	\$0.13	\$0.50	\$0.63	\$0.13
NET INCOME/(LOSS)	-\$0.02	\$56.66	\$138.48	\$195.14	\$6.91
ALLOCATION BASIS:					
MEMBER MONTHS - YTD	752,263	27,723	27,723	27,723	779,986
REVENUE BY LOB	82.9%	3.6%	13.5%	17.1%	100.0%



Santa Clara Family
Health Plan™

Appendix

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD OCTOBER-2020

		2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04	2020-05	2020-06	2020-07	2020-08	2020-09	2020-10	FYTD var	%
NON DUAL	Adult (over 19)	24,492	24,207	23,999	23,620	23,604	23,873	24,051	25,253	26,299	27,066	27,877	28,269	29,181	2,882	11.0%
	Child (under 19)	95,000	93,829	93,477	92,339	92,248	92,843	93,374	95,145	96,173	96,605	97,359	97,629	98,409	2,236	2.3%
	Aged - Medi-Cal Only	10,850	10,897	10,903	10,904	10,831	10,753	10,801	11,044	11,207	11,227	11,178	11,229	11,263	56	0.5%
	Disabled - Medi-Cal Only	10,836	10,865	10,839	10,845	10,854	10,882	10,851	10,902	10,922	10,944	10,910	10,839	10,875	(47)	(0.4%)
	Adult Expansion	70,285	69,889	69,069	68,130	68,372	69,272	70,458	72,546	74,553	76,262	77,701	79,263	80,654	6,101	8.2%
	BCCTP	10	12	11	11	11	11	11	11	11	11	11	11	11	0	0.0%
	Long Term Care	372	371	373	379	373	367	380	398	405	402	406	407	409	4	1.0%
	Total Non-Duals	211,845	210,070	208,671	206,228	206,293	208,001	209,926	215,299	219,570	222,517	225,442	227,647	230,802	11,232	5.1%

DUAL	Adult (21 Over)	341	350	341	330	328	320	311	320	321	327	320	337	354	33	10.3%
	SPD (21 Over)	23,531	23,577	23,498	23,472	23,540	23,541	23,443	23,595	23,508	23,641	23,686	23,654	23,687	179	0.8%
	Adult Expansion	122	82	177	139	130	136	134	190	241	261	289	358	410	169	70.1%
	Long Term Care	1,256	1,271	1,308	1,266	1,257	1,231	1,235	1,252	1,248	1,261	1,267	1,256	1,237	-11	(0.9%)
	Total Duals	25,250	25,280	25,324	25,207	25,255	25,228	25,123	25,357	25,318	25,490	25,562	25,605	25,688	370	1.5%

Total Medi-Cal	237,095	235,350	233,995	231,435	231,548	233,229	235,049	240,656	244,888	248,007	251,004	253,252	256,490	11,602	4.7%
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CMC	CMC Non-Long Term Care	8,016	8,069	8,206	8,177	8,261	8,388	8,511	8,625	8,775	8,814	9,055	9,212	9,360	585	6.7%
	CMC - Long Term Care	217	220	222	224	225	213	214	212	212	215	211	216	210	-2	(0.9%)
	Total CMC	8,233	8,289	8,428	8,401	8,486	8,601	8,725	8,837	8,987	9,029	9,266	9,428	9,570	583	6.5%

Total Enrollment	245,330	243,641	242,425	239,836	240,034	241,830	243,774	249,493	253,875	257,036	260,270	262,680	266,060	12,185	4.8%
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**Santa Clara Family
Health Plan™**

CY 2019 Medi-Cal HEDIS Network Comparison Rates
November 19, 2020

Aggregated Quality Factor Score (AQFS) Calculation

- Plans are assigned a score from 1-10 for each measure based on which percentile they fall into for each measure
- Total Points Earned is the sum of all points earned for all eligible measures
- Total Possible Points is the sum of all possible points for all eligible measures
- $AQFS = \text{Total Points Earned} / \text{Total Possible Points}$

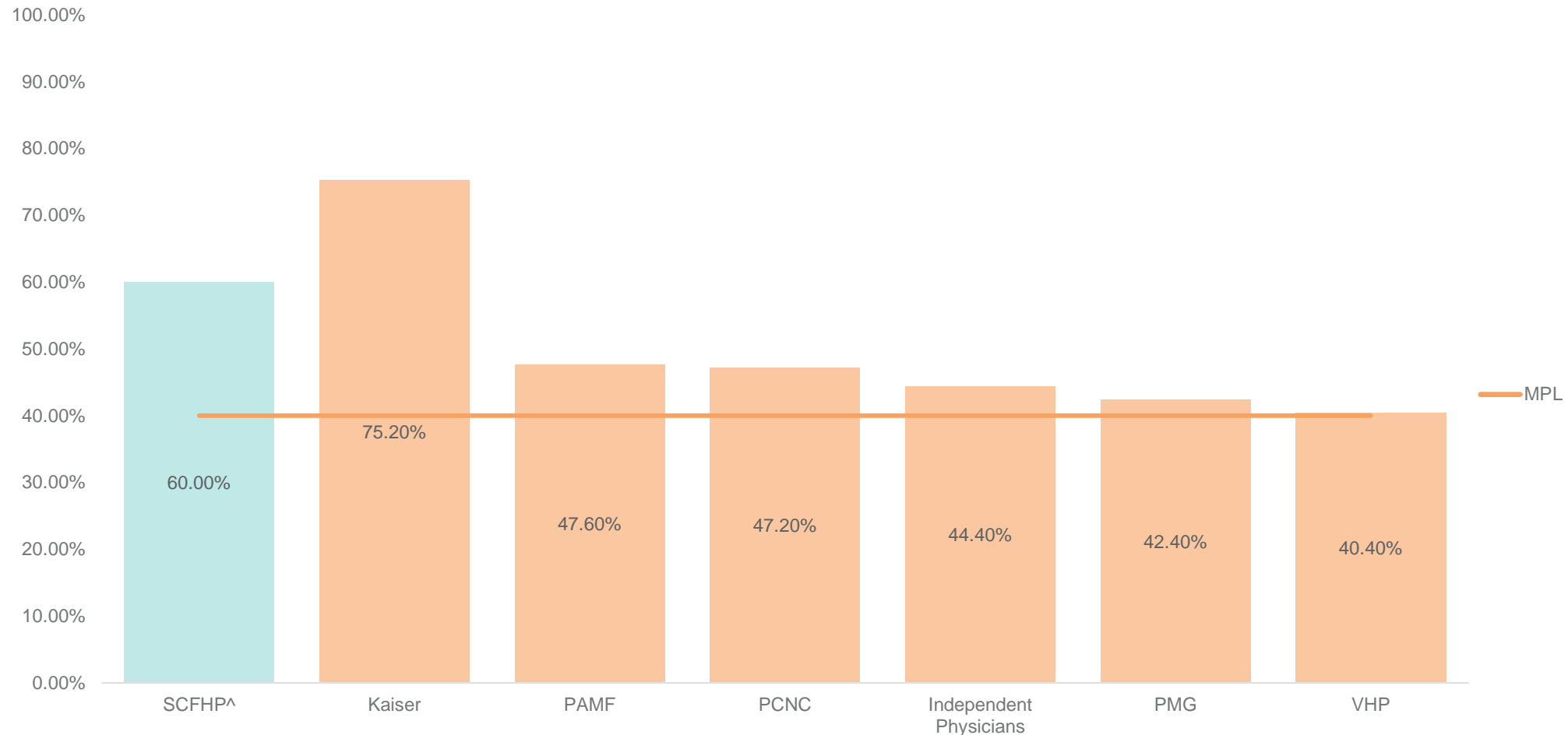
Group Name	Measure A Points	Measure B Points	Measure C Points	Total Points Earned	Total Points Possible	AQFS
Group A	5	7	10	$5 + 7 + 10 = 23$	$10 + 10 + 10 = 30$	$23/30 = 76.67\%$
Group B	3	10	4	$3 + 10 + 4 = 17$	$10 + 10 + 10 = 30$	$17/30 = 56.67\%$

DHCS AQFS Calculation - Scoring

NCQA Percentile Performance	Assigned Score
Below 10%	1
10%<= and <17.5%	2
17.5% <=and <25%	3
25%<= and <37.5%	4
37.5%<= and <50%	5
50%<= and <62.5%	6
62.5%<= and <75%	7
75% <=and <82.5%	8
82.5%<= and <90%	9
90% and above	10

<https://www.dhcs.ca.gov/services/Documents/MMCD/Jan09-2020-Glossary.pdf>

Aggregated Quality Factor Score (AQFS) by Network CY 2019 (based on Admin Rates* only)



*Admin Rates include supplemental data received from delegates/providers. Hybrid data is not used due to unequal distribution between groups

^SCFHP rate is the estimated AQFS including hybrid rates

Measure Rankings by Network (Admin rates only)

Measure	Kaiser	PAMF	PCNC	Independent Physicians	PMG	VHP
Adult BMI Assessment (ABA) ¹	1	6	4	2	5	3
Follow-Up Care for Children Prescribed ADHD Medication (ADD-C&M)	2*	5*	5*	1*	5*	3*
Follow-Up Care for Children Prescribed ADHD Medication (ADD-Init)	1	4*	6*	2*	5	3
Antidepressant Medication Management (AMM-Acute)	1	2	4	3	5	6
Antidepressant Medication Management (AMM-Cont)	1	2	3	4	5	6
Asthma Medication Ratio (AMR)	1	6	5	3	2	4
Adolescent Well Care (AWC) ²	2	4	1	6	3	5
Breast Cancer Screening (BCS)	1	2	4	6	3	5
Children's Access to Primary Care (CAP-1219)	1	2	5	3	4	6
Children's Access to Primary Care (CAP-1224)	2	1	3	6	5	4
Children's Access to Primary Care (CAP-256)	3	1	2	6	4	5
Children's Access to Primary Care (CAP-711)	4	2	1	6	3	5
Controlling Blood Pressure (CBP)	1	5	3	5	2	4
Cervical Cancer Screening (CCS)	1	4	2	5	3	6
Comprehensive Diabetes Care (CDC-H9)	6	5	3	4	2	1
Comprehensive Diabetes Care (CDC-HT)	1	2	3	4	5	6
Chlamydia Screening in Women (CHL)	1	6	2	5	4	3
Childhood Immunization Status (CIS-10)	1	2	6	4	3	5
Immunizations for Adolescents (IMA-2)	1	3	6	2	5	4
Plan All-Cause Readmissions (PCR-OR)	6	3	1	2	4	5
Postpartum Care (PPC-Post)	3	2	1	5	6	4
Prenatal Care (PPC-Pre)	6	1	5	2	3	4
Well Visits in the First 15 Months (W15-6+ Visits)	6	1	3	4	2	5
Well Visits Years 3-6 (W34) ²	2	5	1	6	3	4
Weight Assessment and Counseling (WCC-BMI)	1	6	4	2	5	3

 Held to MPL

1. Measure has been retired
 2. AWC and W34 will be combined into a new measure, WCV
- * Small denominator (N < 30)



**Santa Clara Family
Health Plan™**

Questions?

Santa Clara County Health Authority

Funding Request Summary

Organization Name: Institute on Aging

Project Name: Proposal for Assisted Living Services

Contact Name and Title: Preston Burnes, Vice President of Strategic Partnerships

Requested Amount: \$867,000

Time Period for Project Expenditures: Calendar Year 2021

Proposal Submitted to: Executive/Finance Committee

Date Proposal Submitted for Review: November 19, 2020

Summary of Proposal:

The Institute on Aging (IOA) has been a key program partner for the Whole Person Care (WPC) pilot program in Santa Clara County since 2015, and IOA is looking to build on and sustain the success of that program through a new partnership with Santa Clara Family Health Plan (SCFHP). As part of the WPC pilot, placements of SCFHP members have been made in Residential Care Facilities for the Elderly (RCFEs) through the financial support of the Santa Clara Valley Health & Hospital System (SCVHHS). This proposal envisions shifting the financial responsibility for those ongoing placements, as well as incremental ones, from SCVHHS to SCFHP.

The current understanding is that the WPC waiver program will be extended by the State of California and the Centers for Medicare and Medicaid Services (CMS) through calendar year 2021. That extension would enable SCVHHS to continue funding the Community Living Connections (CLC) program that is operated by IOA and provides comprehensive community living services and supports to SCFHP's members. This proposal dovetails with the services provided through CLC and will enable that program to increase its impact for SCFHP members while building a path to sustainability for a post-WPC environment in 2022.

Summary of Projected Outcome/Impact:

SCFHP's members have comprised the majority of the RCFE placements and the current member census residing in RCFEs through CLC stands at 14. SCVHHS will no longer be able to fund RCFE placements along with the other key CLC services going forward. Without RCFE services being made available to them, almost all of those members would return to SNF/LTC (Long Term Care) beds where they would experience a lower quality of life, accrue higher costs for the system, and consume a critical bed resource that would otherwise be available for inpatient discharges or other members more urgently in need of SNF/LTC services. The requested funding would impact more than 25 individual members over the course of the year.

Placement Length	Number of Members	Total Cost
Full 12 Month Residency (existing placements)	14	\$504,000
11 Month Residency (new placements after one month)	6	\$198,000
10 Month Residency (new placements after two months)	5	\$165,000
All Placements	25	\$867,000

Source of Funding:

In September 2017, the SCFHP Governing Board approved an investment of \$2 million for the Whole Person Care pilot program as follows:

11. Allocate Remaining ACA 1202 Funds to Whole Person Care Program

Mr. Cameron presented background on the ACA 1202 “PCP Bump.” He noted that ACA 1202 was a provision of the Affordable Care Act that provided additional funding to attesting physicians for the calendar years 2013-2014. SCFHP’s Board voluntarily continued the program for calendar year 2015 to distribute residual funds. As of July 31, 2017, Mr. Cameron noted that approximately \$2 million of ACA 1202 funds remain. He recommended using this residual to fund the Plan’s investment in the Whole Person Care (WPC) pilot program. The Board previously approved an investment of \$2 million at its March 26, 2017 meeting.

It was moved, seconded, and unanimously approved to move the residual ACA 1202 funds of \$2.1m to the Whole Person Care Program.

At present, these funds have not been expended and it is proposed to repurpose these funds for this Assisted Living Services proposal. As noted in the attached Letter of Support, SCVHHS will not be requesting funding for the services encompassed in the IOA request.



Institute
on Aging



Proposal for

Assisted Living Services

Presented to



Santa Clara Family
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Locations Served

San Francisco
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Proposal Summary

The Institute on Aging (IOA) has been a key program partner for the Whole Person Care (WPC) pilot program in Santa Clara County since 2015, and IOA is looking to build on and sustain the success of that program through a new partnership with Santa Clara Family Health Plan (SCFHP). As part of the WPC pilot, numerous placements of SCFHP members have been made in Residential Care Facilities for the Elderly (RCFEs) through the financial support of the Santa Clara Valley Health & Hospital System (SCVHHS). This proposal envisions shifting the financial responsibility for those ongoing placements, as well as incremental ones, from SCVHHS to SCFHP to align investments more appropriately with benefits and outcomes.

IOA delivers this proposal with the current understanding that the WPC waiver program will be extended by the State of California and the Centers for Medicare and Medicaid Services (CMS) through calendar year 2021. That extension would enable SCVHHS to continue funding the Community Living Connections (CLC) program that is operated by IOA and provides comprehensive community living services and supports to SCFHP's members, who comprise the majority of program participants. This proposal dovetails with the services provided through CLC and will enable that program to increase its impact for SCFHP members while building a path to sustainability for a post-WPC environment in 2022.

WPC Assisted Living Services Background

The CLC program that IOA has operated in partnership with SCVHHS over the past three years has the stated goal of enabling the deinstitutionalization, or avoidance of institutionalization, for high-needs individuals residing in Santa Clara County. It provides an array of services that include face-to-face care planning and management, purchase of services not otherwise covered, network development and management, coordination of service providers and community placement supports. As part of enabling community placements IOA has developed, and SCVHHS has funded, a network of RCFEs where CLC participants can be transitioned from skilled nursing facilities (SNFs) where appropriate. While CLC leverages other settings for placements such as apartments or private homes, RCFEs are a critical resource pathway for higher risk individuals and those who require a higher level of 24-hour care than can be delivered in other settings.

In developing and managing this network IOA has performed extensive outreach and review of facilities throughout the Santa Clara Valley and identified high quality reasonably priced providers who share IOA's mission of supporting vulnerable populations. IOA regularly visits these facilities to both ensure quality and increase coordination of care with facility staff in support of individuals residing there. At a time when RCFEs are under increasing pressure from COVID-19, rising costs of operation and increasing regulation, these relationships that IOA has developed are critical to the continued availability of beds for placements.

SCFHP's members have comprised the majority of these RCFE placements and the current member census residing in RCFEs through CLC stands at 14. Without RCFE services being made available to them almost all of those members would return to SNF beds where they would experience a lower quality of life, accrue higher costs for the system and consume a critical bed resource that would otherwise be available for inpatient discharges or other members more urgently in need of SNF services.

Program Proposal



With 14 SCFHP members currently residing in RCFEs funded by SCVHHS and the WPC pilot, SCFHP has benefited from the services and supports provided by CLC without a requirement to allocate funding for the program. As changes to funding structures begin to occur, SCVHHS will no longer be able to fund RCFE placements along with the other key CLC services going forward and therefore it will be critical to identify a new funding source to support these high-risk individuals in sustaining their community living. IOA has discussed with SCFHP the possibility of the plan providing the necessary funding for the RCFE costs specifically, because without such funding the members would need to be transitioned back to SNFs.

To achieve this, IOA proposes to contract with SCFHP for funding for RCFE services in support of the currently placed members and to create capacity for additional placements that would serve members in urgent need of a transition from a SNF. IOA would work closely with SCFHP's LTSS case management staff to ensure that RCFE services are utilized appropriately and managed effectively. IOA will also ensure that SCFHP is integrated with the CLC core group so that comprehensive care planning can occur across all service providers.

At this time, the funding would be used solely for this purpose as SCVHHS and WPC will provide funding for all other aspects of the CLC program as long as the WPC waiver is extended before the end of 2020. Should the waiver extension not occur, IOA would work with SCFHP to identify alternative methods for supporting these high needs members and ensure their stability in the community, which would likely still require the allocation of RCFE funding. Over the long-term, IOA is working with SCFHP and a coalition of community stakeholders to develop a vision and strategy that would sustain existing services and create a new community living ecosystem to support SCFHP members and those of other managed care plans in the county. This will likely include efforts to leverage the statewide Assisted Living Waiver as a longer-term funding solution for RCFE services.

Funding Request

With 14 SCFHP members currently placed in RCFEs and future growth in placements anticipated to meet a variety of goals including COVID-related SNF decompression, IOA is requesting sufficient funding for 25 total member placements in RCFEs over a twelve month period from contract signing. Any placements beyond the existing 14 members currently residing in RCFEs, however, would only occur with the full engagement and approval of SCFHP's LTSS case management staff. These placement costs would be held consistent with the current rate supported by SCVHHS and WPC of \$3,000 PMPM, and be based on actual utilization. Therefore, the estimated annualized funding request with some consideration for ramp-up of incremental placements would be \$867,000, as displayed in the table below. The funding would also impact more than 25 individual members over the course of the year due to returns to SNFs or deaths and those RCFE beds would then be available to other members for transition.

It is also important to note that IOA would not be able to maintain responsibility for the cost of care for these individuals if funding from SCFHP were to be discontinued for any reason or at the conclusion of the yearlong contract, and therefore a contingency planning process would need to be put into place to address any disruptions to funding and for long-term planning purposes. IOA anticipates that it would be necessary to begin joint contingency planning no later than July 2021 for potential program conclusion at the end of December 2021.



Placement Length	Number of Members	Total Cost
Full 12 Month Residency (existing placements)	14	\$504,000
11 Month Residency (new placements after one month)	6	\$198,000
10 Month Residency (new placements after two months)	5	\$165,000
All Placements	25	\$867,000

Next Steps

Once the SCFHP team has had the opportunity to review and consider this proposal, IOA would welcome any questions that may arise or be prepared to set up a meeting to discuss it in further detail. IOA is excited for the opportunity to partner with SCFHP on this effort in service of its members.



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November 11, 2020

To: Christine Tomcala
 Chief Executive Officer
 Santa Clara Family Health Plan

From: Michelle de la Calle
 Director Office of System Integration and Transformation
 Santa Clara County Health System

Re: Letter of Support for IOA RCFE Program

This letter is in support of the Institute of Aging's (IOA) funding request of Santa Clara Family Health Plan (SCFHP) for supportive services for SCFHP members placed in Residential Care Facilities for the Elderly (RCFEs) for the calendar year 2021. IOA previously funded these services through a contract with the Whole Person Care (WPC) program, a Department of Health Care Services (DHCS) initiative funded under the 1115 Waiver from the Centers for Medicare and Medicaid Services (CMS) and delivered in partnership with Santa Clara Valley Health and Hospital System (SCVHHS). The WPC contract term was initially for five years and is scheduled to expire on December 31, 2020. While there are strong indications that CMS will renew the contract for 2021, the scope of the contract will not include the funding base from which the WPC funds for the RCFE supportive services was generated.

WPC was designed to improve the access to preventive and supportive services for the high utilizers of multiple medical services such as emergent and inpatient care. One population targeted in the County of Santa Clara was individuals residing in Skilled Nursing Facilities (SNF) who were capable of community living but lacked the services and supports to transition to lower levels of care. IOA was engaged with WPC for the purpose of assessing, planning and managing these transitions to lower levels of care.

WPC and IOA explored alternative residential models which would be accessible for the transition population and RCFEs were identified as an appropriate and accessible residential setting. WPC was able to tap into one-time funding to pay for supportive services for those patients who could pay for the residential costs of their RCFE placement through FY 2020/2021 (ending December 31, 2020). Even if WPC is extended, the SCVHHS contract with IOA will no longer support existing RCFE services or additional placements as of January 1, 2021. This is why SCVHHS and WPC are writing in support of IOA's request to SCFHP for one-time funding of RCFE supportive services for calendar year 2021. SCVHHS will also not be making a similar proposal to SCFHP for the same services.

Thank you for your ongoing willingness to address this difficult care and social determinant issue and your partnership on this critical program.

Michelle de la Calle
 Office of System Integration and Transformation

cc: Lori Anderson
 Rene Santiago
 Alice Naqvi-Mugler
 Preston Burnes