



Regular Meeting of the
Santa Clara County Health Authority
Governing Board

Thursday, March 24, 2022, 12:00 PM – 2:30 PM
Santa Clara Family Health Plan - Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES

Members Present

Bob Brownstein, Chair
Alma Burrell
Dave Cameron
Kathleen King
Liz Kniss
Sarita Kohli
Michele Lew
Sue Murphy
Ria Paul
Sherri Sager

Members Absent

Darrell Evora
Debra Porchia-Usher

Staff Present

Christine Tomcala, Chief Executive Officer
Neal Jarecki, Chief Financial Officer
Laurie Nakahira, DO, Chief Medical Officer
Jonathan Tamayo, Chief Information Officer
Chris Turner, Chief Operating Officer
Ngoc Bui-Tong, VP, Strategies & Analytics
Chelsea Byom, VP, Marketing, Communications & Outreach
Teresa Chapman, VP, Human Resources
Laura Watkins, VP, Marketing & Enrollment
Tyler Haskell, Interim Compliance Officer
Barbara Granieri, Controller
Mike Gonzales, Director, Community Engagement
Johanna Liu, Director, Quality & Process Improvement
Khanh Pham, Director, Financial Reporting & Budgeting
Ashley Kerner, Manager, Administrative Services
Rita Zambrano, Executive Assistant

Others Present

Eva Terrazas, Chief Public Policy & Advocacy Officer, Pacific Clinics
Jennifer Smith, Co-CEO, Bay Area Women's Sports Initiative (BAWSI)
Dana Weintraub, Co-CEO, Bay Area Women's Sports Initiative (BAWSI)
Sherri Shaner, Development Director, Bay Area Women's Sports Initiative (BAWSI)
Noemi Conway, Executive Director, Stroke Awareness Foundation
Nicole Farkouh, CultureWonk
Gavin Ward, 24 Hour Home Care
Tiffany Washington, Program Manager, Valley Health Plan

1. Roll Call

Bob Brownstein, Chair, called the meeting to order at 12:00 pm. Roll call was taken and a quorum was established.

2. Public Comments

There were no public comments.

3. Approve Consent Calendar and Changes to the Agenda

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

- a. Approve minutes of the December 16, 2021 **Governing Board** Meeting
- b. Accept minutes of the January 10, 2022 **Executive/Finance Special Committee** Meeting
 - Ratify approval to continue use of teleconferencing
- c. Accept minutes of the January 27, 2022 **Executive/Finance Committee** Meeting
 - Ratify approval of the YE 2021 Flexible Spending Account change resolution
 - Ratify approval of authorization for CEO to execute contract with selected Claims Editing System Vendor
 - Ratify approval of the November 2021 Financial Statements
 - Ratify approval of the CMC CAHPS 2021 Results presentation
 - Ratify approval of the expenditure from the Board Designated Innovation Fund for the Parents Helping Parents Connections California program
- d. Accept minutes of the February 24, 2022 **Executive/Finance Committee** Meeting
 - Ratify approval of the Network Detection and Prevention Update
 - Ratify approval of the December 2021 Financial Statements
 - Ratify approval of the expenditure from the Board Designated Innovation Fund for the Santa Clara County Public Health Department Juntos Initiative
 - Receive the DHCS Comprehensive Quality Strategy Report
- e. Accept minutes of the February 24, 2022 **Compliance Committee** Meeting
 - Ratify approval of proposed amendments to the Compliance Program
- f. Accept minutes of the February 8, 2022 **Quality Improvement Committee** Meeting
 - Ratify approval of the Network Adequacy Assessment 2021
 - Ratify approval of the QI Program Description 2022
 - Ratify approval of the Cultural and Linguistics (C&L) Evaluation 2021, C&L Program Description 2022, and C&L Work Plan 2022
 - Ratify approval of the Grievance and Appeals (G&A) Report Q3 and Q4 2021
 - Ratify approval of QI policies
 - QI.05 Potential Quality of Care Issues
 - QI.07 Physical Access Compliance
 - QI.10 Initial Health Assessment (IHA) and Staying Health Assessment (SHA)
 - QI.14 Disease Surveillance
 - QI.23 Alcohol and Drug Screening Assessment, Brief Intervention, and Referral to Treatment (SABRIT)
 - QI.29 Nurse Advice Line
 - QI.31 Community Supports (CS)
 - QI.32 Enhanced Care Management (ECM)
 - Ratify acceptance of Committee Reports
 - Utilization Management Committee - January 19, 2022
 - Credentialing/Peer Review Committee - December 1, 2022
 - Pharmacy and Therapeutics Committee - December 16, 2021
 - Cal MediConnect Consumer Advisory Board - December 2, 2021
- g. Accept minutes of the February 9, 2022 **Provider Advisory Council** Meeting
- h. Accept minutes of the March 8, 2022 **Consumer Advisory Committee** Meeting
- i. Approve **Publicly Available Salary Schedule**
- j. Approve December 2021 **Quarterly Investment Compliance Report**
- k. Approve **Resolution to Delegate Authority to CEO to Amend Retirement and Health and Welfare Plans**
- l. Approve **continued use of teleconferencing** without providing public access to each teleconference location pursuant to Government Code Section 54953.



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

Motion: Ms. Kniss

Second: Ms. Murphy

Ayes: Mr. Brownstein, Ms. Burrell, Mr. Cameron, Ms. Kniss, Ms. Lew, Ms. Murphy, Dr. Paul, Ms. Sager

Absent: Mr. Evora, Ms. King, Ms. Kohli, Ms. Porchia-Usher

4. Resolution for CalPERS Post-Retirement Service

Christine Tomcala, Chief Executive Officer, presented the Resolution for 180-Day Wait Period Exception, stating Laura Watkins, Vice President, Marketing and Enrollment, would retire on June 24, 2022 without receiving any retirement-related incentive.

Ms. Tomcala further stated, in compliance with Government Code section 7522.56 of the Public Employees' Retirement Law, the Santa Clara County Health Authority (SCCHA) Governing Board must provide CalPERS with a certification resolution when hiring a retiree before 180 days have passed since their retirement date.

Ms. Tomcala explained the urgent need for a subject matter expert resulting from the January 1, 2023 transition of Cal MediConnect to a Medicare Dual-Eligible Special Needs Plan.

Kathleen King joined the meeting at 12:05 pm.

It was moved, seconded, and the Resolution to authorize the Vice President, Marketing and Enrollment post-retirement service was approved.

Motion: Ms. Kniss

Second: Ms. Murphy

Ayes: Mr. Brownstein, Ms. Burrell, Mr. Cameron, Ms. Kniss, Ms. Lew, Ms. Murphy, Dr. Paul, Ms. Sager

Abstain: Ms. King

Absent: Mr. Evora, Ms. Kohli, Ms. Porchia-Usher

5. January 2022 Financial Statements

Neal Jarecki, Chief Financial Officer, presented the unaudited financial statements for January 2022, which reflected a current month net loss of \$14.5 million (\$15.0 million unfavorable to budget) and a year-to-date net surplus of \$10.7 million (\$2.5 million favorable to budget).

Enrollment increased by 3,561 members from the prior month to 294,658 members (21,194 members or 6.7% lower than monthly budget). January 2022 Medi-Cal enrollment included approximately 3,000 newly-eligible members having Other Health Coverage (OHC), significantly lower than budget. Membership continues to grow due to the extended duration of the COVID public health emergency during which member disenrollments have been suspended. YTD member months trailed budget by 37,005 member months or 0.9%.

Revenue reflected an unfavorable current month variance of \$12.4 million (10.2%) largely due to inclusion of Med-Cal pharmacy through FY22 in the budget. Pharmacy was carved-out of managed care effective January 1st, which reduced revenue with a corresponding reduction to medical expense. Additionally, revenue was lower than expected due to lower enrollment (largely fewer OHC members than budgeted) with a corresponding reduction to medical expense. Partially offsetting these unfavorable revenue variance were higher calendar year 2022 Medi-Cal CCI rates versus budget and higher CY20 Medicare quality withhold earnback versus estimate.

Medical Expense reflected an unfavorable current month variance of \$2.4 million (2.1%) largely due to the unfavorable impact of a one-time capitation payment for VMC based on actual utilization. Partially offsetting were favorable variances caused by the pharmacy carve-out and lower enrollment discussed above.

Sarita Kohli joined the meeting at 12:37 pm



Administrative Expense was \$136 thousand (2.0%) favorable to budget for the month largely due to lower headcount than budgeted offset by an unfavorable variance in non-personnel expense due to the timing of certain expenses in the budget.

The Balance Sheet reflected a Current Ratio, a key measure of liquidity, of 1.30:1 versus the DMHC minimum current ratio requirement of 1.00:1.

Tangible Net Equity of \$265.5 million, which represented approximately three months of the Plan's total expenses, included unrestricted net assets of \$223.1 million.

Capital Investments of \$928 thousand were made year-to-date, predominately computer software licenses.

It was moved, seconded, and the January 2022 unaudited Financial Statements were unanimously approved.

Motion: Mr. Cameron

Second: Ms. King

Ayes: Mr. Brownstein, Ms. Burrell, Mr. Cameron, Ms. King, Ms. Kniss, Ms. Kohli, Ms. Lew, Ms. Murphy, Dr. Paul, Ms. Sager

Absent: Mr. Evora, Ms. Porchia-Usher

6. Special Project Fund for CBOs Expenditure Request

Ms. Watkins presented a funding request of \$250,000 for the Stroke Awareness Foundation's (SAF) Multilingual Awareness of Stroke Signs project. Ms. Watkins noted the projected outcomes during the grant period would be increased stroke awareness and education for residents in the county whose primary language is Chinese, Vietnamese or Spanish. She noted the long-term outcome should be an ultimate reduction of stroke-related long-term impact and death.

Ms. Watkins introduced Noemi Conway, Executive Director, Stroke Awareness Foundation. Ms. Conway responded to Board members' questions.

A motion was put forward by Michele Lew to approve the \$250,000 request with a requirement that SAF provide a report in six months on their efforts to obtain additional funders.

An amendment to the motion was introduced by Sue Murphy to reduce the funding amount to \$125,000, with the request that SAF return in six months with a report on results achieved to date, as well as on efforts to obtain additional funders.

Mr. Brownstein offered a friendly amendment to Ms. Murphy's amendment, requiring SCFHP staff to follow up with SAF throughout the year to confirm the organization has attempted to secure funds from alternative sources, and that the program is showing signs of success. Should these conditions be met, SAF would be granted the additional \$125,000 without requiring a return appearance to request the additional funding at a meeting of the Governing Board.

Ms. Murphy declined Mr. Brownstein's friendly amendment.

It was moved by Ms. Murphy, **seconded** by Ms. Kniss, and **not passed** to provide \$125,000 to SAF for the Multilingual Awareness of Stroke Signs project, with the opportunity to request additional funding on a return visit in six months with evidence of successful program results and unsuccessful attempts to obtain additional funding from other sources.

Motion: Ms. Murphy

Second: Ms. Kniss

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

Nays: Mr. Brownstein, Ms. Burrell, Ms. King, Ms. Kohli, Ms. Lew, Dr. Paul, Ms. Sager

Absent: Mr. Evora, Ms. Porchia-Usher

Mr. Brownstein offered his friendly amendment to Ms. Lew's original motion, and it was accepted.

It was moved, seconded, and approved to provide \$125,000 to SAF for the Multilingual Awareness of Stroke Signs project as an expenditure from the Board Designated Special Project Fund for CBOs, with an additional \$125,000 to be funded based on assessment of progress toward securing additional project funding and achieving metrics, as documented in a progress report due to SCFHP staff in one year.

Motion: Mr. Lew

Second: Ms. King

Ayes: Mr. Brownstein, Ms. Burrell, Ms. King, Ms. Kohli, Ms. Lew, Dr. Paul, Ms. Sager

Nays: Mr. Cameron, Ms. Kniss, Ms. Murphy

Absent: Mr. Evora, Ms. Porchia-Usher

7. Innovation Fund Expenditure Request

Ms. Watkins presented a funding request for the Bay Area Women's Sports Initiative's (BAWSI) Leadership Accelerator program buildout in East San Jose. The grant would cover 80% of the cost for year 2 and 40% for year 3 of the Leadership Accelerator. The BAWSI Leadership Accelerator will expand BAWSI's programming, developing a continuum from elementary to middle schools and eventually to high schools, focusing on building leadership skills for girls in under-resourced communities through sport. The funding would enable BAWSI to engage up to 1,460 girls in the Alum Rock School District, ages 7-14, for 24 months.

It was moved, seconded, and the Bay Area Women's Sports Initiative request for \$250,000 to fund BAWSI Leadership Accelerator was **unanimously approved** as an expenditure from the Board Designated Innovation Fund.

Motion: Ms. Sager

Second: Ms. Kniss

Ayes: Mr. Brownstein, Ms. Burrell, Mr. Cameron, Ms. King, Ms. Kniss, Ms. Lew, Ms. Murphy, Dr. Paul, Ms. Sager

Abstain: Ms. Kohli

Absent: Mr. Evora, Ms. Porchia-Usher

8. CEO Update

Ms. Tomcala presented updated COVID-19 vaccination graphs, including data by age, group, ethnicity, and booster status. Ms. Tomcala noted 73% of SCFHP members, age five and over, had received a minimum of one COVID vaccine dose, 12% less than the county's current average (85%). Ms. Tomcala noted SCFHP is the second-highest performing Medi-Cal plan in the State. She shared SCFHP earned 88% of the State incentive money available for the Plan in the first payment period, \$2.476 million. Additionally, the Plan will receive reimbursement for the \$50 member incentives.

Ms. Tomcala acknowledged an award presented to SCFHP by the Stanford Office of Community Engagement. The award recognized SCFHP as an "Outstanding Community Partner" for being a community health leader, the organization's COVID-19 response plan, and the CRC planning process to advance health equity.

Ms. Tomcala shared the percentage of staff vaccinated (92%), boosted (44%), and considered up to date (48%). She discussed the phased re-entry approach to welcoming staff back to the office, with the first group returning in May, the second in June, and the third in July.

Ms. Tomcala reported on the pharmacy carve out, Medi-Cal Rx, stating effective January 1st, all retail pharmacy expenses are being carved out to PBM Magellan. Ms. Tomcala noted a decrease in calls to the SCFHP call center resulting from the state suspension of prior authorization requirements.

Ms. Tomcala provided a summary of SCFHP's COVID-19 outreach efforts, as well as the Board Dashboard.

9. SCFHP Blanca Alvarado CRC Framework

Mike Gonzalez, Director, Community Engagement, presented and requested feedback on the Blanca Alvarado Community Resource Center (CRC) planning process, framework, and strategy to improve the health and wellbeing of members residing in East San Jose.

Mr. Gonzalez stated the CRC Framework's intent to address the social determinants of health (SDOH) and to improve health and reduce longstanding health disparities.

Mr. Gonzalez summarized the community-led planning process conducted by two advisory groups, a Resident Advisory Group composed of 18 residents from East San Jose, and a System Advisory Group made up of 22 community leaders. Mr. Gonzalez further explained the goal of the Advisory Groups to ensure the planning process was comprehensive and culturally responsive. Mr. Gonzalez shared that the community health needs assessment enabled SCFHP to secure primary data through surveys, focus groups, and stakeholder meetings.

Mr. Gonzalez explained the planning process defined relevant programs, strengthened the SCFHP approach to member engagement, strengthened the safety-net system, and enhanced the journey for Medi-Cal and Cal MediConnect members.

Mr. Gonzalez summarized the CRC Framework detailing the center's vision, purpose, center priorities, and center strategies for the upcoming three years.

Mr. Gonzalez indicated the intent to finalize the planning process and CRC Framework by incorporating feedback from the SCFHP Governing Board, local elected officials, and community stakeholders with the final report being made available in June 2022.

Mr. Gonzalez invited the Governing Board Members to attend an upcoming Community Celebration in May 2022, showcasing the CRC planning process and Framework.

Alma Burrell left the meeting at 1:51 pm..

10. Compliance Report

Tyler Haskell, Interim Compliance Officer, provided brief comments about some of the activity discussed in the written Compliance Activity Report, including the compliance program effectiveness audit, Medicare data validation audit, and CMS notices of noncompliance. Mr. Haskell discussed the recent DHCS annual medical audit, including potential findings received verbally from the auditors in the areas of utilization management, grievances and appeals, initial health assessments, transportation, quality improvement, and fraud, waste, and abuse.

10. Government Relations Update

Mr. Haskell provided updates on relevant federal and state government actions. He discussed the recently-enacted federal funding bill, the prospects for future health-related legislation, and the status of the Public Health Emergency. Mr. Haskell provided an update on the State budget and budget proposals relating to Medi-Cal, and discussed State legislation, the status of the CalAIM project, and a direct Medi-Cal managed care contract for Kaiser proposed by the State.

11. Adjourn to Closed Session

a. Report Involving Trade Secrets

The Governing Board met in Closed Session to discuss Plan Contract Rates.

b. Contract Rates

The Governing Board met in Closed Session to discuss Plan partner rates.

12. Report from Closed Session

Mr. Brownstein reported that the Governing Board met in Closed Session to discuss trade secrets and contract rates.

13. Adjournment

The meeting was adjourned at 2:39 pm.

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Michele Lew, Secretary