

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

Thursday, January 26, 2023, 10:30 AM – 12:30 PM
Santa Clara Family Health Plan
6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference Only

(408) 638-0968
Meeting ID: 857 5103 6714
Passcode: ZvMZn37t
<https://us06web.zoom.us/j/85751036714>

AGENDA

- | | | | |
|--|--------------|-------|--------|
| 1. Roll Call | Ms. Murphy | 10:30 | 5 min |
| 2. Public Comment
Members of the public may speak to any item not on the agenda; two minutes per speaker. The Executive/Finance Committee reserves the right to limit the duration of the public comment period to 30 minutes. | Ms. Murphy | 10:35 | 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 | Ms. Murphy | 10:40 | 5 min |
| <ul style="list-style-type: none"> a. Approve November 21, 2022 Executive/Finance Committee minutes b. Approve Socially Determined data platform pilot proposal c. Approve Rubrik data back-up system expenditure d. Approve continued use of teleconferencing without providing public access to each teleconference location pursuant to Government Code Section 54953 | | | |
| 4. November 2022 Financial Statements
Review September 2022 Financial Statements.
Possible Action: Approve the September 2022 Financial Statements | Mr. Jarecki | 10:45 | 10 min |
| 5. Community Health Investment Program | Ms. Bui-Tong | 10:55 | 15 min |
| <ul style="list-style-type: none"> a. Review summary of the Community Health Investment Program.
Possible Action: Approve Board Designated Fund process b. Consider revisions to Board Designated Fund Governance Policies.
Possible Action: Approve Governance Policies: <ul style="list-style-type: none"> • GO.02 v3 Special Projects Fund for CBOs • GO.03 v2 Innovation Fund | | | |

<p>6. Innovation Fund Expenditure Adjustment Request Consider a requested adjustment to the use and terms of funding for the FIRST 5 Integrated Behavioral Health Pilot Project. Possible Action: Approve adjustment to the use and terms of funding for the FIRST 5 Integrated Behavioral Health Pilot Project</p>	<p>Ms. Bui-Tong</p>	<p>11:10 10 min</p>
<p>7. Special Project Fund for CBOs Expenditure Request Consider funding request from Roots for Postpartum Wellness Project. Possible Action: Approve expenditure from the Board Designated Special Project Fund for CBOs for the Roots Postpartum Wellness Project</p>	<p>Ms. Bui-Tong</p>	<p>11:20 10 min</p>
<p>8. DHCS Delegation Oversight Requirements Discuss new delegation oversight requirements in the 2024 DHCS Managed Care Plan Contract</p>	<p>Mr. Haskell</p>	<p>11:30 15 min</p>
<p>9. Government Relations Update Discuss local, state, and federal legislative and policy issues impacting the Plan and its members.</p>	<p>Mr. Haskell</p>	<p>11:45 10 min</p>
<p>10. CEO Update Discuss status of current topics and initiatives.</p>	<p>Ms. Tomcala</p>	<p>11:55 10 min</p>
<p><u>Announcement Prior to Recessing into Closed Session</u> Announcement that the Executive/Finance Committee will recess into Closed Session to discuss Item No.11 below.</p>		
<p>11. Adjourn to Closed Session</p> <p>a. <u>Contract Rates</u> (Welfare and Institutions Code Section 14087.38(n)): It is the intention of the Executive/Finance Committee to meet in Closed Session to discuss Plan partner rates.</p>		<p>12:05</p>
<p>12. Report from Closed Session</p>	<p>Ms. Murphy</p>	<p>12:25 5 min</p>
<p>13. Adjournment</p>		<p>12:30</p>

Notice to the Public—Meeting Procedures

- Persons wishing to address the Executive/Finance Committee 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 Ashley Kerner 48 hours prior to the meeting at (408) 874-1896.
- To obtain a copy of any supporting document that is available, contact Ashley Kerner at (408) 874-1896. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 6201 San Ignacio Ave, San Jose, CA 95119.
- This agenda and meeting documents are available at www.scfhp.com.

Regular Meeting of the

Santa Clara County Health Authority Executive/Finance Committee

Monday, November 21, 2022, 1:30 PM – 3:30 PM
Santa Clara Family Health Plan – Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES

Members Present

Michele Lew, Chair
Alma Burrell
Dave Cameron
Sarita Kohli

Members Absent

Sue Murphy

Staff Present

Christine Tomcala, Chief Executive Officer
Ngoc Bui-Tong, Chief Health Equity and Strategies Officer
Neal Jarecki, Chief Financial Officer
Laurie Nakahira, D.O., Chief Medical Officer
Jonathan Tamayo, Chief Information Officer
Chris Turner, Chief Operating Officer
Chelsea Byom, VP, Marketing, Communications &
Outreach
Teresa Chapman, VP, Human Resources
Tyler Haskell, VP, Government Relations and Compliance
Barbara Granieri, Controller
Mike Gonzalez, Director, Community Engagement
Khanh Pham, Director, Financial Reporting & Budgeting
Ashley Kerner, Manager, Administrative Services
Jocelyn Ma, Manager Community Outreach
Kris Cameron, Strategic Planning Project Manager
Lloyd Alaban, Copy Writer and Content Strategist

Others Present

Cara Maffini, PhD, Healthy Development Community Clinic
Michael Daponde, DSR Health Law

1. Roll Call

Michele Lew, Chair, called the meeting to order at 1:33 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

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

- a. Approve October 27, 2022 **Executive/Finance Committee** minutes
- b. Approve **Network Detection and Prevention Update**
- c. Approve **continued use of teleconferencing** without providing public access to each teleconference location pursuant to Government Code Section 54953 questions.

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

Motion: Ms. Kohli
Second: Ms. Burrell
Ayes: Ms. Burrell, Ms. Kohli, Ms. Lew
Absent: Ms. Murphy

Dave Cameron arrived at 1:40 PM.

4. September 2022 Financial Statements

Neal Jarecki, Chief Financial Officer, presented the September 2022 unaudited financial statements, the third month of the fiscal year, which reflected a current month net surplus of \$3.4 million (a favorable variance of \$3.0 million to budget).

Enrollment increased by 1,414 members from the prior month to 316,695 members (7,117 members or 2.3% higher than budget) predominately due to the newly-eligible Medi-Cal undocumented adult population and continued suspension of Medi-Cal disenrollments. YTD member months of 945,705 exceeded budget by 2.5%. Enrollment has been rising since March 2020 largely due to the suspension of annual eligibility redeterminations during the public health emergency (PHE) and newly-eligible Medi-Cal members.

Revenue reflected a net favorable current month budget variance of \$2.6 million (2.3%) due to several factors. Favorable variances resulted from (1) higher Medi-Cal & CMC enrollment and mix of members, and (2) higher Medi-Cal supplemental revenue utilization (Maternity & BHT) and (3) revised MLTSS mix corridor estimate. Partly-offsetting unfavorable variances resulted from delayed timing of several DHCS incentive programs (offset by favorable medical expense variances).

Medical Expense reflected a net unfavorable current month budget variance of \$1.3 million (1.3%) due to several factors. Unfavorable variances included capitated enrollment and member mix, higher unit costs in certain categories of service versus budget, and higher supplemental services than budget. Partly-offsetting favorable variances resulted from the delayed timing of several DHCS incentive programs (offset by unfavorable revenue variances).

Administrative Expense was \$1.2 million (15.9%) favorable to budget for the month largely due to (1) favorable variance due to lower headcount than budgeted (12% below budget), and (2) favorable variances in several non-personnel categories due to the timing of certain expenses (23% below budget).

Non-Operating Income, comprised of largely of interest income, was \$745 thousand favorable to budget due to the higher investment yield received versus budget.

The **Balance Sheet** reflected a Current Ratio, a key measure of liquidity, of 1.27:1 versus the DMHC minimum current ratio requirement of 1.00:1.

Tangible Net Equity of \$302.3 million, which represented approximately three months of the Plan's total expenses, included unrestricted net assets of \$262 million.

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

Motion: Mr. Cameron
Second: Ms. Kohli
Ayes: Ms. Burrell, Mr. Cameron, Ms. Kohli, Ms. Lew
Absent: Ms. Murphy

5. Innovation Fund Expenditure Request

Ngoc Bui-Tong, Chief Health Equity and Strategies Officer, presented a request from San Jose State University for the Culturally-Responsive Wellness and Communication Interventions: Healthy Development Community Clinic (HDCC). The request is to provide one-time start-up assistance of \$250,000 to launch and operationalize the HDCC at the Oak Grove School site. The funds will cover instruments and equipment, technology, and sound proofing for the audio lab for behavioral health, speech, and language diagnostic and screening abilities. Ms. Bui-Tong introduced Cara Maffini from SJSU, who was available for questions.

It was moved, seconded, and the San Jose State University request for \$250,000 to fund the Culturally-Responsive Wellness and Communication Interventions: Healthy Development Community Clinic was **unanimously approved** as an expenditure from the Board Designated Innovation Fund.

Motion: Ms. Kohli

Second: Mr. Cameron

Ayes: Ms. Burrell, Mr. Cameron, Ms. Kohli, Ms. Lew

Absent: Ms. Murphy

Michele Lew left the meeting and Mr. Cameron assumed the role of Chair at 2:00 PM.

6. Government Relations Update

Tyler Haskell, VP, Government Relations and Compliance, presented federal issues of note, including the expected extension of the federal COVID-19 public health emergency to mid-April 2023. Mr. Haskell informed the members that efforts may be afoot to decouple Medicaid redeterminations and Medicare telehealth flexibilities from the public health emergency.

Mr. Haskell discussed legislation that may be passed during the post-election congressional session. Mr. Haskell noted the scheduled Medicare payment cuts will likely be cancelled, and the Advancing Telehealth Beyond COVID-19 Act that temporarily extends the COVID telehealth Medicare Flexibilities through December 31, 2024, will likely be passed. Mental health legislation, the Improving Seniors' Timely Access to Care Act, and other Medicare Advantage bills containing concerning "Gold Card" language, will likely be held over until next session.

Mr. Haskell shared an update on a state budget forecast estimating a \$25-billion-dollar deficit for the next fiscal year from the California Legislative Analyst's Office (LAO). The report from the LAO indicates, the deficit is manageable at the currently estimated level and use of the reserves is discouraged.

Mr. Haskell presented an update on the Midterm Election results and put into context the impact of the results on the Plan. Mr. Haskell highlighted the change in House Democratic leadership with the top three Democratic leaders in the House stepping aside.

Mr. Haskell ended his presentation with a local update with the selection of Sylvia Arenas to represent District 1 seat on the Santa Clara County Board of Supervisors. Mr. Haskell shared Ms. Arenas will be more likely to focus on health care issues than her predecessor.

7. CEO Update

Christine Tomcala, Chief Executive Officer, provided a brief update, sharing that Mr. Haskell has assumed the role of Vice President of Government Relations and Compliance.

She also reported that the Plan received a draft report from the Department of Health Care Services for the audit conducted last March, and the closing conference has been scheduled to take place next week. Ms. Tomcala indicated the Plan is actively assessing the report and an update will be provided at the December Governing Board Meeting.

Ms. Tomcala concluded her presentation by announcing that Santa Clara Family Health Plan has officially been certified as a “Great Place to Work”, providing recognition that SCFHP has created an excellent employee experience.

8. Adjourn to Closed Session

a. Pending Litigation

The Executive/Finance Committee met in Closed Session to confer with Legal Counsel regarding pending litigation.

b. Contract Rates

The Executive/Finance Committee met in Closed Session to discuss Plan partner rates.

9. Report from Closed Session

Mr. Cameron reported that the Executive/Finance Committee met in Closed Session to discuss pending litigation and Plan partner rates.

10. Adjournment

The meeting was adjourned at 2:32 PM.

Sarita Kohli, Secretary



**Santa Clara Family
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Socially Determined (SD) Data Platform Pilot Proposal

Executive/Finance Committee

January 26, 2023

Social Determinants of Health (SDOH) Strategy

SCFHP's SDOH Strategy will identify and address the social needs of members and the community.

Adopting an SDOH
Data Strategy

Optimizing Benefits
and Addressing Gaps
through Community
Partnerships and
Investments

Addressing Emerging
Social Needs for
SCFHP Members

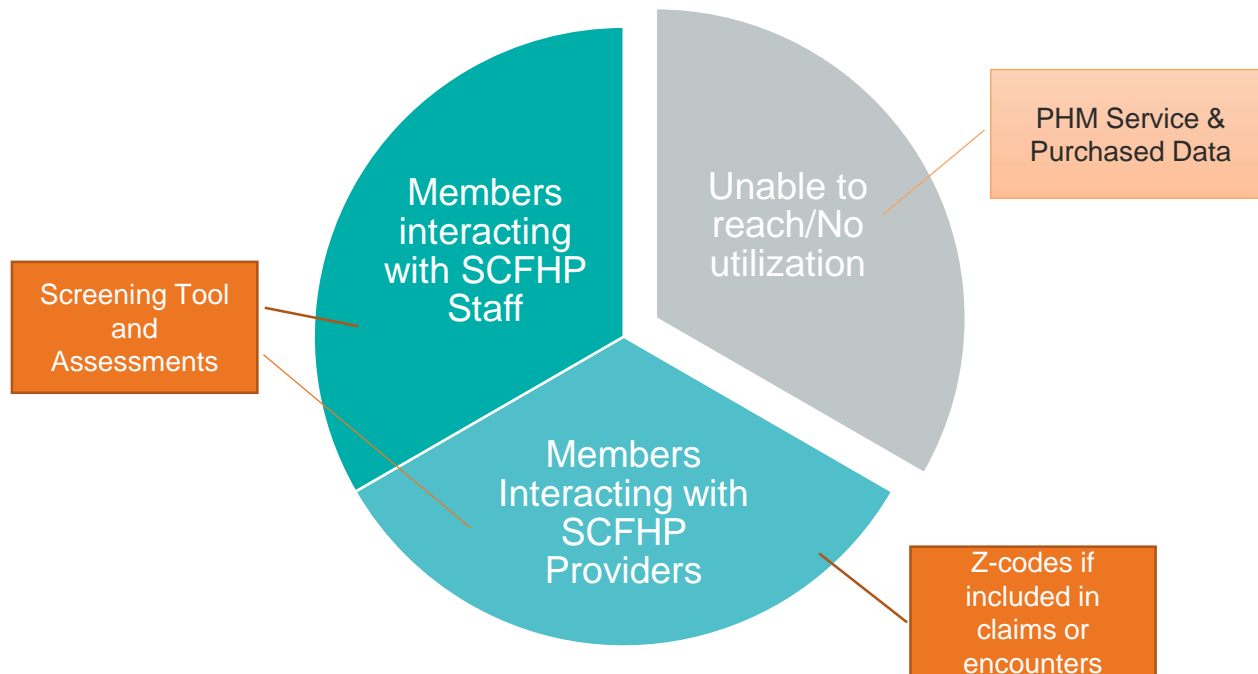
Regulatory Requirements for SDOH Data

Projected Outcome/Impact

- CalAIM: pre-identify member eligibility for Enhanced Care Management (ECM) and Community Supports
- Population Health Management
 - Inform risk tier criteria and stratification and segmentation
 - Gather timely and accurate information on member preferences and needs
 - Offer supports and interventions that members need along continuum
- Dual Special Needs Population (DSNP) Model of Care: risk stratification that accounts for identified member needs
- National Council of Quality Assurance (NCQA): provide subpopulation analytics for NCQA Health Equity Accreditation, and NCQA's Health Plan Accreditation

Identifying Members' Social Needs

Screening is limited to those members who directly interact with SCFHP staff or providers.



The most vulnerable and hard to reach members are more likely to have social needs that need to be addressed to achieve good health outcomes.

Lack of SDOH Data

SDOH risk data provides us the opportunity to have a full membership view of emerging social risks and take preventative action.

Data Collection is difficult and expensive

- Patient-facing social risk questionnaires are not consistently validated
- Few providers know about or use diagnostic codes related to social needs (ICD-10 Z codes)
- High overhead costs to store and transmit data
- Inconsistent gathering methods

Screening is an important but insufficient strategy

- Screening members requires time and consistent gathering methods
- Methods rely on member interaction with the health care system, thus excluding subsets of enrollees that are most likely to have health related social needs

The data is too broad

- Community data sets provide an aggregated, regional view (*e.g.*, *census track, county, state, etc.*) and are helpful to understand trends
- This type of data is very broad, limiting the ability to learn about neighborhood, individual and family social circumstances.

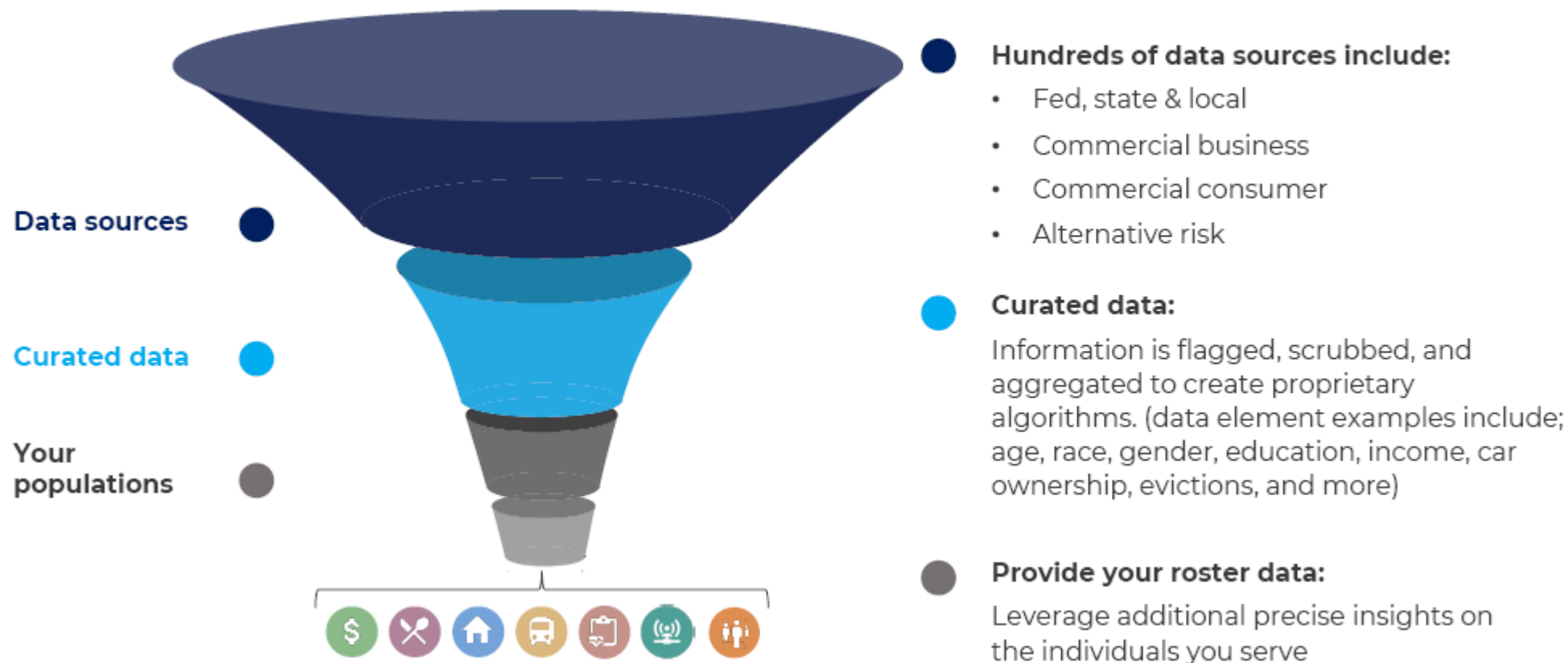
Vendor Recommendation

Socially Determined

- Comprehensive platform for precisely identifying people and communities at risk & measuring SDOH impacts
- Combines hundreds of data sources using a proprietary algorithm to produce social risk scores for individuals
- Generates visual maps with aggregated data to allow SCFHP to understand geographical needs and resources.
- Provides mapping of community assets and infrastructure such as clinics and grocery stores, and can add SCFHP contracted providers and partners to create a fuller picture.
- For each social risk, the top three social drivers affecting that social risk are identified, allowing for more targeted interventions.

Socially Determined's Curated Data

Data drives social risk scores



Socially Determined: Other Use Cases

- ***SDOH***: Leverage data and analytics to identify social needs at community and individual level SDOH investment planning
- ***Community Resource Center (CRC)***: Understand available services and needs of members living in South County
- ***Marketing***: Identify members to target for specific program and outreach materials
- ***Board Fund***: help prioritize investments based on geographical and emergent needs
- ***Company Strategy Refresh***: inform strategic focus and community gaps

Socially Determined Year 1 Deliverables

- **Access to Socially Determined Platform**
 - community and individual social risk data and analytics,
 - demographics (race, ethnicity, language), and
 - dynamic geospatial visualizations of:
 - community-level SDOH risk exposure rendered at an extremely precise resolution (sub-neighborhood, sub-zip code),
 - community assets and infrastructure (e.g., clinics, grocery stores),
 - customized point data (e.g., SCFHP facilities) can be incorporated into a custom map layer to visualize risk, resources, and members in a single view
- **120 hours of technical, analytic, and strategic advisory services** annually

Possible Action:

Authorize Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Socially Determined for a one-year pilot program using CalAIM Incentive Payment Program (IPP) funds at an annual cost not to exceed \$250,000, with the option to renew for two subsequent years



**Santa Clara Family
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Rubrik Data Back-Up System

Executive/Finance Committee Meeting - January 26, 2023

Rubrik Backup System

Enterprise License Agreement for Backup System

- ❖ SCFHP currently uses backup software that has no cybersecurity functionality
 - Annual cost for our current backup system is approximately **\$210,000**
- ❖ Three vendors submitted proposals based on our requirements to replace our current backup system
- ❖ Only two had instant recovery free from ransomware with only one of them having support for end-to-end ransomware recovery
- ❖ The proposed agreement is for a three-year term, not to exceed:
 - Software License **\$495,000** (\$165,000/year)
 - Hardware Cost **\$85,000**

Possible Action: Authorize Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Rubrik in an amount not to exceed **\$580,000** for a three-year term

MEMORANDUM

Date: January 17, 2023

From: Tyler Haskell, Interim Compliance Officer

To: SCFHP Executive/Finance Committee

Re. AB 361 compliance

Background

Because the Governor's executive order suspending certain Brown Act requirements expired at the end of September 2021, the Legislature passed, and the Governor signed, AB 361. AB 361 amended Government Code §54953 to permit teleconferencing by local agencies during a declared state of emergency without providing public access to each individual teleconference location. In order to do so, a local agency must make the following findings by majority vote every 30 days:

- The local agency has reconsidered the circumstances of the state of emergency.
- Any of the following circumstances exist:
 - o The state of emergency continues to directly impact the ability of the members to meet safely in person.
 - o State or local officials continue to impose or recommend measures to promote social distancing.

The Governing Board met and made the above findings in December, and the Executive/Finance Committee needs to do so again in order for the Governing Board and committees to continue meeting remotely during the ongoing declared state of emergency.

Recommended Action

Make the following findings and approve continued use of teleconferencing without providing public access to each teleconference location:

- Santa Clara Family Health Plan has reconsidered the circumstances of the state of emergency.
- Any of the following circumstances exist:
 - o The state of emergency continues to directly impact the ability of the members to meet safely in person.
 - o State or local officials continue to impose or recommend measures to promote social distancing.



Santa Clara Family
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Unaudited Financial Statements

For Five Months Ended November 30, 2022

Agenda

Table of Contents	Page
Financial Highlights	3 - 4
Detail Analyses:	5
Enrollment Summary	6
Enrollment by Category of Aid – Current Month & Trend	7 - 9
Revenue – Current Month & YTD	10 - 11
Medical Expense – Current Month & YTD	12 - 13
Administrative Expense – Current Month & YTD	14 - 15
Balance Sheet	16
Tangible Net Equity	17
Reserves Analysis	18
Capital Expenditures	19
Financial Statements:	20
Income Statement	21
Balance Sheet	22
Cash Flow Statement	23
Statement of Operations by Line of Business - YTD	24
Appendices:	25
Statement of Operations by Line of Business – Current Month	26
Enrollment by Category of Aid – subsequent month	27

Financial Highlights



	<u>MTD</u>		<u>YTD</u>	
Revenue	\$115.3 M		\$577.8 M	
Medical Expense (MLR)	\$106.8 M	92.7%	\$534.1 M	92.4%
Administrative Expense (% Rev)	\$6.6 M	5.7%	\$31.6 M	5.5%
Non-Operating Income	\$1.2 M		\$4.1 M	
Net Surplus (Net Loss)	\$3.1 M		\$16.2 M	
Cash and Investments			\$554 M	
Receivables			\$589 M	
Total Current Assets			\$1.17 B	
Current Liabilities			\$896 M	
Current Ratio			1.30	
Tangible Net Equity			\$306 M	
% of DMHC Requirement			627.4%	

Financial Highlights

Net Surplus (Net Loss)	<ul style="list-style-type: none"> ▶ Month: Surplus of \$3.1M is \$2.9M or 1704.4% favorable to budget of \$170K surplus. ▶ YTD: Surplus of \$16.2M is \$14.1M or 653.5% favorable to budget of \$2.2M surplus.
Enrollment	<ul style="list-style-type: none"> ▶ Month: Membership was 320,686 (7,214 or 2.3% higher than budget of 313,472). ▶ YTD: Member Months YTD was 1,584,350 (36,469 or 2.4% higher than budget of 1,547,881).
Revenue	<ul style="list-style-type: none"> ▶ Month: \$115.3M (\$1.1M or 1.0% favorable to budget of \$114.2M). ▶ YTD: \$577.8M (\$12.1M or 2.1% favorable to budget of \$565.8M).
Medical Expenses	<ul style="list-style-type: none"> ▶ Month: \$106.8M (\$119K or 0.1% unfavorable to budget of \$106.7M). ▶ YTD: \$534.1M (\$6.2M or 1.2% unfavorable to budget of \$528.0M).
Administrative Expenses	<ul style="list-style-type: none"> ▶ Month: \$6.6M (\$852K or 11.4% favorable to budget of \$7.5M). ▶ YTD: \$31.6M (\$4.8M or 13.2% favorable to budget of \$36.4M).
Non-Operating Income	<ul style="list-style-type: none"> ▶ Month: \$1.2M (\$1.1M or 689.2% favorable to budget of \$153K). ▶ YTD: \$4.1M (\$3.4M or 439.6% favorable to budget of \$766K).
Tangible Net Equity	<ul style="list-style-type: none"> ▶ TNE was \$306.2M (represents approximately three months of total expenses).
Capital Expenditures	<ul style="list-style-type: none"> ▶ YTD Capital Investments of \$250K vs. \$6.2M annual budget, primarily computer software.



**Santa Clara Family
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Detail Analyses

Enrollment Summary



- Total enrollment of 320,686 members is 7,214 or 2.3% higher than budget. Since the beginning of the fiscal year, total enrollment has increased by 14,304 members or 4.7%, which largely represents suspended disenrollments and newly-eligible Medi-Cal undocumented adults.
- Medi-Cal & CMC enrollment have been increasing since March 2020 largely due to COVID. Beginning in March 2020, annual eligibility redeterminations were suspended and, as a result, enrollment continues to increase.
- Since the beginning of the fiscal year, Medi-Cal Non-Dual enrollment has increased 5.1%, Medi-Cal Dual enrollment has increased 2.1%, and CMC enrollment has grown 1.6%.

	For the Month November 2022				For Five Months Ending November 30, 2022				Prior Year Actuals	Δ FY23 vs. FY22
	Actual	Budget	Variance	Variance (%)	Actual	Budget	Variance	Variance (%)		
Medi-Cal	310,191	302,978	7,213	2.4%	1,532,138	1,495,671	36,467	2.4%	1,381,487	10.9%
Cal Medi-Connect	10,495	10,494	1	0.0%	52,212	52,210	2	0.0%	51,501	1.4%
Total	320,686	313,472	7,214	2.3%	1,584,350	1,547,881	36,469	2.4%	1,432,988	10.6%

Santa Clara Family Health Plan Enrollment By Network
November 2022

Network	Medi-Cal		CMC		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	39,633	13%	10,495	100%	50,128	16%
SCVHHS ¹ , Safety Net Clinics, FQHC ² Clinics	159,623	51%	-	0%	159,623	50%
North East Medical Services	3,486	1%	-	0%	3,486	1%
Palo Alto Medical Foundation	7,470	2%	-	0%	7,470	2%
Physicians Medical Group	46,170	15%	-	0%	46,170	14%
Premier Care	16,653	5%	-	0%	16,653	5%
Kaiser	37,156	12%	-	0%	37,156	12%
Total	310,191	100%	10,495	100%	320,686	100%
Enrollment at June 30, 2022	296,050		10,332		306,382	
Net Δ from Beginning of FY22	4.8%		1.6%		4.7%	

¹ SCVHHS = Santa Clara Valley Health & Hospital System

² FQHC = Federally Qualified Health Center

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD NOVEMBER - 2022

		2021-11	2021-12	2022-01	2022-02	2022-03	2022-04	2022-05	2022-06	2022-07	2022-08	2022-09	2022-10	2022-11	FYTD var	%
NON DUAL	Adult (over 19)	34,245	34,653	35,652	35,761	36,104	36,529	37,033	37,861	39,310	39,644	40,012	40,326	41,351	3,490	9.2%
	Child (under 19)	101,411	101,722	102,516	102,519	102,740	103,211	103,765	103,621	103,866	103,987	104,097	104,183	104,594	973	0.9%
	SPD	22,463	22,537	22,740	22,731	22,749	22,751	22,836	24,200	25,130	25,189	25,311	25,357	25,459	1,259	5.2%
	Adult Expansion	93,186	94,092	95,819	96,366	97,386	98,130	99,249	102,198	106,715	107,599	108,216	108,974	109,990	7,792	7.6%
	Long Term Care	385	392	391	403	395	393	397	398	412	432	434	450	455	57	14.3%
	Total Non-Duals	251,690	253,396	257,118	257,780	259,374	261,014	263,280	268,278	275,433	276,851	278,070	279,290	281,849	13,571	5.1%

DUAL	Adult (over 21)	398	408	410	403	407	412	431	423	424	422	421	416	418	-5	(1.2%)
	SPD	24,307	24,320	24,330	24,350	24,378	24,282	24,352	24,384	24,491	24,518	24,579	24,600	24,687	303	1.2%
	Long Term Care	1,106	1,111	1,085	1,107	1,102	1,111	1,126	1,148	1,159	1,153	1,151	1,144	1,160	12	1.0%
	SPD OE	1,372	1,431	1,496	1,531	1,612	1,666	1,739	1,817	1,868	1,923	1,994	2,040	2,077	260	14.3%
	Total Duals	27,183	27,270	27,321	27,391	27,499	27,471	27,648	27,772	27,942	28,016	28,145	28,200	28,342	570	2.1%

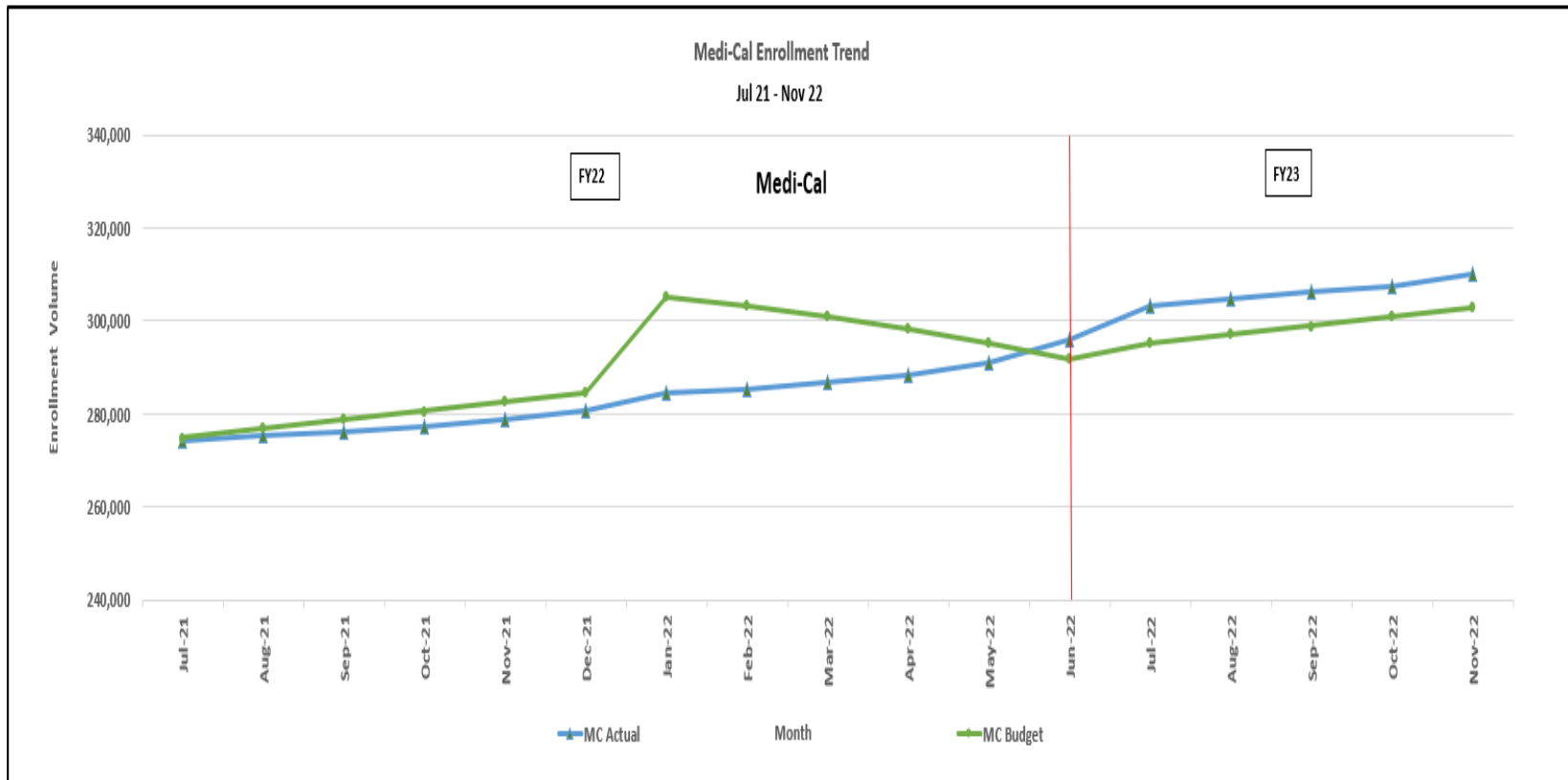
Total Medi-Cal	278,873	280,666	284,439	285,171	286,873	288,485	290,928	296,050	303,375	304,867	306,215	307,490	310,191	14,141	4.8%
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CMC	CMC Non-Long Term Care	10,211	10,221	10,017	10,038	10,084	10,127	10,128	10,127	10,146	10,200	10,278	10,271	10,294	167	1.6%
	CMC - Long Term Care	204	210	202	213	215	206	206	205	208	214	202	198	201	-4	(2.0%)
	Total CMC	10,415	10,431	10,219	10,251	10,299	10,333	10,334	10,332	10,354	10,414	10,480	10,469	10,495	163	1.6%

Total Enrollment	289,288	291,097	294,658	295,422	297,172	298,818	301,262	306,382	313,729	315,281	316,695	317,959	320,686	14,304	4.7%
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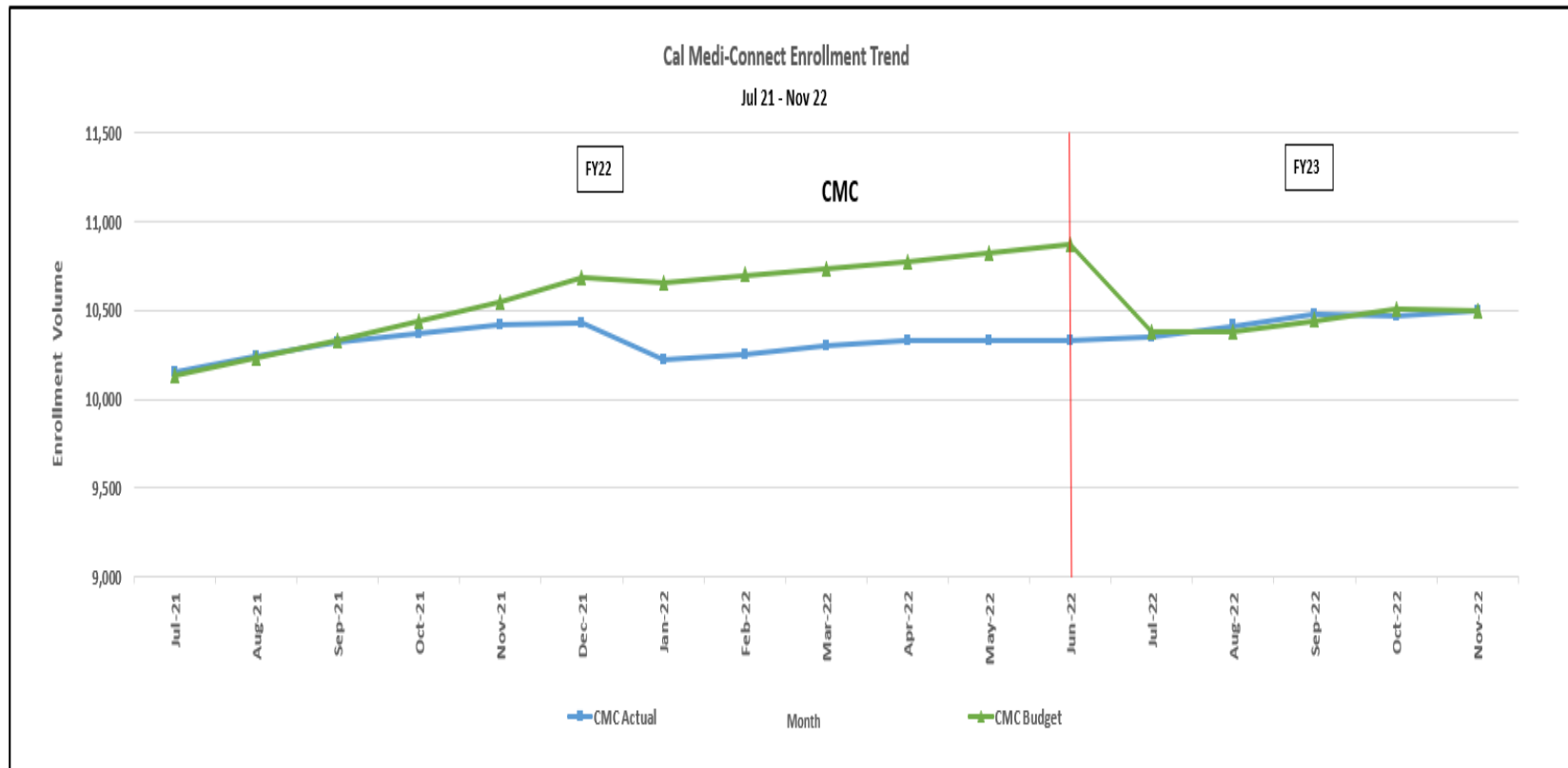
- From October to November 2022, total enrollment increased by 2,727 members largely due to newly-eligible Medi-Cal undocumented adults and continued suspended disenrollments due to COVID.

Medi-Cal Enrollment Trend



- Actual enrollment, represented by the blue line, showed a continued COVID enrollment growth through FY22 primarily due to public health emergency (PHE). Newly undocumented members started July 22.
- Budgeted enrollment, represented by the green line, was presumed to decrease in late FY22 but continues to increase due to sustained public health emergency. The FY22 budget included a higher projection of new mandatory Medi-Cal population having Other Health Coverage (OHC) starting Jan 2022. The FY23 budget assumed (1) the PHE continued through October 2022 & (2) lower estimated Undocumented Adult enrollment.

Cal Medi-Connect Enrollment Trend

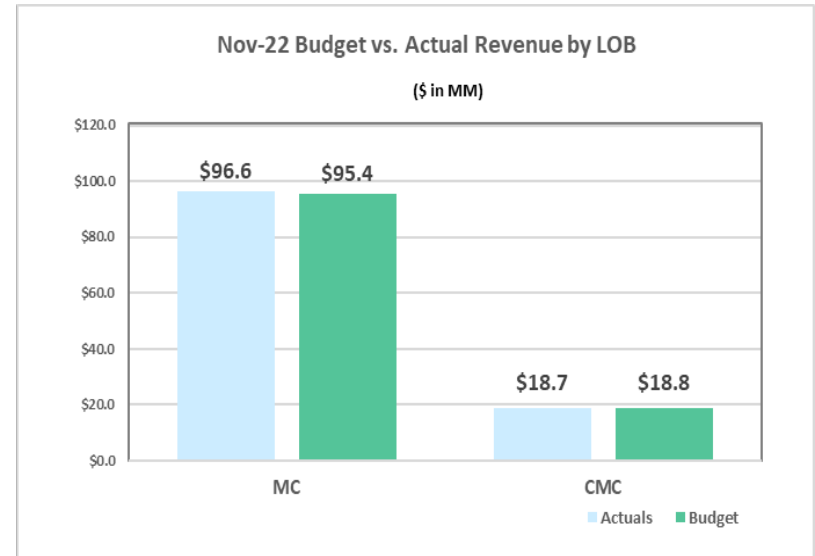
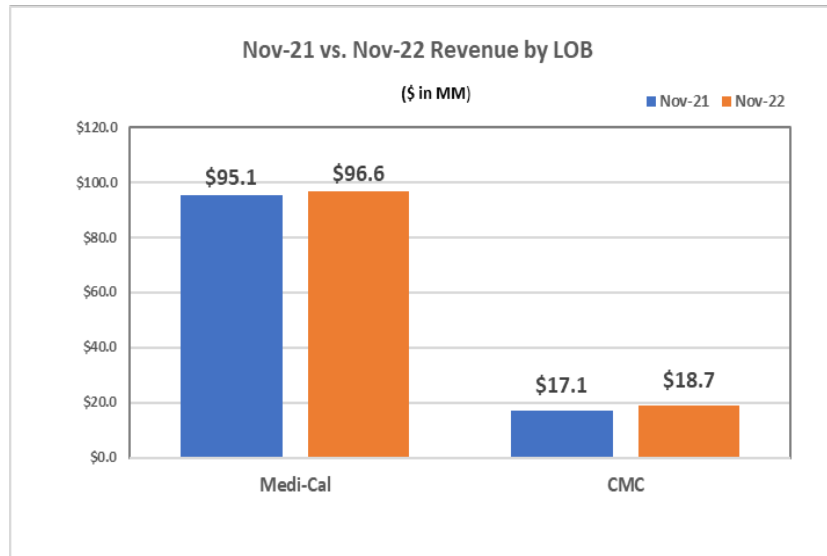


- Actual enrollment, represented by the blue line, showed a continued COVID enrollment growth through FY22 primarily due to public health emergency (PHE).
- Budgeted enrollment, represented by the green line, was presumed to plateau in late FY22 but continues to increase due to the sustained public health emergency. Beginning Jan 23, projections for D-SNP program (Dual Connect) replace projections for CMC.

Current Month Revenue

Current month revenue of \$115.3M was \$1.1M or 1.0% favorable to budget of \$114.2M. The current month variance was primarily due to the following:

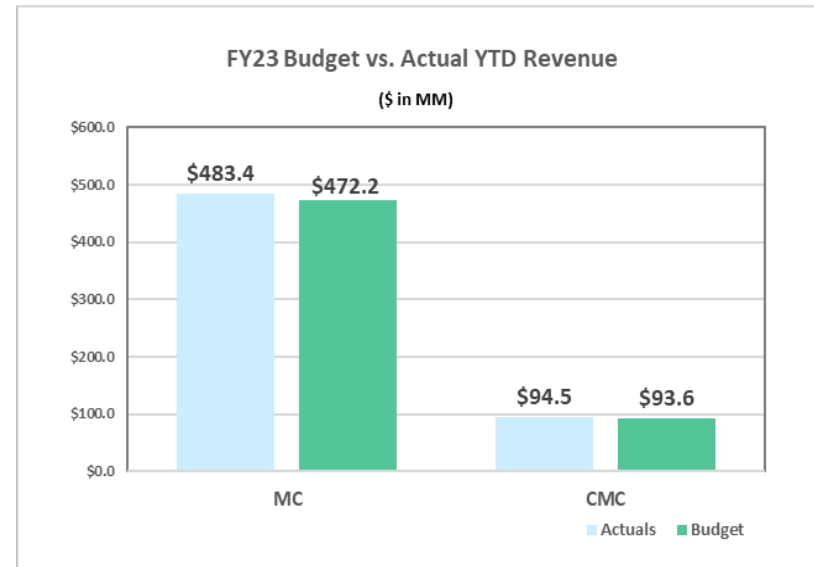
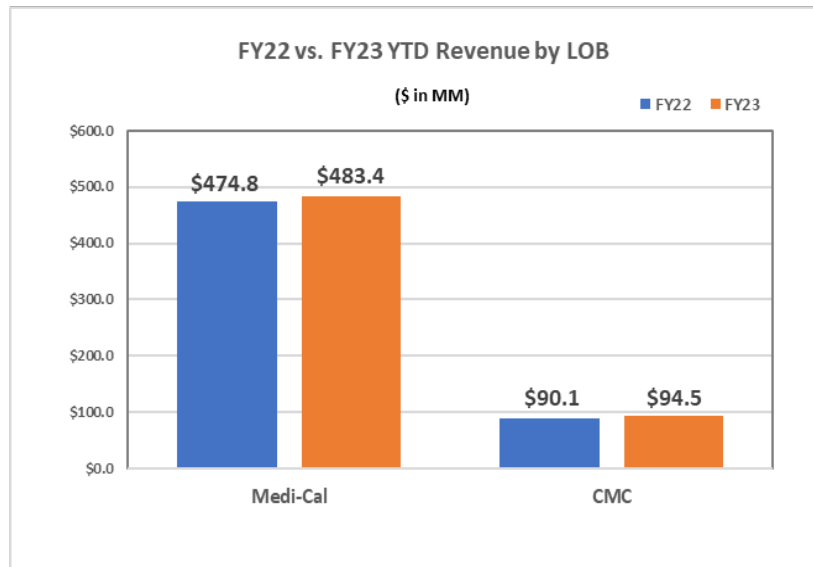
- Medi-Cal revenue was \$1.2M or 1.2% favorable to budget due primarily to (1) higher enrollment versus budget due to newly Undocumented Adults and extended PHE (\$3.5M favorable), (2) higher supplemental revenue due to increased BHT utilization and higher maternity deliveries (\$1.8M favorable), partly offset by (3) timing of DHCS incentive program revenue (\$3.5M unfavorable) and (4) discontinued Prop 56 Value Base Payment program (\$661K unfavorable). Many of the revenue variances have offsetting medical expense variances.
- CMC revenue was \$65K or 0.3% unfavorable to budget due to (1) revised CY22 mix corridor estimate, offset by (2) higher Part-C rate.



YTD Revenue

YTD revenue of \$577.8M was \$12.1M or 2.1% favorable to budget of \$565.7M. The YTD variance was primarily due to the following:

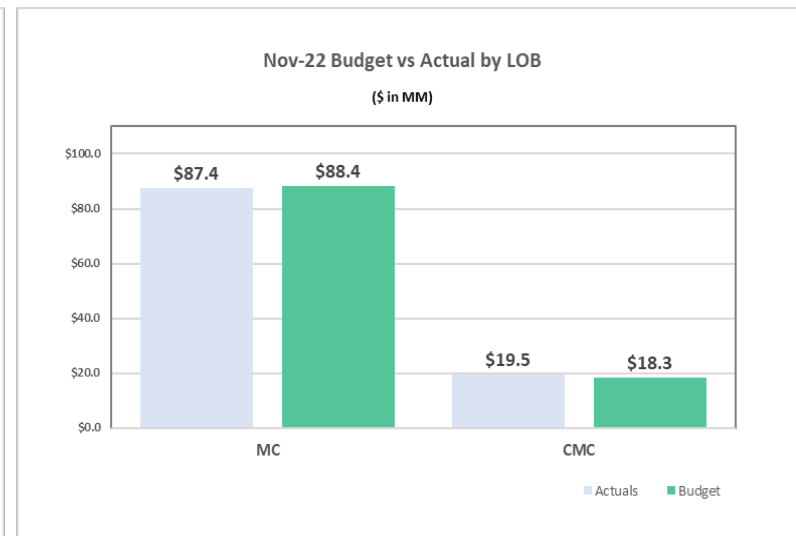
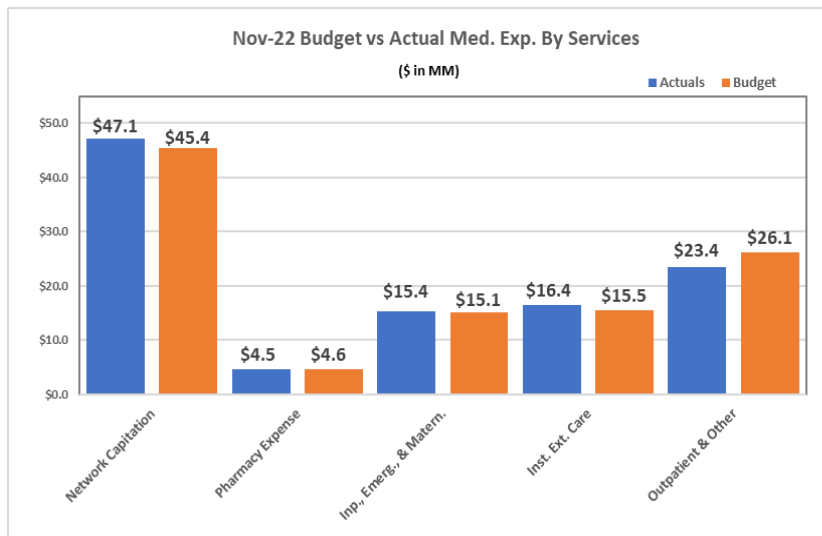
- Medi-Cal revenue was \$11.2M or 2.4% favorable to budget due primarily to (1) higher enrollment (\$18.1M favorable) due to newly undocumented Adults and extended PHE, (2) supplemental revenue (\$6.4M favorable) due to increased BHT utilization and higher maternity deliveries, (3) COVID incentive program (\$2.1M favorable), offset by (4) unfunded DHCS incentive programs (HH, SBH and ECM) (\$12.9M unfavorable), and (5) the Prop 56 Value Base Payment program was discontinued on June 30 (\$2.5M unfavorable). The unfavorable revenue variances and favorable medical expense variances pertaining to incentive payments offset, due to timing of receipt.
- CMC revenue was \$886K or 0.9% favorable to budget due to (1) higher Part C rate, (2) favorable mix corridor estimate and (3) higher enrollment versus budget.



Current Month Medical Expense

Current month medical expense of \$106.8M was \$119K or 0.1% unfavorable to budget of \$106.7M. The current month variance was due largely to:

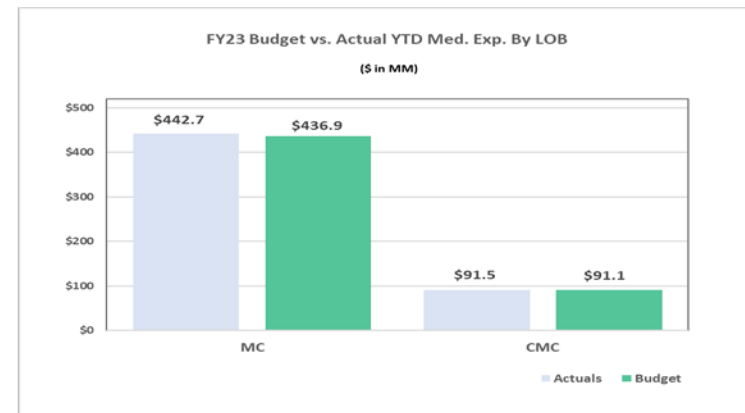
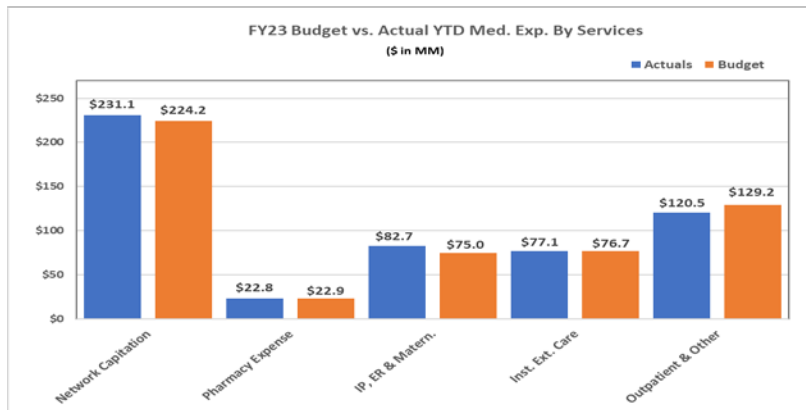
- Capitation expense was \$1.7M or 3.7% unfavorable to budget due to higher capitated enrollment than expected (\$1.1M unfavorable volume variance) and higher blended CY22 cap rate which is based on actual member mix (\$598K unfavorable rate variance), with offsetting revenue variance.
- Fee-For-Service expense was \$2.7M or 5.4% unfavorable to budget due to (1) increased unit cost versus budget for certain categories of service (\$547K unfavorable), (2) increased supplemental BHT utilization and maternity deliveries (\$1.6M unfavorable, with offsetting revenue variance) and (3) increased utilization in LTC and Community Support services (\$589K unfavorable).
- Reinsurance & Other expenses were \$4.2M or 60.9% favorable to budget due to (1) DHCS incentive programs (HH, ECM, and SBH) (\$3.2M favorable), (2) timing of Board Designated Fund (\$250K favorable), (3) Prop 56 expense (\$598K favorable); partly offset by (4) lower claim recoveries (\$197K unfavorable). Several medical expense variances have offsetting revenue variances.



YTD Medical Expense

YTD medical expense of \$534.1M was \$6.2M or 1.2% unfavorable to budget of \$527.9M. The YTD variance was due largely to:

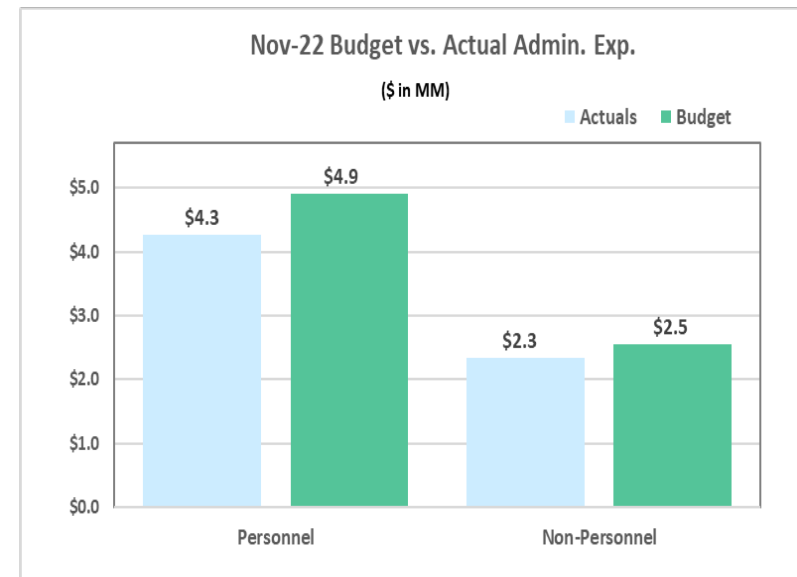
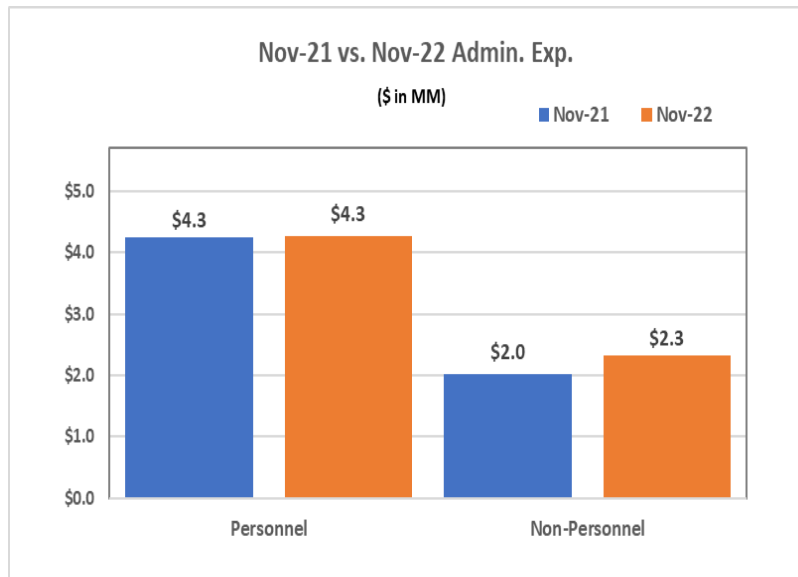
- Capitation expense was \$6.9M or 3.1% unfavorable to budget due to (1) higher capitated enrollment than expected (\$5.4M unfavorable volume variance) and (2) higher blended CY22 rate which is based on actual member mix (\$1.5M unfavorable rate variance).
- Fee-For-Service expense was \$13.6M or 5.5% unfavorable to budget due to (1) increased unit cost versus budget for Inpatient Hospital, Outpatient, LTC, PCP, Physician Specialty, and Transportation services (\$4.0M unfavorable), (2) increased supplemental BHT utilization and maternity deliveries (\$5.9M unfavorable) (offset with favorable revenue variance) and offset by (3) higher utilization in Long-Term-Care service (\$3.7M unfavorable).
- Reinsurance & Other expenses were \$14.4M or 41.9% favorable to budget due to unspent (1) Housing & Homelessness Incentive Program (\$6.7M favorable), (2) ECM Provider Incentive Program (\$4.8M favorable), (3) Prop 56 VBP program was discontinued on June 30 (\$2.5M favorable), (4) Board Designated Fund (\$784K favorable); offset by (5) School of Behavioral Incentive Program (\$95K unfavorable) and (6) lower claim recoveries (\$265K unfavorable). Several medical expense variances have offsetting revenue variances.



Current Month Administrative Expense

Current month expense of \$6.6M was \$852K or 11.4% favorable to budget of \$7.5M. The current month variances were primarily due to the following:

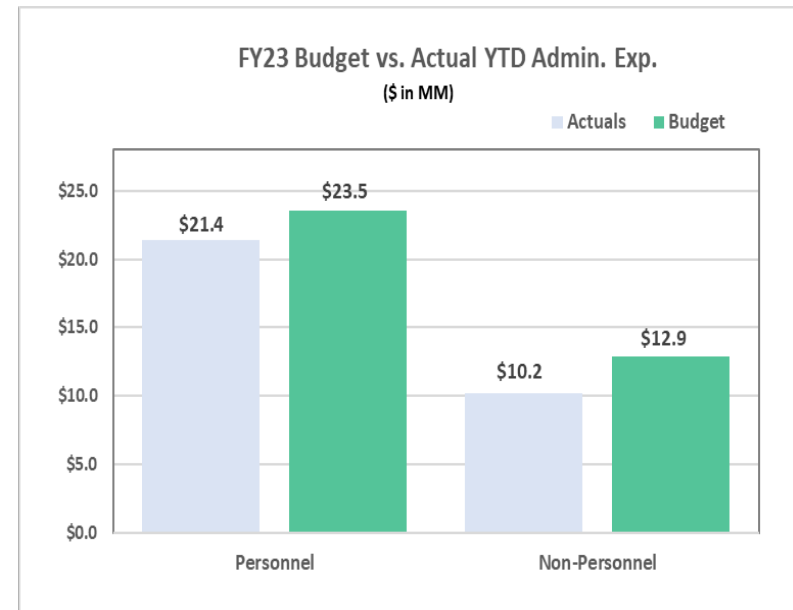
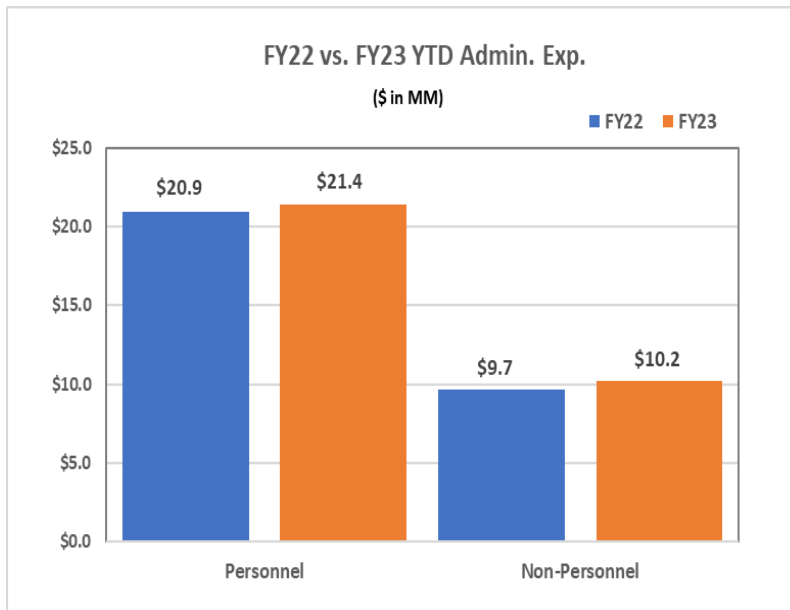
- Personnel expenses were \$634K or 12.9% favorable to budget due to lower headcount than budget which included payroll tax and benefit savings.
- Non-Personnel expenses were \$218K or 8.6% favorable to budget due to the timing of spending in certain expense categories (software licenses, capital assets, consulting, contract services, translation, marketing and other expenses), which are expected to be incurred later in the fiscal year.



YTD Administrative Expense

YTD administrative expense of \$31.6M was \$4.8M or 13.2% favorable to budget of \$36.4M. The YTD variance was primarily due to the following:

- Personnel expenses were \$2.2M or 9.2% favorable to budget due to lower headcount than budget which included lower payroll tax and benefits.
- Non-Personnel expenses were \$2.6M or 20.4% favorable to budget due to the timing of budget spending in certain expenses (consulting, contract services, translation, printing & advertising, information systems, and other fees) which are expected to be incurred later in the fiscal year.



Balance Sheet

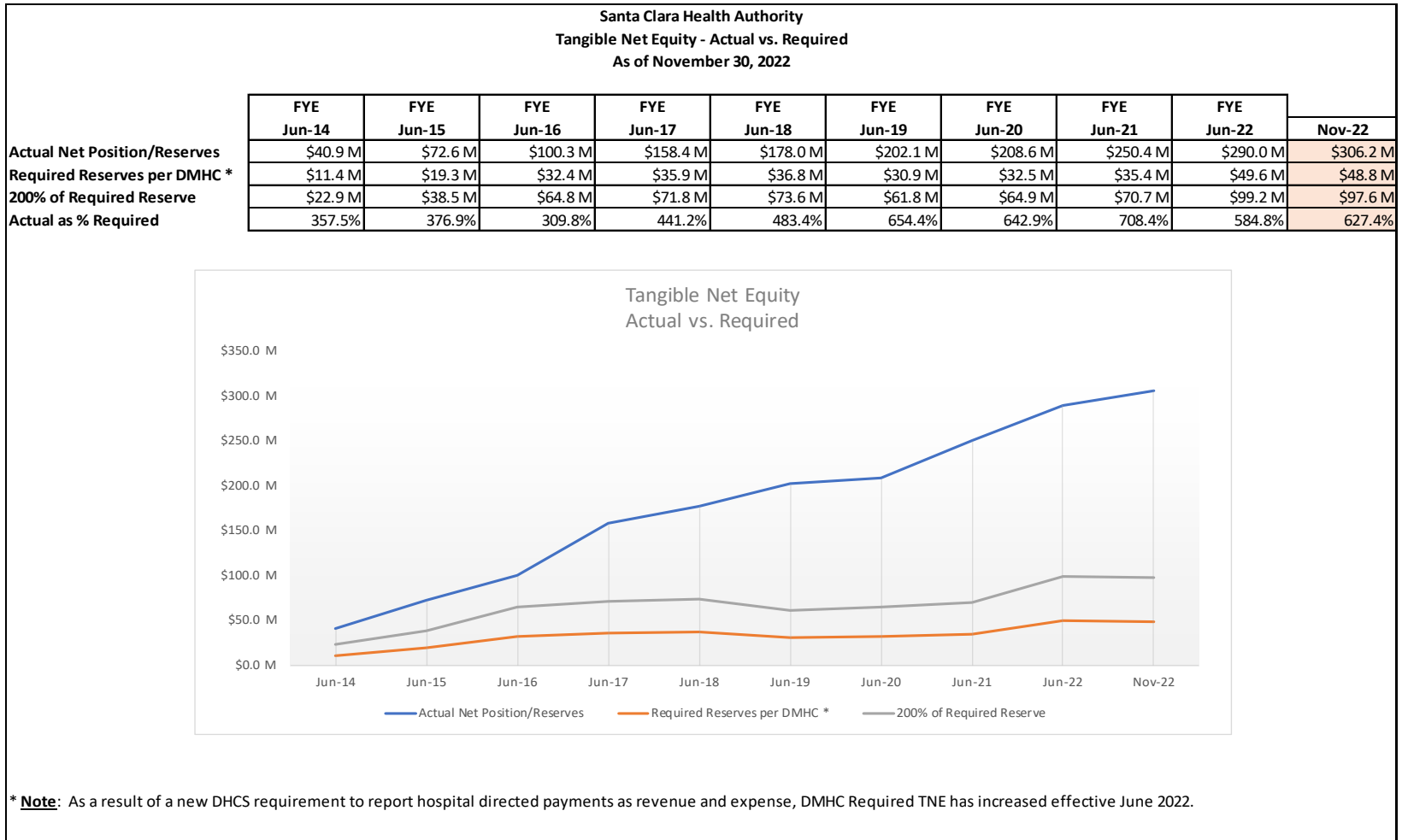
- Current assets totaled \$1.17B compared to current liabilities of \$895.7M, yielding a current ratio (Current Assets/Current Liabilities) of 1.30:1 vs. the DMHC minimum requirement of 1.0:1.
- On a YTD basis, the overall cash balance increased by \$3.1M compared to the cash balance as of year-end June 30, 2022 due to the timing of inflows and outflows.
- 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	\$184,794,736	1.70%	\$480,579	\$880,579
Wells Fargo Investments	(\$20)	0.00%	\$0	\$0
City National Bank Investments	\$277,080,437	3.42%	\$684,593	\$3,044,153
	<u>\$461,875,152</u>		<u>\$1,165,172</u>	<u>\$3,924,732</u>
Cash & Equivalents				
City National Bank Accounts	\$87,412,667	0.01%	\$635	\$2,991
Wells Fargo Bank Accounts	\$4,674,183	3.55%	\$13,376	\$46,668
Chase HMS Lockbox	\$56,137	0.00%	\$0	\$0
	<u>\$92,142,987</u>		<u>\$14,010</u>	<u>\$49,659</u>
Assets Pledged to DMHC				
Restricted Cash	\$325,000	0.01%	\$3	\$14
Petty Cash				
	\$500	0.00%	\$0	\$0
Month-End Balance	<u>\$554,343,640</u>		<u>\$1,179,185</u>	<u>\$3,974,405</u>

- Investments & Cash balances include balances payable to the State of CA for certain large items.
- Overall cash and investment yield is significantly higher than budget (2.31% actual vs. 0.3% budgeted).

Tangible Net Equity

- TNE was \$306.2M - representing approximately three months of the Plan's total expenses.



Reserves Analysis

SCFHP RESERVES ANALYSIS NOVEMBER 2022				
Financial Reserve Target #1: Tangible Net Equity				
	Board Funds Committed	Approved Projects	Funds Expended	Balance
Unrestricted Net Assets				\$266,637,292 *
Board Designated Funds (Note 1):				
Special Project Funding for CBOs	\$4,000,000	\$774,995	\$529,995	\$3,470,005
Innovation & COVID-19 Fund	\$16,000,000	\$8,894,043	\$4,220,091	\$11,779,910
Subtotal	\$20,000,000	\$9,669,038	\$4,750,085	\$15,249,915
Net Book Value of Fixed Assets				\$24,031,798
Restricted Under Knox-Keene Agreement				\$325,000
Total Tangible Net Equity (TNE)				\$306,244,005
Current Required TNE				\$48,811,243
TNE %				627.4%
SCFHP Target TNE Range:				
350% of Required TNE (Low)				\$170,839,351
500% of Required TNE (High)				\$244,056,216
Total TNE Above/(Below) SCFHP Low Target				\$135,404,654
Total TNE Above/(Below) High Target				\$62,187,789
Financial Reserve Target #2: Liquidity				
Cash & Investments				\$554,343,640
Less Pass-Through Liabilities:				
Hospital Directed Payments				240,397
MCO Tax Payable to State of CA				(34,212,558)
Prop 56 / Whole Person Care				(1,643,180)
Other Pass-Through Liabilities (Note 2)				(140,577,519)
Total Pass-Through Liabilities				(176,192,860)
Net Cash Available to SCFHP				378,150,780
SCFHP Target Liquidity (Note 3)				
45 Days of Total Operating Expense				(171,275,321)
60 Days of Total Operating Expense				(228,367,094)
Liquidity Above/(Below) SCFHP Low Target				206,875,459
Liquidity Above/(Below) High Target				149,783,686

- **Unrestricted Net Assets** represents approximately two months of total operating expenses.

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund for Special Projects of \$2.2M. In December 2019, the Governing Board also approved additional \$1.8M for Special Project fund (\$4M total) and \$16M for Innovation & COVID-19 Fund, totaling \$20M overall.

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

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

Capital Expenditures

- YTD Capital investments of \$250K, largely computer software, were comprised of the following:

Expenditure	YTD Actual	Annual Budget
Community Resource Center	\$10,293	\$94,400
Hardware	\$0	\$2,205,000
Software	\$204,247	\$3,806,437
Building Improvements	\$8,495	\$30,650
Furniture & Equipment	\$27,221	\$36,000
TOTAL	\$250,256	\$6,172,487



**Santa Clara Family
Health Plan™**

Financial Statements

Income Statement



Santa Clara County Health Authority INCOME STATEMENT For Five Months Ending November 30, 2022

	Nov-2022	% of	Nov-2022	% of	Current Month Variance		YTD Nov-2022	% of	YTD Nov-2022	% of	YTD Variance	
	Actuals	Rev	Budget	Rev	\$	%	Actuals	Rev	Budget	Rev	\$	%
REVENUES												
MEDI-CAL	\$ 96,568,744	83.7%	\$ 95,390,126	83.5%	\$ 1,178,618	1.2%	\$ 483,361,308	83.7%	\$ 472,171,188	83.5%	\$ 11,190,120	2.4%
CMC MEDI-CAL	3,602,823	3.1%	3,811,675	3.3%	(208,851)	(5.5%)	18,842,417	3.3%	18,962,870	3.4%	(120,452)	(0.6%)
CMC MEDICARE	15,142,256	13.1%	14,998,759	13.1%	143,496	1.0%	75,628,683	13.1%	74,622,187	13.2%	1,006,496	1.3%
TOTAL CMC	18,745,079	16.3%	18,810,434	16.5%	(65,355)	(0.3%)	94,471,100	16.3%	93,585,056	16.5%	886,044	0.9%
TOTAL REVENUE	\$ 115,313,823	100.0%	\$ 114,200,560	100.0%	\$ 1,113,263	1.0%	\$ 577,832,408	100.0%	\$ 565,756,245	100.0%	\$ 12,076,164	2.1%
MEDICAL EXPENSES												
MEDI-CAL	\$ 87,368,648	75.8%	\$ 88,408,171	77.4%	\$ 1,039,523	1.2%	\$ 442,668,315	76.6%	\$ 436,892,486	77.2%	\$ (5,775,829)	(1.3%)
CMC MEDI-CAL	3,010,456	2.6%	3,704,946	3.2%	694,490	18.7%	15,731,285	2.7%	18,377,797	3.2%	2,646,512	14.4%
CMC MEDICARE	16,469,688	14.3%	14,616,222	12.8%	(1,853,466)	(12.7%)	75,748,227	13.1%	72,687,977	12.8%	(3,060,250)	(4.2%)
TOTAL CMC	19,480,144	16.9%	18,321,168	16.0%	(1,158,976)	(6.3%)	91,479,512	15.8%	91,065,774	16.1%	(413,738)	(0.5%)
TOTAL MEDICAL EXPENSES	\$ 106,848,791	92.7%	\$ 106,729,339	93.5%	\$ (119,453)	(0.1%)	\$ 534,147,827	92.4%	\$ 527,958,260	93.3%	\$ (6,189,567)	(1.2%)
GROSS MARGIN	\$ 8,465,032	7.3%	\$ 7,471,222	6.5%	\$ 993,810	13.3%	\$ 43,684,581	7.6%	\$ 37,797,984	6.7%	\$ 5,886,597	15.6%
ADMINISTRATIVE EXPENSE												
SALARIES AND BENEFITS	\$ 4,274,375	3.7%	\$ 4,907,917	4.3%	\$ 633,543	12.9%	\$ 21,381,702	3.7%	\$ 23,548,824	4.2%	\$ 2,167,122	9.2%
RENTS AND UTILITIES	6,776	0.0%	39,803	0.0%	33,027	83.0%	119,470	0.0%	199,017	0.0%	79,547	40.0%
PRINTING AND ADVERTISING	66,359	0.1%	88,975	0.1%	22,616	25.4%	114,355	0.0%	469,875	0.1%	355,520	75.7%
INFORMATION SYSTEMS	378,200	0.3%	506,230	0.4%	128,030	25.3%	1,926,606	0.3%	2,397,848	0.4%	471,242	19.7%
PROF FEES/CONSULTING/TEMP STAFFING	1,152,732	1.0%	1,089,525	1.0%	(63,207)	(5.8%)	4,724,797	0.8%	5,652,862	1.0%	928,064	16.4%
DEPRECIATION/INSURANCE/EQUIPMENT	338,133	0.3%	451,371	0.4%	113,238	25.1%	1,641,965	0.3%	2,244,695	0.4%	602,730	26.9%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	60,458	0.1%	64,761	0.1%	4,303	6.6%	294,758	0.1%	324,804	0.1%	30,046	9.3%
MEETINGS/TRAVEL/DUES	161,449	0.1%	140,593	0.1%	(20,856)	(14.8%)	610,048	0.1%	851,565	0.2%	241,517	28.4%
OTHER	163,487	0.1%	165,033	0.1%	1,546	0.9%	805,366	0.1%	724,767	0.1%	(80,599)	(11.1%)
TOTAL ADMINISTRATIVE EXPENSES	\$ 6,601,969	5.7%	\$ 7,454,208	6.5%	\$ 852,240	11.4%	\$ 31,619,067	5.5%	\$ 36,414,257	6.4%	\$ 4,795,189	13.2%
OPERATING SURPLUS/(LOSS)	\$ 1,863,063	1.6%	\$ 17,013	0.0%	\$ 1,846,050	10,850.7%	\$ 12,065,514	2.1%	\$ 1,383,728	0.2%	\$ 10,681,786	772.0%
INTEREST & INVESTMENT INCOME	\$ 1,179,185	1.0%	\$ 118,000	0.1%	\$ 1,061,185	899.3%	\$ 3,974,405	0.7%	\$ 590,000	0.1%	\$ 3,384,405	573.6%
OTHER INCOME	30,513	0.0%	35,284	0.0%	(4,772)	(13.5%)	161,183	0.0%	176,421	0.0%	(15,237)	(8.6%)
NON-OPERATING INCOME	\$ 1,209,698	1.0%	\$ 153,284	0.1%	\$ 1,056,414	689.2%	\$ 4,135,589	0.7%	\$ 766,421	0.1%	\$ 3,369,168	439.6%
NET SURPLUS (LOSS)	\$ 3,072,761	2.7%	\$ 170,297	0.1%	\$ 2,902,463	1,704.4%	\$ 16,201,102	2.8%	\$ 2,150,148	0.4%	\$ 14,050,954	653.5%

Balance Sheet



SANTA CLARA COUNTY HEALTH AUTHORITY				
As of November 30, 2022				
	Nov-2022	Oct-2022	Sep-2022	Nov-2021
Assets				
Current Assets				
Cash and Investments	\$ 554,343,640	\$ 518,091,133	\$ 665,814,575	\$ 466,788,242
Receivables	589,056,202	586,305,984	578,519,301	534,499,409
Prepaid Expenses and Other Current Assets	22,776,686	23,098,734	22,421,694	9,457,131
Total Current Assets	\$ 1,166,176,527	\$ 1,127,495,852	\$ 1,266,755,571	\$ 1,010,744,782
Long Term Assets				
Property and Equipment	\$ 54,419,914	\$ 54,619,868	\$ 54,436,903	\$ 52,391,413
Accumulated Depreciation	(30,388,116)	(30,128,555)	(29,865,079)	(26,182,555)
Total Long Term Assets	24,031,798	24,491,313	24,571,824	26,208,858
Total Assets	\$ 1,190,208,326	\$ 1,151,987,165	\$ 1,291,327,394	\$ 1,036,953,640
Deferred Outflow of Resources				
	\$ 13,178,679	\$ 13,178,679	\$ 13,178,679	\$ 6,716,867
Total Assets & Deferred Outflows	\$ 1,203,387,005	\$ 1,165,165,845	\$ 1,304,506,074	\$ 1,043,670,507
Liabilities and Net Assets:				
Current Liabilities				
Trade Payables	\$ 15,436,426	\$ 12,062,479	\$ 12,794,481	\$ 6,408,024
Deferred Rent	695,033	719,007	742,882	46,840
Employee Benefits	17,997,128	18,301,588	19,293,540	3,633,460
Retirement Obligation per GASB 75	5,191,796	5,191,796	5,191,796	2,138,537
Whole Person Care	1,643,180	1,654,180	1,666,180	1,735,180
Prop 56 Pass-Throughs	53,736,233	50,794,431	48,755,125	52,720,194
HQAF Payable to Hospitals	28,095	28,066	27,085	103,310
Hospital Directed Payment Payable	(268,492)	(268,314)	139,691,392	474,793
Pass-Throughs Payable	46,105,048	41,733,239	37,408,946	23,359,600
Due to Santa Clara County Valley Health Plan and Kaiser	65,014,532	61,675,747	56,249,101	33,147,948
MCO Tax Payable - State Board of Equalization	34,212,558	23,063,650	45,334,351	24,893,369
Due to DHCS	94,472,470	93,719,751	92,690,223	74,135,967
Liability for In Home Support Services (IHSS)	419,990,933	419,990,933	419,990,933	419,990,933
Current Premium Deficiency Reserve (PDR)	8,294,025	8,294,025	8,294,025	8,294,025
DHCS Incentive Programs	21,722,303	20,638,970	15,356,393	0
Medical Cost Reserves	111,054,864	102,550,712	96,875,469	113,815,295
Total Current Liabilities	\$ 895,725,680	\$ 860,577,280	\$ 1,000,816,409	\$ 764,897,474
Non-Current Liabilities				
Net Pension Liability GASB 68	-	-	-	568,750
Total Non-Current Liabilities	\$ -	\$ -	\$ -	\$ 568,750
Total Liabilities	\$ 895,725,680	\$ 860,577,280	\$ 1,000,816,409	\$ 765,466,224
Deferred Inflow of Resources				
	\$ 1,417,320	\$ 1,417,320	\$ 1,417,320	\$ 539,318
Net Assets				
Board Designated Fund: Special Project Funding for CBOs	\$ 3,470,005	\$ 3,470,005	\$ 3,470,005	\$ 3,636,290
Board Designated Fund: Innovation & COVID-19 Fund	11,779,910	11,779,910	11,779,910	13,060,990
Invested in Capital Assets (NBV)	24,031,798	24,491,313	24,571,824	26,208,858
Restricted under Knox-Keene agreement	325,000	325,000	325,000	325,000
Unrestricted Net Equity	250,436,189	249,976,674	249,896,164	211,619,464
Current YTD Income (Loss)	16,201,102	13,128,342	12,229,442	22,814,364
Total Net Assets / Reserves	\$ 306,244,005	\$ 303,171,244	\$ 302,272,345	\$ 277,664,965
Total Liabilities, Deferred Inflows and Net Assets	\$ 1,203,387,005	\$ 1,165,165,845	\$ 1,304,506,074	\$ 1,043,670,507

Cash Flow Statement

	Nov-2022	Year-to-date
Cash Flows from Operating Activities		
Premiums Received	\$ 124,465,232	\$ 683,547,684
Medical Expenses Paid	(95,005,855)	(544,068,353)
Administrative Expenses Paid	5,383,477	(140,251,199)
Net Cash from Operating Activities	\$ 34,842,855	\$ (771,868)
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	\$ 199,954	\$ (250,256)
Cash Flows from Investing Activities		
Interest Income and Other Income (Net)	1,209,698	4,135,589
Net Increase/(Decrease) in Cash & Cash Equivalents	\$ 36,252,506	\$ 3,113,464
Cash & Investments (Beginning)	518,091,133	551,230,175
Cash & Investments (Ending)	\$ 554,343,640	\$ 554,343,640
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating Surplus/(Loss)	\$ 1,863,063	\$ 12,065,514
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities		
Depreciation	259,561	1,307,350
Changes in Operating Assets/Liabilities		
Premiums Receivable	(2,750,218)	109,609,133
Prepays & Other Assets	322,049	(2,769,579)
Accounts Payable & Accrued Liabilities	10,320,503	(112,473,560)
State Payable	11,901,628	(3,893,858)
IGT, HQAF & Other Provider Payables	3,338,785	(15,497,453)
DHCS Incentive Programs	1,083,333	5,303,657
Medical Cost Reserves & PDR	8,504,152	5,576,927
Total Adjustments	\$ 32,979,792	\$ (12,837,382)
Net Cash from Operating Activities	\$ 34,842,855	\$ (771,868)

Statement of Operations by Line of Business - YTD



Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For Five Months Ending November 30, 2022

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Grand Total
P&L (ALLOCATED BASIS)					
REVENUE	\$483,361,308	\$18,842,417	\$75,628,683	\$94,471,100	\$577,832,408
MEDICAL EXPENSE (MLR)	\$442,668,315 91.6%	\$15,731,285 83.5%	\$75,748,227 100.2%	\$91,479,512 96.8%	\$534,147,827 92.4%
GROSS MARGIN	\$40,692,993	\$3,111,132	(\$119,544)	\$2,991,588	\$43,684,581
ADMINISTRATIVE EXPENSE (% of Revenue Allocation)	\$26,449,596	\$1,031,060	\$4,138,412	\$5,169,471	\$31,619,067
OPERATING SURPLUS/(LOSS) (% of Revenue Allocation)	\$14,243,397	\$2,080,073	(\$4,257,956)	(\$2,177,883)	\$12,065,514
OTHER INCOME/(EXPENSE) (% of Revenue Allocation)	\$3,459,452	\$134,857	\$541,280	\$676,137	\$4,135,589
NET SURPLUS/(LOSS)	\$17,702,849	\$2,214,929	(\$3,716,676)	(\$1,501,747)	\$16,201,102
PMPM (ALLOCATED BASIS)					
REVENUE	\$315.48	\$360.88	\$1,448.49	\$1,809.38	\$364.71
MEDICAL EXPENSES	\$288.92	\$301.30	\$1,450.78	\$1,752.08	\$337.14
GROSS MARGIN	\$26.56	\$59.59	(\$2.29)	\$57.30	\$27.57
ADMINISTRATIVE EXPENSES	\$17.26	\$19.75	\$79.26	\$99.01	\$19.96
OPERATING INCOME/(LOSS)	\$9.30	\$39.84	(\$81.55)	(\$41.71)	\$7.62
OTHER INCOME/(EXPENSE)	\$2.26	\$2.58	\$10.37	\$12.95	\$2.61
NET INCOME/(LOSS)	\$11.55	\$42.42	(\$71.18)	(\$28.76)	\$10.23
ALLOCATION BASIS:					
MEMBER MONTHS - YTD	1,532,138	52,212	52,212	52,212	1,584,350
REVENUE BY LOB	83.7%	3.3%	13.1%	16.3%	100.0%



**Santa Clara Family
Health Plan™**

Appendices

Statement of Operations by Line of Business – Current Month



Santa Clara County Health Authority
Statement of Operations
By Line of Business (Including Allocated Expenses)
For the Month November 2022

	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Grand Total
P&L (ALLOCATED BASIS)					
REVENUE	\$96,568,744	\$3,602,823	\$15,142,256	\$18,745,079	\$115,313,823
MEDICAL EXPENSE (MLR)	\$87,368,648 90.5%	\$3,010,456 83.6%	\$16,469,688 108.8%	\$19,480,144 103.9%	\$106,848,791 92.7%
GROSS MARGIN	\$9,200,097	\$592,368	(\$1,327,432)	(\$735,065)	\$8,465,032
ADMINISTRATIVE EXPENSE (% of Revenue Allocation)	\$5,528,772	\$206,270	\$866,927	\$1,073,197	\$6,601,969
OPERATING SURPLUS/(LOSS) (% of Revenue Allocation)	\$3,671,325	\$386,098	(\$2,194,360)	(\$1,808,262)	\$1,863,063
OTHER INCOME/(EXPENSE) (% of Revenue Allocation)	\$1,013,053	\$37,795	\$158,850	\$196,645	\$1,209,698
NET SURPLUS/(LOSS)	\$4,684,377	\$423,893	(\$2,035,510)	(\$1,611,617)	\$3,072,761
PMPM (ALLOCATED BASIS)					
REVENUE	\$311.32	\$343.29	\$1,442.81	\$1,786.10	\$359.58
MEDICAL EXPENSES	\$281.66	\$286.85	\$1,569.29	\$1,856.14	\$333.19
GROSS MARGIN	\$29.66	\$56.44	(\$126.48)	(\$70.04)	\$26.40
ADMINISTRATIVE EXPENSES	\$17.82	\$19.65	\$82.60	\$102.26	\$20.59
OPERATING INCOME/(LOSS)	\$11.84	\$36.79	(\$209.09)	(\$172.30)	\$5.81
OTHER INCOME/(EXPENSE)	\$3.27	\$3.60	\$15.14	\$18.74	\$3.77
NET INCOME/(LOSS)	\$15.10	\$40.39	(\$193.95)	(\$153.56)	\$9.58
ALLOCATION BASIS:					
MEMBER MONTHS	310,191	10,495	10,495	10,495	320,686
REVENUE BY LOB	83.7%	3.1%	13.1%	16.3%	100.0%

Enrollment By Aid Category

SCFHP TRENDED ENROLLMENT BY COA YTD DECEMBER - 2022

		2021-12	2022-01	2022-02	2022-03	2022-04	2022-05	2022-06	2022-07	2022-08	2022-09	2022-10	2022-11	2022-12	FYTD var	%	
NON DUAL	Adult (over 19)	34,653	35,652	35,761	36,104	36,529	37,033	37,861	39,310	39,644	40,012	40,326	41,351	41,875	4,014	10.6%	
	Child (under 19)	101,722	102,516	102,519	102,740	103,211	103,765	103,621	103,866	103,987	104,097	104,183	104,594	104,836	1,215	1.2%	
	SPD	22,537	22,740	22,731	22,749	22,751	22,836	24,200	25,130	25,189	25,311	25,357	25,459	25,583	1,383	5.7%	
	Adult Expansion	94,092	95,819	96,366	97,386	98,130	99,249	102,198	106,715	107,599	108,216	108,974	109,990	111,176	8,978	8.8%	
	Long Term Care	392	391	403	395	393	397	398	412	432	434	434	450	455	454	56	14.1%
	Total Non-Duals	253,396	257,118	257,780	259,374	261,014	263,280	268,278	275,433	276,851	278,070	279,290	281,849	283,924	15,646	5.8%	
0																	
DUAL	Adult (over 21)	408	410	403	407	412	431	423	424	422	421	416	418	427	4	0.9%	
	SPD	24,320	24,330	24,350	24,378	24,282	24,352	24,384	24,491	24,518	24,579	24,600	24,687	24,932	548	2.2%	
	Long Term Care	1,111	1,085	1,107	1,102	1,111	1,126	1,148	1,159	1,153	1,151	1,144	1,160	1,157	9	0.8%	
	SPD OE	1,431	1,496	1,531	1,612	1,666	1,739	1,817	1,868	1,923	1,994	2,040	2,077	2,165	348	19.2%	
	Total Duals	27,270	27,321	27,391	27,499	27,471	27,648	27,772	27,942	28,016	28,145	28,200	28,342	28,681	909	3.3%	
0																	
Total Medi-Cal		280,666	284,439	285,171	286,873	288,485	290,928	296,050	303,375	304,867	306,215	307,490	310,191	312,605	16,555	5.6%	
0																	
CMC	CMC Non-Long Term Care	10,221	10,017	10,038	10,084	10,127	10,128	10,127	10,146	10,200	10,278	10,271	10,294	10,310	183	1.8%	
	CMC - Long Term Care	210	202	213	215	206	206	205	208	214	202	198	201	197	-8	(3.9%)	
	Total CMC	10,431	10,219	10,251	10,299	10,333	10,334	10,332	10,354	10,414	10,480	10,469	10,495	10,507	175	1.7%	
0																	
Total Enrollment		291,097	294,658	295,422	297,172	298,818	301,262	306,382	313,729	315,281	316,695	317,959	320,686	323,112	16,730	5.5%	



**Santa Clara Family
Health Plan™**

Community Health Investment Program

Executive/Finance Committee Meeting - January 26, 2023

Community Health Investment Program

Overview

- SCFHP designates funding to:
 - Collaborate with community partners
 - Address gaps and create opportunities to achieve quality health care outcomes
 - Focus on county residents who benefit from availability of safety-net services
- Board Designated Fund was established in December 2019

Community Health Investment Program

<p>Annual Budget</p>	<p>Funds various community-focused program initiatives, along with community organization sponsorships</p>
<p>Board Designated Fund: Special Project Fund for CBOs – \$4M</p>	<p>Supports projects of CBOs (Community-Based Organizations) that further the Plan’s objectives and strengthen community partnerships</p> <ul style="list-style-type: none"> • \$250,000 maximum funding per project
<p>Board Designated Fund: Innovation Fund – \$16M</p>	<p>Enables multi-year strategic investments the Plan identifies to address gaps in serving our members’ health needs, as well as public health policy, and regulatory expectations</p> <ul style="list-style-type: none"> • Also funded COVID investments during Public Health Emergency

Special Project Fund for CBOs

Key Evaluation Criteria

- 501(c) (3) CBOs
- Fulfills an overriding public purpose to ensure Santa Clara County residents have access to high quality, comprehensive health care, and services that impact health.
- Supports SCFHP's mission in alignment with the strategic plan, and/or annual objectives of the SCFHP.
- Lack of other resources in the community to fund the special project.
- May support project overhead, but not CBO general operating costs.

Innovation Fund

Key Evaluation Criteria

- Fulfills identified gaps in serving our members, potential members, and providers to better meet member health needs, consistent with SCFHP's mission, vision, and values.
- Allows SCFHP to identify and fund potential high value strategic investments.
- Enables SCFHP to address evolving state, federal health care policy, and regulatory expectations.
- Works in collaboration with organizations in the community, as appropriate for the initiative.
- May span multiple years.

Board Designated Fund Request Process

- Proposals are accepted on a rolling basis.
 - Interested organizations can send an email to boardfunding@scfhp.com to request information.
- SCFHP sends requester proposal template and Board Designated Fund policies (Innovation Fund and Special Project Fund for CBOs).
- SCFHP reviews the proposal and generates project specific questions from internal subject matter expert (SME) review.
- SCFHP prepares and posts Board materials (proposal, follow up questions, other relevant materials including evaluation summary grid).
- SCFHP generates contractual agreement for signature from both CEO and requester following Executive/Finance Committee or Governing Board approval.
- SCFHP reviews progress reports and disburses funds accordingly.

Evaluation Summary Grid

Criteria	Status
1. Indicate if funding is being sought from other potential sources.	
2. Demonstrate alignment with SCFHP Strategic Plan.	
3. Demonstrate the project addresses SDOH.	
4. Demonstrate the project addresses health equity.	
5. Demonstrate the project reduce health disparities for SCFHP members.	
6. Indicate if the project promotes quality of care and cost efficiency.	
7. Indicate if the project addresses issues that affect SCFHP regulatory compliance or accreditation.	
8. Demonstrate focus on identified gaps in serving our members, potential members, and providers to better meet health needs, consistent with SCFHP's mission.	
9. Demonstrate that project will enable SCFHP to address evolving state and federal health care policy and regulatory expectations.	
10. Demonstrate ability to work in collaboration with community, as appropriate for the initiative.	

- ✓ Criteria met
- Criteria partially met
- X Criteria not met, or not applicable |

Board Designated Fund Amendment Process

Authority to Amend

- SCFHP Executive Team has authority to approve minor adjustments to scope and timeline.
 - Examples include an extension of two months due to construction delays, or inappreciable changes to scope based on outside events, such as a pandemic
- Executive/Finance Committee and/or Governing Board to determine adjustment requests that are material changes in resources, schedule, or scope. Examples include:
 - Substantially limiting the scope impacting the total SCFHP and community members served
 - Delaying schedule to such a degree that the need for SCFHP and community members has passed
 - Revision to project scope that results in changes to project outcomes

Innovation Fund Commitments

Project Name	Organization	Amount
School Mental Health Screenings	Healthier Kids Foundation	\$83,710
COVID Community Health Centers Support	CHP Community Clinics	\$2,000,000
Child Health & Wellness Coordination	SCC Office of Education	\$598,033
COVID Infant Formula	FIRST 5 Santa Clara	\$50,000
COVID Home Gardening Program	Valley Verde	\$20,000
COVID Summer Food Distribution	YMCA Silicon Valley	\$50,000
COVID Community Wireless Access	Eastside Union High School District	\$150,000
Expanded Summer Nutrition Program for Children & Families	YMCA Silicon Valley	\$100,000
LTC Member Transitional Housing	Agrihood Senior Apartments	\$2,420,000
Health Equity Agenda	Community Health Partnership	\$115,000
Integrated Behavioral Health Pilot	FIRST 5 Santa Clara	\$500,000
COVID-19 Vaccination Clinics for Children	Children's Discovery Museum (CDM)	\$30,000

Innovation Fund Commitments (cont.)



Project Name	Organization	Amount
Readiness Support for Behavioral Health System Changes	Behavioral Health Contractors' Association (BHCA) of Santa Clara County	\$160,160
Connections California	Parents Helping Parents	\$159,085
Juntos Initiative (formerly ParkRx)	Santa Clara County Public Health Department	\$15,000
BAWSI Leadership Accelerator	Bay Area Women's Sports Initiative (BAWSI)	\$250,000
Clinic Renovations Project	Alumn Rock Counseling Center (ARCC)	\$249,726
Community Health Center's OCHIN Epic Implementation	Community Health Partnership - OCHIN	\$503,329
My Health First Rescreening	Healthier Kids Foundation	\$250,000
Diabetes Prevention Program (DPP)	YMCA Silicon Valley	\$240,000
25th Anniversary Scholarship Program	SCFHP Scholarship Program	\$500,000
Seasons of Wellness Pilot Program	Unity Care	\$200,000
Healthy Development Community Clinic	SJSU	\$250,000
Total		\$8,444,043

Special Project Fund for CBOs Commitments

Project Name	Organization	Amount
Health Homes Start-Up Costs	Community-Based Care Mgmt. Entities	\$400,000
Domestic Violence	Next Door Solutions	\$89,995
Multilingual Awareness of Stroke Signs	Stroke Awareness Foundation	\$250,000
Rental Assistance Program	South County Compassion Center (SCCC)	\$35,000
Total		\$774,995

Board Designated Fund Policy Review
January 26, 2023

Policy No.	Policy Title	Changes
GO.02 v3	Special Projects Fund for CBOs	Revised
GO.03 v2	Innovation Fund	Revised

POLICY

Policy Title:	Special Project Fund for CBOs		Policy No.:	GO.02 v23
Replaces Policy Title (if applicable):	N/A		Replaces Policy No. (if applicable):	N/A
Issuing Department:	Governance & Org Structure		Policy Review Frequency:	Periodically as warranted
Lines of Business (check all that apply):	<input type="checkbox"/> Medi-Cal	<input type="checkbox"/> Healthy Kids	<input type="checkbox"/> CMC	

I. Purpose

To define and outline the requirements and criteria by which SCFHP may provide funding through a Board Designated Fund for special projects submitted by community based organizations (CBOs).

II. Policy

SCFHP has established a Board Designated Fund to allow the Plan to provide funding for special projects and initiatives focused on serving the health needs of the safety net population in Santa Clara County. The amount of reserves available for this Designated Fund will be based on the amount available, if any, over the Board-designated maximum Tangible Net Equity (TNE), subject to the Plan exceeding the Board-established liquidity target range, ~~determined annually after release of the audited financial statements~~ and as recommended by management in consideration of current and anticipated financial challenges.

It is SCFHP's policy to make investments, subject to the availability of funds, in special projects that support the mission of the Plan, are consistent with annual and strategic objectives, strengthen community partnerships, and explore new and emerging models of care or facilitate expansion of best practice quality care. Applications will be accepted from 501(c)(3) community based organizations (CBOs) on a rolling basis.

~~Either the Executive/Finance Committee or the Governing Board~~ may approve special project investments ~~up to \$250,000. Project funding over \$100,000 must be approved by the Governing Board.~~ Maximum funding per project proposal is \$250,000.

Special project investments will be evaluated based on the following:

1. The funding fulfills an overriding public purpose to ensure Santa Clara County residents have access to high quality, comprehensive health care and services that impact health.
2. The special project is consistent with the Plan's mission and with the strategic and/or annual objectives of the Plan, which may include:
 - Promoting quality of care and cost efficiency
 - Addressing health disparities
 - Addressing issues that affect Plan regulatory compliance or accreditation
 - Expanding best practices/evidence-based care
 - Piloting a promising approach to address emerging health care issues
 - Providing social services and supports that impact health

3. There is a lack of other resources in the community to fund the special project.
4. With the exception of pilot projects, continued special project funding from SCFHP would not be required for sustainability of the project.

Funding requests may not:

- Be used for CBO's general operating costs, but may support reasonable project overhead;
- Personally financially benefit any Santa Clara County Health Authority official or employee; or
- Be used to support political causes, candidates, organizations, campaigns, ballot measures, or religious organizations for religious purposes.

III. References

1. Tangible Net Equity Policy
2. Liquidity Policy

IV. Approval/Revision History

Version Number	Original/ Reviewed/ Revised	Reviewing Committee (if applicable)	Committee Action/Date (Recommended or Approved)	Board Action/Date (Approved or Ratified)
v1	Original	N/A		Approved 06/28/2018
v2	Revised			Approved 12/12/2019

POLICY

Policy Title:	Innovation Fund	Policy No.:	GO.03 v 1 2
Replaces Policy Title (if applicable):	N/A	Replaces Policy No. (if applicable):	N/A
Issuing Department:	Governance & Org Structure	Policy Review Frequency:	Periodically as warranted
Lines of Business (check all that apply):	<input type="checkbox"/> Medi-Cal	<input type="checkbox"/> Healthy Kids	<input type="checkbox"/> CMC

I. Purpose

To establish an innovation fund for strategic initiatives determined by SCFHP to be high priority investments.

II. Policy

SCFHP has established a Board Designated Fund to allow the Plan to identify and fund potential high value strategic investments. The amount of reserves available for this Designated Fund will be based on a portion of the amount available, if any, over the Board-designated maximum Tangible Net Equity (TNE), subject to the Plan exceeding the Board-established liquidity target range, ~~determined annually after release of the audited financial statements~~ and as recommended by management in consideration of current and anticipated financial challenges.

It is SCFHP's policy to make investments in keeping with the following principles:

1. Focus investments on identified gaps in serving our members, potential members and providers to better meet member health needs, consistent with SCFHP's mission.
2. Fund initiatives that enable SCFHP to address evolving state and federal health care policy and regulatory expectations.
3. Work in collaboration with organizations in the community, as appropriate for the initiative.
4. Strategic investments may span multiple years.

The Executive/Finance Committee may approve innovation fund investments up to \$250,000. Project funding over \$250,000 must be approved by the Governing Board.

III. References

1. Tangible Net Equity Policy
2. Liquidity Policy

IV. Approval/Revision History

Version Number	Original/ Revised/ Revised	Reviewing Committee (if applicable)	Committee Action/Date (Recommended or Approved)	Board Action/Date (Approved or Ratified)
v1	Original			Approved 12/12/2019

Santa Clara County Health Authority Board Designated Innovation Fund Modification Request

Organization Name:	FIRST 5 Santa Clara County (FIRST 5)
Project Name:	Integrated Behavioral Health Pilot Project
Contact Name and Title:	Jennifer Kelleher Cloyd, CEO, FIRST 5 Santa Clara County
Original Requested Amount:	\$500,000 (\$250,000 per year for two years)
Original Time Period:	July 1, 2021 – June 30, 2023
Proposal Originally Submitted to:	Governing Board, 06/24/2021

Summary of Original Request:

FIRST 5 Santa Clara County (FIRST 5), in partnership with the University of California-San Francisco (UCSF) and the California Children’s Trust will develop and implement an integrated behavioral health pilot project. The intent of the pilot is to sustainably integrate early childhood/dyadic behavioral health services into 7 to 10 of the highest volume primary care clinics serving young children on Medi-Cal in Santa Clara County. The two-year demonstration and technical assistance project will demonstrate the clinical benefit and impact of aligning reimbursement for mild and moderate mental health services with dyadic behavioral health models in primary care medical homes. FIRST 5 will subcontract with UCSF to provide technical assistance on the design, development, implementation, capacity strengthening, evaluation, and fiscal sustainability of project. Funding from SCFHP will contribute to estimated pilot project total budget of \$1,368,302 over two years.

Summary of 8/25/2022 Request Modification:

- Project time period from July 1, 2021-June 30, 2023 to October 1, 2021-September 30, 2023
- Initial cohort from 7-10 high volume primary clinics down to 3 clinics due to lack of interest and available resources at the clinics to divert to the program. However, program can still accommodate 7-10 clinics if interested. Outreach was made to Lucille Packard Children’s Hospital for participation but there was no capacity to partner with the program.
- First payment of \$250,000 was released on October 11, 2021. Remaining half would be released upon demonstrating sufficient progress in the report due August 31, 2022. FIRST 5 indicated that the funding request does not change with the reduction of sites because the majority of project costs are independent of number of clinics included. Per FIRST 5: “Most of the staff time reflected in the budget is for developing the Technical Assistant scope of service

and associated activities. The effort required to develop materials, tools, and services for the first site takes most of the staff time. Then the model was set up to scale.”

- FIRST 5 has indicated that they may be open to other work related to dyadic services not included in the original proposal to assist SCFHP in preparation of the benefit’s launch in January 2023. Potential activities offered include:
 - Opening up a portion of trainings that are developed and facilitated as part of the cohort to other provider groups
 - Providing high-level consultation to sites not in the cohort
 - Hosting monthly office hours
 - Converting cohort materials to publicly available materials
 - Conducting a limited number of “stakeholder engagement” meetings for clinics with an interest in implementing dyadic services
- This project’s initial total two-year budget was \$1,368,302; however, it was amended to \$1,160,000. As of July 31, 2022, the project has so far expended \$160,089 of the total two-year \$1,160,000 funding.

Outcome of 8/25/2022 Request Modification:

It was moved, seconded, and unanimously approved to delay the second payment to FIRST 5 from the Board Designated Innovation Fund until further progress is made, and to extend the contract period for the Integrated Behavioral Health Pilot Project to achieve the initial cohort number.

Summary of Current Request Modification:

- Change project time period from October 1, 2021-September 30, 2023 to October 1, 2021-December 31, 2023.
- Reduce initial cohort from 7-10 high volume primary clinics to 3 sites which are Valley Health Center Tully, School Health Clinics (SHC), and Bay Area Community Health (BACH). FIRST 5 and UCSF have conducted significant outreach to county and community sites, however, only these three sites are interested in receiving the technical assistance and raining to implement the program. Major barriers for clinics to proceed include the lack of FTE resources to devote to the program and other clinic priorities such as Epic implementation. In response to the FTE resource barrier, the Board of Supervisors has approved FTE funding for two sites to implement the program, and is also considering expansion of the funding for more sites. The two sites are part of SHC and BACH.
- Consider the Board of Supervisor’s direction to Santa Clara Valley Medical Center to continue to phase in expansion at six additional clinics as meeting the requirement for further progress to release the 2nd funding of \$250K. Additionally, SHC has expressed their intent to implement the program at five sites throughout the course of the year. UCSF has a meeting scheduled with BACH to discuss including other sites in that organization.

- FIRST 5 and UCSF will be able to support any sites that come on board through December 2023 and will be able to provide updates on progress until that point. Full implementation of the program takes multiple years. FIRST 5 is currently looking at additional funding opportunities to ensure that all the efforts so far result in a robust and well implemented system.
- As of December 2022, the project has expended \$329,171 of the total \$1.16M project budget. SCFHP's Board Fund made up \$500K of the total budget

Santa Clara County Health Authority Board Designated CBO Fund Request Summary

Organization Name:	Roots Community Health Center (Roots)
Project Name:	Postpartum Wellness Project
Contact Name and Title:	Alma Burrell, Chief Administrative Officer alma@rootsclinic.org 408.905.9054
Requested Amount:	\$250,000
Time Period for Project Expenditures:	03/01/2023-2/28/2024
Proposal Submitted to:	Executive Finance Committee, 1/26/2023
Date Proposal Submitted to SCFHP for Review:	12/05/2022

Summary of Proposal:

The Postpartum Wellness Project will provide maternal navigation and doula services for third trimester pregnant, and recently postpartum community members who are of African descent (AA). The new moms will be paired with a Maternal Navigator/certified doula who will walk alongside her as a 'sister-friend' during this critical period, assisting the mom in obtaining events and opportunities to promote a healthy pregnancy, postpartum and overall healthy lifestyle for mom and baby in a culturally responsive manner.

Other support include physician-recommended aftercare instructions; including follow-up on chronic medical conditions, emotional and mental needs, AA moms' physical recovery after birth, and identifying a primary care provider for post postpartum needs and babies.

The Postpartum Wellness Project proposal includes two Maternal Health Navigators, one Client Service Representative, home-delivered meal kits for AA moms, and expert presenters. This project will include referral from SCFHP and connections of the moms to Santa Clara County Public Health Department's Black Infant Health Program, First 5 of Santa Clara County, and Help a Mother Out (a program that provides free diapers and other infant necessities). Finally, after completion of this program AA moms will be given a warm handoff to Roots Family navigation program which will assist in addressing the needs of the whole family.

Summary of Projected Outcome/Impact:

Root's Postpartum Wellness Project include the following objectives:

- Roots' Maternal Navigators will outreach to at least 80 AA moms, who are in their third trimester or who have recently given birth, with at least 60 AA moms receiving in-depth maternal navigation services.
- 90% of pregnant moms enrolled in the program will create a personalized birth plan within three weeks of program enrollment.
- 90% of moms enrolled in the program will create a personalized postpartum care plan.
- 90% of moms who are engaged with a doula/Maternal Navigator will attend their postpartum visit within 10 weeks of giving birth.
- 75% of participants enrolled in the program for six to eight weeks will demonstrate improved knowledge of the components of a healthy diet and an increase in their meal preparation skills. As part of this objective, Roots will provide weekly meal kits for 3-6 weeks to AA moms participating in program.
- 80% of participants enrolled in the program for eight weeks or more during their postpartum period will demonstrate increased knowledge and skills related to infant care, feeding, soothing, emotional and physical recovery from childbirth, and new parent coping skills.
- 50% of affected participants who engage in services for at least eight weeks postpartum will report a decrease in postpartum depression severity through pre and post measurement using the PHQ9 depression scale with at least 75% of participants participating in one or more postpartum support groups.

Summary of Additional Funding and Funding Requests:

Roots has received \$75,000 in funding from Stanford Medicine Children's Health for the period of 9/1/2022 through 8/31/2023 for Maternal Navigator services which does not include the certified doula component. After the completion of this pilot to add certified doula services to the Maternal Navigator Program, Roots plans to become an SCFHP provider for doula services, which became a Medi-Cal benefit on January 1, 2023, to help offset the cost of this program.

Evaluation Relative to SCFHP Funding Criteria

Criteria	Met/Not Met
1. Indicate if funding is being sought from other potential sources.	✓
2. Demonstrate alignment with SCFHP Strategic Plan.	✓
3. Demonstrate the project addresses SDOH.	✓
4. Demonstrate the project addresses health equity.	✓
5. Demonstrate the project reduce health disparities for SCFHP members.	✓
6. Indicate if the project promotes quality of care and cost efficiency.	✓
7. Indicate if the project addresses issues that affect SCFHP regulatory compliance or accreditation.	✓
8. Demonstrate focus on identified gaps in serving our members, potential members, and providers to better meet health needs, consistent with SCFHP's mission.	✓
9. Demonstrate that project will enable SCFHP to address evolving state and federal health care policy and regulatory expectations.	✓
10. Demonstrate ability to work in collaboration with community, as appropriate for the initiative.	✓

- ✓ Criteria met
- Criteria partially met
- X Criteria not met, or not applicable

Board Funding Request

Roots Community Health Center

Funding Request Information

Project Title: **Postpartum Wellness Project**

Project Summary (one paragraph description):

Roots Community Health Center (Roots) staff will provide maternal navigation and Doula services for pregnant and recently postpartum women of African descent (AA) who reside in Santa Clara County. These new moms will be paired with a maternal navigator/certified doula who will walk alongside her as a “sister-friend” during this crucial time in their lives. Navigator doulas will ensure new moms participate in events and opportunities that promote a healthy pregnancy, postpartum period and overall lifestyle. Barriers to a healthy pregnancy and postpartum period and beyond will be addressed, as navigator doulas will refer moms to services and resources that address the social determinants of health; and they will follow up with them to ensure their needs are met. All new moms enrolled in our services will understand the importance of participating with their physician in all of their prenatal and postpartum appointments, including specialty and other routine medical wellness checkups.

Request Amount: \$250,000

Total Project Budget Amount: \$250,000

Project Start Date: March 1, 2023 **Project End Date:** February 28, 2024

- Has the project sought other funders?
Yes, a proposal was submitted to Stanford Children’s Health for postpartum wellness services for AA women in Santa Clara County. This project provides “doula-like” services for new moms. This project does not require doula certification, rather our maternal navigators provide “sister-friend” support.
- If so, what was the outcome?
\$75,000 has been awarded to Roots for the period 9/1/2022 – 8/31/2023
- If not, please describe plans to seek other or additional funding.
N/A

- If this project will require ongoing funding, what will be the source of that funding? Has this funding been secured? Post award, Roots will utilize the Medi-Cal doula/community worker reimbursement benefit to ensure continuation of services for eligible AA moms

Project Impact Areas

SCFHP’s mission is to improve the well-being of our members by addressing their health and social needs in a culturally competent manner. We do this by partnering with other providers and organizations who share our shared commitment to health of our community. The questions in this section seek to understand your project’s alignment with SCFHP’s mission.

SCFHP’s Strategic Plan focuses on three goals:

- Community Health Leadership – Be a recognized local leader and collaborator in improving the health of communities impacted by disparities.
 - Quality, Access, and Equity – Deliver exceptional quality outcomes and health equity for all Plan members.
 - Organizational Excellence – Constantly demonstrate administrative and service excellence.
- How does this project align with SCFHP’s Strategic Plan goals as listed above?

The mission of Roots Community Health Center is to uplift those impacted by systemic inequities and poverty. Since 2008, we have determined to address disparities in the AA community by providing medical and behavioral health care, health navigation, workforce enterprises, housing, outreach and advocacy. Our work is designed to meet the needs of the AA community through a culturally sensitive lens that allows us to outreach and engage our community in a manner they can in which they can relate. There is no wrong door for those needing our services. Some enter through our homeless outreach efforts, others through our family services and some through our clinics. During the 2021-22 fiscal year, we provided 13,764 adult and pediatric visits, 810 medical visits in homeless encampments and we helped 13,057 individuals access needed services such as Medi-Cal, CalFresh, Social Security Insurance, job skills for gainful employment and more.

- Which SDOH domain is being addressed by this project? Please see the below SDOH domains and provide information on how this project will address one or more of the SDOH domains.
 - **Economic Stability** (such as employment, income, expenses, debt, medical bills, etc.):

Preparing for a new baby can be financially taxing on families thus leading to an inability to purchase the items that they may need to take care of themselves. All components of this project will be a free service to our participants. Moreover, Roots Community Health Center has many economic

assistance programs which will be available to our participants as resources (ex. Rent/housing assistance, utilities, free diaper program, etc).

Food insecurity can be a source of financial, physical and mental stress, especially during an already psychologically difficult time. This project will decrease economic stress by providing three to six weeks of free meal kit deliveries that not only reduce the cost of household groceries but also decrease affiliated costs (ex. Time shopping, gas spent, etc.) and provide nutritious meals and meal preparation skills.

- **Education Access and Quality** (such as literacy, language, vocational training, higher education)

This project will increase members' knowledge of not only pregnancy and the postpartum period but it also expand their knowledge of family planning and the benefits of nutrition and physical activity, which will empower moms to make healthy lifestyle choices and positive changes that lead to optimal health.

- **Health Care Access and Quality** (such as health coverage, provider linguistic and cultural competency, quality of care):

With all of the changes and responsibilities that accompany new motherhood and the fact that most AA women in the U.S. navigate the postpartum period with little guidance, it can be easy for new mothers to feel lost and not know which resources are available to them. Our Doula Navigators or sister-friends will provide mothers with the support they need to navigate this important time in their lives (i.e., reminders for prenatal appointments, follow-up postpartum visits, breastfeeding support groups, etc.).

- **Neighborhood and Built Environment** (such as housing, transportation, safety, food insecurity):

Research shows that fruit and vegetable consumption is especially low in AA communities; and that many of our neighborhoods are food deserts that lack full grocery stores that carry fresh produce. Through a meal prep delivery services and support from a Registered Dietitian, this project will provide postpartum mothers with the resources that they need to consume nutritious meals and establish healthy eating patterns that will positively influence their health and the well-being of their families.

- **Social and Community Context** (such as social integration, social supports, community engagement, discrimination):

This project will provide opportunities for new moms to meet and participate through various virtual and in-person spaces, such as live ZOOM exercise

classes, Cook n Chat classes with a Registered Dietitian, support groups and workshops on a variety of topics with health professionals.

- Does this project address [health equity](#)? If so, how?

Health equity is the state in which everyone has a fair and just opportunity to attain their highest level of health. Achieving this requires:

- Addressing historical and contemporary injustices. We do by helping participants to navigate the health care and other systems. We assist members with identifying and acquiring resources that better their circumstances and empower them to live healthier lives. We validate the injustices that our community experiences and assist them with finding solutions that allow us to overcome and thrive.
- Overcoming economic, social, and other obstacles to health and health care. Roots has a financial relief program that assist members with utility, water and telephone payments. Providing this financial assistance allows members an opportunity to experience a brief period of time to take steps toward permanently improving their financial status. We also assist with referrals to job readiness programs and applications for college, SSI (when appropriate), etc.
- Eliminate preventable health disparities. Linking members to a PCP, GYN and other physicians, along with improving health literacy are among our primary objectives in all the work that we do at Roots

- Will this project reduce health disparities for SCFHP members? If so, how?

Roots offers culturally-sensitive services for the AA community. Our staff represent the people we serve both culturally and socially. Our staff share similar lived experiences with our community which allow us to fully identify and empathize with our members. We validate their experiences, share their pain and celebrate success with them.

Our pregnant members will attend their prenatal medical appointments, and our members who have recently given birth will participate in their postpartum physician visits. Additionally, members will learn the value of continued physician support and what they themselves can do to improve and/or maintain good health. Attending the postpartum visit allows members the opportunity to address all of their health issues, learn about birth control and birth spacing, and talk with their physician about to treat postpartum depression, etc.

- Does this project promote quality of care and cost efficiency? If so, how?
Participating in routine physician visits often results in identification of health problems that can be diagnosed and treated early.

- Does this project address issues that affect SCFHP regulatory compliance or accreditation? If so, how? No
- Does this project work in collaboration with organizations in the community? If so, how? Roots partners with the Public Health Department's Black Infant Health Program, First 5 of Santa Clara County and Help a Mother Out (free diaper and other infant necessities program). The combined resources we offer along with our partners fills many gaps new families experience and our combined efforts work toward reducing AA infant and maternal morbidity and mortality.

Project Narrative

Please provide a project narrative that includes the project goal, outcomes, and objectives. If helpful for requester, SMART objectives might be useful in this section.

Roots doula navigators will identify and outreach to at least 80 AA women who are pregnant or have given birth within 10 weeks of this project's implementation. Roots staff will provide doula and navigation services for moms with the ultimate intention of assisting women in their journey toward optimal postpartum health for up to one year after giving birth. Mom's will be provided a "warm hand off" at the appropriate time to our family navigation program to ensure continuity of services that include specialized services for children and their caregivers.

An important and often overlooked time in a new mom's journey is participation in her postpartum medical appointment and adherence to "after visit" instructions from her doctor. The weeks following birth are a critical period for a woman and her infant. This time can be used to set the stage for long-term health and well-being. To optimize the health of women and infants, postpartum care should become an ongoing process, rather than a single encounter, with services and support tailored to each woman's individual needs.

Roots staff will encourage and support all participants to ensure completion of their postpartum visit with their obstetric care provider no later than 12 weeks after giving birth. The comprehensive postpartum visit is critical as it includes a full assessment of a woman's physical, social, and psychological well-being. Roots doula navigators will support members and their physician with after care instructions related to medical assessments common at the postpartum visit such as new moms' mood and emotional well-being; infant care and feeding skills; sexuality concerns, contraception and birth spacing; sleep and fatigue cycle; physical recovery from birth; chronic disease management; and health maintenance. Doula navigators will follow up with moms with chronic medical conditions such as hypertensive disorders, obesity, diabetes, thyroid disorders, renal disease mood disorders, etc., and ensure they are connected to specialty medical services per their physician's instructions. Our navigators will also assist the new mom with identifying a primary care provider who will assume responsibility for her ongoing care in her primary medical home.

Smart Objectives

- 90% of enrolled moms will create a personalized birth plan within three weeks of enrollment. A birth plan will be developed with all moms enrolled in our services. The plan will detail moms' preference for her birth process. The birth plan will cover a range of topics, from the location where the birth will happen to who is on the birth team to the birthing parent's preferences for labor, delivery, cesarean birth, and any potential interventions. The birth plan also outlines visitor guidelines and instructions for care of the baby after birth.
- **90% of enrolled moms will create a personalized postpartum care plan.** A postpartum plan will be developed with program participants that is specific to each individual member. The plan will include but is not limited to nutrition and fitness education that include live virtual demos; and appropriate referrals to health professionals (ex. OB/GYNs, nutritionists, lactation consultants & support groups, etc.). By the end of the intervention, members will know how to advocate for their needs (physical and mental) and be equipped with the tools to prepare for their postpartum period.
- **90% of enrolled moms who are engaged in doula/navigator services for six to eight weeks after giving birth will attend their postpartum visit with 10 weeks of giving birth** According to the American College of Obstetrics and Gynecology, 40% of women do not attend their postpartum visits. By the end of the intervention at least 80% of participants will attend their postpartum physician appointment and each will gain more awareness of the significance of postpartum care, specifically as it pertains to family planning, birth spacing, and preventing chronic health conditions.
- **75 % of participants who are enrolled for six to eight weeks will demonstrate improved knowledge of the components of a healthy diet, and an increase in their meal preparation skills.** **Roots** will provide weekly meal kits for 3 to 6 weeks for new mothers soon after giving birth. The meal kits will be delivered by a third party such as Blue Apron or Hello Fresh. With the understanding that new moms are more likely to neglect themselves, including their nutritious meal intake during the postnatal period. The meal kits will be provided at no cost to families to assist them with not only ensuring nutritious meal intake, but also enable them to learn healthy meal prep skills that will follow them into the future.
- **80% of participants enrolled in services for eight weeks or more during their postpartum period will demonstrate increased knowledge and skills related to infant care, feeding, and soothing; emotional and physical recovery from childbirth and new parent coping skills through navigation support.** 100% of participants will be paired with a doula navigator. navigators provide emotional support for new moms and they provide a wealth of information that is designed to build her confidence and skills as a new mom. Our navigators will also support incorporating an older child into this new experience. women
- **50% of affected participants who engage in services for at least eight weeks postpartum will report a decrease in postpartum depression severity through pre/post measurement using the PHQ9 depression scale.** At least 50% of participants will

participate in one or more postpartum support groups. A/A women often experience a range of psychological stressors in the postpartum period, and social support has been shown to be effective in helping women cope with these stressors. Moreover, low levels or inconsistent social support have been found to be a strong predictor of postpartum depression. Roots will provide a safe space for A/A mothers to talk about their lived experiences in an effort to mobilize a support system amongst the mothers.

Project Budget

SCFHP Request Budget Narrative:

Please provide a budget narrative for the SCFHP request amount.

Personnel:

- 2.0 FTE Doula Navigators @ \$130,000; will provide in depth “sister-friend” services that provide support to mom’s from pregnancy up to one-year postpartum
- .80 FTE Client Services Representative @ \$42,120 will assist navigators with referrals, ordering meal kits, arranging support groups, etc.
- Benefits @ \$39,588 are set at 23% of salaries and include health, dental, vision, workers’ compensation insurance, etc.
- Operating costs include:
 - a) Laptop and mobile phones for three staff at \$1,200 each
 - b) Office supplies – includes costs for pens, copier paper and other related supplies
 - c) Mileage - covers cost for three staff to travel 50 miles per month in-county at \$.55 per mile
 - d) Participant incentives @ \$2,687 will pay for gift cards, yoga mats and other items that encourage members participation
 - e) Participant meal kits @ \$6,000 cover the cost of meal kit delivery for moms for 3-6 weeks after giving birth to ease the strain of new responsibilities and nutritious meal building skills.
 - f) Honorariums @ 2,000 will provide compensation for expert presenters
 - g) Indirect costs @ \$25,405 pays a portion of the costs for rent, utilities, finance, etc.

SCFHP Request Budget Table:

Please fill out the Budget Table below, for the SCFHP request amount.

Item	Description	Percent of Request	Dollars
Personnel	Staffing	85%	\$211,708
Operating Costs	Office Supplies, Mileage, Communications, participant incentives, etc.	5%	\$ 12,887
Indirect Cost	Finance dept services, rent, utilities	10%	25,405

Roots Community Health Center Supplemental Questions

- Regarding third trimester specificity – would Roots be willing to apply these services postpartum? Can the program start at pregnancy?
Our maternal navigators are trained in prenatal and postpartum care. Our services will be available to women at any point in their pregnancy or postpartum period.
- Can the navigator also ensure that mother takes the baby to baby well visits until graduation from the program?
Yes, our navigators will follow up with moms to ensure she makes her postpartum appointments and infants their well-baby visits. At the end of baby's third month, Navigators will transfer moms (through a warm hand off process) to Roots' Family 1st Program. Navigators in this program ensure timely childhood vaccination up through the child's entrance to kindergarten and they screen for disabilities using the best practice Ages and Stages Questionnaire (ASQ) through age six.
- Does the \$75,000 in funding from Stanford impact the budget information provided on page 8 of the request?
The Stanford funding is used for women who are not insured by Medi-Cal. This is important because data shows social-economic status is not a factor in health birth outcomes for AA women, but in fact all are at the same risk level for poor birth outcomes.
- Could you please provide more information on how this program will be paid for post-award period? Maybe through Medi-Cal reimbursement for CHWs and Doulas?
Roots will utilize Medi-Cal's reimbursement for CHW's and Doulas to ensure continuation of services post award.
- In the section regarding this program's linkage to SCFHP's Strategic Plan could you please provide more specific details to link this particular project to the Strategic Plan?
Improving birth outcomes and postpartum care among SCFHP AA members contributes to SCFHP's strategic plan by:
 - **Promoting community health leadership and Quality, Access and Equity - For far too long AA women and their families have suffered the effects of poor birth outcomes which also includes tragic morbidity and or mortality during the postpartum period. This project will use a variety of culturally specific best practices to prevent and ultimately eliminate this and other disparities. Focus on this group is critical and contributes toward ensuring equity among all families in our community.**
- In the section that asks about collaboration with community partners can you share the organizations you regularly collaborate and refer to?
Ujima Adult & Family Services

Unity Care Group
African American Community Services Agency
Ethiopian Community Center
Black Leadership Kitchen Cabinet
Santa Clara County Public Health Department
- **Black Infant Health Program**
- **Immunization Program**
- **Maternal Child & Adolescent Health Program**
Santa Clara Valley Health & Hospital System
Maranatha Christian Center
First 5 Santa Clara County
Stanford Children's Foundation

- Would you be willing to accept individuals outside of SCFHP membership to this program?
Yes
- Would Roots be willing to refer to Medi-Cal Doula or ECM benefits if eligible?
Yes
- As an FYI if Roots assists in ensuring that SCFHP members receive their postpartum visit within 7-84 days that will positively impact SCFHP regulatory compliance.
- By what means of first outreach? Phone only, or including home visit. Or Member required to go to Roots – transportation?
The onset of the pandemic in March 2020 has limited in-person navigator-member contact. Typically, our navigators' first engagement with a member is via telephone or through a virtual platform. However, Roots navigators have been trained on COVID safety in the field when home visiting is the only means of communication. Home visits are rare, while outdoor offsite engagement is more often used when in-person meetings are needed. Roots uses UBER Health when members need a ride to a medical appointment or one of our on-site health related events.
- Will the project last by duration of a time period or by reaching at least 80 SCFHP AA pregnant people?
Roots commitment to SCFHP will continue through the contracted time-period. Roots commitment to serve our pregnant and postpartum community continues as long as Roots exists in this community.
- Will Roots be willing to refer the AA pregnant person back to their antenatal OB for postpartum visit?
Yes
- Will Roots also coordinate the newborn visit?
Yes

- For participants who are not engaged, or there any additional services?
Roots offers a host of health related services through virtual and our social media platforms (e.g., Cook n Chat, Workout with Nina, Empowerment group sessions, lectures, etc.), monthly newsletters that are available to all women.
- Will coordination with SCFHP be included in this work? Will you request a SCFHP member list of applicable AA pregnant people?
Yes
- Regarding the postpartum plan – is that a template and are you willing to share it with the OB/PCP or SCFHP?
Yes, we are willing to share our postpartum plan template
- Will the Navigator accompany the participant to the postpartum visit? If there is a “no show” how will the Navigator help?
Navigators will only attend if ask by the member. We coach our member and their support person on pertinent questions to ask their provider and we follow up with them post medical visit.
- How many meals per day are included in the weekly meal kits?
Enrolled families will receive one meal per day (dinner) for three to four days per week for three to six weeks postpartum.
- Will Roots share the PHQ9 depression scale with the OB/PCP or SCFHP?
Yes, if requested
- What are the qualifications and requirements for the Maternal Health Navigator position? In addition to requirements common to all of our health navigators (e.g., experience in **case management, outreach, etc.**); **maternal navigators must:**
 - **Attend and complete an eight-week online self-paced doula course**
 - **Complete and obtain certification for an infant first aid course**
- How often will the Honorariums be held? As participants are different time frame to be eligible in project, how would the presentation is beneficial to them?
At least one event per quarter on a topic specific to AA women is made available to the members and the community at large. Expert speakers receive an honorarium for their participation. A few of the learning opportunities offered by experts in 2022 included:
 - **Shifting Power: The Power of Birth Stories**
 - **BaeSex (family planning, birth spacing, etc.)**
 - **The Fourth Trimester: New Baby, New You**
 - **Shifting Power: Take Charge of Your Mental Health**
 - **Cook n Chat (incorporating fruit veggies in every meal)**

Topics covered:

Prenatal Support

- Provide emotional, physical, and educational support during pregnancy.
- Provide at least two-three prenatal home visits (approximately 1.5-2hrs. each) to discuss your pregnancy needs/concerns and birthing plan.
- Educate the support partner to implement comfort measures, movement, positioning, aromatherapy, and other measures that are supportive of the birthing mother.

Prenatal support includes but is not limited to:

- 1st Visit:
 - Create an Ideal Birth Plan or Birth Vision
 - Educate Birthing Mother to make informed decisions
 - Educate Birthing Mother on Active Labor
 - Create a pain management techniques plan
- 2nd Visit:
 - Prepare the Birthing Mother for Birth
 - Go over the pain management techniques plan with Birthing Mother and Support Partner to make revisions if needed
 - Educate birthing mother and support partner on Lamaze Exercises
- 3rd Visit:
 - Finalize Birth Plan or Birth Vision
 - Educate Birthing Mother and Support Partner on common interventions used in Medical Settings
 - Create and Prepare Postpartum Plan
 - Finalize Pain management plan

Postpartum support includes, but is not limited to:

- Providing emotional, physical, and educational support during postpartum.
- Providing at least three postnatal visits (approximately 1.5-2hrs. each) to discuss your postpartum needs/concerns and postpartum plan.
- Educating caregivers on newborn care
- Feeding(breast and/or bottle feeding, hungry cues, proper portions size, burping, etc)
- Debrief on Labor & Delivery Experience
- Meal Prep/Planning
- Bathing
- Swaddling Techniques
- Family Planning/Child Spacing
- Safe Sleep Practices
- Stress Management
- ASQ - Development Assessment



**Santa Clara Family
Health Plan™**

DHCS Delegation Oversight Requirements

Executive/Finance Committee Meeting - January 26, 2023

Overview

- New DHCS managed care plan contract effective Jan. 2024
- Includes many new delegation oversight requirements
- Reflects shift in regulator perception of value of delegation
- Will increase cost of delegation, decreasing its value

MOU Oversight and Compliance

- Quarterly meetings with MOU parties
- Reports to DHCS regarding quarterly meetings
- Annual subcontractor training
- Submit MOUs to DHCS by May 2024
- Submit evidence of annual MOU reviews to DHCS

Financial Requirements

- Subcontractor medical loss ratio (MLR) reporting and remittance
- Annual Community Reinvestment Plan
 - Separate plans for MCP and fully delegated subcontractors
 - 5% of annual net income below 7.5% of contract revenues
 - 7.5% of annual net income above 7.5% of contract revenues

Delegation Reporting and Compliance Plan

- Disclosure of all delegated relationships
- Oversight responsibilities and plan
- Delegation justification

Subcontractor Sanctions

- Compliance: subcontractor agreements must include provisions to enforce corrective action plans
 - Liquidated damages, financial sanctions, payment withholds
- Quality: MCP must subject fully delegated subcontractors that fail to meet DHCS standards to corrective actions
 - Financial sanctions, corrective actions, changes to executive personnel

Post Delegation Model

- MCP required to post on website a summary of its delegation model outlining how obligations are delegated

Main Takeaways

- Increased DHCS skepticism of value of delegation
- Increased compliance burden on Plan and delegates
- Requirements are in various stages of development and implementation
- SCFHP is working to operationalize new requirements and assess necessary resources



**Santa Clara Family
Health Plan™**

Government Relations Update

Executive/Finance Committee Meeting - January 26, 2023

Federal Issues

CMS

- Public Health Emergency extended to April 11, 2023

Congress - Lame Duck Recap

- Decouple PHE and Medicaid continuous coverage
- Phase-out of 6.2% federal matching funds increase
- 12-month continuous coverage for kids and postpartum members
- Two-year extension of Medicare telehealth flexibilities
- Prevent most scheduled Medicare physician payment cuts

2023 Congressional Outlook

State Issues

Administration

- COVID State of Emergency lifted Feb 28, 2023
- Proposed FY23-24 budget

Legislation Update