

Regular Meeting of the  
**Santa Clara County Health Authority  
Governing Board**

Thursday, September 26, 2019, 12:00 PM - 2:30 PM  
Santa Clara Family Health Plan, Boardroom  
6201 San Ignacio Ave, San Jose, CA 95119

## AGENDA

- |   |                       |              |              |
|---|-----------------------|--------------|--------------|
| <p><b>1. Roll Call</b><br/>Welcome new Board Members, Alma Burrell and Sherri Sager.</p>  | <p>Mr. Brownstein</p> | <p>12:00</p> | <p>5 min</p> |
| <p><b>2. Public Comment</b><br/>Members of the public may speak to any item not on the agenda; two minutes per speaker. The Governing Board reserves the right to limit the duration of the public comment period to 30 minutes.</p> <p><b><u>Announcement Prior to Recessing into Closed Session</u></b><br/>Announcement that the Governing Board will recess into closed session to discuss Item No. 3 below.</p>  | <p>Mr. Brownstein</p> | <p>12:05</p> | <p>5 min</p> |
| <p><b>3. Adjourn to Closed Session</b></p> <p><b>a. <u>Existing Litigation</u></b> Government Code Section 54956.9(d)(1):<br/>It is the intention of the Governing Board to meet in Closed Session to confer with Legal Counsel regarding consolidated Cases before the Board Administration of the California Public Employees' Retirement System:</p> <p>i. In the Matter of the Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Craig W. Walsh (Respondent) Case Number: CalPERS Case No. 2017-1114; OAH No. 2018051223.</p> <p>ii. In the Matter of Appeal Regarding Membership Exclusion of Foundation Employees by Santa Clara County Health Authority (Respondent) and Melodie U. Gellman (Respondent) Case Number: CalPERS Case No. 2017-1115; OAH Case No. 2018051029.</p> <p><b>b. <u>Contract Rates</u></b> (Welfare and Institutions Code Section 14087.38(n)):<br/>It is the intention of the Governing Board to meet in Closed Session to discuss plan partner rates.</p> <p><b>c. <u>Real Property Negotiations</u></b> (Government Code Section 54956.8):<br/>It is the intention of the Governing Board to meet in Closed Session to confer with its Real Property Negotiators concerning the price and terms of payment related to the possible lease of real property located at 408 N. Capital Avenue, San Jose, CA. The negotiators for the Health</p> |                       | <p>12:10</p> |              |

Authority are Dave Cameron, CFO, and Christine Tomcala, CEO. The other negotiating party is Capitol Square Partners.

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|---|----------------|------|--------|
| <p><b>4. Report from Closed Session</b></p>   | Mr. Brownstein | 1:10 | 5 min  |
| <p><b>5. Approve Consent Calendar and Changes to the Agenda</b><br/>Items removed from the Consent Calendar will be considered as regular agenda items.<br/><b>Possible Action:</b> Approve Consent Calendar</p> <p>a. Approve minutes of the June 27, 2019 <b>Regular Board Meeting</b></p> <p>b. Approve minutes of the May 21, 2019 <b>Special Board Meeting</b></p> <p>c. Accept minutes of the July 25, 2019 <b>Executive/Finance Committee Meeting</b></p> <ul style="list-style-type: none"> <li>• Ratify approval of the May 2019 Financial Statements</li> <li>• Ratify approval of the Investment Diversification proposal</li> </ul> <p>d. Accept minutes of the August 22, 2019 <b>Executive/Finance Committee Meeting</b></p> <ul style="list-style-type: none"> <li>• Ratify approval of the Preliminary June 2019 Financial Statements</li> <li>• Ratify acceptance of the Network Detection &amp; Prevention Update</li> </ul> <p>e. Accept minutes of the August 22, 2019 <b>Compliance Committee Meeting</b></p> <ul style="list-style-type: none"> <li>• Ratify acceptance of the Compliance Activity Report</li> <li>• Ratify acceptance of the Compliance Dashboard and Work Plans</li> <li>• Ratify acceptance of the Oversight Committee Report</li> <li>• Ratify acceptance of the Fraud, Waste and Abuse Report</li> </ul> <p>f. Accept minutes of the August 14, 2019 <b>Quality Improvement Committee Meeting</b></p> <ul style="list-style-type: none"> <li>• Ratify approval of the CMC Availability of Practitioners Evaluation</li> <li>• Ratify approval of the Population Health Management Impact 2018 Report</li> <li>• Ratify approval of the Updates to Policy QI.13 Comprehensive Case Management</li> <li>• Ratify acceptance of Committee Reports:               <ul style="list-style-type: none"> <li>○ Credentialing Committee – June 5, 2019</li> <li>○ Pharmacy &amp; Therapeutics Committee – March 21, 2019</li> <li>○ Utilization Management Committee – April 17, 2019</li> </ul> </li> </ul> <p>g. Accept minutes of the August 7, 2019 <b>Provider Advisory Council Meeting</b></p> <p>h. Accept minutes of the September 10, 2019 <b>Consumer Advisory Committee Meeting</b></p> <p>i. Accept 2018 <b>Employee Satisfaction Survey Report</b></p> <p>j. Approve <b>Publicly Available Salary Schedule</b></p> | Mr. Brownstein | 1:15 | 5 min  |
| <p><b>6. Compliance Report</b><br/>Review and discuss quarterly compliance activities and notifications.<br/><b>Possible Action:</b> Accept Compliance Report</p>   | Ms. Larmer     | 1:20 | 10 min |
| <p><b>7. July 2019 Financial Statements</b><br/>Review recent organizational finance performance.<br/><b>Possible Action:</b> Approve the July 2019 Financial Statements</p>  | Mr. Cameron    | 1:30 | 10 min |

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|---|----------------|------|-------|
| <p><b>8. Preliminary Fiscal Year 2018-2019 Year in Review</b><br/>Review preliminary performance on FY'19 Plan Objectives.<br/><b>Possible Action:</b> Accept Preliminary FY'19 Year in Review</p>  | Ms. Tomcala    | 1:40 | 5 min |
| <p><b>9. Fiscal Year 2018-2019 Team Incentive Compensation</b><br/>Review performance on FY'18-'19 Team Incentive metrics.<br/><b>Possible Action:</b> Approve Team Incentive Payout</p>  | Ms. Tomcala    | 1:45 | 5 min |
| <p><b>10. Fiscal Year 2019-2020 Plan Objectives</b><br/>Review draft FY'20 Plan Objectives.<br/><b>Possible Action:</b> Approve FY'20 Plan Objectives</p>   | Ms. Tomcala    | 1:50 | 5 min |
| <p><b>11. Fiscal Year 2019-2020 Team Incentive Compensation</b><br/>Consider proposed team incentive compensation program.<br/><b>Possible Action:</b> Approve FY'20 Team Incentive Compensation Program</p>  | Ms. Tomcala    | 1:55 | 5 min |
| <p><b>12. Annual CEO Evaluation Process</b><br/>Discuss appointment of a subcommittee to lead the annual evaluation process for the CEO.<br/><b>Possible Action:</b> Appoint temporary, ad-hoc subcommittee to conduct the annual evaluation of the CEO</p>   | Mr. Brownstein | 2:00 | 5 min |
| <p><b>13. Election of Vice-Chairperson</b><br/>Consider nomination of Dolores Alvarado for the office of Vice-Chairperson, which position shall also serve as Chair of the Executive/Finance Committee.<br/><b>Possible Action:</b> Elect nominee for the office of Vice-Chairperson to serve the balance of the term</p> | Mr. Brownstein | 2:05 | 5 min |
| <p><b>14. Appointment of Executive/Finance Committee Member</b><br/>Consider appointment of Susan Murphy to the Executive/Finance Committee.<br/><b>Possible Action:</b> Approve appointment of Susan Murphy to the Executive/Finance Committee</p>   | Mr. Brownstein | 2:10 | 5 min |
| <p><b>15. 2020 Board Meeting Calendar</b><br/>Consider the proposed 2020 SCCHA Governing Board and Committee meeting calendar.<br/><b>Possible Action:</b> Approve the 2020 SCCHA Governing Board and Committee meeting calendar</p>  | Ms. Tomcala    | 2:15 | 5 min |
| <p><b>16. Government Relations Update</b><br/>Discussion of local, state and federal legislative and policy issues impacting the Plan and its members.</p>  | Mr. Haskell    | 2:20 | 5 min |
| <p><b>17. CEO Update</b><br/>Discuss status of current topics and initiatives.<br/><b>Possible Action:</b> Accept CEO Update</p>  | Ms. Tomcala    | 2:25 | 5 min |
| <p><b>18. Adjournment</b></p>   | Mr. Brownstein | 2:30 |       |

### **Notice to the Public—Meeting Procedures**

- Persons wishing to address the Governing Board on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
- The Committee may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.
- In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Rita Zambrano 48 hours prior to the meeting at 408-874-1896.
- To obtain a copy of any supporting document that is available, contact Rita Zambrano 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](http://www.scfhp.com).

# Alma Burrell

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111 South 15th Street, San Jose, CA 95112 | 408-398-9270 | alma.burrell@hotmail.com

## Education

### **MASTERS PUBLIC HEALTH | 1998 | SAN JOSE STATE UNIVERSITY**

- Health Care Administration, Community Health Promotion, Principles of Public Health

### **BACHELOR OF SCIENCE | 1992 | SAN JOSE STATE UNIVERSITY**

- Major: Health Science, Community Organizing, Multicultural Health

## Experience

### **REGIONAL DIRECTOR | ROOTS COMMUNITY HEALTH CENTER | JANUARY 2014 – PRESENT**

- Participate with executive team and community to establish funding and necessary documentation to expand agency services
- Establish collaborations and partnerships with outside agencies, stakeholders and community to further the agency's vision to positively impact health status among communities of color
- Oversee and monitor budgeting and resourcing for staff and agency
- Recruit employees to ensure department is staffed with qualified personnel; and coordinate /manage staff activities
- Facilitate weekly multi-disciplinary case conferencing with clinical and program staff to determine needs of the community being served
- Respond to grant and/or Request for Proposal (RFP) opportunities

### **HEALTH CARE PROGRAM MANAGER | SANTA CLARA COUNTY PUBLIC HEALTH DEPARTMENT | JANUARY 1998 – DECEMBER 2014**

- Managed several health care programs over my tenure including Immunizations, Black Infant Health Adolescent Family Life, Maternal Child and Adolescent Health, Traffic Safety, and Violence Prevention.
- Developed, coordinated and implemented community health education and promotion programs that include but were not limited to developing program objectives, activities and evaluation frameworks.
- Assessed statistical data, current research and community input to determine community health needs and used the information to develop, implement and evaluate programs that addressed those needs.
- Participated with a variety of community partners and County departments on numerous projects such as community-wide health assessments, large health related pilot projects and health education campaigns.
- Managed multi-disciplinary teams of staff that included managers, Public Health Nurses, Health Care Analysts, Community Outreach workers, Public Health Assistants and clerical support.
- Selected, hired and trained multi-disciplinary staff evaluated staff performance and initiated discipline procedures when appropriate.
- Drafted Request for Proposals, MOUs, transmittals, informal solicitations and contracts with community based organizations, vendors and other agencies.
- Monitored and provided oversight of multi-million dollar budgets; which included projecting revenue, tracking expenses, approving invoices and interacting with departmental and other fiscal partners.
- Facilitated and/or participated with numerous community coalitions, task forces and workgroups that encouraged health promotion and wellness.

## Introduction

**Sherri R. Sager**  
**Chief Government and Community Relations Officer**  
**Lucile Packard Children's Hospital**  
**Palo Alto, CA**

Ms. Sager joined Lucile Packard Children's Hospital (LPCH) in 1994. Her department is responsible by developing and enhancing relationships and partnerships with elected and appointed officials; policy makers; healthcare providers; families, community leaders, members and organizations; business leaders; and industry trade associations. Government and Community Relations builds two-way relationships between the hospital and the external environment and plays a vital role in linking the resources of the hospital with the needs of the community.

In addition the department is responsible for building a vibrant grassroots and grassroots advocacy network; developing partnerships on public policy issues, analyzing legislative initiatives and their impact on LPCH and children, community education classes and community benefit programs and sponsorships. The Government and Community Relations Department plays an integral role in how Packard Children's Hospital is perceived by government and the community and is a major participant in fulfilling the Hospital's advocacy mission. The Department's mission is to improve the lives of children and expectant mothers through advocacy, education, collaborative action, public policies and innovative programs.

Sherri also helps staff the Finance Committee of the Lucile Packard Children's Hospital Board of Directors. Sherri has more than 40 years of experience in government having worked as staff for elected officials on all levels of government, managed political campaigns as well as served as a volunteer on city and county task forces and commissions.

On a statewide level she is past chair of the Government Relations Committee of the California Children's Hospital Association, a member of the California Hospital Association Public Advocacy Task Force and has served on numerous statewide task forces on legislative and community benefit issues. She is an active participant with the Children's Hospital Association (formerly known as the National Association of Children's Hospitals and Related Institutions), having served on the Child Advocacy Council, Government Relations Subcommittee and on numerous legislative specific task forces. Her current activities include Chair of the Board, SAMCEDA, Board Member of Menlo Park Chamber of Commerce, Board Member Joint Venture Silicon Valley, member board of Innovation Tri-Valley, member Palo Alto Rotary and hospital liaison to Ravenswood Family Health Center Board of Directors. Past activities include Chair of the Mountain View Chamber of Commerce Board of Directors, Chair Silicon Valley Leadership Group Working Council, and President of the Palo Alto Rotary.

In addition, in her private life, Sherri has demonstrated her commitment to improving the lives of children in her community. Her past activities have included serving on the Board of Directors for Girl Scouts of Santa Clara County, as a member of the Community Advisory Boards for the San Jose Job Corps and InnVision, a member of the Board of the Jewish Federation of Silicon Valley and as a member of the Board of Fellows for Santa Clara University.

Sherri has a BS in Political Science from Santa Clara University and a MPA from San Jose State University.



**Santa Clara Family  
Health Plan™**

## Consent Calendar

Governing Board Meeting – September 26, 2019





Regular Meeting of the  
**Santa Clara County Health Authority  
Governing Board**

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

## **MINUTES - Draft**

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### **Members Present**

Bob Brownstein, Chair  
Dolores Alvarado  
Darrell Evora  
Kathleen King  
Sue Murphy  
Ria Paul, M.D.  
Evangeline Sangalang  
Jolene Smith  
Linda Williams

### **Members Absent**

Liz Kniss

### **Staff Present**

Christine Tomcala, Chief Executive Officer  
Dave Cameron, Chief Financial Officer  
Robin Larmer, Chief Compliance & Regulatory  
Affairs Officer  
Chris Turner, Chief Operating Officer  
Laurie Nakahira, D.O., Chief Medical Officer  
Jonathan Tamayo, Chief Information Officer  
Laura Watkins, VP Marketing & Enrollment  
Sharon Valdez, VP Human Resources  
Jordan Yamashita, Director, Compliance  
Tyler Haskell, Director of Government  
Relations  
Johanna Liu, Director, Quality & Process  
Improvement  
Jayne Giangreco, Manager, Administrative  
Services  
Rita Zambrano, Executive Assistant

### **Others Present**

Daphne Annett, Burke, Williams & Sorenson, LLP  
(*via telephone*)  
Richard Noack, Hopkins Carley  
April Pitt, Enrollment Coordinator II & SEIU  
Steward  
Jim Freeman, Business Systems Analyst II &  
SEIU Steward  
Christine Rutherford-Stuart, County of Santa Clara  
Dave Briere, Change Healthcare  
Sean Hoffman, Molina Healthcare

### **1. Roll Call**

Bob Brownstein, Chair, called the meeting to order at 12:03 pm. Roll call was taken and a quorum was established.

## 2. Public Comment

April Pitt, SEIU Local 521 Steward, thanked management for always coming to the table and working with SEIU to forge a good working relationship. Ms. Pitt stated the SEIU stewards are happy to report that SEIU members unanimously voted to accept the revised Memorandum of Understanding (MOU) between SEIU and SCFHP. She stated that SEIU members are hoping the Governing Board will vote to accept the MOU with SEIU Local 521.

## 3. Adjourn to Closed Session

### a. Existing Litigation

The Governing Board met in Closed Session to confer with Legal Counsel regarding consolidated cases: (i) CalPERS Case No. 2017-1114; OAH No. 2018051223 and (ii) CalPERS Case No. 2017-1115; OAH Case No. 2018051029.

### b. Conference with Labor Negotiators

The Governing Board met in Closed Session to confer with management representatives regarding negotiations with SEIU Local 521.

### c. Contract Rates

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

### d. Real Property Negotiations

The Governing Board met in Closed Session to confer with its Real Property Negotiators concerning the price and terms of payment related to the possible lease of real property located at 408 N. Capital Avenue, San Jose, CA.

## 4. Report from Closed Session

Mr. Brownstein reported the Governing Board met in Closed Session to discuss Existing Litigation, Conference with Labor Negotiators, Contract Rates, and Real Property Negotiations, and delegated to the Executive/Finance Committee the authority to approve a lease for real property located at 408 N. Capital Avenue, San Jose.

## 5. Tentative Agreement with SEIU Local 521

Mr. Brownstein reported that management and SEIU Local 521 have come to a tentative agreement for the 2019-2020 fiscal year. Each bargaining unit member will receive a salary increase of 2.5%, effective July 1, 2019. In addition to the across the board increase, a merit pay increase is available, depending on the final performance rating an individual receives. If the rating is 3.0-3.25, the additional increase will be 1.5%, if the rating is 3.26-3.74, the additional increase will be 2%, and if the rating is 3.75 or higher, the additional increase will be 2.5%.

**It was moved, seconded, and unanimously approved to** delegate to the Executive/Finance Committee the authority to adopt the agreement with SEIU Local 521 following ratification by the Union.

*Jolene Smith arrived at 1:05 pm.*

## 6. Approve Consent Calendar and Changes to the Agenda

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

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

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

- Ratify approval of the February 2019 Financial Statements
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Microsoft in an amount not to exceed \$605,000 for licensing
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate contracts with Cisco and ePlus in an amount not to exceed \$660,000 for hardware and implementation

- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with selected HEDIS vendors in an amount not to exceed \$665,000 for licensing and implementation
- Ratify approval to authorize the Chief Executive Officer to negotiate, execute, amend, and terminate a contract with Collective Medical Technology in an amount not to exceed \$250,000 for licensing and implementation
- Ratify acceptance of the Investment Policy Review
- Ratify approval of Finance Policies:
  - FA.01 General Finance Policy
  - FA.02 Cash & Cash Receipts
  - FA.04 Cash Disbursements
  - FA.05 Accounts Receivable & Revenue
  - FA.06 Payroll & Employee Expenses
  - FA.08 Treasury & Debt
  - FA.09 Financial Close & Reporting
  - FA.10 Medical Expense & IBNP
  - FA.11 Healthcare Economics
- c. Accept minutes of the May 23, 2019 **Executive/Finance Committee** Meeting
  - Ratify approval of the March 2019 Financial Statements
  - Ratify acceptance of the Fiscal Year 2018-2019 Donations and Sponsorships Annual Report
  - Ratify acceptance of the Health Homes Program (HHP) Update
  - Ratify acceptance of the Network Detection and Prevention Report
- d. Accept minutes of the May 23, 2019 **Compliance Committee** Meeting
  - Ratify acceptance of the Compliance Activity and Audit Report
  - Ratify acceptance of the Compliance Dashboard
  - Ratify acceptance of the Fraud, Waste and Abuse Report
- e. Accept minutes of the April 10, 2019 **Quality Improvement Committee** Meeting
  - Ratify approval of the Quality Improvement Program Evaluation 2018
  - Ratify approval of the Quality Improvement Work Plan 2019
  - Ratify approval of the Population Health Assessment 2019
  - Ratify approval of the Experience with Complex Case Management Report 2019
  - Ratify approval of Quality improvement Policies:
    - QI.01 Conflict of Interest
    - QI.02 Clinical Practice Guidelines
    - QI.03 Distribution of Quality Improvement Information
    - QI.04 Peer Review Process
    - QI.06 Quality Improvement Study Design/Performance Improvement Program Reporting
    - QI.08 Cultural and Linguistically Competent Services
    - QI.09 Health Education Program and Delivery System Policy
    - QI.11 Member Non-Monetary Incentive
    - QI.12 SBIRT
    - QI.28 Health Homes Program Policy
  - Ratify acceptance of Committee Reports:
    - Credentialing Committee – February 27, 2019
    - Pharmacy & Therapeutics Committee – December 13, 2018
    - Utilization Management Committee – January 16, 2019
- f. Accept minutes of June 12, 2019 **Quality Improvement Committee** Meeting
  - Ratify approval of the CMC Assessment of Member Cultural and Linguistic Needs and Preferences
  - Ratify approval of the Review of Population Health Management Strategy 2019
  - Ratify approval of the Review of Quality Improvement Policies:
    - QI.13 Comprehensive Case Management

- QI.15 Transitions of Care
- QI.16 Managed Long Term Services and Support (MLTSS) Care Coordination
- QI.17 Behavioral Health Care Coordination
- QI.18 Sensitive Services, Confidentiality, Rights of Adults and Minors
- QI.19 Care Coordination Staff Training
- QI.20 Information Sharing with San Andreas Regional Center (SARC)
- QI.21 Information Exchange Between Santa Clara Family Health Plan & Health Services Department
- QI.22 Early Start Program (Early Intervention Services)
- QI.23 Alcohol Misuses: Screening and Behavioral Counseling Interventions in Primary Care
- QI.24 Outpatient Mental Health Services: Mental Health Parity
- QI.25 Intensive Outpatient Palliative Care
- QI.27 Informing Members of Behavioral Health Services
- Ratify acceptance of Committee Reports:
  - Credentialing Committee – April 3, 2019
  - Pharmacy & Therapeutics Committee – March 21, 2019
  - Utilization Management Committee – April 17, 2019
- g.** Accept minutes of the May 8, 2019 **Provider Advisory Council** Meeting
- h.** Accept minutes of the June 11, 2019 **Consumer Advisory Committee** Meeting
- i.** Appoint Peter Nguyen, D.O., to serve on the **Credentialing Committee**

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

Mr. Brownstein recommended moving agenda Item 9. Healthy Kids Transition to immediately follow Item 6. Consent Calendar.

## **7. Healthy Kids Transition**

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, noted that Santa Clara Family Health Plan administers the Healthy Kids product offered through Santa Clara Community Health Authority, a Joint Powers Authority (JPA) established by the Plan and the County of Santa Clara. The May 2019 Revise of the Governor's 2019-2020 budget instructed the CA Department of Health Care Services (DHCS) to move Healthy Kids' CCHIP beneficiaries into Medi-Cal on October 1, 2019. Pursuant to that transition, all but three of the Community Health Authority's Healthy Kids enrollees (who are not CCHIP beneficiaries) will become enrolled in the Plan's Medi-Cal product. The remaining non-CCHIP Healthy Kids enrollees will be transitioned to health care coverage options provided through Santa Clara Valley Health and Hospital System (SCVHHS). The Plan and SCVHHS will work collaboratively to move the remaining non-CCHIP Healthy Kids enrollees to other coverage

Mr. Brownstein recommended adoption of the resolution, which should include direction to the staff to ensure coverage for the remaining children during any gap or interim period before the SCVHHS coverage option is in place.

**It was moved, seconded, and unanimously approved** to adopt the resolution authorizing management to withdraw from the Healthy Kids service area after ensuring that any children enrolled can transition to other coverage.

*Jolene Smith left the meeting at 1:30 pm.*

## **8. CEO Update**

Ms. Tomcala reported the Governor's proposal to carve out Medi-Cal pharmacy from managed care is moving forward. Mr. Cameron noted that the Plan's pharmacy spend is approximately 15% of total revenue including CMC.

Ms. Tomcala presented an update on the Health Homes Program (HHP). Community-based care management entities (CB-CMEs) will need to have adequate HHP infrastructure to meet SCFHP and the Department of Health Care Services' (DHCS) guidelines. SCFHP is scheduled for a July 1, 2019 implementation date and currently has six CB-CMEs: NEMS, Gardner, New Directions, Roots Clinic, Kaiser, and School Health Clinic. The County declined to participate, so the Plan will also serve as a CB-CME.

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

## 9. Compliance Report

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, introduced Tyler Haskell, Director, Government Affairs and noted the promotion of Jordan Yamashita to Director, Compliance.

Ms. Larmer provided a status update on the CMS Program Audit, noting that the Independent Validation Auditors will soon audit and issue a report to CMS on the status of the Plan's remediation of deficiencies. Ms. Larmer indicated that Plan staff had completed substantially all remediation work detailed in the Corrective Action Plans, and noted the tremendous amount of work, effort and perseverance invested by staff. One outstanding remedial measure is implementation of a system to automatically collect data and populate the Compliance dashboard, eliminating delays and errors.

Ms. Larmer stated that SCFHP has not yet received final results from the DHCS/DMHC audits. Preliminary findings from DHCS confirmed a focus on delegation oversight, on how SCFHP oversees the information flow between SCFHP and our delegates, and how SCFHP tracks and issues Corrective Action Plans. Ms. Larmer states she expects fewer findings than last year. DMHC's findings have not yet been received, either in writing or verbally.

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

## 10. Fiscal Year 2019-2020 Budget

Dave Cameron, Chief Financial Officer, presented the proposed 2019-2020 operating and capital budgets. Enrollment, which was based largely on recent trends, is projected to decrease 4.5% to 237,000 members. Revenue is projected to increase 1.6% to \$1.066 billion, due largely to projected Medi-Cal capitation rate increases, partially offset by declining enrollment. Medical expense is projected to increase 1.8% to \$998 million, due largely to increasing cost trends in certain categories of service, partially offset by declining enrollment. Administrative expense is projected to increase to \$63.8 million due to increased headcount and non-personnel expenses, a large portion of which are associated with new quality and process improvement initiatives. The fiscal year 2019-2020 operating budget projects an annual surplus of \$7.7 million, or 0.7% of revenue, and an overall medical loss ratio of 93.6%. The proposed 2019-2020 capital budget of \$4.8 million includes I.T. hardware and software investments of \$1.7 million and facilities enhancements of \$3.1 million.

**It was moved, seconded, and** the Fiscal Year 2019-2020 Operating and Capital Budgets were **unanimously approved.**

*Kathleen King arrived at 1:50 pm.*

## 11. April 2019 Financial Statements

Mr. Cameron presented the April 2019 financial statements, which reflected a current month net surplus of \$2.1 million (\$800 thousand favorable to budget) and a fiscal year-to-date surplus of \$14.6 million (\$8.2 million favorable to budget). Enrollment declined by 290 from the prior month to 250,778 members. Medi-Cal enrollment has declined since October 2016 while CMC membership has grown due to continued outreach efforts. Revenue reflected a favorable current month variance of \$20.5 million (25.5%) largely due to a one-time retroactive CCI rate adjustment of \$15.6 million, higher Prop 56 revenue accrual of \$1.8 million (offset by higher medical expense), and higher non-dual enrollment versus budget of \$1.2 million. Medical expense reflected an unfavorable current month variance of \$20 million (8.6%) largely due to accruals related to the retroactive CCI rate adjustments of \$11.8 million, increased inpatient, outpatient, institutional and pharmacy expenses of \$5.8 million and higher Prop 56 expense noted above. Administrative expense reflected an

unfavorable current month variance of \$352 thousand (8.0%) due to higher personnel and consulting expenses. Administrative expenses are at budget year-to-date. The balance sheet reflected a Current Ratio of 1.27:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity of \$192.6 million represented 604% of the minimum required by DMHC of \$31.9 million. Capital investments of \$5.7 million have been made.

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

## 12. Building Rooftop Overlay Project

Mr. Cameron noted the roof needs repair and respectfully requested that the Governing Board authorize the CEO to contract with the selected roof contractor for in an amount not to exceed \$460,000.

**It was moved, seconded, and unanimously approved** to authorize the CEO to negotiate, execute, amend, and terminate a contract with the selected roofing contractor for 6201 San Ignacio Ave., San Jose, CA in an amount not to exceed \$460,000.

## 13. Board Discretionary Fund Expenditures

Ms. Tomcala discussed projects under consideration for Board Discretionary Fund expenditures. She noted that current program parameters would allow for use of discretionary funds to ensure coverage of the few non-CCHIP Healthy Kids enrollees that may fall into a gap as the CCHIP kids move to full-scope Medi-Cal. Ms. Tomcala noted there is also a request from The Health Trust for \$100,000, which is within the scope of the Executive/Finance Committee decision-making authority. Staff will further analyze the request and bring it to the next Executive/Finance Committee meeting.

Ms. Tomcala anticipates additional funding for the Board Discretionary Fund this year, and noted that current program parameters may restrict funding of otherwise worthy and important projects, including those related to Quality. Management asks the Board to consider delegating to the Executive/Finance Committee the authority to approve potential expansion of the criteria for funding. Additionally, to facilitate timely action on strategic investments, management asks that the Board consider granting the Executive/Finance Committee authority to take action, without Board approval, on amounts up to \$250,000, an increase from its current \$100,000 level of authority.

Mr. Brownstein framed the question for the Board as a decision to delegate to the Executive/Finance Committee or to remand program criteria to an ad hoc Board Discretionary Fund Committee to work on potential revisions to the program criteria and policy.

**It was moved, seconded, and unanimously approved** to delegate review and potential revision of the Board Discretionary Fund program criteria to the Executive/Finance Committee.

## 14. Member Enrollment and Retention Plan

Laura Watkins, Vice President, Marketing and Enrollment, reported on member enrollment and retention, and planned activities that promote enrollment and retention of Medi-Cal and CMC members. Ms. Watkins noted that overall Medi-Cal enrollment in Santa Clara County has been decreasing since 2016, and is projected to continue declining due to the minimum wage increase, strong job market, federal statements/initiatives regarding immigration, and the high cost of housing in the Bay Area.

SCFHP enrollment in Medi-Cal has decreased 4.5% over the last year, while market share has increased 0.4%. Key factors in determining new member enrollment are plan choice, including physician influence, prior plan association, and auto-assignment rates (based on HEDIS scores). Key factors affecting member retention are eligibility, member experience, and physician influence.

Ms. Watkins stated that in support of Cal MediConnect enrollment, we have implemented a new lead generation campaign, implemented a program to provide members with assistance with qualification for Low-Income Subsidy (LIS), engaged in ongoing outreach to providers so they understand the benefits of having their patients enrolled in Cal MediConnect, and implemented an incentive plan for Medicare Outreach agents. For retention, initiatives include outreaching to beneficiaries "deemed" eligible for CMC

due to loss of Medi-Cal eligibility, and enhancing the overall member experience with a new member portal for member self-service and a focus on clinical and service quality improvement. SCFHP is also implementing a disenrollment survey to identify additional opportunities for retention improvement.

Ms. Watkins noted that for Medi-Cal, SCFHP has done a number of things to increase our impact at a community level. SCFHP has implemented a new Community Outreach Program, hired a Community Outreach Program Manager, participated in 43 community events 2019 YTD, and established connections with 45 Community Based Organizations 2019 YTD. Successful organization focus on clinical quality improvement to raise HEDIS scores will also improve auto-assignment rates. From a retention perspective, SCFHP has launched a wellness rewards program, established an internal member retention workgroup to document member touch points, partnered with the County Social Services Agency on redetermination outreach, and improved the process for capturing current member contact information.

**It was moved, seconded, and unanimously approved** to accept the Member Enrollment and Retention Plan.

*Sue Murphy left at 2:30 pm.*

Mr. Brownstein recessed the SCCHA Regular Governing Board meeting at 2:33 pm in order to convene the Santa Clara Community Health Authority Governing Board meeting.

The SCCHA Regular Governing Board meeting resumed at 2:40 pm. The remaining agenda topics (items 15-20) were deferred to the next Governing Board meeting.

- 15. Preliminary Fiscal Year 2018-2019 Year in Review**
- 16. Fiscal Year 2019-2020 Plan Objectives**
- 17. Fiscal Year 2019-2020 Team Incentive Compensation**
- 18. Publicly Available Salary Schedule Ranges**
- 19. Annual CEO Evaluation Process**
- 20. Election of Vice-Chairperson**

## **21. Adjournment**

The meeting was adjourned at 2:43 pm.

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Robin Larmer, Secretary

Special Meeting of the  
**Santa Clara County Health Authority**  
**Governing Board**

Tuesday, May 21, 2019, 2:30 PM - 4:00 PM  
Santa Clara Family Health Plan, Boardroom  
6201 San Ignacio Ave, San Jose, CA 95119

## MINUTES - Draft

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### **Members Present**

Bob Brownstein, Chair  
Dolores Alvarado (*via telephone*)  
Kathleen King  
Liz Kniss  
Susan Murphy  
Evangeline Sangalang  
Brenda Taussig (*via telephone*)

### **Members Absent**

Darrell Evora  
Jolene Smith  
Ria Paul, M.D.

### **Staff Present**

Christine Tomcala, Chief Executive Officer  
Dave Cameron, Chief Financial Officer  
Robin Larmer, Chief Compliance and  
Regulatory Affairs Office  
Laurie Nakahira, DO, Chief Medical Officer

#### **1. Roll Call**

Bob Brownstein, Chair, called the meeting to order at 2:35pm. Roll call was taken and a quorum was established.

#### **2. Public Comment**

There were no public comments.

#### **3. Adjourn to Closed Session**

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

#### **4. Report from Closed Session**

Mr. Brownstein reported the Governing Board met in closed Session to discuss plan partner rates.

#### **5. Adjournment**

The meeting was adjourned at 4:25 pm.

---

Robin Larmer, Governing Board Secretary



Regular Meeting of the

## **Santa Clara County Health Authority Executive/Finance Committee**

Thursday, July 25, 2019, 11:30 AM - 1:00 PM  
Santa Clara Family Health Plan, Boardroom  
6201 San Ignacio Ave, San Jose, CA 95119

# Minutes

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### **Members Present**

Bob Brownstein  
Dolores Alvarado  
Linda Williams

### **Members Absent**

Liz Kniss

### **Staff Present**

Christine Tomcala, Chief Executive Officer  
Dave Cameron, Chief Financial Officer  
Robin Larmer, Chief Compliance & Regulatory Affairs  
Officer  
Laurie Nakahira, D.O., Chief Medical Officer  
Laura Watkins, VP, Marketing and Enrollment  
Neal Jarecki, Controller  
Rita Zambrano, Executive Assistant  
Jayne Giangreco, Manager, Administrative Services

### **1. Roll Call**

Bob Brownstein, Chair, called the meeting to order at 11:37 am. Roll call was taken and a quorum was not established.

### **2. Public Comment**

There were no public comments.

### **3. May 2019 Financial Statements**

Dave Cameron, Chief Financial Officer, presented the May 2019 financial statements, which reflected a current month net surplus of \$2.3 million (\$1.2 million favorable to budget) and a fiscal year-to-date surplus of \$16.9 million (\$9.4 million favorable to budget). Enrollment declined by 1,701 from the prior month to 249,077 members. Medi-Cal enrollment has declined since October 2016 while CMC membership has grown due to continued outreach efforts. Revenue reflected a favorable current month variance of \$7.3 million (9.1%), largely due to a one-time retroactive prior year Medicare quality withhold earn-back, higher Prop 56 revenue accrual of \$1.7 million (offset by higher medical expense), and higher non-dual enrollment, versus budget of \$1.3 million. Medical expense reflected an unfavorable current month variance of \$6.4 million (8.6%) largely due to the combination of increased inpatient, outpatient, institutional and pharmacy expenses of \$4.6 million and higher Prop 56 expense noted above. Administrative expense reflected an unfavorable current month variance of \$282 thousand (6.1%) due to higher personnel and consulting expenses. Administrative expenses are at budget year-to-date. The balance sheet reflected a Current Ratio of 1.27:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity of \$194.9 million represented 608.8% of the minimum required by DMHC of \$32.0 million.

*Dolores Alvarado joined the meeting at 12:15 pm and a quorum was established.*

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

#### **4. CEO Update**

Christine Tomcala, Chief Executive Officer, provided an Employee Recognition Gift Card Program summary for fiscal year 2018-19. This program recognizes employees for their outstanding efforts. In the last fiscal year, the Plan awarded twenty-three staff members with \$100 dollar gift cards and one staff person received a \$50 dollar gift card.

#### **5. Meeting Minutes**

The minutes of the May 23, 2019 Executive/Finance Committee were reviewed.

**It was moved, seconded, and** the May 23, 2019 Executive/Finance Committee Minutes were **approved**.  
*Dolores Alvarado, Board Member, abstained.*

#### **6. Adjourn to Closed Session**

##### **a. Real Property Negotiations**

The Executive/Finance Committee met in Closed Session to confer with its Real Property Negotiators concerning the price and terms of payment related to the possible lease of real property located at 408 N. Capital Avenue, San Jose, CA.

#### **7. Report from Closed Session**

Mr. Brownstein reported the Executive/Finance Committee met in Closed Session to discuss Item 6(a) and authorized staff to move forward with negotiating a lease for the real property 408 N. Capital Avenue, San Jose, CA within budget parameters.

#### **8. Diversify Investment Portfolio**

Mr. Cameron noted that during the annual review of the Plan's investment policy in April 2019, staff determined that the Plan's money market fund investment was not sufficiently diversified in accordance with applicable law. Mr. Cameron proposed, and reviewed the benefits of maintaining, an actively-managed portfolio - which include achieving the required diversification, reduced fees, decreased institutional risk, third-party oversight and enhanced reporting.

**It was moved, seconded, and** the Investment Diversification proposal was **unanimously approved**.

#### **9. Board Discretionary Fund Expenditure**

Ms. Tomcala referred to the request from The Health Trust for a one-time grant of \$100,000 for capital improvements to its new Client Services and Operations Center. Upon discussion, the Committee suggested that Ms. Tomcala obtain additional information regarding the request. Potential action on the **Board Discretionary Fund Expenditure** was deferred to the next Executive/Finance Committee.

#### **10. Board Discretionary Fund Policy**

Ms. Tomcala and the Committee discussed potential revisions to the Special Project Board Discretionary Fund Policy (GO.02), and potential focus areas for funding projects. There will be further consideration and discussion of the policy at the next Executive/Finance Committee meeting.

#### **11. Compliance Update**

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, gave a status update on the CMS Program Audit, noting the Plan's sustained compliance with the remedial actions. She also shared a list of the deficiencies identified by DHCS in its 2019 Audit. DHCS was most focused on delegation oversight and monitoring and reporting delegate performance. Ms. Larmer noted that most of the deficiencies had been remediated before the Audit began.

The Plan is currently in week one of the Independent Validation Audit (IVA) for the CMS program audit, starting with the Compliance Program Effectiveness portion. The Compliance team has submitted all requested materials and is waiting for any follow-up questions or requests for information. The IVA for the CCQIPE, SARAG, CDAG, and FA areas will follow, and the auditors' final report is due at the end of September.

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

## **12. Adjournment**

The meeting was adjourned at 1:03 pm.

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Robin Larmer, Secretary



# Santa Clara Family Health Plan™

Unaudited Financial Statements  
For The Month Ended July 31, 2019

# Agenda

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# Financial Highlights



	<u>MTD</u>		<u>YTD</u>	
Revenue	\$90 M		\$90 M	
Medical Expense (MLR)	\$84 M	94.0%	\$84 M	94.0%
Administrative Expense (% Rev)	\$5.1 M	5.7%	\$5.1 M	5.7%
Other Income/Expense	\$428,592		\$428,592	
<b>Net Surplus (Loss)</b>	<b>\$691,976</b>		<b>\$691,976</b>	

Cash on Hand	\$288 M
Receivables	\$745 M
Total Current Assets	\$1,044 M
Current Liabilities	\$869 M
Current Ratio	1.20
Tangible Net Equity	\$203 M
% of DMHC Requirements	<b>675.3%</b>

# Financial Highlights

<b>Net Surplus (Loss)</b>	<ul style="list-style-type: none"> <li>▶ Month: Surplus of \$692K is \$262K or 27.5% unfavorable to budget of \$954K.</li> <li>▶ YTD: Surplus of \$692K is \$262K or 27.5% unfavorable to budget of \$954K.</li> </ul>
<b>Enrollment</b>	<ul style="list-style-type: none"> <li>▶ Month: Membership was 248,155 (1,040 or 0.4% favorable budget of 247,115).</li> <li>▶ YTD: Membership was 248,155 (1,040 or 0.4% favorable budget of 247,115).</li> </ul>
<b>Revenue</b>	<ul style="list-style-type: none"> <li>▶ Month: \$89.8M (\$82K or 0.1% favorable to budget of \$89.7M)</li> <li>▶ YTD: \$89.8M (\$82K or 0.1% favorable to budget of \$89.7M)</li> </ul>
<b>Medical Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$84.4M (\$444K or 0.5% unfavorable to budget of \$83.9M)</li> <li>▶ YTD: \$84.4M (\$444K or 0.5% unfavorable to budget of \$83.9M)</li> </ul>
<b>Administrative Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$5.1M (\$85K or 1.7% unfavorable to budget of \$5.1M)</li> <li>▶ YTD: \$5.1M (\$85K or 1.7% unfavorable to budget of \$5.1M)</li> </ul>
<b>Tangible Net Equity</b>	<ul style="list-style-type: none"> <li>▶ TNE was \$202.8M (675.3% of minimum DMHC requirement of \$30.0M)</li> </ul>
<b>Capital Expenditures</b>	<ul style="list-style-type: none"> <li>▶ YTD Capital Investments of \$229K vs. \$4.8M annual budget, primarily IT hardware.</li> </ul>



**Santa Clara Family  
Health Plan™**

Detail Analyses



# Enrollment



- Total enrollment has decreased since June 30, 2019 by 1,050 or -0.4%, in line with budgeted expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Child, Adult Expansion and Adult categories of aid. Medi-Cal Dual enrollment has been stable overall while CMC enrollment continues to grow in line with budget due to outreach efforts.
- Membership Trends:
  - Medi-Cal membership decreased by 1,119 or -0.5%.
  - CMC membership increased by 54 or 0.7%.
  - Healthy Kids membership increased by 15 or 0.4%.

Santa Clara Family Health Plan Enrollment Summary									
	For the Month of July 2019			For the Month of July 2019				Prior Year Actuals	Δ FY19 vs. FY20
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)		
Medi-Cal	236,578	235,714	0.4%	236,578	235,714	864	0.4%	237,697	(0.5%)
Cal Medi-Connect	8,076	8,053	0.3%	8,076	8,053	23	0.3%	8,022	0.7%
Healthy Kids	3,501	3,348	4.6%	3,501	3,348	153	4.6%	3,486	0.4%
<b>Total</b>	<b>248,155</b>	<b>247,115</b>	<b>0.4%</b>	<b>248,155</b>	<b>247,115</b>	<b>1,040</b>	<b>0.4%</b>	<b>249,205</b>	<b>(0.4%)</b>

Santa Clara Family Health Plan Enrollment By Network July 2019								
Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,340	13%	8,076	100%	360	10%	38,776	16%
SCVHHS <sup>1</sup> , Safety Net Clinics, FQHC <sup>2</sup> Clinics	117,615	50%	-	0%	1,533	44%	119,148	48%
Palo Alto Medical Foundation	6,820	3%	-	0%	88	3%	6,908	3%
Physicians Medical Group	41,765	18%	-	0%	1,257	36%	43,022	17%
Premier Care	14,612	6%	-	0%	263	8%	14,875	6%
Kaiser	25,426	11%	-	0%	-	0%	25,426	10%
<b>Total</b>	<b>236,578</b>	<b>100%</b>	<b>8,076</b>	<b>100%</b>	<b>3,501</b>	<b>100%</b>	<b>248,155</b>	<b>100%</b>
Enrollment at June 30, 2019	237,697		8,022		3,486		249,205	
Net Δ from Beginning of FY20	-0.5%		0.7%		0.4%		-0.4%	

<sup>1</sup> SCVHHS = Santa Clara Valley Health & Hospital System  
<sup>2</sup> FQHC = Federally Qualified Health Center

# Enrollment By Aid Category

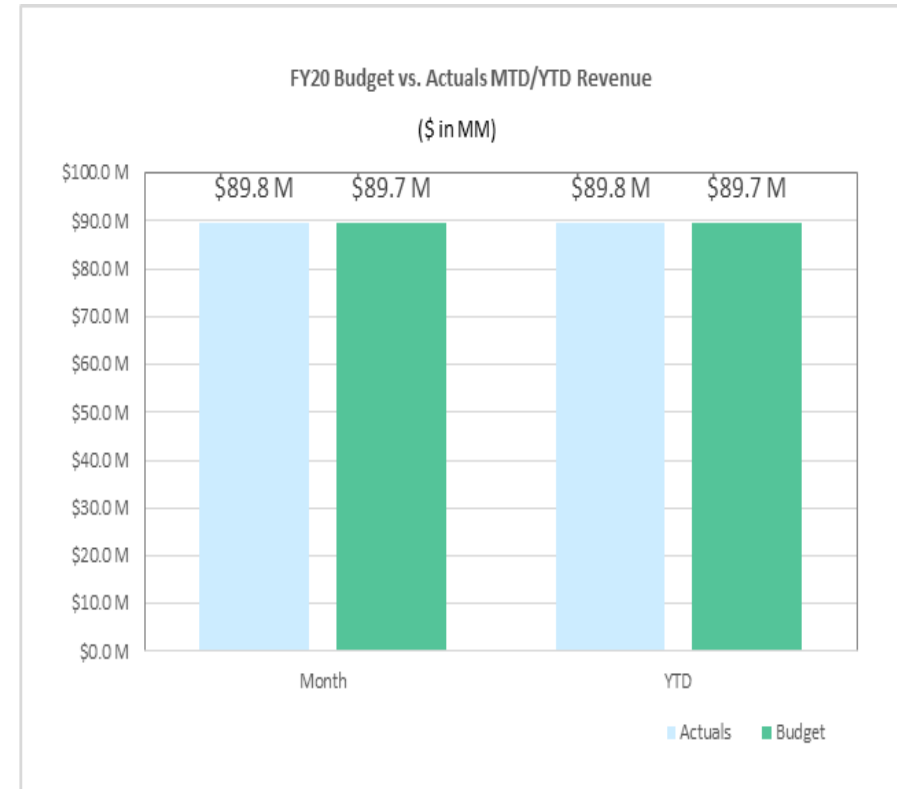
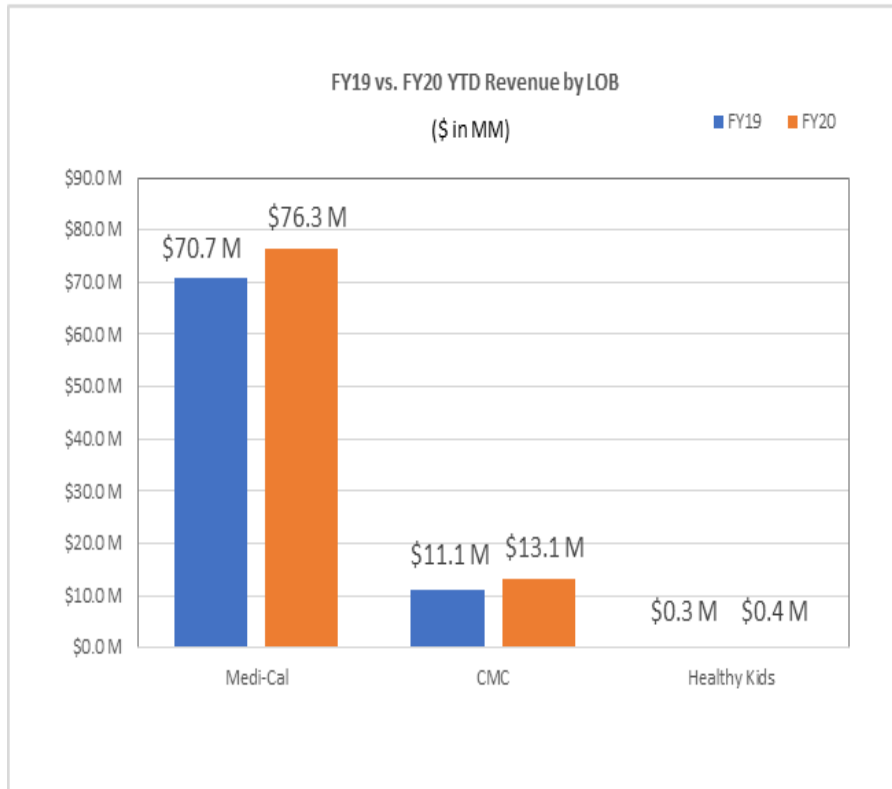
SCFHP TRENDED ENROLLMENT BY COA YTD JUL-19

		2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07
<b>NON DUAL</b>	Adult (over 19)	27,185	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846	25,779	25,563	25,198	25,204	24,989
	Child (under 19)	100,238	99,369	98,316	98,255	97,518	96,830	96,331	95,155	95,177	95,229	94,956	94,255	94,026	93,536
	Aged - Medi-Cal Only	10,963	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963	10,934	10,949	10,871	10,995	10,948
	Disabled - Medi-Cal Only	10,750	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579	10,595	10,678	10,780	10,819	10,774
	Adult Expansion	74,292	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223	72,143	72,114	71,364	71,465	71,082
	BCCTP	13	13	14	13	12	11	11	9	9	8	10	11	11	10
	Long Term Care	384	382	384	387	379	377	372	371	376	375	375	370	372	372
	<b>Total Non-Duals</b>	<b>223,824</b>	<b>222,676</b>	<b>220,831</b>	<b>220,703</b>	<b>219,343</b>	<b>218,340</b>	<b>217,629</b>	<b>215,093</b>	<b>215,173</b>	<b>215,063</b>	<b>214,644</b>	<b>212,848</b>	<b>212,891</b>	<b>211,711</b>
<b>DUAL</b>	Adult (21 Over)	393	387	385	382	385	390	379	373	376	367	368	354	352	351
	SPD (21 Over)	22,811	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728	22,725	22,941	23,009	22,988	23,087
	Adult Expansion	451	455	485	521	533	538	586	556	529	479	304	252	253	209
	BCCTP	2	2	2	2	1	1	1	2	1	1	0	0	0	0
	Long Term Care	1,295	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203	1,201	1,187	1,192	1,213	1,220
	<b>Total Duals</b>	<b>24,952</b>	<b>25,079</b>	<b>25,123</b>	<b>25,181</b>	<b>25,150</b>	<b>25,059</b>	<b>25,067</b>	<b>24,905</b>	<b>24,837</b>	<b>24,773</b>	<b>24,800</b>	<b>24,807</b>	<b>24,806</b>	<b>24,867</b>
<b>Total Medi-Cal</b>	<b>248,776</b>	<b>247,755</b>	<b>245,954</b>	<b>245,884</b>	<b>244,493</b>	<b>243,399</b>	<b>242,696</b>	<b>239,998</b>	<b>240,010</b>	<b>239,836</b>	<b>239,444</b>	<b>237,655</b>	<b>237,697</b>	<b>236,578</b>	
<b>Healthy Kids</b>	<b>3,196</b>	<b>3,278</b>	<b>3,187</b>	<b>3,163</b>	<b>3,217</b>	<b>3,460</b>	<b>3,345</b>	<b>3,252</b>	<b>3,375</b>	<b>3,348</b>	<b>3,465</b>	<b>3,507</b>	<b>3,486</b>	<b>3,501</b>	
<b>CMC</b>	CMC Non-Long Term Care	7,275	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616	7,680	7,661	7,706	7,815	7,869
	CMC - Long Term Care	228	221	222	214	218	218	211	210	198	204	208	209	207	207
	<b>Total CMC</b>	<b>7,503</b>	<b>7,523</b>	<b>7,540</b>	<b>7,600</b>	<b>7,601</b>	<b>7,625</b>	<b>7,695</b>	<b>7,750</b>	<b>7,814</b>	<b>7,884</b>	<b>7,869</b>	<b>7,915</b>	<b>8,022</b>	<b>8,076</b>
<b>Total Enrollment</b>	<b>259,475</b>	<b>258,556</b>	<b>256,681</b>	<b>256,647</b>	<b>255,311</b>	<b>254,484</b>	<b>253,736</b>	<b>251,000</b>	<b>251,199</b>	<b>251,068</b>	<b>250,778</b>	<b>249,077</b>	<b>249,205</b>	<b>248,155</b>	

# Revenue

Current month revenue of \$89.8M is \$82K or 0.1% favorable to budget of \$89.7M. This month's variances were due to several factors including:

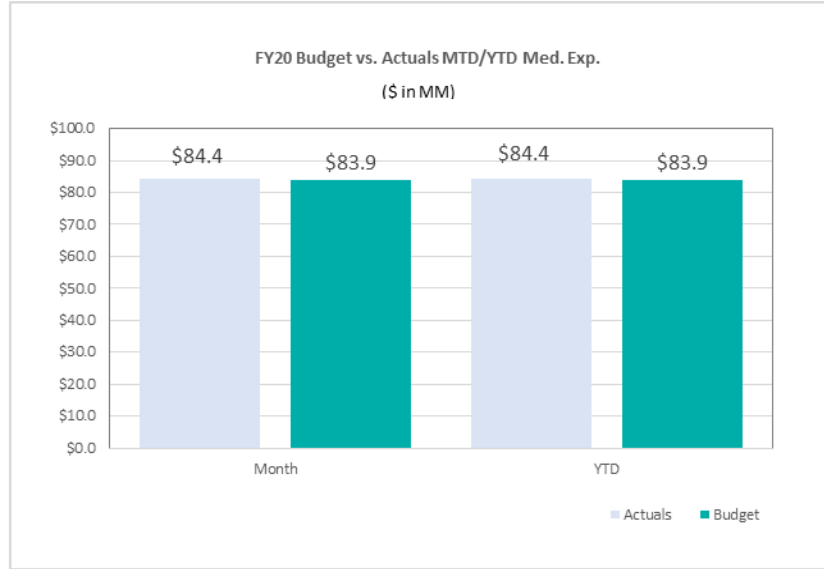
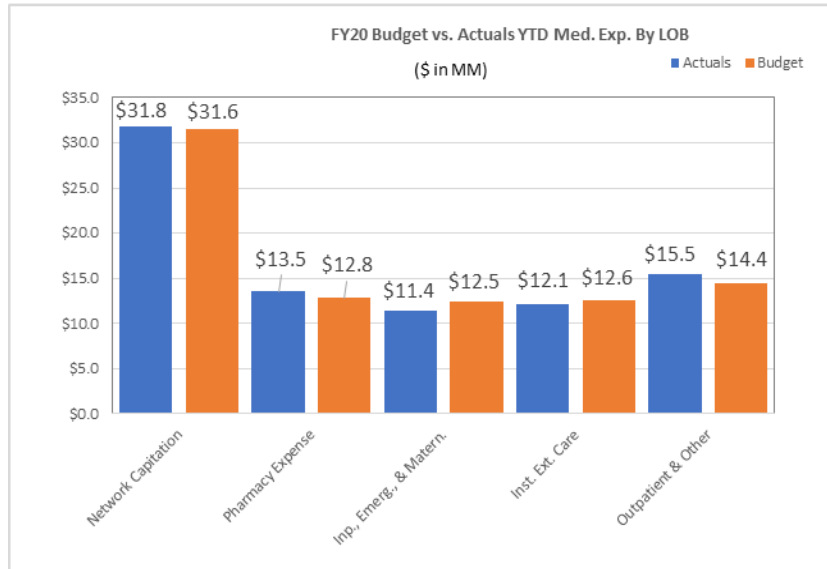
- Non-Dual revenue is \$367K favorable due to a higher FY20 Long Term Care (LTC) rate and higher Senior Persons with Disability (SPD) member months versus budget.
- HCBS High revenue is \$183K unfavorable to the budget due to a rate reduction versus budget.



# Medical Expense

Current month medical expense of \$84.4M is \$444K or 0.5% unfavorable to budget of \$83.9M. The current month variances were due to a variety of factors, including:

- Capitation expense is \$248K unfavorable due to higher Kaiser member months than budgeted.
- Medi-Cal pharmacy is \$258K unfavorable to budget due to a higher specialty drug cost in Non-Dual Child, LTC and MCE COA.



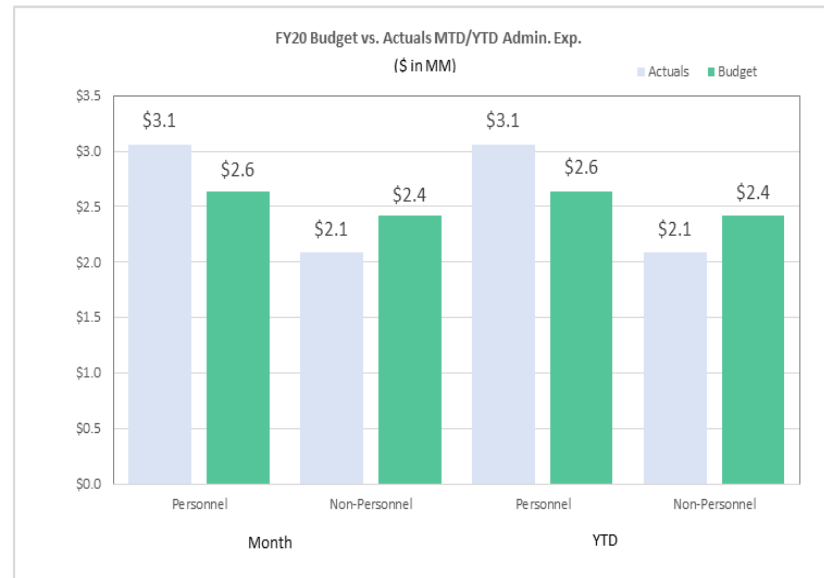
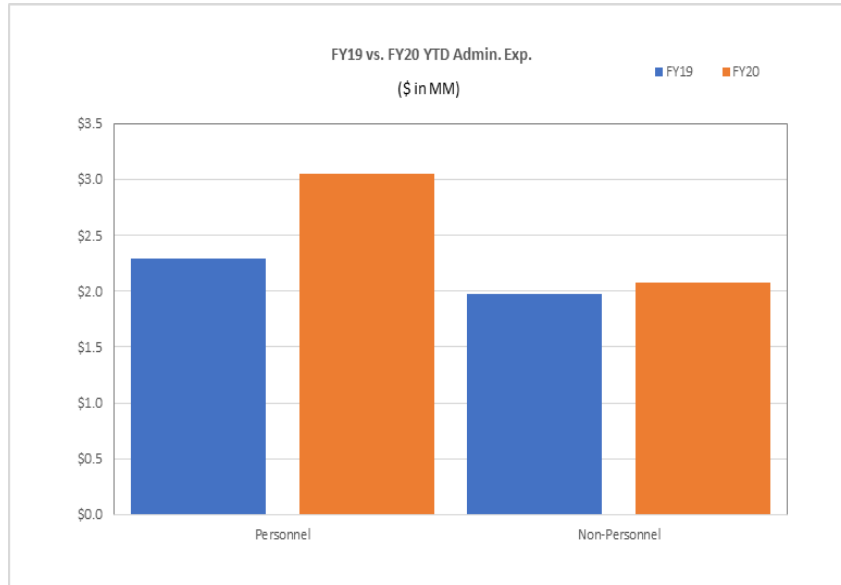
	FY20 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	\$31.8	\$31.6	(\$0.2)	-0.8%
Pharmacy	\$13.5	\$12.8	(\$0.7)	-5.3%
Inp., Emerg., & Matern.	\$11.4	\$12.5	\$1.1	8.6%
Inst. Ext. Care	\$12.1	\$12.6	\$0.5	4.1%
Outpatient & Other	\$15.5	\$14.4	(\$1.1)	-7.7%
<b>Total Medical Expense</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>

	FY20 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
<b>Month</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>
<b>YTD</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>

# Administrative Expense

Current month admin expense of \$5.1M is \$85K or 1.7% unfavorable to budget of \$5.1M. The current month variances were primarily due to the following:

- Personnel expenses were \$418K or 15.8% unfavorable to budget due to timing of hires.
- Non-Personnel expenses were overall \$333K or 13.8% favorable to budget due to the timing of consulting, advertising and postage expenses.



	FY19 vs. FY20 YTD Admin. Exp.			
	FY19	FY20	Variance	
Personnel	\$2.3	\$3.1	\$0.8	25.0%
Non-Personnel	\$2.0	\$2.1	\$0.1	5.2%
<b>Total Administrative Expense</b>	<b>\$4.3</b>	<b>\$5.1</b>	<b>\$0.9</b>	<b>17.0%</b>

		FY20 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	\$3.1	\$2.6	-\$0.4	-15.8%
	Non-Personnel	\$2.1	\$2.4	\$0.3	13.8%
	<b>MTD Total</b>	<b>\$5.1</b>	<b>\$5.1</b>	<b>-\$0.1</b>	<b>-1.7%</b>
YTD	Personnel	\$3.1	\$2.6	-\$0.4	-15.8%
	Non-Personnel	\$2.1	\$2.4	\$0.3	13.8%
	<b>YTD Total</b>	<b>\$5.1</b>	<b>\$5.1</b>	<b>-\$0.1</b>	<b>-1.7%</b>

# Balance Sheet

- Current assets totaled \$1,044M compared to current liabilities of \$868.9M, yielding a current ratio (Current Assets/Current Liabilities) of 1.20:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance decreased by \$11.4M compared to the cash balance as of year-end June 30, 2019.
- Current Cash & Equivalent components and yields were as follows:
- Investment yield exceeds budget.

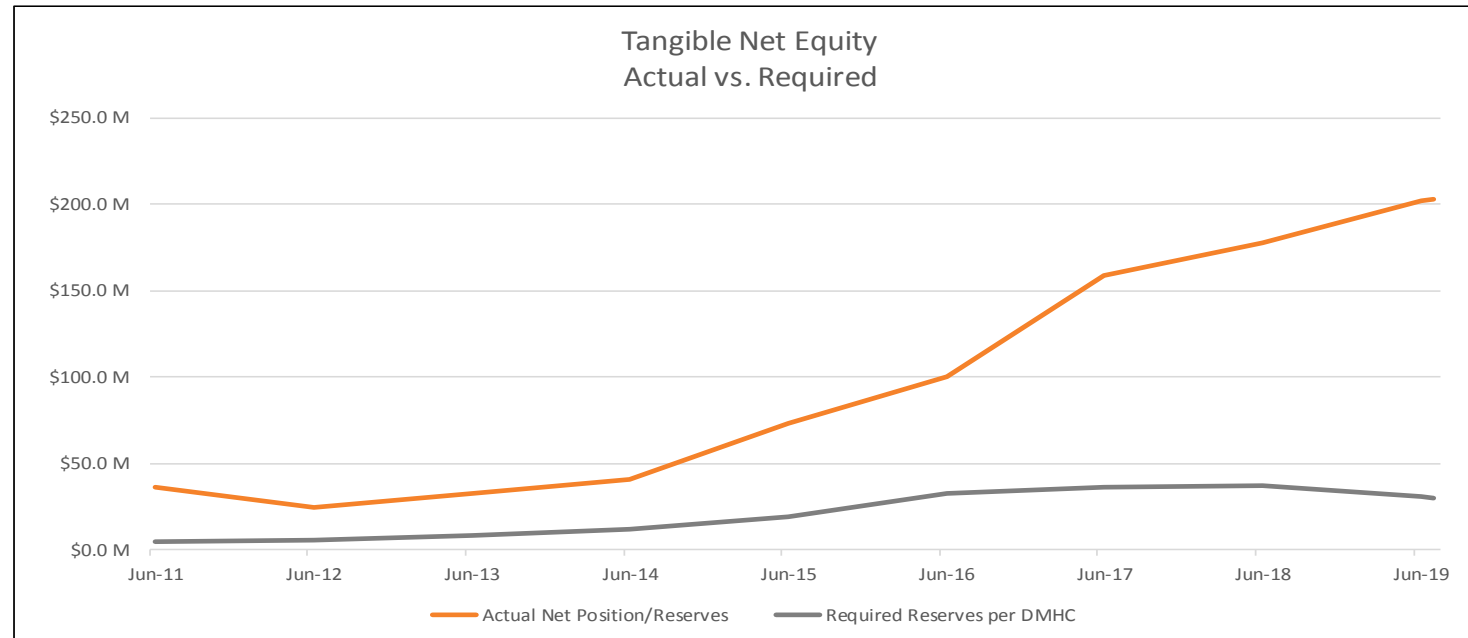
Description	Month-End Balance	Current Yield %	Interest Accrued	
			Month	YTD
<b>Short-Term Investments</b>				
County of Santa Clara Comingled Pool	\$78,952,945	1.95%	\$100,000	\$100,000
<b>Cash &amp; Equivalents</b>				
Bank of the West Money Market	\$197,265	1.34%	\$9,540	\$9,540
Wells Fargo Bank Accounts	\$208,594,009	2.18%	\$427,078	\$427,078
	\$208,791,274		\$436,619	\$436,619
<b>Assets Pledged to DMHC</b>				
Restricted Cash	\$305,350	0.42%	\$13	\$13
<b>Petty Cash</b>	\$500	0.00%	\$0	\$0
<b>Total Cash &amp; Equivalents</b>	<b>\$288,050,069</b>		<b>\$536,631</b>	<b>\$536,631</b>

# Tangible Net Equity

- TNE was \$202.8M or 675.3% of the most recent quarterly DMHC minimum requirement of \$30.0M.
- TNE trends are presented below:

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

	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Jul-19
<b>Actual Net Position/Reserves</b>	\$36.1 M	\$24.2 M	\$32.6 M	\$40.9 M	\$72.6 M	\$100.3 M	\$158.4 M	\$178.0 M	\$202.1 M	\$202.8 M
<b>Required Reserves per DMHC</b>	\$5.0 M	\$5.9 M	\$7.8 M	\$11.4 M	\$19.3 M	\$32.4 M	\$35.9 M	\$36.8 M	\$30.9 M	\$30.0 M
<b>200% of Required Reserve</b>	\$10.0 M	\$11.8 M	\$15.6 M	\$22.9 M	\$38.5 M	\$64.8 M	\$71.8 M	\$73.6 M	\$61.8 M	\$60.1 M
<b>Actual as % Required</b>	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	654.4%	675.3%



# Reserves Analysis

<b>SCFHP RESERVES ANALYSIS July 2019</b>	
<b>Financial Reserve Target #1: Tangible Net Equity</b>	
Actual TNE	202,817,728
Current Required TNE	30,033,631
<b>Excess TNE</b>	<b>172,784,098</b>
Required TNE %	675.3%
<b>SCFHP Target TNE Range:</b>	
350% of Required TNE (Low)	105,117,708
500% of Required TNE (High)	150,168,154
<b>TNE Above/(Below) SCFHP Low Target</b>	<b>97,700,020</b>
<b>TNE Above/(Below) High Target</b>	<b>52,649,574</b>
<b>Financial Reserve Target #2: Liquidity</b>	
Cash & Cash Equivalents	288,050,069
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	(19,703,965)
<b>Total Pass-Through Liabilities</b>	<b>(19,703,965)</b>
Net Cash Available to SCFHP	268,346,104
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	<b>148,135,170</b>
Liquidity Above/(Below) High Target	<b>108,064,859</b>

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund of \$2.2M. The specific projects/recipients have yet to be determined.

Note 2: Other Pass-Through Liabilities include Prop 56 and other provider payables.



# Capital Expenditures

Expenditure	YTD Actual	Annual Budget
Building	\$19,033	\$0
Hardware	169,565	620,000
Software	38,112	1,029,000
Furniture and Fixtures	2,033	0
Leasehold Improvements	0	3,149,500
<b>TOTAL</b>	<b>\$228,743</b>	<b>\$4,798,500</b>



# Santa Clara Family Health Plan™

Financial Statements

# Income Statement



Santa Clara County Health Authority												
INCOME STATEMENT												
For the Month Ending of July 31, 2019												
	Jul-2019	% of	Jul-2019	% of	Current Month Variance		YTD Jul-2019	% of	YTD Jul-2019	% of	YTD Variance	
	Actuals	Rev	Budget	Rev	\$	%	Actuals	Rev	Budget	Rev	\$	%
<b>REVENUES</b>												
MEDI-CAL	\$ 76,322,159	85.0%	\$ 75,595,567	84.3%	\$ 726,592	1.0%	\$ 76,322,159	85.0%	\$ 75,595,567	84.3%	\$ 726,592	1.0%
CMC MEDI-CAL	2,636,599	2.9%	2,807,695	3.1%	(171,096)	-6.1%	2,636,599	2.9%	2,807,695	3.1%	(171,096)	-6.1%
CMC MEDICARE	10,451,167	11.6%	10,948,537	12.2%	(497,370)	-4.5%	10,451,167	11.6%	10,948,537	12.2%	(497,370)	-4.5%
TOTAL CMC	13,087,766	14.6%	13,756,231	15.3%	(668,466)	-4.9%	13,087,766	14.6%	13,756,231	15.3%	(668,466)	-4.9%
HEALTHY KIDS	372,154	0.4%	347,857	0.4%	24,297	7.0%	372,154	0.4%	347,857	0.4%	24,297	7.0%
<b>TOTAL REVENUE</b>	<b>\$ 89,782,079</b>	<b>100.0%</b>	<b>\$ 89,699,656</b>	<b>100.0%</b>	<b>\$ 82,423</b>	<b>0.1%</b>	<b>\$ 89,782,079</b>	<b>100.0%</b>	<b>\$ 89,699,656</b>	<b>100.0%</b>	<b>\$ 82,423</b>	<b>0.1%</b>
<b>MEDICAL EXPENSES</b>												
MEDI-CAL	\$ 72,072,740	80.3%	\$ 70,681,001	78.8%	\$ (1,391,738)	-2.0%	\$ 72,072,740	80.3%	\$ 70,681,001	78.8%	\$ (1,391,738)	-2.0%
CMC MEDI-CAL	2,547,824	2.8%	2,961,247	3.3%	413,424	14.0%	2,547,824	2.8%	2,961,247	3.3%	413,424	14.0%
CMC MEDICARE	9,516,047	10.6%	9,917,833	11.1%	401,786	4.1%	9,516,047	10.6%	9,917,833	11.1%	401,786	4.1%
TOTAL CMC	12,063,871	13.4%	12,879,080	14.4%	815,209	6.3%	12,063,871	13.4%	12,879,080	14.4%	815,209	6.3%
HEALTHY KIDS	241,887	0.3%	374,468	0.4%	132,581	35.4%	241,887	0.3%	374,468	0.4%	132,581	35.4%
<b>TOTAL MEDICAL EXPENSES</b>	<b>\$ 84,378,498</b>	<b>94.0%</b>	<b>\$ 83,934,550</b>	<b>93.6%</b>	<b>\$ (443,948)</b>	<b>-0.5%</b>	<b>\$ 84,378,498</b>	<b>94.0%</b>	<b>\$ 83,934,550</b>	<b>93.6%</b>	<b>\$ (443,948)</b>	<b>-0.5%</b>
<b>MEDICAL OPERATING MARGIN</b>	<b>\$ 5,403,581</b>	<b>6.0%</b>	<b>\$ 5,765,106</b>	<b>6.4%</b>	<b>\$ (361,525)</b>	<b>-6.3%</b>	<b>\$ 5,403,581</b>	<b>6.0%</b>	<b>\$ 5,765,106</b>	<b>6.4%</b>	<b>\$ (361,525)</b>	<b>-6.3%</b>
<b>ADMINISTRATIVE EXPENSE</b>												
SALARIES AND BENEFITS	\$ 3,056,582	3.4%	\$ 2,639,026	2.9%	\$ (417,556)	-15.8%	\$ 3,056,582	3.4%	\$ 2,639,026	2.9%	\$ (417,556)	-15.8%
RENTS AND UTILITIES	14,722	0.0%	27,217	0.0%	12,495	45.9%	14,722	0.0%	27,217	0.0%	12,495	45.9%
PRINTING AND ADVERTISING	26,869	0.0%	57,780	0.1%	30,911	53.5%	26,869	0.0%	57,780	0.1%	30,911	53.5%
INFORMATION SYSTEMS	346,123	0.4%	350,293	0.4%	4,170	1.2%	346,123	0.4%	350,293	0.4%	4,170	1.2%
PROF FEES/CONSULTING/TEMP STAFFING	1,020,570	1.1%	1,179,175	1.3%	158,606	13.5%	1,020,570	1.1%	1,179,175	1.3%	158,606	13.5%
DEPRECIATION/INSURANCE/EQUIPMENT	383,829	0.4%	390,899	0.4%	7,070	1.8%	383,829	0.4%	390,899	0.4%	7,070	1.8%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	59,884	0.1%	83,974	0.1%	24,090	28.7%	59,884	0.1%	83,974	0.1%	24,090	28.7%
MEETINGS/TRAVEL/DUES	77,627	0.1%	127,841	0.1%	50,214	39.3%	77,627	0.1%	127,841	0.1%	50,214	39.3%
OTHER	153,992	0.2%	199,000	0.2%	45,008	22.6%	153,992	0.2%	199,000	0.2%	45,008	22.6%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 5,140,198</b>	<b>5.7%</b>	<b>\$ 5,055,206</b>	<b>5.6%</b>	<b>\$ (84,992)</b>	<b>-1.7%</b>	<b>\$ 5,140,198</b>	<b>5.7%</b>	<b>\$ 5,055,206</b>	<b>5.6%</b>	<b>\$ (84,992)</b>	<b>-1.7%</b>
<b>OPERATING SURPLUS (LOSS)</b>	<b>\$ 263,384</b>	<b>0.3%</b>	<b>\$ 709,900</b>	<b>0.8%</b>	<b>\$ (446,516)</b>	<b>-62.9%</b>	<b>\$ 263,384</b>	<b>0.3%</b>	<b>\$ 709,900</b>	<b>0.8%</b>	<b>\$ (446,516)</b>	<b>-62.9%</b>
ALLOWANCE FOR UNCOLLECTED PREMIUM	850	0.0%	0	0.0%	(850)	0.0%	850	0.0%	0	0.0%	(850)	0.0%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	59,780	0.1%	60,000	0.1%	220	0.4%	59,780	0.1%	60,000	0.1%	220	0.4%
GASB 68 - UNFUNDED PENSION LIABILITY	75,000	0.1%	75,000	0.1%	0	0.0%	75,000	0.1%	75,000	0.1%	0	0.0%
<b>NON-OPERATING EXPENSES</b>	<b>\$ 135,630</b>	<b>0.2%</b>	<b>\$ 135,000</b>	<b>0.2%</b>	<b>\$ (630)</b>	<b>-0.5%</b>	<b>\$ 135,630</b>	<b>0.2%</b>	<b>\$ 135,000</b>	<b>0.2%</b>	<b>\$ (630)</b>	<b>-0.5%</b>
INTEREST & OTHER INCOME	564,222	0.6%	379,225	0.4%	184,996	48.8%	564,222	0.6%	379,225	0.4%	184,996	48.8%
<b>NET NON-OPERATING ACTIVITIES</b>	<b>\$ 428,592</b>	<b>0.5%</b>	<b>\$ 244,225</b>	<b>0.3%</b>	<b>\$ 184,367</b>	<b>75.5%</b>	<b>\$ 428,592</b>	<b>0.5%</b>	<b>\$ 244,225</b>	<b>0.3%</b>	<b>\$ 184,367</b>	<b>75.5%</b>
<b>NET SURPLUS (LOSS)</b>	<b>\$ 691,976</b>	<b>0.8%</b>	<b>\$ 954,125</b>	<b>1.1%</b>	<b>\$ (262,150)</b>	<b>-27.5%</b>	<b>\$ 691,976</b>	<b>0.8%</b>	<b>\$ 954,125</b>	<b>1.1%</b>	<b>\$ (262,150)</b>	<b>-27.5%</b>

# Balance Sheet



**SANTA CLARA COUNTY HEALTH AUTHORITY**  
For the month Ending of July 31, 2019

	Jul-2019	Jun-2019	May-2019	Jul-2018
<b>Assets</b>				
Current Assets				
Cash and Marketable Securities	288,050,069	299,422,504	305,353,492	138,960,658
Receivables	744,725,861	751,127,472	469,045,789	576,211,578
Prepaid Expenses and Other Current Assets	11,465,989	12,078,740	8,104,514	7,913,589
<b>Total Current Assets</b>	<b>1,044,241,919</b>	<b>1,062,628,716</b>	<b>782,503,795</b>	<b>723,085,825</b>
Long Term Assets				
Property and Equipment	44,987,513	44,758,770	43,624,427	39,686,232
Accumulated Depreciation	(17,697,374)	(17,366,530)	(17,053,735)	(14,609,330)
Total Long Term Assets	27,290,140	27,392,240	26,570,692	25,076,902
<b>Total Assets</b>	<b>1,071,532,059</b>	<b>1,090,020,956</b>	<b>809,074,487</b>	<b>748,162,727</b>
<b>Deferred Outflow of Resources</b>	<b>9,237,609</b>	<b>9,237,609</b>	<b>14,535,240</b>	<b>14,535,240</b>
<b>Total Assets &amp; Deferred Outflows</b>	<b>1,080,769,668</b>	<b>1,099,258,565</b>	<b>823,609,727</b>	<b>762,697,967</b>
<b>Liabilities and Net Assets:</b>				
Current Liabilities				
Trade Payables	6,980,419	6,205,578	4,450,765	4,472,841
Deferred Rent	-	-	-	8,506
Employee Benefits	1,808,174	1,821,153	1,713,820	1,583,453
Retirement Obligation per GASB 75	4,003,066	3,943,286	4,208,371	4,942,575
Advance Premium - Healthy Kids	98,208	91,917	97,693	61,095
Deferred Revenue - Medicare	-	-	8,950,629	10,560,996
Whole Person Care / Prop 56	19,703,965	17,810,066	15,893,653	6,140,476
Payable to Hospitals (AB 85)	-	-	243,089	-
IGT, HQAF, Other Provider Payables	303,266,025	298,881,608	18,097,493	8,871,601
MCO Tax Payable - State Board of Equalization	-	26,353,889	17,569,259	9,038,963
Due to DHCS	27,506,572	26,789,200	36,800,474	26,453,103
Liability for In Home Support Services (IHSS)	416,092,527	416,092,526	416,092,527	413,549,551
Current Premium Deficiency Reserve (PDR) - AOC Data	8,294,025	8,294,025	8,294,025	8,294,025
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	87,129,411	87,855,016	89,581,155	84,273,557
<b>Total Current Liabilities</b>	<b>868,962,891</b>	<b>888,218,764</b>	<b>616,073,453</b>	<b>572,331,242</b>
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	75,000	-	2,649,796	1,899,796
<b>Total Non-Current Liabilities</b>	<b>5,994,500</b>	<b>5,919,500</b>	<b>8,569,296</b>	<b>7,819,296</b>
<b>Total Liabilities</b>	<b>874,957,391</b>	<b>894,138,264</b>	<b>624,642,749</b>	<b>580,150,538</b>
<b>Deferred Inflow of Resources</b>	<b>2,994,548</b>	<b>2,994,548</b>	<b>4,034,640</b>	<b>4,034,640</b>
<b>Net Assets</b>				
Invested in Capital Assets	27,290,140	27,392,240	26,570,692	25,076,902
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	174,530,263	150,318,273	151,139,821	152,633,611
Current YTD Income (Loss)	691,976	24,109,890	16,916,475	496,926
<b>Total Net Assets / Reserves</b>	<b>202,817,728</b>	<b>202,125,753</b>	<b>194,932,338</b>	<b>178,512,789</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>1,080,769,668</b>	<b>1,099,258,565</b>	<b>823,609,727</b>	<b>762,697,967</b>

# Cash Flow – YTD

	<u>Jul-2019</u>
Cash Flows from Operating Activities	
Premiums Received	70,547,173
Medical Expenses Paid	(80,719,685)
Administrative Expenses Paid	(1,535,402)
<b>Net Cash from Operating Activities</b>	<b>(11,707,914)</b>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(228,743)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	564,222
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(11,372,436)</b>
Cash & Cash Equivalents (Jun 2019)	299,422,504
Cash & Cash Equivalents (Jul 2019)	<b>288,050,068</b>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	127,754
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	330,843
Changes in Operating Assets/Liabilities	
Premiums Receivable	6,401,611
Other Receivable	-
Due from Santa Clara Family Health Foundation	-
Prepays & Other Assets	612,751
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	2,721,831
State Payable	(25,636,517)
IGT, HQAF & Other Provider Payables	4,384,417
Net Pension Liability	75,000
Medical Cost Reserves & PDR	(725,605)
IHSS Payable	-
Deferred Inflow of Resources	-
<b>Total Adjustments</b>	<b>(11,835,668)</b>
<b>Net Cash from Operating Activities</b>	<b>(11,707,914)</b>

# Statement of Operations by Line of Business - YTD



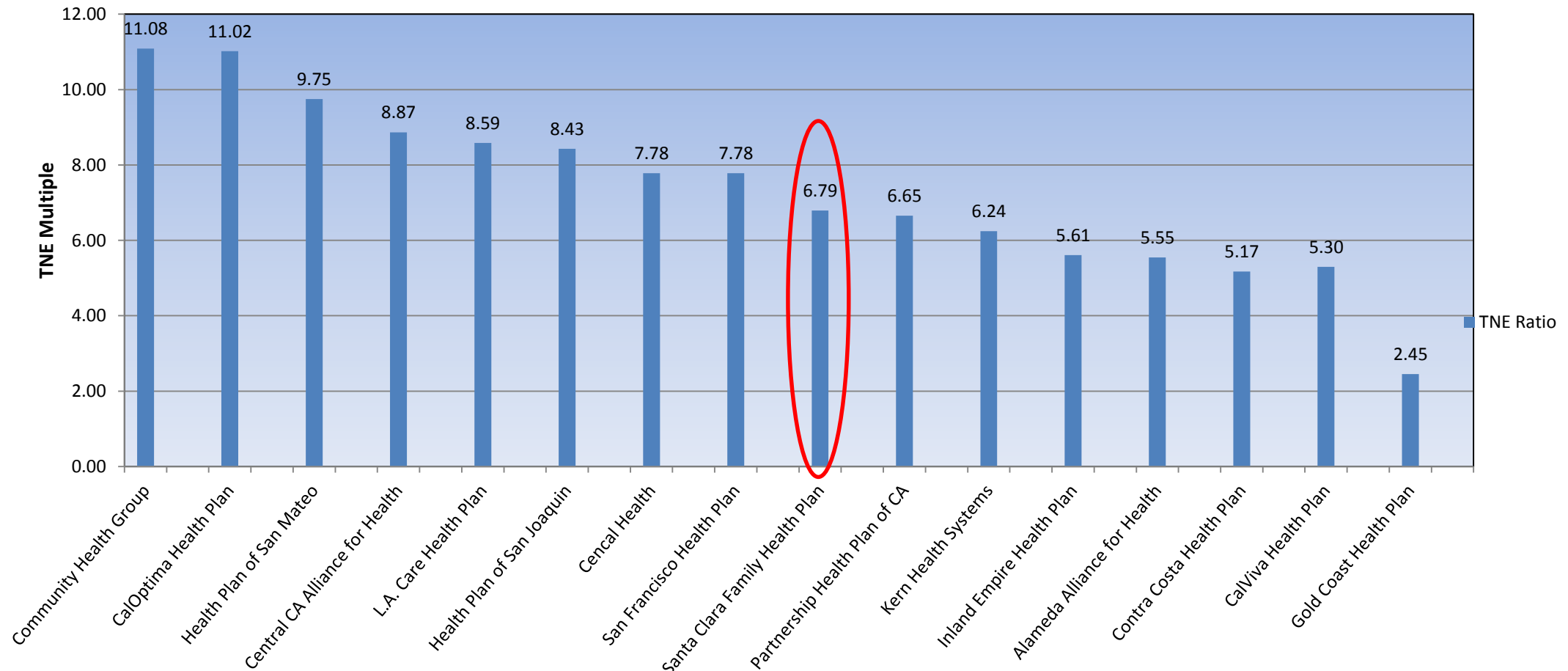
Santa Clara County Health Authority Statement of Operations By Line of Business (Including Allocated Expenses) For the Month Ending July 31, 2019						
	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
<b>P&amp;L (ALLOCATED BASIS)</b>						
REVENUE	\$76,322,159	\$2,636,599	\$10,451,167	\$13,087,766	\$372,154	\$89,782,079
<b>MEDICAL EXPENSE (MLR)</b>	\$72,072,740	\$2,547,824	\$9,516,047	\$12,063,871	\$241,887	\$84,378,498
<b>GROSS MARGIN</b>	\$4,249,419	\$88,775	\$935,119	\$1,023,895	\$130,267	\$5,403,581
<b>ADMINISTRATIVE EXPENSE</b> (% of Revenue Allocation)	\$4,369,591	\$150,950	\$598,349	\$749,300	\$21,307	\$5,140,198
<b>OPERATING INCOME/(LOSS)</b> (% of Revenue Allocation)	(\$120,172)	(\$62,175)	\$336,770	\$274,595	\$108,961	\$263,384
<b>OTHER INCOME/(EXPENSE)</b> (% of Revenue Allocation)	\$364,338	\$12,586	\$49,891	\$62,477	\$1,777	\$428,592
<b>NET INCOME/(LOSS)</b>	\$244,167	(\$49,589)	\$386,660	\$337,072	\$110,737	\$691,976
<b>PMPM (ALLOCATED BASIS)</b>						
REVENUE	\$322.61	\$326.47	\$1,294.10	\$1,620.58	\$106.30	\$361.80
MEDICAL EXPENSES	\$304.65	\$315.48	\$1,178.31	\$1,493.79	\$69.09	\$340.02
GROSS MARGIN	\$17.96	\$10.99	\$115.79	\$126.78	\$37.21	\$21.78
ADMINISTRATIVE EXPENSES	\$18.47	\$18.69	\$74.09	\$92.78	\$6.09	\$20.71
OPERATING INCOME/(LOSS)	-\$0.51	-\$7.70	\$41.70	\$34.00	\$31.12	\$1.06
OTHER INCOME/(EXPENSE)	\$1.54	\$1.56	\$6.18	\$7.74	\$0.51	\$1.73
NET INCOME/(LOSS)	\$1.03	-\$6.14	\$47.88	\$41.74	\$31.63	\$2.79
<b>ALLOCATION BASIS:</b>						
MEMBER MONTHS - YTD	236,578	8,076	8,076	8,076	3,501	248,155
REVENUE BY LOB	85.0%	2.9%	11.6%	14.6%	0.4%	100.0%

## FY19 Net Surplus & Changes in Prior Year Estimates

- The FY19 pre-audit net surplus of \$24.1 million included approximately \$16 million of adjustments to prior year estimates.
  - Earlier estimates are adjusted as new information becomes available.
  - FY19 adjustments largely pertained to updated Medi-Cal & Medicare revenue rates for previous calendar years.
- Had these changes been known and recorded in prior fiscal years, the FY19 net surplus would be as follows:

	<b>As Reported</b>	<b>Related to Prior FY(s)</b>	<b>Adjusted</b>
FY19 Net Surplus	\$24,109,890	(\$16,357,828)	\$7,752,062

# Local Health Plan TNE Ratios at 06/30/19





Regular Meeting of the

## Santa Clara County Health Authority Executive/Finance Committee

Thursday, August 22, 2019, 11:30 AM - 1:00 PM

Santa Clara Family Health Plan, Boardroom  
6201 San Ignacio Ave, San Jose, CA 95119

# MINUTES - Draft

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### Members Present

Bob Brownstein, Chair  
Dolores Alvarado  
Liz Kniss  
Linda Williams

### Staff Present

Christine Tomcala, Chief Executive Officer  
Dave Cameron, Chief Financial Officer  
Robin Larmer, Chief Compliance & Regulatory Affairs  
Officer  
Jonathan Tamayo, Chief Information Officer  
Laura Watkins, VP, Marketing & Enrollment  
Neal Jarecki, Controller  
Tyler Haskell, Director, Government Relations  
Morris Si, Director, Infrastructure & System Support  
Jayne Giangreco, Manager, Administrative  
Services  
Rita Zambrano, Executive Assistant

### Others Present

Phillip Vu, Community Health Partnership  
Cassidee Brusa, Aroetek  
Kylie Noon, Aroetek

### 1. Roll Call

Bob Brownstein, Chair, called the meeting to order at 11:34 am. Roll call was taken and a quorum was established.

### 2. Public Comment

There were no public comments.

### 3. Meeting Minutes

The minutes of the July 25, 2019 Executive/Finance Committee were reviewed.

**It was moved, seconded, and the July 25, 2019 Executive/Finance Committee Minutes were unanimously approved.**

#### 4. Adjourn to Closed Session

##### a. Real Property Negotiations

The Executive/Finance Committee met in Closed Session to confer with its Real Property Negotiators concerning the price and terms of payment related to the possible lease of real property located at 408 N. Capital Avenue, San Jose, CA.

#### 5. Report from Closed Session

Mr. Brownstein reported the Executive/Finance Committee met in Closed Session to discuss Item 4(a) Real Property Negotiations.

#### 6. Preliminary June 2019 Financial Statements

Dave Cameron, Chief Financial Officer, presented the preliminary unaudited June 2019 financial statements, which reflected a current month net surplus of \$12.9 million (\$11.4 million favorable to budget) and a fiscal year-to-date surplus of \$29.8 million (\$20.7 million favorable to budget). Enrollment increased by 128 members from the prior month to 249,205 members. Medi-Cal enrollment has generally declined since October 2016 while CMC membership has grown due to continued outreach efforts. Revenue reflected a favorable current month variance of \$18.1 million (22.6%) largely due to several one-time adjustments for revised CY19 CCI rate estimates (\$7.0 million), unanticipated CY17 & CY18 Medicare quality withhold earn-back revenue (\$5.2 million), and reduced estimated DHCS overpayment for institutional members (\$2.8 million), coupled with recurring variances for unbudgeted Prop 56 revenue (\$1.8 million, with an equivalent increase to medical expense) and higher than budgeted non-dual enrollment (\$1.8 million). Medical expense reflected an unfavorable current month variance of \$6.9 million (9.3%) largely due to the combination of increased inpatient, outpatient, institutional and pharmacy expenses (\$4.7 million) and the higher Prop 56 expense noted above (\$1.8 million). Administrative expense reflected an unfavorable current month variance of \$661 thousand (15.2%) due to certain year-end personnel reserves and increased consulting expenses. The balance sheet reflected a Current Ratio of 1.3:1, versus the minimum required by DMHC of 1.0:1. Tangible Net Equity of \$207.8 million represented 677.7% of the minimum required by DMHC of \$30.7 million. Capital investments of \$6.4 million have been made, with certain expenses deferred into the next fiscal year. Results for the fiscal year are currently under review by the Plan's auditors. Audited results will be presented by Moss-Adams, the Plan's auditors, at the October 2019 Executive/Finance Committee meeting.

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

#### 7. Compliance Update

Robin Larmer, Chief Compliance and Regulatory Affairs Officer, gave an update on the CMS Program Audit, noting the Plan's sustained compliance with the remedial actions. ATTAC Consulting Group is currently conducting the Independent Validation Audit (IVA) to validate the Plan's corrections of the Conditions cited in the CMS Program Audit Final Report. The Compliance Program Effectiveness (CPE) portion of the IVA is complete. The Plan submitted its final data universes for the remaining audit areas on August 16, 2019. Universe integrity testing for those areas will be conducted on August 21 and 23, and fieldwork will begin on August 26, 2019, continuing through September 10, 2019. The independent auditor's report and the CEO's attestation that all Conditions have been corrected must be submitted to CMS by September 30, 2019.

The Medicare Data Validation (MDV) Audit is complete. In all but one area, the Plan received perfect scores; for Grievances Part D, the Plan received a score of 97%. The standard is 100%, and the slight deficiency may affect the final Audit scoring. The Plan is awaiting CMS' final report.

The 2019 Full-Scope Medical Survey with DMHC and DHCS remains ongoing. The Plan received DHCS' final Audit Report and request for corrective actions plans (CAPs) in July, with a total of 19 findings (12 for Medi-Cal

and 6 for Cal MediConnect). On August 12 the DHCS Audit Report and CAP responses were submitted. The Plan has not yet received the DMHC Final Report.

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

#### **8. Network Detection and Prevention Update**

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

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

#### **9. Special Project Board Discretionary Fund**

Christine Tomcala, Chief Executive Officer, and the Committee discussed potential revisions to the Special Project Board Discretionary Fund Policy (GO.02), and potential focus areas for funding projects. Ms. Tomcala will further revise the policy and funding program, to reflect the Committee's input, for review by the Governing Board at its December meeting.

#### **10. Board Discretionary Fund Expenditure**

The Committee discussed a funding request made by The Health Trust and agreed to reconsider this proposal after the Board approves revisions to the Special Project Board Discretionary Fund Policy (GO.02).

#### **11. CEO Update**

Ms. Tomcala presented informational material for the Committee's review (Public Charge document, articles regarding Medi-Cal enrollment among immigrant kids and judges' review of the ACA, and a one-page SCFHP At a Glance summary).

Ms. Tomcala reported that Rene Santiago, Deputy County Executive, agreed to increase the income limit on the Valley Kids Program to ensure undocumented children in the 266%-300% FPL income range will continue to have coverage when CCHIP members transition to Medi-Cal and the Healthy Kids program is discontinued. The Board of Supervisors will vote on this August 27, 2019.

Ms. Tomcala noted the Plan began enrolling Health Homes members July 1, 2019, and shared that currently 90 members have been enrolled.

Ms. Tomcala further noted a draft report from the DMHC Financial Audit was received, and indicated there were a few small claims and PDR issues. A response is being prepared and the final report will be presented at the October Executive/Finance Committee meeting.

She also reported there have been new Board appointments - Sherri Sager from Lucile Packard and Alma Burrell from Roots Clinic.

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

*Liz Kniss left at 1:00 pm.*

#### **12. Government Relations Update**

Tyler Haskell, Director, Government Relations, gave a verbal report on current policy and legislative issues. He noted the Santa Clara County Board of Supervisors is focused on housing and homelessness, real estate and land use transactions, and hospital integration.

He further reported that the Department of Health Care Services' (DHCS) plan for carving-out the Medi-Cal prescription drug benefit is moving forward, though several organizations have expressed concern about timing and various aspects of the plan as it is currently understood. DHCS is preparing to issue an RFP for a statewide PBM.

Mr. Haskell also gave an overview of State legislative matters impacting the Plan. Among the significant measures is AB-1642, which would allow DHCS to sanction plans for additional infractions. Information leading to sanctions can arise from a variety of sources, and each beneficiary impacted will be counted as a separate violation for purposes of calculating sanctions.

Mr. Haskell also noted that the final Public Charge rule changes the interpretation of federal law to include receipt of Medicaid and other benefits in determining whether an applicant for citizenship is a “public charge.” SCFHP is posting a statement of opposition and concern on our website and Facebook.

### **13. Adjournment**

The meeting was adjourned at 1:35 pm.

---

Robin Larmer, Secretary



**Santa Clara Family  
Health Plan™**

Unaudited Financial Statements  
For The Twelve Months Ended June 30, 2019

# Agenda



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## Financial Highlights



	<u>MTD</u>		<u>YTD</u>	
Revenue	\$98 M		\$1,056 M	
Medical Expense (MLR)	\$81 M	82.5%	\$974 M	92.2%
Administrative Expense (% Rev)	\$5.0 M	5.1%	\$56.4 M	5.3%
Other Income/Expense	\$696,061		\$4,012,834	
<b>Net Surplus (Loss)</b>	<b>\$12,886,110</b>		<b>\$29,802,584</b>	
Cash on Hand			\$299 M	
Receivables			\$474 M	
Total Current Assets			\$783 M	
Current Liabilities			\$604 M	
Current Ratio			1.30	
Tangible Net Equity			\$208 M	
% of DMHC Requirements			<b>677.7%</b>	

# Financial Highlights



<b>Net Surplus (Loss)</b>	<ul style="list-style-type: none"> <li>▶ Month: Surplus of \$12.9M is \$11.4M or 751.1% favorable to budget of \$1.5M.</li> <li>▶ YTD: Surplus of \$29.8M is \$20.7M or 228.9% favorable to budget of \$9.1M.</li> </ul>
<b>Enrollment</b>	<ul style="list-style-type: none"> <li>▶ Month: Membership was 249,205 (2,873 or 1.2% favorable budget of 246,332).</li> <li>▶ YTD: Member months were 3.0M (10.1K or 0.3% favorable budget of 3.0M).</li> </ul>
<b>Revenue</b>	<ul style="list-style-type: none"> <li>▶ Month: \$98.1M (\$18.1M or 22.6% favorable to budget of \$80.0M)</li> <li>▶ YTD: \$1,056.5M (\$88.7M or 9.2% favorable to budget of \$967.8M)</li> </ul>
<b>Medical Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$80.9M (\$6.9M or 9.3% unfavorable to budget of \$74.1M)</li> <li>▶ YTD: \$974.3M (\$72.3M or 8.0% unfavorable to budget of \$902.0M)</li> </ul>
<b>Administrative Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$5.0M (\$661.1K or 15.2% unfavorable to budget of \$4.4M)</li> <li>▶ YTD: \$56.4M (\$659.0K or 1.2% unfavorable to budget of \$55.7M)</li> </ul>
<b>Tangible Net Equity</b>	<ul style="list-style-type: none"> <li>▶ TNE was \$207.8M (677.7% of minimum DMHC requirement of \$30.7M)</li> </ul>
<b>Capital Expenditures</b>	<ul style="list-style-type: none"> <li>▶ YTD Capital Investments of \$6.4M vs. \$10.9M annual budget, primarily building renovation.</li> </ul>





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Detail Analyses

# Enrollment



- Total enrollment has decreased since June 30, 2018 by 10,270 or -4.0%, in line with budgeted expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Child, Adult and Adult Expansion categories of aid. Medi-Cal Dual enrollment has been stable overall while CMC enrollment has grown 6.9% due to outreach efforts.
- Membership Trends:
  - Medi-Cal membership decreased since the beginning of the fiscal year by 4.5%.
  - CMC membership increased since the beginning of the fiscal year by 6.9%.
  - Healthy Kids membership increased since the beginning of the fiscal year by 9.1%.

Santa Clara Family Health Plan Enrollment Summary									
	For the Month of June 2019			For Twelve Months Ending June 30 2019				Prior Year	Δ
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)	Actuals	FY18 vs. FY19
Medi-Cal	237,697	235,543	0.9%	2,904,820	2,900,362	4,458	0.2%	3,073,291	(5.5%)
Cal Medi-Connect	8,022	7,915	1.4%	92,838	92,340	498	0.5%	88,970	4.3%
Healthy Kids	3,486	2,874	21.3%	40,083	34,978	5,105	14.6%	34,294	16.9%
<b>Total</b>	<b>249,205</b>	<b>246,332</b>	<b>1.2%</b>	<b>3,037,741</b>	<b>3,027,680</b>	<b>10,061</b>	<b>0.3%</b>	<b>3,196,555</b>	<b>(5.0%)</b>

Santa Clara Family Health Plan Enrollment By Network June 2019								
Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,299	13%	8,022	100%	359	10%	38,680	16%
SCVHHS <sup>1</sup> , Safety Net Clinics, FQHC <sup>2</sup> Clinics	118,074	50%	-	0%	1,524	44%	119,598	48%
Palo Alto Medical Foundation	6,863	3%	-	0%	94	3%	6,957	3%
Physicians Medical Group	42,242	18%	-	0%	1,239	36%	43,481	17%
Premier Care	14,731	6%	-	0%	270	8%	15,001	6%
Kaiser	25,488	11%	-	0%	-	0%	25,488	10%
<b>Total</b>	<b>237,697</b>	<b>100%</b>	<b>8,022</b>	<b>100%</b>	<b>3,486</b>	<b>100%</b>	<b>249,205</b>	<b>100%</b>
Enrollment at June 30, 2018	248,776		7,503		3,196		259,475	
Net Δ from Beginning of FY19	-4.5%		6.9%		9.1%		-4.0%	

<sup>1</sup> SCVHHS = Santa Clara Valley Health & Hospital System

<sup>2</sup> FQHC = Federally Qualified Health Center

# Enrollment By Aid Category

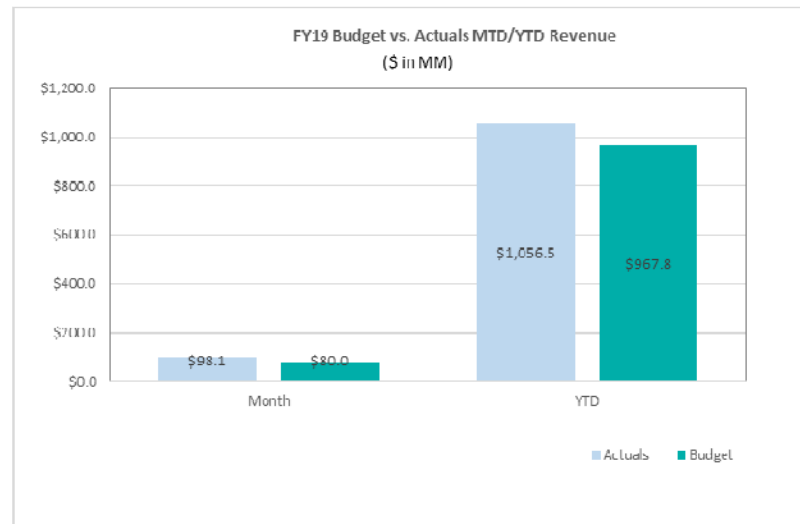
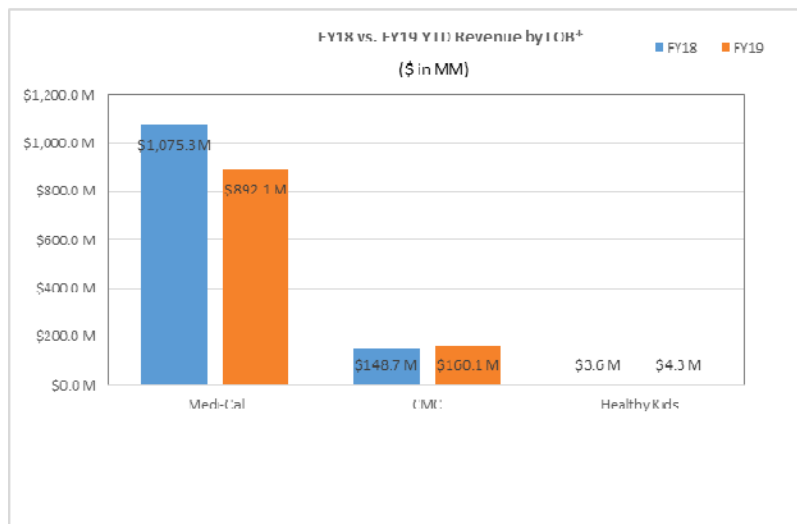
SCFHP TRENDED ENROLLMENT BY COA YTD JUN-19

		2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06
<b>NON DUAL</b>	Adult (over 19)	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846	25,779	25,563	25,198	25,204
	Child (under 19)	99,369	98,316	98,255	97,518	96,830	96,331	95,155	95,177	95,229	94,956	94,255	94,026
	Aged - Medi-Cal Only	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963	10,934	10,949	10,871	10,995
	Disabled - Medi-Cal Only	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579	10,595	10,678	10,780	10,819
	Adult Expansion	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223	72,143	72,114	71,364	71,465
	BCCTP	13	14	13	12	11	11	9	9	8	10	11	11
	Long Term Care	382	384	387	379	377	372	371	376	375	375	370	372
	<b>Total Non-Duals</b>	<b>222,676</b>	<b>220,831</b>	<b>220,703</b>	<b>219,343</b>	<b>218,340</b>	<b>217,629</b>	<b>215,093</b>	<b>215,173</b>	<b>215,063</b>	<b>214,644</b>	<b>212,848</b>	<b>212,891</b>
<b>DUAL</b>	Adult (21 Over)	387	385	382	385	390	379	373	376	367	368	354	352
	Aged (21 Over)												
	Disabled (21 Over)	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728	22,725	22,941	23,009	22,988
	Adult Expansion	455	485	521	533	538	586	556	529	479	304	252	253
	BCCTP	2	2	2	1	1	1	2	1	1	0	0	0
	Long Term Care	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203	1,201	1,187	1,192	1,213
	<b>Total Duals</b>	<b>25,079</b>	<b>25,123</b>	<b>25,181</b>	<b>25,150</b>	<b>25,059</b>	<b>25,067</b>	<b>24,905</b>	<b>24,837</b>	<b>24,773</b>	<b>24,800</b>	<b>24,807</b>	<b>24,806</b>
<b>Total Medi-Cal</b>	<b>247,755</b>	<b>245,954</b>	<b>245,884</b>	<b>244,493</b>	<b>243,399</b>	<b>242,696</b>	<b>239,998</b>	<b>240,010</b>	<b>239,836</b>	<b>239,444</b>	<b>237,655</b>	<b>237,697</b>	
<b>Healthy Kids</b>	<b>3,278</b>	<b>3,187</b>	<b>3,163</b>	<b>3,217</b>	<b>3,460</b>	<b>3,345</b>	<b>3,252</b>	<b>3,375</b>	<b>3,348</b>	<b>3,465</b>	<b>3,507</b>	<b>3,486</b>	
<b>CMC</b>	CMC Non-Long Term Care	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616	7,680	7,661	7,706	7,815
	CMC - Long Term Care	221	222	214	218	218	211	210	198	204	208	209	207
	<b>Total CMC</b>	<b>7,523</b>	<b>7,540</b>	<b>7,600</b>	<b>7,601</b>	<b>7,625</b>	<b>7,695</b>	<b>7,750</b>	<b>7,814</b>	<b>7,884</b>	<b>7,869</b>	<b>7,915</b>	<b>8,022</b>
<b>Total Enrollment</b>	<b>258,556</b>	<b>256,681</b>	<b>256,647</b>	<b>255,311</b>	<b>254,484</b>	<b>253,736</b>	<b>251,000</b>	<b>251,199</b>	<b>251,068</b>	<b>250,778</b>	<b>249,077</b>	<b>249,205</b>	

# Revenue

Current month revenue of \$98.1M is \$18.1M or 22.6% favorable to budget of \$80.0M. YTD revenue of \$1,056.5M is \$88.7M or 9.2% favorable to budget of \$967.8M. This month's variances were due to several factors including:

- Non-Recurring Variances:
  - Increased estimated CY19 revenue for CMC & MLTSS of \$7.0M retroactive to January 2019.
  - Recognized Medicare Quality Withhold earn back of \$5.2M for calendar years 2017 & 2018.
  - Reduced estimated DHCS overpayment for LTC members of \$2.8M for FY19.
- Recurring Variances:
  - Proposition 56 revenue exceeded budget by \$1.8M (with an offsetting increase to medical expense).
  - Non-Dual revenue was higher than budget by \$1.8M due to a higher enrollment versus budget.

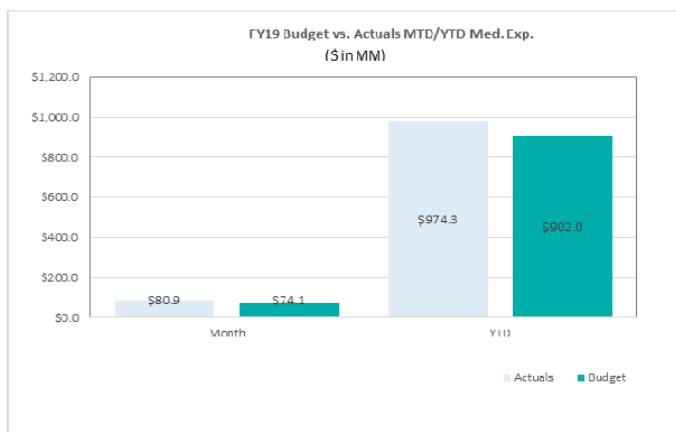
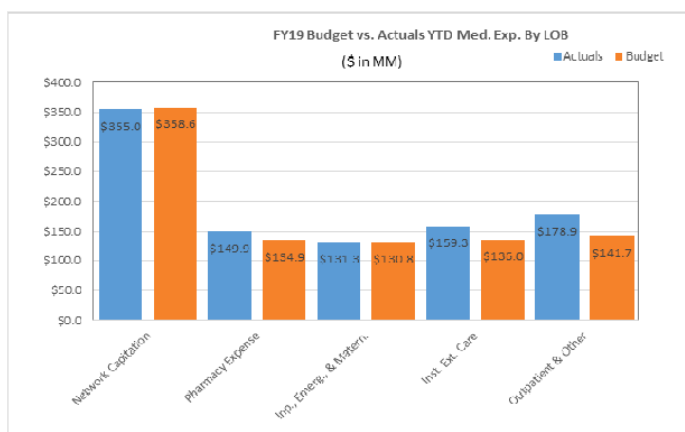


\*IHSS was included in FY18 Medi-Cal & CMC revenue through 12/31/17

# Medical Expense

Current month medical expense of \$80.9M is \$6.9M or 9.3% unfavorable to budget of \$74.1M. YTD medical expense of \$974.3M is \$72.3M or 8.0% unfavorable to budget of \$902.0M. The current month variances were due to a variety of factors, including:

- Medi-Cal Inpatient, Outpatient, and Institutional expenses in excess of budget yielded an unfavorable variance of \$4.7M.
- CMC Medicare Inpatient, Outpatient and Institutional expenses in excess of budget yielded an unfavorable variance of \$1.9M.
- Proposition 56 increased medical expense by \$1.8M (with offsetting an increase to revenue).



	FY19 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	\$355.0	\$358.6	\$3.6	1.0%
Pharmacy	\$149.9	\$134.9	-\$15.0	-10.0%
Inp., Emerg., & Matern.	\$131.3	\$130.8	-\$0.5	-0.4%
Inst. Ext. Care	\$159.3	\$136.0	-\$23.3	-14.6%
Outpatient & Other	\$178.9	\$141.7	-\$37.2	-20.8%
<b>Total Medical Expense</b>	<b>\$974.3</b>	<b>\$902.0</b>	<b>-\$72.3</b>	<b>-8.0%</b>

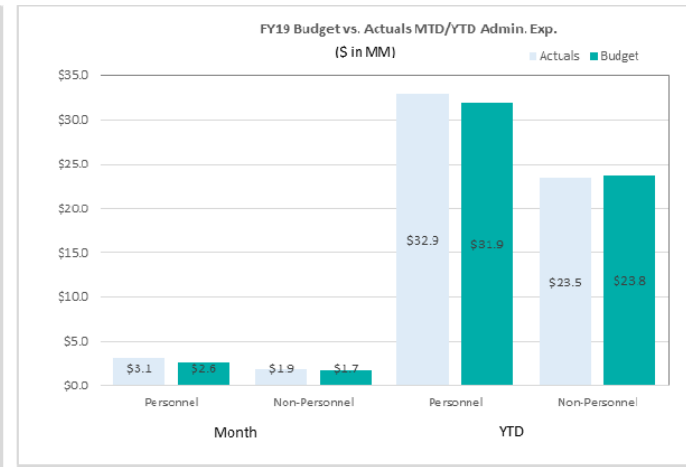
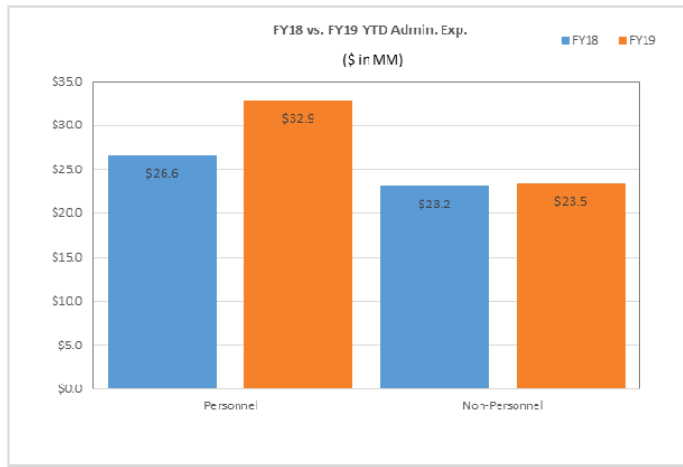
	FY19 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
Month	\$80.9	\$74.1	-\$6.9	-9.3%
YTD	\$974.3	\$902.0	-\$72.3	-8.0%

# Administrative Expense



Current month admin expense of \$5.0M is \$661.1K or 15.2% unfavorable to budget of \$4.4M. YTD admin expense of \$56.4M is \$659.0K or 1.2% unfavorable to budget of \$55.7M. The current month variances were primarily due to the following:

- Personnel expenses were \$533K or 20.5% unfavorable to budget due largely to certain year-end reserves.
- Consulting expenses related to the CMC audits and Grievances & Appeals contributed to an unfavorable variance of \$268K.



	FY18 vs. FY19 YTD Admin. Exp.			Variance	
	FY18	FY19			
Personnel	\$26.6	\$32.9	\$6.3	23.7%	
Non-Personnel	\$23.2	\$23.5	\$0.3	1.3%	
<b>Total Administrative Expense</b>	<b>\$49.8</b>	<b>\$56.4</b>	<b>\$6.6</b>	<b>13.3%</b>	

		FY19 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	\$3.1	\$2.6	-\$0.5	-20.5%
	Non-Personnel	\$1.9	\$1.7	-\$0.1	-7.3%
	<b>MTD Total</b>	<b>\$5.0</b>	<b>\$4.4</b>	<b>-\$0.7</b>	<b>-15.2%</b>
YTD	Personnel	\$32.9	\$31.9	-\$1.0	-3.1%
	Non-Personnel	\$23.5	\$23.8	\$0.3	1.4%
	<b>YTD Total</b>	<b>\$56.4</b>	<b>\$55.7</b>	<b>-\$0.7</b>	<b>-1.2%</b>

## Balance Sheet

- Current assets totaled \$783.2M compared to current liabilities of \$604.1M, yielding a current ratio (Current Assets/Current Liabilities) of 1.30:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash as of June 30, 2019 increased by \$75.3M compared to the cash balance as of year-end June 30, 2018.
- Current Cash & Equivalent components and yields were as follows:

Description	Month-End Balance	Current Yield %	Interest Earned	
			Month	YTD
<b>Short-Term Investments</b>				
County of Santa Clara Comingled Pool	\$78,952,945	1.95%	\$352,565	\$1,646,587
<b>Cash &amp; Equivalents</b>				
Bank of the West Money Market	\$414,851	1.34%	\$6,468	\$107,557
Wells Fargo Bank Accounts	\$219,748,858	2.27%	\$453,926	\$3,784,645
	\$220,163,709		\$460,394	\$3,892,202
<b>Assets Pledged to DMHC</b>				
Restricted Cash	\$305,350	0.42%	\$13	\$348
<b>Petty Cash</b>	\$500	0.00%	\$0	\$0
<b>Total Cash &amp; Equivalents</b>	<b>\$299,422,504</b>		<b>\$812,971</b>	<b>\$5,539,138</b>

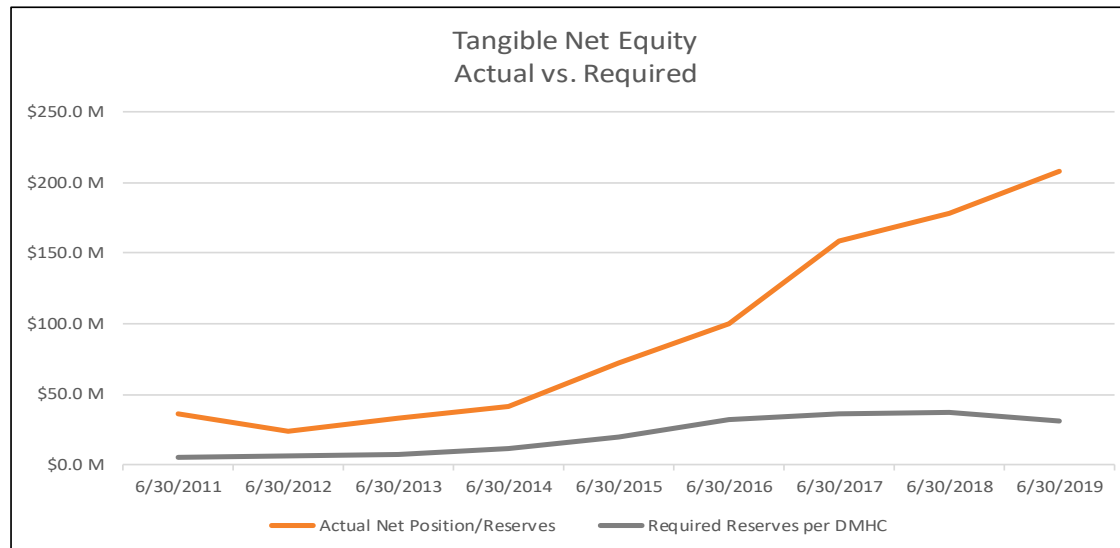
# Tangible Net Equity



- TNE was \$207.8M or 677.7% of the most recent quarterly DMHC minimum requirement of \$30.7M.
- TNE trends are presented below:

**Santa Clara Health Authority  
Tangible Net Equity - Actual vs. Required  
As of: June 30, 2019**

	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
<b>Actual Net Position/Reserves</b>	\$36.1 M	\$24.2 M	\$32.6 M	\$40.9 M	\$72.6 M	\$100.3 M	\$158.4 M	\$178.0 M	\$207.8 M
<b>Required Reserves per DMHC</b>	\$5.0 M	\$5.9 M	\$7.8 M	\$11.4 M	\$19.3 M	\$32.4 M	\$35.9 M	\$36.8 M	\$30.7 M
<b>200% of Required Reserve</b>	\$10.0 M	\$11.8 M	\$15.6 M	\$22.9 M	\$38.5 M	\$64.8 M	\$71.8 M	\$73.6 M	\$61.3 M
<b>Actual as % Required</b>	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	677.7%





# Reserves Analysis



<b>SCFHP RESERVES ANALYSIS June 2019</b>	
<b>Financial Reserve Target #1: Tangible Net Equity</b>	
Actual TNE	\$207,818,447
Current Required TNE	<u>\$30,663,070</u>
<b>Excess TNE</b>	<b>\$177,155,377</b>
Required TNE %	677.7%
<b>SCFHP Target TNE Range:</b>	
350% of Required TNE (Low)	\$107,320,746
500% of Required TNE (High)	<u>\$153,315,352</u>
<b>TNE Above/(Below) SCFHP Low Target</b>	<b><u>\$100,497,701</u></b>
<b>TNE Above/(Below) High Target</b>	<b><u>\$54,503,095</u></b>
<b>Financial Reserve Target #2: Liquidity</b>	
Cash & Cash Equivalents	\$299,422,504
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	<u>(\$17,810,066)</u>
<b>Total Pass-Through Liabilities</b>	<b><u>(\$17,810,066)</u></b>
Net Cash Available to SCFHP	<u>\$281,612,438</u>
SCFHP Target Liability	
45 Days of Total Operating Expense	(\$120,210,934)
60 Days of Total Operating Expense	<u>(\$160,281,245)</u>
Liquidity Above/(Below) SCFHP Low Target	<b><u>\$161,401,504</u></b>
Liquidity Above/(Below) High Target	<b><u>\$121,331,193</u></b>

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund of \$2.2M. The specific projects/recipients have yet to be determined.

Note 2: Other Pass-Through Liabilities include Prop 56 and other provider payables.

## Capital Expenditures



YTD Capital investments of \$6.4M, largely to complete the renovation of the building, were comprised of the following:

<b>Expenditure</b>	<b>YTD Actual</b>	<b>Annual Budget</b>
Building	\$4,829,438	\$ 7,874,631 *
Systems	0	925,000
Hardware	1,144,025	1,550,000
Software	398,887	593,000
Furniture and Fixtures	0	0
Automobile	0	0
Leasehold Improvements	0	0
<b>TOTAL</b>	<b>\$6,372,350</b>	<b>\$10,942,631</b>

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

Note 1: The timing of certain I.T. expenses has been delayed to later in the current fiscal year or possibly into the next fiscal year.



**Santa Clara Family  
Health Plan™**

Financial Statements

# Income Statement



Santa Clara County Health Authority												
Income Statement for Twelve Months Ending June 30, 2019												
	Current Month						Fiscal Year To Date					
	Actuals	% of Rev	Budget	% of Rev	Variance	% Var	Actuals	% of Rev	Budget	% of Rev	Variance	% Var
<b>REVENUE</b>												
MEDI-CAL	\$ 80,349,861	81.9%	\$ 67,093,221	83.8%	\$ 13,256,640	19.8%	\$ 892,088,858	84.4%	\$ 818,524,348	84.6%	\$ 73,564,510	9.0%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	2,473,123	2.5%	2,609,518	3.3%	(136,395)	-5.2%	31,061,946	2.9%	30,443,832	3.1%	618,114	2.0%
CMC MEDICARE	14,947,717	15.2%	10,030,544	12.5%	4,917,173	49.0%	129,063,172	12.2%	115,214,335	11.9%	13,848,837	12.0%
TOTAL CMC	17,420,841	17.8%	12,640,063	15.8%	4,780,778	37.8%	160,125,118	15.2%	145,658,168	15.1%	14,466,951	9.9%
HEALTHY KIDS	366,580	0.4%	298,609	0.4%	67,972	22.8%	4,267,568	0.4%	3,634,214	0.4%	633,353	17.4%
<b>TOTAL REVENUE</b>	<b>\$ 98,137,282</b>	<b>100.0%</b>	<b>\$ 80,031,892</b>	<b>100.0%</b>	<b>\$ 18,105,389</b>	<b>22.6%</b>	<b>\$ 1,056,481,544</b>	<b>100.0%</b>	<b>\$ 967,816,730</b>	<b>100.0%</b>	<b>\$ 88,664,814</b>	<b>9.2%</b>
<b>MEDICAL EXPENSE</b>												
MEDI-CAL	\$ 66,802,498	68.1%	\$ 62,161,687	77.7%	\$ (4,640,811)	-7.5%	\$ 823,669,752	78.0%	\$ 762,869,010	78.8%	\$ (60,800,741)	-8.0%
CAL MEDI-CONNECT:												
CMC MEDI-CAL	2,645,477	2.7%	2,288,722	2.9%	(356,755)	-15.6%	30,805,646	2.9%	26,701,273	2.8%	(4,104,374)	-15.4%
CMC MEDICARE	11,236,985	11.5%	9,360,528	11.7%	(1,876,457)	-20.0%	116,041,593	11.0%	109,148,595	11.3%	(6,892,998)	-6.3%
TOTAL CMC	13,882,461	14.1%	11,649,250	14.6%	(2,233,212)	-19.2%	146,847,240	13.9%	135,849,868	14.0%	(10,997,371)	-8.1%
HEALTHY KIDS	250,450	0.3%	268,947	0.3%	18,497	6.9%	3,797,986	0.4%	3,273,214	0.3%	(524,771)	-16.0%
<b>TOTAL MEDICAL EXPENSES</b>	<b>\$ 80,935,410</b>	<b>82.5%</b>	<b>\$ 74,079,883</b>	<b>92.6%</b>	<b>\$ (6,855,527)</b>	<b>-9.3%</b>	<b>\$ 974,314,977</b>	<b>92.2%</b>	<b>\$ 901,992,093</b>	<b>93.2%</b>	<b>\$ (72,322,884)</b>	<b>-8.0%</b>
<b>MEDICAL OPERATING MARGIN</b>	<b>\$ 17,201,872</b>	<b>17.5%</b>	<b>\$ 5,952,009</b>	<b>7.4%</b>	<b>\$ 11,249,863</b>	<b>62.1%</b>	<b>\$ 82,166,567</b>	<b>7.8%</b>	<b>\$ 65,824,637</b>	<b>6.8%</b>	<b>\$ 16,341,930</b>	<b>18.4%</b>
<b>ADMINISTRATIVE EXPENSE</b>												
SALARIES AND BENEFITS	\$ 3,134,979	3.2%	\$ 2,602,160	3.3%	\$ (532,819)	-20.5%	\$ 32,923,188	3.1%	\$ 31,936,990	3.3%	\$ (986,197)	-3.1%
RENTS AND UTILITIES	15,894	0.0%	17,611	0.0%	1,717	9.7%	412,169	0.0%	464,892	0.0%	52,723	11.3%
PRINTING AND ADVERTISING	53,554	0.1%	44,150	0.1%	(9,404)	-21.3%	970,924	0.1%	1,434,800	0.1%	463,876	32.3%
INFORMATION SYSTEMS	187,784	0.2%	226,473	0.3%	38,689	17.1%	2,277,247	0.2%	2,717,677	0.3%	440,430	16.2%
PROF FEES/CONSULTING/TEMP STAFFING	1,038,932	1.1%	771,088	1.0%	(267,844)	-34.7%	12,902,234	1.2%	10,450,090	1.1%	(2,452,144)	-23.5%
DEPRECIATION/INSURANCE/EQUIPMENT	352,174	0.4%	457,566	0.6%	105,393	23.0%	4,431,102	0.4%	5,543,296	0.6%	1,112,194	20.1%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	86,462	0.1%	117,005	0.1%	30,543	26.1%	1,044,522	0.1%	1,596,051	0.2%	551,529	34.6%
MEETINGS/TRAVEL/DUES	121,916	0.1%	96,846	0.1%	(25,070)	-25.9%	1,076,925	0.1%	1,290,822	0.1%	213,897	16.6%
OTHER	20,128	0.0%	17,804	0.0%	(2,324)	-13.1%	338,504	0.0%	283,231	0.0%	(55,273)	-19.5%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 5,011,823</b>	<b>5.1%</b>	<b>\$ 4,350,704</b>	<b>5.4%</b>	<b>\$ (661,119)</b>	<b>-15.2%</b>	<b>\$ 56,376,816</b>	<b>5.3%</b>	<b>\$ 55,717,850</b>	<b>5.8%</b>	<b>\$ (658,966)</b>	<b>-1.2%</b>
<b>OPERATING SURPLUS (LOSS)</b>	<b>\$ 12,190,048</b>	<b>12.4%</b>	<b>\$ 1,601,305</b>	<b>2.0%</b>	<b>\$ 10,588,744</b>	<b>661.3%</b>	<b>\$ 25,789,750</b>	<b>2.4%</b>	<b>\$ 10,106,787</b>	<b>1.0%</b>	<b>\$ 15,682,964</b>	<b>155.2%</b>
<b>OTHER INCOME/EXPENSE</b>												
GASB 45 - POST EMPLOYMENT BENEFITS EXPENSE	(59,780)	-0.1%	(59,780)	-0.1%	0	0.0%	(717,356)	-0.1%	(717,360)	-0.1%	4	0.0%
GASB 68 - UNFUNDED PENSION LIABILITY	(75,000)	-0.1%	(75,000)	-0.1%	-	0.0%	(900,000)	-0.1%	(900,000)	-0.1%	-	0.0%
INTEREST & OTHER INCOME	830,841	0.8%	47,605	0.1%	783,236	1645.3%	5,630,190	0.5%	571,259	0.1%	5,058,930	885.6%
<b>OTHER INCOME/EXPENSE</b>	<b>696,061</b>	<b>0.7%</b>	<b>(87,175)</b>	<b>-0.1%</b>	<b>783,236</b>	<b>-898.5%</b>	<b>4,012,834</b>	<b>0.4%</b>	<b>(1,046,101)</b>	<b>-0.1%</b>	<b>5,058,934</b>	<b>-483.6%</b>
<b>NET SURPLUS (LOSS)</b>	<b>\$ 12,886,110</b>	<b>13.1%</b>	<b>\$ 1,514,130</b>	<b>1.9%</b>	<b>\$ 11,371,980</b>	<b>751.1%</b>	<b>\$ 29,802,584</b>	<b>2.8%</b>	<b>\$ 9,060,686</b>	<b>0.9%</b>	<b>\$ 20,741,898</b>	<b>228.9%</b>

# Balance Sheet

SANTA CLARA COUNTY HEALTH AUTHORITY  
For the Twelve Months Ending June 30, 2019



	June 2019	May 2019	April 2019	June 2018
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Marketable Securities	\$299,422,504	\$305,353,492	\$270,252,107	\$224,156,209
Receivables	473,680,834	469,045,788	492,698,518	493,307,425
Prepaid Expenses and Other Current Assets	10,100,097	8,104,515	7,920,323	7,024,982
<b>Total Current Assets</b>	<b>783,203,434</b>	<b>782,503,795</b>	<b>770,870,948</b>	<b>724,488,615</b>
<b>Long Term Assets</b>				
Property and Equipment	44,191,999	43,624,427	43,537,565	38,579,130
Accumulated Depreciation	(17,366,530)	(17,053,735)	(16,729,649)	(14,309,761)
Total Long Term Assets	26,825,468	26,570,692	26,807,916	24,269,369
<b>Total Assets</b>	<b>810,028,903</b>	<b>809,074,487</b>	<b>797,678,864</b>	<b>748,757,984</b>
<b>Deferred Outflow of Resources</b>	<b>14,535,240</b>	<b>14,535,240</b>	<b>14,535,240</b>	<b>14,535,240</b>
<b>Total Deferred Outflows and Assets</b>	<b>824,564,143</b>	<b>823,609,727</b>	<b>812,214,104</b>	<b>763,293,224</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities</b>				
Trade Payables	5,638,807	4,450,765	4,808,233	8,351,090
Deferred Rent	(0)	(0)	(0)	17,011
Employee Benefits	1,821,153	1,713,820	1,817,397	1,473,524
Retirement Obligation per GASB 45	3,436,863	4,208,371	4,148,592	4,882,795
Advance Premium - Healthy Kids	91,917	97,693	94,963	66,195
Deferred Revenue - Medicare	-	8,950,629	-	9,928,268
Whole Person Care/Prop 56	17,810,066	15,893,653	22,418,108	9,263,004
Payable to Hospitals	-	243,089	243,089	0
IGT, HQAF & Other Provider Payables	11,042,163	18,097,493	16,057,886	6,691,979
MCO Tax Payable - State Board of Equalization	26,353,889	17,569,259	8,784,630	(0)
Due to DHCS	26,789,200	36,800,474	37,700,004	24,429,978
Liability for In Home Support Services (IHSS)	416,092,527	416,092,527	416,092,527	413,549,551
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	92,615,651	89,581,155	92,524,194	92,470,504
<b>Total Current Liabilities</b>	<b>604,066,760</b>	<b>616,073,453</b>	<b>607,064,144</b>	<b>573,498,425</b>
<b>Non-Current Liabilities</b>				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	2,724,796	2,649,796	2,574,796	1,824,796
<b>Total Non-Current Liabilities</b>	<b>8,644,296</b>	<b>8,569,296</b>	<b>8,494,296</b>	<b>7,744,296</b>
<b>Total Liabilities</b>	<b>612,711,056</b>	<b>624,642,749</b>	<b>615,558,440</b>	<b>581,242,721</b>
<b>Deferred Inflow of Resources</b>	<b>4,034,640</b>	<b>4,034,640</b>	<b>4,034,640</b>	<b>4,034,640</b>
<b>Net Assets / Reserves</b>				
Invested in Capital Assets	26,825,468	26,570,692	26,807,916	24,269,369
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	150,885,044	151,139,821	150,902,597	133,805,841
Current YTD Income (Loss)	29,802,584	16,916,475	14,605,161	19,635,303
Total Net Assets / Reserves	207,818,447	194,932,337	192,621,023	178,015,863
<b>Total Liabilities, Deferred Inflows, and Net Assets</b>	<b>824,564,143</b>	<b>823,609,727</b>	<b>812,214,104</b>	<b>763,293,224</b>

## Cash Flow – YTD



Cash Flows from Operating Activities	
Premiums Received	1,104,821,246
Medical Expenses Paid	(967,276,671)
Administrative Expenses Paid	(61,536,120)
<b>Net Cash from Operating Activities</b>	<b>\$76,008,455</b>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(6,372,350)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	5,630,190
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>75,266,295</b>
Cash & Cash Equivalents (Jun 2018)	224,156,209
Cash & Cash Equivalents (Jun 19)	<b>\$299,422,504</b>
Reconciliation of Operating Income to Net Cash from Operating Activities	
<b>Operating Income/(Loss)</b>	<b>\$29,802,584</b>
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	3,816,250
Changes in Operating Assets/Liabilities	
Premiums Receivable	19,626,591
Other Receivable	(5,630,190)
Due from Santa Clara Family Health Foundation	-
Prepays & Other Assets	(3,075,115)
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	(5,183,083)
State Payable	28,713,110
IGT, HQAF & Other Provider Payables	4,350,184
Net Pension Liability	900,000
Medical Cost Reserves & PDR	145,147
IHSS Payable	2,542,975
Deferred Inflow of Resources	-
<b>Total Adjustments</b>	<b>42,389,620</b>
<b>Net Cash from Operating Activities</b>	<b>\$76,008,455</b>

# Statement of Operations - YTD



Santa Clara County Health Authority Statement of Operations By Line of Business (Including Allocated Expenses) For Twelve Months Ending June 30 2019						
	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
<b>P&amp;L (ALLOCATED BASIS)</b>						
REVENUE	\$892,088,858	\$31,061,946	\$129,063,172	\$160,125,118	\$4,267,568	\$1,056,481,544
<b>MEDICAL EXPENSE</b>	\$823,669,752	\$30,805,646	\$116,041,593	\$146,847,240	\$3,797,986	\$974,314,977
(MLR)	92.3%	99.2%	89.9%	91.7%	89.0%	92.2%
<b>GROSS MARGIN</b>	\$68,419,107	\$256,300	\$13,021,579	\$13,277,878	\$469,582	\$82,166,567
<b>ADMINISTRATIVE EXPENSE</b>	\$47,604,362	\$1,657,553	\$6,887,173	\$8,544,725	\$227,729	\$56,376,816
(% of Revenue Allocation)						
<b>OPERATING INCOME/(LOSS)</b>	\$20,814,745	(\$1,401,253)	\$6,134,406	\$4,733,153	\$241,852	\$25,789,750
(% of Revenue Allocation)						
<b>OTHER INCOME/(EXPENSE)</b>	\$3,388,421	\$117,983	\$490,221	\$608,203	\$16,210	\$4,012,834
(% of Revenue Allocation)						
<b>NET INCOME/(LOSS)</b>	\$24,203,166	(\$1,283,270)	\$6,624,627	\$5,341,357	\$258,062	\$29,802,584
<b>PMPM (ALLOCATED BASIS)</b>						
REVENUE	\$307.11	\$334.58	\$1,390.20	\$1,724.78	\$106.47	\$347.79
MEDICAL EXPENSES	\$283.55	\$331.82	\$1,249.94	\$1,581.76	\$94.75	\$320.74
GROSS MARGIN	\$23.55	\$2.76	\$140.26	\$143.02	\$11.72	\$27.05
ADMINISTRATIVE EXPENSES	\$16.39	\$17.85	\$74.18	\$92.04	\$5.68	\$18.56
OPERATING INCOME/(LOSS)	\$7.17	(\$15.09)	\$66.08	\$50.98	\$6.03	\$8.49
OTHER INCOME/(EXPENSE)	\$1.17	\$1.27	\$5.28	\$6.55	\$0.40	\$1.32
NET INCOME/(LOSS)	\$8.33	(\$13.82)	\$71.36	\$57.53	\$6.44	\$9.81
<b>ALLOCATION BASIS:</b>						
MEMBER MONTHS - YTD	2,904,820	92,838	92,838	92,838	40,083	3,037,741
REVENUE BY LOB	84.4%	2.9%	12.2%	15.2%	0.4%	100.0%



**Santa Clara Family  
Health Plan™**

## Network Detection and Prevention Report

August 2019

Executive Finance Committee Meeting



# Firewall Background

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

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

The attempts have been categorized in three severity levels:

## High/Critical

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

## Medium

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

## Low/Informational

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

# Attack Statistics Combined

## April/May/June/July

Severity Level	Number of Different Types of Attacks				Total Number of Attempts				Percent of Attempts			
	Apr	May	Jun	Jul	Apr	May	Jun	Jul	Apr	May	Jun	Jul
Critical	3	6	8	8	24	29	38	61	0.03	0.05	0.06	0.12
High	6	10	3	4	17102	10528	17	40	23.54	17.73	0.03	0.08
Medium	13	11	9	11	1092	6448	9988	7215	1.5	10.86	16.58	14.70
Low	10	8	3	7	9623	1990	162	2920	13.24	3.35	0.27	5.95
Informational	17	17	13	16	44820	40377	50023	38829	61.68	68.01	83.06	79.15

Significant increase of attacks with a High severity level in April and May – This was due to a spike in brute force username/password hack attempts. We normally average a few hundred attempts per day, but on April 5<sup>th</sup> and May 14,15, and 27<sup>th</sup> our firewall blocked a few thousand attempts. Our Firewall vendor, Palo Alto Networks, confirmed that this was not isolated to our IP address and the spike of brute force login attempts was seen across the World Wide Web.

8/16/2019

# Email Security – Monthly Statistics

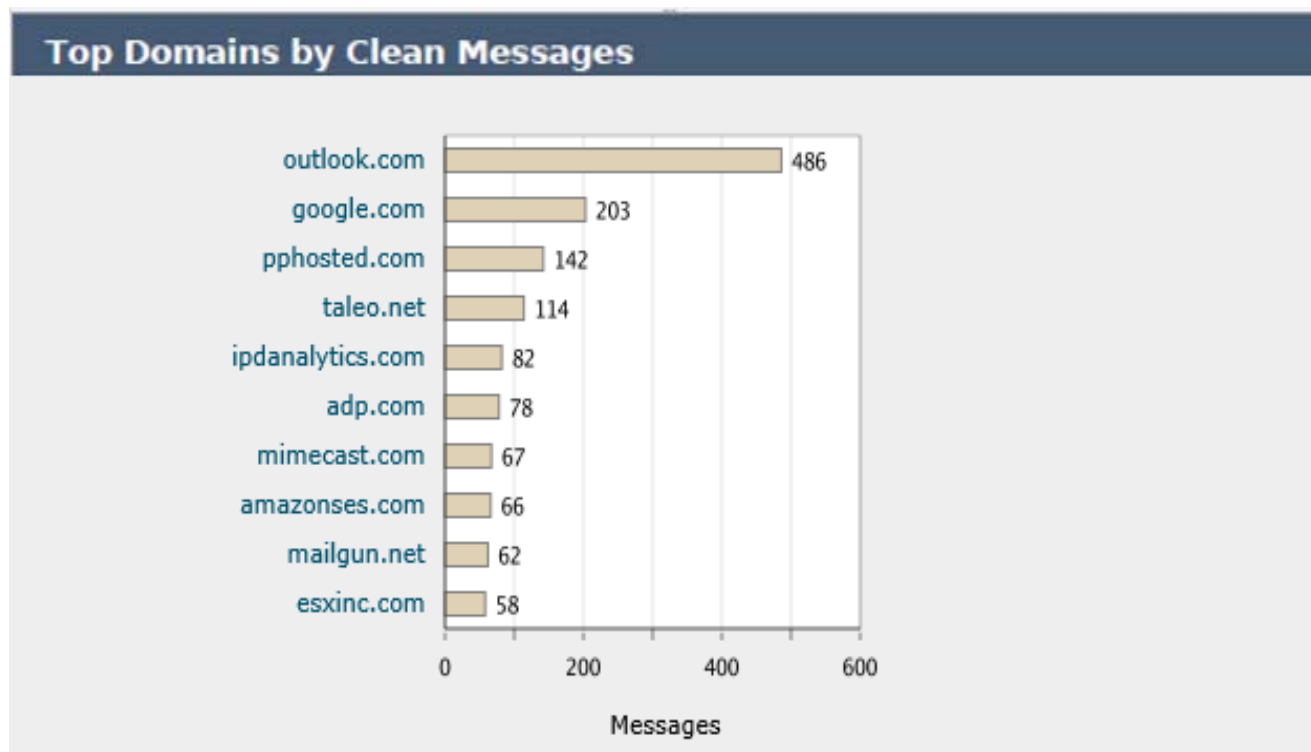


Overview > Incoming Mail Summary		
Message Category	%	Messages
Stopped by Reputation Filtering	28.2%	35.7k
Stopped as Invalid Recipients	0.0%	0
Spam Detected	11.1%	14.0k
Virus Detected	0.0%	1
Detected by Advanced Malware Protection	0.0%	0
Messages with Malicious URLs	0.2%	282
Stopped by Content Filter	0.2%	287
Stopped by DMARC	0.0%	0
S/MIME Verification/Decryption Failed	0.0%	0
<b>Total Threat Messages:</b>	<b>39.5%</b>	<b>50.0k</b>
Marketing Messages	18.0%	22.8k
Social Networking Messages	0.6%	778
Bulk Messages	7.7%	9,695
<b>Total Graymails:</b>	<b>26.3%</b>	<b>33.3k</b>
S/MIME Verification/Decryption Successful	0.0%	0
Clean Messages	34.2%	43.4k
<b>Total Attempted Messages:</b>		<b>126.7k</b>

July

8/16/2019

# Email Security – Daily Statistics



esxinc.com  
 - provides association, membership, events, continuing education, mobile or custom solutions for any industry or market.

MailGun.net  
 - Email service provider for Developers

ipdanalytics.com  
 - IPD Analytics offers industry leading life-cycle analysis, clinical and formulary insights, brand and generic market impact forecasts

Snapshot of one day – August 6th

8/16/2019

# Email Background

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

# SCFHP Phishing Attacks April - July 2019



	INCIDENT 60 – 4/15/2019	INCIDENT 61 – 5/22/2019	INCIDENT 62 – 7/01/2019	INCIDENT 63 – 7/01/2019
TYPE OF ATTACK	Phishing	Phishing	Phishing	Phishing
SUMMARY	1 employee	5 employees	1 employee	1 employee
RESPONSE	<b>Step 1.</b> Analyze email and take appropriate action.	<b>Step 1.</b> Analyze email and take appropriate action.	<b>Step 1.</b> Analyze email and take appropriate action.	<b>Step 1.</b> Analyze email and take appropriate action.
	<b>Step 2.</b> <ul style="list-style-type: none"> <li>Block Source email on Cisco IronPort – <a href="mailto:mail@eseveir.com">mail@eseveir.com</a></li> <li>Filter Expression “Checking In”</li> <li>Block IP address 209.85.217.65</li> </ul>	<b>Step 2.</b> <ul style="list-style-type: none"> <li>Block Source email on Cisco IronPort - <a href="mailto:kajotos4@gmail.com">kajotos4@gmail.com</a></li> <li>No unique words to Filter Expression</li> <li>No unique IP address to block</li> </ul>	<b>Step 2.</b> <ul style="list-style-type: none"> <li>Block Source email on Cisco IronPort - <a href="mailto:Ta.Li@tetrattech.com">Ta.Li@tetrattech.com</a></li> <li>No unique words to Filter Expression</li> <li>No unique IP address to block</li> </ul>	<b>Step 2.</b> <ul style="list-style-type: none"> <li>Block Source email on Cisco IronPort – <a href="mailto:paul@thekindcare.com">paul@thekindcare.com</a></li> <li>No unique words to Filter Expression</li> <li>Block IP address 52.189.212.172</li> </ul>
	<b>Step 3.</b> Remove threat by permanently deleting email.	<b>Step 3.</b> Remove threat by permanently deleting email.	<b>Step 3.</b> Remove threat by permanently deleting email.	<b>Step 3.</b> Remove threat by permanently deleting email.
	<b>Step 4.</b> Monitor email and user.	<b>Step 4.</b> Monitor email and user.	<b>Step 4.</b> Monitor email and user.	<b>Step 4.</b> Monitor email and user.

8/16/2019

# Questions

**Regular Meeting of the  
Santa Clara County Health Authority  
Compliance Committee**

Thursday, August 22, 2019  
1:00 PM – 2:30 PM  
6201 San Ignacio Ave.  
San Jose, CA 95119

**Minutes**

**Members Present**

Linda Williams, Board Member  
Christine M. Tomcala, Chief Executive Officer  
Robin Larmer, Chief Compliance and  
Regulatory Affairs Officer  
Dave Cameron, Chief Financial Officer  
Chris Turner, Chief Operating Officer  
Laura Watkins, VP Marketing and Enrollment  
Tyler Haskell, Director, Government Relations  
Jonathan Tamayo, Chief Information Officer

**Staff Present**

Mai Phuong Nguyen, Oversight Manager  
Ron Smothers, Medicare Compliance  
Program Manager  
Leanne Kelly, Delegation Oversight Analyst  
Leah Tubera, Compliance  
Coordinator  
Megha Shah, Compliance Coordinator

**1. Roll Call**

Ms. Larmer called the meeting to order at 1:43pm. Roll call was taken and a quorum established.

**2. Public Comment**

There were no public comments.

**3. Approve Minutes of the May 23, Regular Compliance Committee Meeting**

Minutes of the May 23, 2019 regular Compliance Committee meeting were approved as presented.

**4. Organizational Changes**

Ms. Larmer provided an updated on Organizational Changes. Ms. Larmer introduced Mr. Haskell as a new member of the Compliance Department and a member of the Compliance Committee. The Compliance Department has also restructured its Oversight Department due to an increased need to strengthen oversight functions. The Oversight Department now has open positions for a Compliance Coordinator and Audit Program Manager. Ms. Larmer reported that the former audit



manager is no longer with the company. The new audit manager will report to Ms. Nguyen to improve the information flow regarding delegate oversight.

#### **5. CMS Program Audit**

Ms. Larmer provided an update on the Independent Validation Audit (IVA) to validate the Plan's correction of the Conditions cited in the Centers for Medicare and Medicaid (CMS) Program Audit report. Ms. Larmer stated that overall the IVA is going well, although some issues have been identified. The compliance portion, which has now been completed, identified issues with the exclusion check process. Human error, incorrect direction, and incomplete implementation of a process have contributed to these issues. Currently, the IVA is performing universe testing to ensure the data provided in the submitted universes match data in the Plan's system.

#### **6. Compliance Activity and Audit Report**

- a. Cal MediConnect Medicare Data Validation Audit- Mr. Smothers stated in all but one measure the Plan received a passing score of 100%. The Plan is awaiting CMS' final report.
- b. Health Services Advisory Group (HSAG) Audit- Mr. Smothers stated the Plan submitted documentation and the audit scheduled for September 24, 2019.
- c. Medi-Cal Health Kids Program- Ms. Watkins stated Healthy Kids members will be moved to Medi-Cal on October 1, 2019. The filing has been submitted to the California Department of Managed Health Care to effectively end the Healthy Kids program on December 12, 2019.
- d. 2019 Annual Network Certification- Ms. Turner stated there are two issues that the Plan has been working to resolve on the 2019 Network Certification.
- e. Corrective Action Plans (CAPs). Ms. Nguyen reported that the following external entities have open CAPs: CHME, PMG, VHP, and Language Line.

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

#### **7. 2019 Risk Assessment Results**

- a. Ms. Kelly stated that the Oversight Department has worked to fine-tune the risk assessment tool. For external entities, the delegated functions have been separated by line of business. The three year audit schedule for CMS has been created based on the risk levels identified by utilizing the risk assessment tool.
- b. Ms. Nguyen stated that the following Medi-Cal- Audits are currently in progress for the Medi-Cal line of business: PMG, PCNC, VHP, Carenet, and VSP.

#### **8. Review CMC and Medi-Cal Compliance Dashboard and Work Plans**

Ms. Nguyen presented the Compliance Dashboard for Quarter 2 2019.

According to the dashboard, the Call Center did not meet the goal of answering the phone within 30 seconds, but did need the Service Level goal. Ms. Tomcala mentioned the Service Level goal is 80% of calls answered in 30 seconds or less. Ms. Nguyen to verify the Call Center goal data.

Grievance and Appeals missed the grievance acknowledgement requirement. Ms. Williams asked for the reason this goal is not met. Ms. Turner stated handoffs were identified as an issue and a workflow is being developed to resolve the issues.

A **motion** was made to approve the Compliance Dashboard; the motion was **seconded and unanimously approved**.

#### **9. Oversight Committee Report**

Ms. Larmer explained that Oversight Committee items and reports will be reported up through the Compliance Committee. Meetings are on a monthly basis and provide an opportunity for the Plan to present issues they have identified with delegates.

A **motion** was made to approve the Oversight Committee Report; the motion was **seconded and unanimously approved**.

#### **10. Fraud, Waste and Abuse Report**

Mr. Smothers reported that the FWA Vendor, T&M Protection Resources, continues to do data mining to look for possible fraud cases. T&M currently has 26 active cases. 5 cases have been closed. 2 cases had no findings and 3 cases identified overpayments and are in the recoupment process. Total recoupment amount for the 3 cases collectively is \$28,600. Mr. Smothers explained the overpayments were due to upcoding. Mr. Smothers reported that T&M and the Plan are working together to create internal workflows for the recoupment process. T&M has been instructed to focus on transportation and Durable Medical Equipment. Ms. Larmer reported that the Plan has been served a subpoena requesting every single opioid prescription claim the Plan has provided since 2001.

#### **11. Adjournment**

The meeting was adjourned at 2:30 pm.

## **Compliance Activity Report** **August 22, 2019**

### **2018 CMS Program Audit Update**

The Plan engaged an audit firm (ATTAC Consulting Group) to conduct an Independent Validation Audit (IVA) to validate the Plan's correction of the Conditions cited in the CMS Program Audit Final Report. The auditors and Plan Compliance staff developed an IVA Work Plan tailored to assess the Plan's performance in correcting the Conditions.

The Compliance Program Effectiveness (CPE) portion of the IVA is complete. The Plan submitted its final universes for the remaining audit areas on August 16, 2019. Universe integrity testing will be conducted on August 21 and 23, and fieldwork will begin on August 26, 2019 and continue through September 10, 2019.

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

### **Cal MediConnect**

- The 2019 Medicare Data Validation Audit (MDV) is complete. In all but one area the Plan received passing scores; for Grievances Part D the Plan received a score of 97% - the standard is 100% so this may affect the final Audit scoring. The Plan is awaiting CMS' final report.
- Plan Benefit Package: The 2020 Plan Benefit Package (PBP) was submitted prior to the June 3 deadline and subsequently revised to address DHCS and CMS questions.
- CY19 reporting elements have met the 2019 reporting deadlines. The Plan had identified that an incorrect data set was used in conjunction with incorrect revenue codes when generating Q4 2018 data for the CORE 9.1 report. The Plan informed NORC of this finding and requested a resubmission of that data, which was granted.
- Performance Measure Validation (PMV/HSAG) Audit: The Plan has been preparing for this annual Audit which has been scheduled for September 24, 2019. The measures being reviewed are Core 2.1 and Core 3.2. The PMV/HSAG Audit team has completed an initial review of the source code/programming language that is used for pulling data and found no findings with that information.

### **Medi-Cal**

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

### **2019 DMHC and DHCS Audit(s)**

The 2019 Full-Scope Medical Survey with DMHC and DHCS remains ongoing. The Plan has received its final DHCS Audit Report and the request for corrective action plans (CAPs) in July, with a total of 19 findings (12 for Medi-Cal and 6 for Cal MediConnect). The DHCS Audit Report was reviewed and CAP responses were submitted on August 12<sup>th</sup>. The Plan has not yet received the DMHC Final Report.

### **2019 Annual Network Certification**

The Plan must submit to DHCS a complete and accurate Network Certification Report annually that reflects the entire network of providers, hospitals and pharmacies. DHCS is required to review and certify the Plan's network to CMS. In addition to submitting the Network Certification, the Plan submits the network information in the monthly 274 electronic data file to DHCS. The agency then samples the network to validate and compare it with other MCP

networks.

For the 2019 Network Certification, DHCS imposed a CAP and monetary sanction as it found the Plan had no access to providers/specialists in a specific zip code that is “inhabitable”, as indicated by the U.S. Census Bureau, but has no Plan membership. The Plan submitted its CAP response to DHCS on August 12, 2019.

### **DMHC Complaints**

The Plan received a total of 41 member complaints between June and August 2019. Four cases were forwarded to IMR. The Compliance team is looking into the reason(s) for the significant increase in complaints over the last two quarters (the Plan received 19 complaints in the first quarter).

### **Operational Compliance Report (Dashboard) – Corrective Actions**

- **Customer Service**: Out of the 4 CAPs for the Medi-Cal line of business reported last time, two CAPs are still open. These measures show a positive trend upward but remain slightly below goal. There is no CMC CAP as the one CAP for Member Average Speed of Answer in Seconds reported at the last Compliance Committee meeting will be closed. The average speed of answer has dropped below the goal of less than or equal to 30 seconds.
- **Case Management**: The business unit has followed an upward trend for CMC HRA and ICP completion except for the month of May, when the Percentage of HRAs Completed in 90 days for Low Risk Members fell to 97.2%. The CAP for this measure will be closed as the percentage returned to 100% in June and July. For Medi-Cal, 2 CAPs for SPD HRA completion remain open due to inconsistent performance. Of note, the Overall Percentage for Low Risk SPD HRA requirements reached 100% for the first time in July. The 2 CAPs for SDP/MLTSS HRAs will be closed as they have been identified as operational measures, not compliance. The business unit and IT continue to work on data extraction for operational tracking.
- **Grievance and Appeals**: Metrics have consistently improved for both CMC and Medi-Cal. The CMC CAP in the last report is anticipated to be closed soon as the July percentage reached 98.2% (measure substantially but not fully met; CAP/adverse action unlikely or not anticipated) and work plan has been developed to remediate the problem.

### **Joint Operations Committee (JOC) Meetings**

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

- May: Yellow Cab
- June: Green Cab, Kens Transportation, PCNC, Hanna, Kaiser, T&M
- July: Shield, VHP

### **HIPAA Disclosures**

There was one incident between June and August 2019. The incident involved and was reported to DHCS by Kaiser. Kaiser inadvertently misdirected letters, including one related to a SCFHP member.

### **FWA Activities**

T&M (the Plan’s FWA/SIU vendor) currently has 26 open cases for which it has identified anomalies through its datamining activities. T&M is currently reviewing the medical records for most of those cases, and has requested medical records for the others. T&M has closed 5 cases; 2 of which had no findings and 3 where overpayments were identified (recoupment efforts are pending).



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

Cal MediConnect CY 2019			
	Q4 2018	Q1 2019	Q2 2019
<b>ENROLLMENT</b>			
<b>Enrollment Materials</b>			
% of New member packets mailed within 10 days of effective Date	Met	Not Met	Met
% of New Member ID cards mailed within 10 days of effective date	Met	Not Met	Met
<b>Out of Area Members</b>			
% Compliance with OOA Member Process	Met	Met	Met
<b>CUSTOMER SERVICE</b>			
<b>Combined Call Stats</b>			
<b>Member</b>			
Member Average Speed of Answer in Seconds	Not Met	Not Met	Not Met
Member Average Hold Time in Seconds	Met	Met	Met
Member Abandonment Rate	Met	Met	Met
Member Service Level	Not Met	Not Met	Met
<b>HEALTH SERVICES (UTILIZATION MANAGEMENT)</b>			
<b>Pre-Service Organization Determinations</b>			
<b>Standard Part C</b>			
% of Timely Decisions made within 14 days	Met	Met	Met
<b>Expedited Part C</b>			
% of Timely Decisions made within 72 Hours	Met	Met	Met
<b>Post Service Organization Determinations</b>			
% of Timely Decisions made within 30 days	Met	Met	Met
<b>HEALTH SERVICES (CASE MANAGEMENT)</b>			
<b>HRAs and ICPs</b>			
% of HRAs completed in 45 days for High Risk Members	Not Met	Met	Met
% of HRAs completed in 90 days for Low Risk Members	Met	Met	Met
% of ICPs completed within 30 days for High Risk Members	Met	Met	Met
% of ICPs completed within 30 working days for Low Risk Members	Not Met	Not Met	Met

Medi-Cal CY 2019			
	Q4 2018	Q1 2019	Q2 2019
<b>ENROLLMENT</b>			
<b>Enrollment Materials</b>			
% of New member packets mailed within 7 days of effective Date	Met	Met	Met
% of New Member ID cards mailed within 7 days of effective date	Met	Met	Met
<b>CUSTOMER SERVICE</b>			
<b>Call Stats</b>			
<b>Member Queue</b>			
Member Average Speed of Answer in Seconds	Not Met	Not Met	Not Met
Member Average Hold Time in Seconds	Not Met	Not Met	Met
Member Abandonment Rate	Not Met	Not Met	Met
Member Service Level	Not Met	Not Met	Not Met
<b>HEALTH SERVICES (UTILIZATION MANAGEMENT)</b>			
<b>Medical Authorizations</b>			
<b>Routine Authorizations</b>			
% of Timely Decisions made within 5 Business Days of request	Met	Met	Met
<b>Expedited Authorizations</b>			
% of Timely Decisions made within 72 Hours of request	Met	Met	Met
<b>Retrospective Review</b>			
% of Retrospective Reviews completed within 30 Calendar Days of request	Met	Met	Met
<b>CASE MANAGEMENT &amp; QUALITY</b>			
<b>Initial Health Assessment</b>			
% of High Risk SPD Members who completed HRA in 45 days	Not Met	Not Met	Not Met
% of HRAs completed in 90 days for Low Risk SPD Members	Not Met	Not Met	Not Met
% of HRAs completed in 45 days for High Risk MLTSS Members	Report Pending	Report Pending	Not Met
% of HRAs completed in 90 days for Low Risk MLTSS Members	Report Pending	Report Pending	Not Met
<b>HEALTH SERVICES (QUALITY)</b>			
<b>Facility Site Reviews</b>			
% of FSRs completed timely	Met	Met	Met

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



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

Cal MediConnect CY 2019			
	Q4 2018	Q1 2019	Q2 2019
<b>CLAIMS</b>			
<b>Non-Contracted Providers</b>			
% of Clean Claims to Non-Contracted Providers processed within 30 days	Met	Met	Met
<b>Contracted Providers</b>			
% of Claims to Contracted Providers processed within 45 days	Met	Met	Met
% of Claims to Contracted Providers processed within 90 days	Met	Met	Met
% of Claims to Contracted Providers processed beyond 90 days	Met	Met	Met
<b>PHARMACY - PART D</b>			
<b>Standard Part D Authorization Requests</b>			
% of Standard Prior Authorizations completed within 72 Hours	Met	Met	Met
<b>Expedited Part D Authorization Requests</b>			
% of Expedited Prior Authorizations completed within 24 Hours	Met	Met	Met
<b>Other Pharmacy Requirements</b>			
Formulary posted on website by 1st of the month	Met	Met	Met
Step Therapy posted on website by 1st of the month	Met	Met	Met
PA criteria posted on website by 1st of the month	Met	Met	Met
% MTM/CMR Completion Rate	Met	Met	Annual Measure
<b>GRIEVANCE &amp; APPEALS</b>			
<b>Grievances, Part C</b>			
<b>Standard Grievances Part C</b>			
% of Standard Grievances that received Acknowledgement Letters within 5 days and were not resolved in < 5 calendar days	Not Met	Not Met	Not Met
% of Standard Grievances resolved within 30/44 days	Not Met	Met	Met
<b>Expedited Grievances Part C</b>			
% of Expedited Grievances resolved within 24 hours	Met	Met	Met
<b>Grievances, Part D</b>			
<b>Standard Grievance Part D</b>			
% of Standard Grievances that received Acknowledgement Letters within 5 days and were not resolved in < 5 calendar days	Met	Met	Met
% of Standard Grievances resolved within 30/44 days	Met	Met	Met

Medi-Cal CY 2019			
	Q4 2018	Q1 2019	Q2 2019
<b>CLAIMS</b>			
<b>Non-Contracted Providers</b>			
% of Clean Claims to Non-Contracted Providers processed within 30 days	Met	Met	Met
<b>Contracted Providers</b>			
% of Claims to Contracted Providers processed within 45 working days	Met	Met	Met
<b>Provider Claim Dispute Requests (Contracted &amp; Non-Contracted)</b>			
% of Contracted Provider Disputes Processed within 45 days	Met	Met	Met
<b>PHARMACY</b>			
<b>Standard Authorization Request</b>			
% of Standard Prior Authorizations completed within 24-hours July 1 2017	Met	Met	Met
<b>Expedited Authorization Request</b>			
% of Standard Prior Authorizations completed within 24-hours July 1 2017	Met	Met	Met

<b>GRIEVANCE &amp; APPEALS</b>			
<b>Grievances</b>			
<b>Standard Grievances</b>			
% of Grievances resolved within 30 days	Not Met	Met	Not Met
<b>Expedited Grievances</b>			
% of Expedited Grievances resolved within 72 hours	Not Met	Met	Met
% of Expedited Grievances that received Oral Notification within 72 hours	Not Met	Met	Met
% of Expedited Grievances that received Resolution Letters within 72 hours	Not Met	Met	Met
<b>Appeals</b>			
<b>Standard Appeals</b>			
% of Acknowledgement Letters sent within 5 calendar days	Not Met	Not Met	Not Met



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

Cal MediConnect CY 2019			
	Q4 2018	Q1 2019	Q2 2019
<b>Expedited Grievance Part D</b>			
% of Expedited Grievances resolved within 24 hours	Met	Met	Met
<b>Reconsiderations, Part C</b>			
<b>Standard Post-Service Part C</b>			
% of Standard Post-Service Reconsiderations resolved within 60 days	Not Met	Met	Met
<b>Standard Pre-Service Part C</b>			
% of Standard Pre-Service Reconsiderations that received Acknowledgement Letters within 5 days	Not Met	Not Met	Met
% of Standard Pre-Service Reconsiderations resolved within 30/44 days	Not Met	Met	Met
<b>Expedited Pre-Service Part C</b>			
% of Expedited Pre-Service Reconsiderations resolved with oral notification to member within 72 Hours	Met	Met	Met
% of Expedited Pre-Service Reconsiderations resolved with written notification to member within 72 Hours	Met	Met	Met
% Expedited Pre-Service Reconsiderations (upheld & untimely) submitted to IRE within 24-hours of decision	Met	Met	Met
<b>Redeterminations, Part D</b>			
<b>Standard Part D</b>			
% of Standard Redeterminations resolved within 7 calendar days	Met	Met	Met
<b>Expedited Part D</b>			
% of Expedited Redeterminations resolved with oral notification to member within 72 Hours	Met	Met	Met
% of Expedited Redeterminations resolved with written notification to member within 72 hours	Met	Met	Met
% of Untimely Expedited Redeterminations Submitted to IRE within 24 Hours of decision	Not Met	Met	Met
<b>Complaint Tracking Module (CTM) Complaints</b>			
% Resolved Timely	Not Met	Met	Met
<b>PROVIDER RELATIONS</b>			
Provider Directories updated monthly by the first day of the month	Met	Met	Met
Monthly Excluded Provider Screening Completed (Independent Providers)	Met	Met	Met
<b>MARKETING</b>			
% of Marketing Materials Submitted for Approval	Met	Met	Met
<b>FINANCE</b>			
Monthly submission of encounters	Met	Met	Met
% of Encounters submitted to CMS within 180 days of date of Service	Met	Met	Met
% of RAPS records successfully submitted to CMS (not duplicate)	Met	Met	Met

Medi-Cal CY 2019			
	Q4 2018	Q1 2019	Q2 2019
% of Standard Appeals resolved within 30/44 calendar days	Met	Met	Met
<b>Expedited Appeals</b>			
% of Expedited Appeals Resolved within 72 hours	Not Met	Not Met	Met
% of Expedited Appeals that received Oral Notification within 72 hours	Not Met	Met	Met
% of Expedited Appeals that received Resolution Letters within 72 hours	Not Met	Not Met	Met

PROVIDER NETWORK MANAGEMENT			
% of New Independent Providers Rec'd Orientation within 10 days	Met	Met	Met
Monthly Excluded Provider Screening Completed	Met	Met	Met
Timely Access Surveys (due in June)	Met	Met	Met
<b>INFORMATION TECHNOLOGY</b>			
% Encounter Files Successfully Submitted to DHCS by end of month	Met	Met	Met
% Monthly Eligibility Files successfully submitted to Delegates Timely	Met	Met	Met
% Provider File submitted to DHCS by last Friday of Month	Met	Met	Met

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

	Q4 2018	Q1 2019	Q2 2019
<b>COMPLIANCE TRAINING</b>			
% New Employee Training Completed Timely	Met	Met	Not Met
% Annual Employee Training Completed	Met	Met	Met
<b>BOARD OF DIRECTORS TRAINING</b>			
% Annual Board Training Completed Timely	Annual Measure	Annual Measure	Met
<b>HUMAN RESOURCE</b>			
Excluded Individual Screening Completed Monthly	Met	Met	Met
<b>INTERNAL AUDITS</b>			
% of Internal Audits Completed	Met	Met	Met
<b>DELEGATION OVERSIGHT</b>			
% of Scheduled Audits Completed	Met	Met	Met
<b>REPORTING</b>			
% of CMC Routine Reports Submitted Timely	Met	Met	Met
% of Medi-Cal Routine Reports Submitted Timely	Met	Met	Not Met
<b>FILINGS</b>			
% of Key Personnel Filings Timely	Met	Met	Met



Regular Meeting of the

## **Santa Clara County Health Authority Quality Improvement Committee**

Wednesday, August 14, 2019, 6:00 PM - 8:00 PM

Santa Clara Family Health Plan, Redwood  
6201 San Ignacio Ave, San Jose, CA 95119

# **MINUTES**

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### **Members Present**

Ria Paul, MD, Chair  
Jennifer Foreman, MD  
Ali Alkoraishi, MD  
Christine Tomcala, Chief Executive Officer  
Laurie Nakahira, D.O., Chief Medical Officer

### **Members Absent**

Jimmy Lin, MD  
Nayyara Dawood, MD  
Jeffrey Arnold, MD

### **Staff Present**

Chris Turner, Chief Operating Officer  
Johanna Liu, Director, Quality & Process  
Improvement  
Robin Larmer, Chief Compliance and Regulatory  
Affairs  
Sandra Carlson, Director, Medical Management  
Shawna Cagle, Manager, Case Management  
Jamie Enke, Manager, Process Improvement  
Mai Chang, Manager, Quality Improvement  
Nancy Aguirre, Administrative Assistant  
Amy O'Brien, Administrative Assistant

### **Others Present**

Carmen Switzer, Manager, Provider Network Access  
(via telephone)

## **1. Introduction**

Ria Paul, Chair, called the meeting to order at 6:08pm. A quorum was established.

## **2. Public Comment**

There were no public comments.

## **3. Meeting Minutes**

Minutes of the June 12, 2019 Quality Improvement Committee (QIC) meeting were reviewed.

**It was moved by Dr. Alkoraishi, seconded by Ms. Tomcala, and the minutes of the June 12, 2019 Quality Improvement Committee meeting were unanimously approved.**

#### 4. CEO Update

Christine Tomcala, Chief Executive Officer, reported Santa Clara Family Health Plan's (SCFHP) enrollment is currently at 247K, which is down a couple of thousand from the last QIC meeting at 249K. The Medi-Cal line of business continues to decrease slightly, as expected.

Ms. Tomcala shared the Healthy Kids program will be discontinued. All except two children will move into Medi-Cal. The County is working to adjust the income levels on their Valley Kids Program.

Dr. Paul asked if Healthy Kids program will be gone completely. Ms. Tomcala confirmed this.

Ms. Tomcala announced the Health Homes Program (HHP) was launched on July 1, 2019 with six Community Based Care Management Entities (CB-CMEs). There are currently 21 members who have verbally consented into the HHP.

#### 5. Action Items

##### a. CMC Availability of Practitioners Evaluation

Ms. Switzer explained Cal MediConnect a dual eligible plan for members who qualify for both Medicare and Medi-Cal. Cal MediConnect enrollees receives Medicare and Medi-Cal benefits from one Plan. SCFHP conducts on-going efforts to ensure its members have reasonable access to a sufficient number of in-network providers.

Ms. Switzer explained SCFHP follows CMS guidelines where the Provider and Facility Health Services Delivery (HSD) process is used to demonstrate network adequacy. HSD detail and profile reports are used to determine compliance with CMS and SCFHP's provider availability standards. To ensure members have an adequate number of providers in their area, SCFHP measures availability of the following provider types: Primary Care Provider, three high volume specialists, one high impact specialists, two and high volume Behavioral Health.

The enrollment count for this report period is 7,822, including five members showing no access to primary care or other services. This year, SCFHP are using internal member reports. In addition, SCFHP's uses quarterly department-specific reports to trend member complaint themes, identify specific locations with problems, and initiate improvement efforts.

Dr. Paul asked if the five members showing no access to primary care are from Santa Clara County. Ms. Switzer explained the five members are not from Santa Clara County. These members were pulled from outside of our service area by the CMS reporting process and other data reports.

Ms. Switzer reported there are currently 474 in-network Primary Care Providers (PCP), 181 (38%) of which are open to new patients. In 2018, there were a total of 498 PCPs, with 197 (40%) open to new patients.

For in-network Specialists, there are currently 2095, 2008 (96%) of which are open to new patients. In 2018, there were a total of 2154 Specialists, with 1998 (93%) open to new patients.

For in-network High Volume Specialists, there are currently 410, 375 (92%) of which are open to new patients. In 2018, the total number of Cardiology providers was 131, with 130 (99%) open to new patients. The total number of Ophthalmology providers was 95, with 93 (98%) open to new patients. The total number of Gynecology providers was 138, with 126 (91%) open to new patients.

For in-network High Impact Specialists, there are currently 74, with all (100%) being open to new patients. In 2018, there were a total of 73 High Impact Specialists, with all (100%) open to new patients.

For in-network Behavioral Health providers, there are currently 172, 165 (96%) of which are open to new patients. In 2018, there were a total of 145 Behavioral Health providers, with 144 (99%) open to new patients.

Ms. Switzer noted SCFHP's Provider to Member Ratio Performance Goal is 90%. With the exception of general practice, SCFHP met performance goals for all providers assessed. Although the goal was not met for general practice, there are a total of 474 in-network PCPs, resulting in a provider to member ratio of 1:16, which meets the standard of 1:87.

A total number of 36 complaints, 4 of which were related to access, were received for a 12-month period. The reports show that the complaints were timely addressed and resolved to ensure the member's needs were met and satisfied.

Ms. Switzer concluded the Plan is able to demonstrate its ability to meet performance goals and is committed to ensure its members have access to timely, efficient and patient-centered quality health care. SCFHP continues to monitor availability of providers in rural communities and recruit new providers when available.

Dr. Paul asked what the time frame is to respond to a complaint it's been received. Ms. Turner explained there are standards that are set by CMS, depending on the nature of the complaint. There are 30 days to address a standard complaint, 72 hours to address an expedited complaint, and 24 hours to address

**It was moved by Dr. Foreman, seconded by Dr. Alkoraishi, and the CMC Availability of Practitioners Evaluation was unanimously approved.**

**b. Review of Population Health Management Impact 2018 Report**

Ms. Cagle presented the Population Health Management (PHM) Impact 2018 Report and noted that the changes will be applied to 2019 strategy. The purpose of the PHM Impact Analysis is to evaluate whether the Case Management (CM) team has achieved its goals and to gain insight into operational areas needing improvement. The CM team conducts a comprehensive analysis of the impact of its PHM program Strategy that includes the following focuses:

- Quantitative results for relevant clinical, cost/utilization and member experience measures
- Comparison of results with a benchmark or goal
- Qualitative Analysis of the results
- Drives changes & updates to the upcoming PHM strategy for the next calendar year

The PHM Strategy describes:

- Goals and populations targeted
- Programs or services offered to member
- Program Activities both direct and indirect
- How members programs are coordinated
- How members are informed about PHM programs

Ms. Cagle explained the annual PHM Impact report is reviewed by the Quality Improvement Committee (QIC) and drives the PHM Strategy for the following year.

The 2018 PHM Focus Ares are

- Focus Area 1: Managing multiple chronic illness (1 or more chronic managed condition)
  - Tier 1 Complex Case Management (CCM)
  - Tier 2 Moderate Case Management (MCM)
- Focus Area 2: Managing members with emerging risk (focus on ensuring members do not have a decrease in health)
  - Tier 3 Controlled Chronic Conditions

- Focus Area 3: Keeping member healthy
  - All CMC members
- Focus Area 4: Patient safety or outcomes across settings (All cause readmission category)
  - Members readmitted within 30 days of discharge
- Focus Area 5: Member experience with PHM programs
  - Members enrolled in CCM or MCM for 60+ days

Ms. Cagle explained each focus area's goal.

Focus Area 1's goal is to reduce the number of members with multiple unmanaged chronic conditions who also had 3 or more avoidable ED visits in the past year, by 10 percentage points. Tier 1 & Tier 2 programs and services include CCM, MCM, Medication Therapy Management (MTM), 24 Hour Nurse Advice Line.

Data shows a 78% reduction in the CCM and MCM population who experienced 3+ ED visits from CY 2017 to 2018 and a 62% reduction of total ED visits in the same population from 2017 to 2018. This outcome meets the measurement goal of 10 percentage points.

The PHM Work Group recommends continuing this measurement as the 2019 PHM Strategy Focus Area Goal.

Dr. Paul asked if the CM team coordinates with the member's PCP. Ms. Cagle explained all care plans are shared with the PCPs so when the member is discharged from the hospital, SCFHP can notify their PCP the discharge occurred and forward any medical documentation relating to hospital visits, summary, discharge plan, medication, etc. to them. Dr. Paul asked if the CM team connects one-on-one with the members. Ms. Cagle explained the CM team makes three or more attempts to connect with the member within 72 hours of their discharge for an understanding of their discharge plan.

Focus Area 2's goal is to increase HbA1c control rate by 2 percentage points compared to baseline. The population targeted are members stratified in Tier 3 with a controlled chronic condition of diabetes. Tier 3 programs and services include Basic Case Management (BCM), Health Education, Provider Engagement, Behavioral Health (SMI), and Gaps in Care.

Data shows the 2017 Comprehensive Diabetes Care (CDC) Control Rate was 60.5% compared to 2018 CDC Control Rate was 61.07% resulting in a 0.81% and 0.49 percentage point increase in HbA1c levels over the measurement year, resulting in not meeting the 2 percentage point increase goal.

Ms. Cagle explained the planned action is to coordinate with the Health Education team to develop reporting on which members are enrolled in Diabetic Health Education classes, as the members who are not enrolled may benefit from further engagement from CM. Another planned action is to schedule care in-service on best practices and covered and non-covered DME resources to support medication adherence in members requiring assistive devices.

The PHM Work Group recommends to continue to review this measure and the impacts of the planned actions for Focus Area 2.

Focus Area 3's goal is to reach a 5% increase in the number of CMC members with at least one annual wellness visit. The population targeted are all CMC members. The programs and services include BCM, Transitions of Care (TOC), and Provider Engagement.

Data shows in 2017, 759 of 7559 CMC members had one or more in-office Annual Wellness Visit encounters, for a total of 10.04% of the population compared to 854 CMC members who had one or more Annual Wellness Visit encounters in 2018, for a percentage of 11.29%. These findings resulted in a 12.45% increase, meeting the Focus Area goal.

Ms. Cagle explained although SCFHP met the Focus Area goal, the PHM Work Group recommends moving the Focus Area from Annual Wellness Visits to Initial Health Assessments (IHA) to help measure the impact of the IHA program.

Focus Area 4's goal is to decrease 30 day readmission rates for CMC members by 1 percentage point. The targeted population are members readmitted within 30 days of discharge. The programs and services include BCM, TOC, Whole Person Care Diversion, and Provider Engagement.

Data shows in 2017, the Plan All-Cause Readmissions (PCR) Observed Readmission Rate was 14.69% compared to 2018 which was 13.48% resulting in a 1.21% decrease in 30 day readmission rates which meet the 1 percentage point increase goal.

The PHM Work Group recommends to continue to review this measure and the impacts of the planned actions for this Focus Area.

Focus Area 5's goal is to reach a 90% or better satisfaction rating. The Focus Area goal was met. The phone survey/questionnaire will be updated with 9 additional detailed questions. Ms. Cagle identified the following opportunities for improvement:

- SCFHP will provide ongoing training to CCM CM staff on health education materials, resources and free/low cost community programs available to members.
- Create a CCM Experience Survey document that can be mailed to the member directly through the CM Platform (Essette) Correspondence module.
- Configure additional questions with the current CCM Survey Assessment in Essette.

The 2019 PHM Strategy will reflect the changes of focus from member experience with MCM services to member experience with Behavioral Health Program services.

Ms. Cagle concluded that although the report resulting in meeting 4.5 of 5 focus area measures, participants in the PHM Work Group identified several areas of improvement resulting in planned 3 changes to the 2019 PHM Strategy.

- Managing Multiple Chronic Illnesses: 2019 PHM Strategy will reflect that this focus area goal will not change but will continue to be evaluated during this next year.
- Managing Members with Emerging Risk: 2019 PHM Strategy will reflect that focus area goal will not change. However, additional process improvements will be implemented specific to referral management reporting, additional outreach, and additional staff education/in-service training.
- Keeping Members Health: 2019 PHM Strategy will reflect a new Focus Area goal" Reach a 90% provider IHA notification rate.
- Patient Safety or Outcomes across settings: 2019 PHM Strategy will reflect that focus area goal will not change. However, additional planned process improvements and reporting functionality will be developed and implemented to help improve member outcomes.
- Member Experience with CM Programs: 2019 PHM Strategy will reflect the focus area goal will not change for the CCM program. Beginning in 2018, member experience outcomes data has been monitored for those members receiving Behavioral Health CM services.

**It was moved by Ms. Tomcala, seconded by Dr. Alkoraishi, and the Population Health Management Impact 2018 Report was unanimously approved.**

**c. Review Updates to Policy QI.13 Comprehensive Case Management**

Ms. Carlson presented the following updates to the QI.13 Policy.

- Section 2.b., item #12, Notification to PCP of active CM services, was added.
- Section 2.d., the CM phone number was updated.
- Section 2.e., references were removed to reflect the PHM Strategy.

**It was moved by Dr. Foreman, seconded by Dr. Alkoraishi, and the updated Policy QI.13 Comprehensive Case Management was unanimously approved.**

**d. Review of Policy HS.01 Prior Authorizations**

Dr. Liu explained the HS.01 Prior Authorizations Policy will be going to the Utilization Management Committee, therefore it does not need to be reviewed at this time.

**6. Discussion Items**

**a. Appeals and Grievances**

This item was tabled for the next QIC meeting as Mr. Breakbill was not present.

**b. HEDIS Reporting**

Ms. Chang reported the following HEDIS achievements

- No Medi-Cal measures below 25<sup>th</sup> percentile
- CMC: Met Quality Withhold threshold requirements
- Medical Record Retrieval Rate was high (95.3%)
- Received 100% Valley Health EMR Abstraction

Ms. Chang reported the following HEDIS challenges:

- Challenges with vendor software syncing medical record chart data.
- Received medical records for incorrect measurement year
- Provider specialty mapping
- Missing/Duplicate CIN and HICN
- Enrollment data issues

There was an increase in Medi-Cal Cervical Cancer Screening (CCS) for this year, up to 61.07% from 54.26%. SCFHP met the 2019 MPL, but not the 2019 HPL (70.56%).

There was a slight increase in Medi-Cal HbA1c Testing, up to 89.76% from 88.32%. SCFHP met the 2019 MPL, but not the 2019 HPL (92.70%).

For Medi-Cal Timeliness of Prenatal Care, there was an increase for this year, up to 86.86% from 83.70%. SCFHP met the 2019 MPL, but not the 2019 HPL (90.75%).

For Controlling High Blood Pressure, there was a significant decrease from 65.94% last year to 56.93% this year. This was due to a change in how the population was measured, so this item is not tractable.

For Childhood Immunization Status, there was a decrease from 77.62% to 73.72%.

There was an increase in Medi-Cal Well Child Visits 3-6 Years of Life for this year, up to 76.16% from 72.75%. SCFHP met the 2019 MPL, but not the 2019 HPL (78.35%).

The quality withhold benchmark for CMC Controlling High Blood Pressure is at 53%. SCFHP is above the benchmark at 63.50%.

The quality withhold benchmark for CMC Plan All Caused Readmissions is less than or equal to 1. Last year, SCFHP was at .937 and this year, SCFHP is at .8701, resulting in a decrease in readmissions.

For CMC 30 Day Follow-up after Hospitalization for Mental Illness, SCFHP surpassed the quality withhold benchmark (56%), reaching 64.29%.

Ms. Chang reviewed the following improvement plans for Medi-Cal.

- Wellness rewards for targeted measures
- Controlling High Blood Pressure
- Adolescent Well Care
- Well Child Visits in the first 15 months of life – 6 visits
- Texting Campaign for targeted measures

Ms. Chang reviewed the following improvement plans for CMC.

- Call Campaign for targeted measures
- Texting Campaign for Comprehensive Diabetes Care and Controlling High Blood Pressure.

**c. Medi-Cal CAHPS Survey**

Ms. Enke explained the Medi-Cal CAHPS Survey is administered every 3<sup>rd</sup> year to both adults and children. The 2019 Medi-Cal CAHPS Survey was mailed out on February 21, 2019, in addition to postcard reminders and Computer Assisted Telephone Interviewing (CATI) calls. The CAHPS Survey is available in both English and Spanish.

Ms. Enke reported a small decrease in this year's participation in both adults and children. There was a decrease in flu vaccinations for adults ages 18-64.

Dr. Liu added the Department of Health Care Services (DHCS) generates the CAHPS survey and submits the survey results to the Health Services Advisory Group (HSAG) on behalf of the Managed Care Plans (MCPs). This survey reports how members perceive their service(s). Ms. Tomcala asked if the CAHPS Survey will expand to become available in Vietnamese as well. Ms. Enke answered, yes, after 2019.

There was an increase in advising smokers and tobacco users to quit, however, there was an increase in the percent of current smokers.

There were two significant decreases in the Adult Question Summary Rate. Question #13 regarding the rating of all health care had a decrease from 77.24% in 2016 to 70.64% this year. Question #27 regarding the rating of Specialist seen most often decreased from 69.90% in 2016 to 63.41%. However, there was a slight increase of almost 3% in question #23 regarding the rating of their personal doctor.

There were two significant decreases in the Child Question Summary Rate. Question #6 regarding check-up/routine appointments as soon as needed decreased from 60.97% in 2016 to 51.82% this year. Question #17 regarding if their personal doctor explained things decreased from 74.05% in 2016 to 67.48% this year. However, there was an increase of almost 3% in question #18 regarding if their personal doctor listened carefully.

Ms. Enke reviewed some next steps in improving the Medi-Cal CAHPS Survey. Some of which include:

- Quality Improvement (QI) Team will formulate a cross-functional workgroup to analyze results, identify root causes, and brainstorm possible actions to improve results.
- The QI Team will look into expanding the available languages of the surveys to improve response rates.

Ms. Tomcala asked at which percentage measure the results would deem significant. Ms. Enke explained a finding of > or < 5% would be considered significant.

## 7. Committee Reports

### a. Credentialing Committee

Dr. Nakahira presented the June 5, 2019 Credentialing Committee Meeting Report. There were 10 initial practitioners credentialed, 11 practitioners due to be credentialed, and 11 practitioners re-credentialed within a 36 month timeline.

Dr. Nakahira explained all current network practitioners and providers were monitored on an ongoing basis for licensing issues, sanctions, validated quality of care issues and opt-out exclusion. No currently credentialed practitioner or provider had an identified issue on any of the exclusion lists or licensing boards.

In addition, staff education was conducted regarding the re-credentialing of practitioners within the required 36 month timeframe. Procedure review of mailed pre-populated re-credentialing applications were reviewed six months prior to due date.

Dr. Nakahira concluded weekly re-measurement will be conducted on re-credentialing applications to measure compliance.

**It was moved by Dr. Alkoraishi, seconded by Dr. Foreman, and the June 5, 2019 Credentialing Committee Report was unanimously approved.**

### b. Pharmacy and Therapeutics Committee

Minutes of the March 21, 2019 Pharmacy and Therapeutics Committee (P&T) meeting were reviewed by Dr. Nakahira.

**It was moved by Dr. Foreman, seconded by Dr. Alkoraishi, and the March 21, 2019 Pharmacy and Therapeutics Committee meeting minutes were unanimously approved.**

### c. Utilization Management Committee

Minutes of the April 17, 2019 Utilization Management Committee (UMC) meeting were reviewed by Dr. Nakahira.

**It was moved by Dr. Foreman, seconded by Dr. Alkoraishi, and the March 21, 2019 Pharmacy and Therapeutics Committee meeting minutes were unanimously approved.**

### d. Compliance Report

Ms. Larmer initiated roll call at this time as it was not completed when the meeting commenced. Ms. Larmer introduced herself, followed by a round of introductions.

Ms. Larmer reported SCFHP is currently in the Independent Validation Audit (IVA) as of two weeks ago. The IVA is a 6/7 week cycle and SCFHP has completed the compliance portion of the audit. SCFHP is currently conducting quality checks via mock audits and interviews. At this moment, there is no indication of failing the audit. The Plan is looking forward to the report to be received on September 30, 2019.

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



The 2019 Full-Scope Medical Survey with DMHC and DHCS remains ongoing. The on-site portion of the survey was conducted in March 2019. The Plan has not yet received a final report from either agency; however, based on preliminary feedback, the Plan anticipates there may be a total of 15-17 findings as a result of this year's Survey. DHCS has scheduled an exit conference to present its Survey findings on June 13<sup>th</sup>, and the agency will deliver its Final Report for Plan review and comment shortly thereafter. Based on past practice, the Plan anticipates DMHC's Report in June or July.

**e. Quality Dashboard**

Dr. Liu shared a Performance Improvement Project for high-risk members who completed individual care plans. The completion rate was 57.2%, not meeting the completion goal of 68%. For low-risk members, the completion rate was 55.6%, not meeting the completion goal of 67%. Dr. Liu explained there is a work plan in place to increase completed care plans.

Dr. Liu reported a total number of 159 Potential Quality of Care Issues (PQIs) received in Q2 investigated by the Quality Team. Network 20 (VHP) has the highest number of cases (38) of level 1 issues.

There were a total of 10 Facility Site Reviews (FSR), all of which passed with 80% or higher in Q2. A FSR is a 3 part evaluation of all PCPs and high volume specialist to audit provider offices for patient safety.

For Initial Health Assessments (IHAs), there were about 44/45% completed within 120 days of enrollment. The QI Team is currently developing a work plan to improve IHA completion rate.

Ms. Turner asked if SCFHP has a stated goal, or percentage goal. Dr. Liu shared the goal is 100%.

Dr. Liu explained within SCFHP's call center tracking system (QNXT), there were a total of 279 alerts closed by staff since the launch (10/1/2018), decreasing the amount of gaps in care as members are being reminded of alerts regarding any pending health tasks.

Dr. Liu announced SCFHP's Health Homes Program (HHP) launched on July 1, 2019 with six Community Based Care Management Entities (CB-CMEs). The HHP is designed to coordinate care for Medi-Cal beneficiaries with chronic conditions and/or substance use disorders. Dr. Liu reported 21 members have verbally consented into Health Homes as of July 18, 2019.

**8. Adjournment**

The next QIC meeting will be on October 9, 2019. The meeting was adjourned at 7:51pm.

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Ria Paul, MD, Chair

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10/9/19



**Santa Clara Family  
Health Plan™**

## **Availability of Provider Network – MY2019 Cal MediConnect**

Prepared by: Carmen Switzer, Provider Network Access Manager

For review and approval by the Quality Improvement Committee

August 14, 2019

# Introduction

Santa Clara Family Health Plan (SCFHP) administers Cal MediConnect; a dual eligible plan for members who qualify for both Medicare and Medi-Cal. Cal MediConnect enrollees receives Medicare and Medi-Cal benefits from one Plan, such as:

- Medical Care
- Prescription Medications
- Mental/Behavioral Health Care
- Long-term Services and Supports (LTSS)
- Social Services
- Vision
- Hearing Tests and Aids
- Transportation

# Introduction

SCFHP conducts on-going efforts to ensure its members have reasonable access to a sufficient number of in-network providers.

For example, efforts to expand our behavioral health network in 2018/2019 resulted in new contracts with:

- Licensed Marriage/Family Therapists (3)
- Psychologists (3)

In addition, SCFHP targeted 12 licensed clinical social workers, some of which are in the process of considering a contract with the Plan.

# Methodology

SCFHP follows CMS guidelines where the Provider and Facility Health Service Delivery (HSD) process is used to demonstrate network adequacy.

SCFHP conducts an assessment using the HSD detail and profile reports and other network access reports generated through the Quest analytics tool to determine compliance with CMS and SCFHP's provider availability standards.

To ensure members have an adequate number of providers in their area, SCFHP measures availability of the following provider types:

- Primary Care Provider
- High Volume Specialists (3)
- High Impact Specialists (1)
- High Volume Behavioral Health (2)

# Methodology

Enrollment count for this report period is 7,822.

**Note:** The CMS reports pulled 5 members that were outside of the Plan's service area. Therefore, this report includes an additional 5 members that show no access to primary care and/or other services. SCFHP will conduct future assessments using internal member reports. The total enrollment count without the 5 out of service area members is **7817**.

In addition, SCFHP's uses quarterly department-specific reports to trend member complaint themes, identify specific locations with problems and initiate improvement efforts.

# SCFHP NETWORK PROVIDERS

**Table I: Primary Care Provider - Open/Close**

Provider Group	Family Practice	Open	General Practice	Open	Internal Med	Open	Total # of Providers	Total Open	% Open	% Closed
Direct Network Providers	27	24	0	0	6	3	33	27	82%	18%
Palo Alto Medical Foundation	95	0	0	0	117	0	212	0	0%	100%
Physicians Medical Group	27	22	4	4	49	30	80	56	70%	30%
Premier Care	8	6	5	5	15	10	28	21	75%	25%
Valley Health Plan	52	35	3	3	66	39	121	77	64%	36%
<b>Total</b>	<b>209</b>	<b>87</b>	<b>12</b>	<b>12</b>	<b>253</b>	<b>82</b>	<b>474</b>	<b>181</b>	<b>38%</b>	<b>62%</b>

- Table I shows the total number of primary care in network providers (474), and the number of open (181) to serve new patients. Open at 38%.
- Change from 2018 – Total providers (498), open (197). Open at 40%.

# SCFHP NETWORK PROVIDERS

**Table II: Specialists (ALL) – Open/Close**

Provider Group	# of Providers	Total Open	% Open	% Closed
Direct Network Providers	932	905	97%	3%
Palo Alto Medical Foundation	437	424	97%	3%
Physicians Medical Group of SJ	270	261	97%	3%
Premier Care	78	75	96%	4%
Valley Health Plan	378	343	91%	9%
<b>Total</b>	<b>2095</b>	<b>2008</b>	<b>96%</b>	<b>4%</b>

- Table II shows the total number of in network specialists (2095), and the number open (2008) to serve new patients. Open at 96%.
- Change from 2018 – Total providers (2154), open (1998). Open at 93%.



# SCFHP NETWORK PROVIDERS

**Table II-A: High Volume Specialists – Open/Close**

<b>Provider Type</b>	<b># of Providers</b>	<b>Total Open</b>	<b>% Open</b>	<b>% Closed</b>
Cardiology	134	131	98%	2%
Ophthalmology	89	88	99%	1%
Gynecology	187	157	84%	16%
<b>Total</b>	<b>410</b>	<b>376</b>	<b>92%</b>	<b>8%</b>

- Table II-A shows the total number of in network high volume specialists (410), and the number open to serve new patients (376). Open at 92%.
- Change from 2018:
  - Cardiology: Total providers (131), open (130). Open at 99%.
  - Ophthalmology: Total providers (95), open (93). Open at 98%.
  - Gynecology: Total providers (138), open (126). Open at 91%.

# SCFHP NETWORK PROVIDERS

**Table II-B: High Impact Specialist – Open/Close**

<b>Provider Type</b>	<b># of Providers</b>	<b>Total Open</b>	<b>% Open</b>	<b>% Closed</b>
Hematology/Oncology	74	74	100%	0%

- Table II-B shows the total number of in network high impact specialists (74), and all are open to serve new patients. Open at 100%.
- Change from 2018 – Total providers (73), open (73). Open at 100%.

# SCFHP NETWORK PROVIDERS

**Table III: Behavioral Health – Open/Close**

Provider Type	PSYCHE	Open	PSYCHO	Open	LCSW	Open	LCMFT	Open	Addiction Medicine	Open	Total # of Providers	Total Open	% Open	% Closed
Direct	24	23	26	26	27	25	13	13	1	1	91	88	97%	3%
PAMF	14	14	4	4	7	7	7	7	0	0	32	32	100%	0%
PMGSJ	2	2	0	0	0	0	0	0	0	0	2	2	100%	0%
Premier	1	1	0	0	0	0	0	0	0	0	1	1	100%	0%
VHP	42	38	2	2	1	1	0	0	1	1	46	42	91%	9%
<b>Total</b>	<b>83</b>	<b>78</b>	<b>32</b>	<b>32</b>	<b>35</b>	<b>33</b>	<b>20</b>	<b>20</b>	<b>2</b>	<b>2</b>	<b>172</b>	<b>165</b>	<b>96%</b>	<b>4%</b>

PSYCHE = Psychiatry    LCSW = Licensed Clinical Social Worker  
 PSYCHO = Psychology    LCMFT = Licensed Clinical Marriage/Family Therapy

- Table III shows the total number of in network behavioral health providers (172), and the number open to serve new patients (165). Open at 96%.
- Change from 2018 – Total providers (145), open (144). Open at 99%.

# SCFHP NETWORK PROVIDERS

**Table III-A: High Volume Behavioral Health – Open/Close**

High Volume Provider	# of Providers	Open	% Open	% Closed
Psychiatry	83	78	94%	6%
Marriage/Family Therapy	20	20	100%	0%

- Table III-A shows the BH provider types identified as high volume and the number and percentages open to serve CMC members.
- Psychiatry was identified as a HVBH provider in 2018 and following are the results from the 2018 assessment: Total providers (87), open (86). Open at 99%.
- Marriage/Family Therapy was not identified as a HVBH provider in 2018; thus, there is no comparison data.

# Measures

## A. Provider to Member Ratios

**Table I: Primary Care Provider**

Provider Type	Measure	Standard	Performance Goal
Family Practice	Family Practice Provider to Member	23:2000	90%
General Practice	General Practice Provider to Member	23:2000	90%
Internal Medicine	Internal Medicine Provider to Member	23:2000	90%

**Table II. High Volume / High Impact**

Provider Type	Measure:	Standard	Performance Goal
Cardiology	Cardiology Provider to Member	4:1200	90%
Gynecology	GYN Provider to Member	1:1200	90%
Ophthalmology	Op Provider to Member	4:1200	90%
Hematology/Oncology	Oncology Provider to Member	3:1200	90%

# Measures

**Table III: Behavioral Health Provider**

Provider Type	Measure:	Standard	Performance Goal
Psychiatry	Psychiatry Provider to Member	2:1200	90%
Licensed Clinical Social Worker (LCSW)	LCSW Provider to Member	2:1200	90%
Psychology	Psychology Provider to Member	2:1200	90%
Marriage/Family Therapy (LCMFT)	LCMFT to Member	2:1200	90%
Addiction Medicine	Addiction Medicine to Member	2:1200	90%

## **B. Time and Distance**

**Table I: Primary Care Provider**

Provider Type	Measure: Time and Distance	Performance Goal
Family Practice	10 minutes and 5 miles	90%
General Practice	10 minutes and 5 miles	90%
Internal Medicine	10 minutes and 5 miles	90%

# Measures

**Table II: High Volume / High Impact Specialists**

Provider Type	Measure: Time and Distance	Performance Goal
Cardiology	20 minutes and 10 miles	90%
Gynecology	30 minutes and 15 miles	90%
Ophthalmology	20 minutes and 10 miles	90%
Hematology/Oncology	20 minutes and 10 miles	90%

**Table III: Behavioral Health Provider**

Provider Type	Measure: Time and Distance	Performance Goal
Psychiatry	20 minutes and 10 miles	90%
Licensed Clinical Social Worker	20 minutes and 10 miles	90%
Psychology	20 minutes and 10 miles	90%
Family/Marriage Therapy	20 minutes and 10 miles	90%
Addiction Medicine	20 minutes and 10 miles	90%

# Results

**Table I: Provider to Member Ratios**

Provider Type	Provider #	Member #	Standard	Standard (simplified)	Measure	Goal	Met/Not Met
<b>Primary Care Provider</b>							
Family Practice	209	7822	23:2000	1:87	1:37	90%	Met
General Practice	12	7822	23:2000	1:87	1:651	90%	Not Met
Internal Medicine	253	7822	23:2000	1:87	1:31	90%	Met
Total (all PCP's combined)	474	7822	23:2000	1:87	1:16	90%	Met
<b>High Volume Specialists</b>							
Cardiology	134	7822	4:1200	1:300	1:58	90%	Met
Gynecology	187	7822	1:1200	1:1200	1:42	90%	Met
Ophthalmology	89	7822	4:1200	1:300	1:88	90%	Met
<b>High Impact Specialist</b>							
Hematology - Oncology	74	7822	3:1200	1:400	1:106	90%	Met
<b>High Volume Behavioral Health Providers</b>							
Psychiatry	83	7822	2:1200	1:600	1:94	90%	Met
Family/Marriage Therapy	20	7822	2:1200	1:600	1:391	90%	Met

- Table I shows the provider to member ratios, and with the exception of general practice, SCFHP met performance goals for all providers assessed within this report.
- Although the goal was not met for general practice, there are a total of 474 in network primary care providers, resulting in a provider to member ratio of 1:16; which meets the standard of 1:87.



# Results

**Table II: Time and Distance**

Member N=7822 / Goal: 90% of members will have access (N=7040)

Provider Type	Members with Access	Members without Access	Standard (Time and Distance)	% of Members with Access	Goal	Met/Not Met
<b>Primary Care Provider</b>						
Family Practice	7615	207	10 minutes and 5 miles	97.4%	90%	Met
General Practice	5416	2406	10 minutes and 5 miles	69.2%	90%	Not Met
Internal Medicine	7706	116	10 minutes and 5 miles	98.5%	90%	Met
<b>High Volume Specialists</b>						
Cardiology	7778	44	20 minutes and 10 miles	99.4%	90%	Met
Gynecology	7822	0	30 minutes and 15 miles	100%	90%	Met
Ophthalmology	7685	137	20 minutes and 10 miles	98.2%	90%	Met
<b>High Impact Specialist</b>						
Hematology - Oncology	7217	605	20 minutes and 10 miles	92.3%	90%	Met
<b>High Volume Behavioral Health Providers</b>						
Psychiatry	7822	0	20 minutes and 10 miles	100%	90%	Met
Family/Marriage Therapy	7819	3	20 minutes and 10 miles	99.9%	90%	Met

- Table II shows results on time and distance, and with the exception of general practice, SCFHP met performance goals for all providers assessed.

# Member Access Complaints



Table I: Access Complaint Record

Provider Type	Wait Times						Provider Not Accepting New PT's	Authorizations	Referrals	Interpreter Services	Other	Total # of Complaints
	Appts	In Office	Phone Pick Up	Phone-Medical	Phone-Non Medical	After Hours						
PCP	5	1	4	1			1	5	2		4	23
Allergist											1	1
DME			1									1
Home Health											1	1
*PT	2										3	5
Plan								1		1		2
Acute Hospital								1			1	2
Psychiatrist	1											1
<b>Total</b>	<b>8</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>2</b>	<b>1</b>	<b>10</b>	<b>36</b>

\*PT: Physical Therapy

- Table I shows member access complaints and the total number (36) for a 12-month period. The reports showed that the complaints were addressed and resolved timely.
- The next two slides includes complaint details relevant to the “other” category.

# Member Access Complaints

## Primary Care Providers:

- Member concerned with intake questions; thought it might lead to discrimination. Plan contacted the PCP, who explained that their intake questions assist with providing quality of care and that they do not discriminate. Case was referred to Quality for further investigation.
- Member wanted to be assigned to a non-par PCP.
- PCP would not schedule an appointment because new enrollee was in pending status. Plan contacted PCP and an appointment was scheduled.
- RX refill delay – Plan contacted PCP and a refill was issued to the pharmacy.

**Allergist:** Provider office was unaware of par status – caused appointment scheduling delay.

# Member Access Complaints

**Home Health:** Referred to non-par HH, not able to meet members needs. Member referred to par provider.

## **Physical Therapy:**

- PT provider would not schedule an appointment due to claims payment delays by SCFHP. Plan contacted the provider and readily scheduled an appointment for the member – claims issues were resolved and no further member complaints were on file due to this issue.
- Member referred to non-par PT provider and later was referred to a par provider.
- Non-par PT refused to treat member although an auth was approved by SCFHP. Member referred to a par provider.

**Acute Hospital:** ER would not refer member to a podiatrist. PCP referred member to an orthopedic provider.

## Conclusion:

Santa Clara Family Health Plan is able to demonstrate its ability to meet performance goals relevant to:

- Provider to Member Ratios
- Geographic Distances (across all in network providers)
- Primary Care Providers (with the exception of general practice)
- High Volume/Impact Specialists
- Behavioral Health Providers

The overall findings on member complaints showed 2 primary categories:

- Timeliness
- Communications

The reports indicated that the complaints were managed effectively and timely to ensure the members needs were met and satisfied.

SCFHP is committed to ensure its members have access to timely, efficient and patient-centered quality health care.

## Barriers and Opportunities:

Barrier	Opportunity	Intervention	Selected for 2019	Date Initiated
<ul style="list-style-type: none"> <li>Rural communities - Provider shortages in the southeast area of Santa Clara County.</li> </ul>	<ul style="list-style-type: none"> <li>Recruit new providers when available, especially in rural areas.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor availability of new providers and conduct outreach efforts when providers become available.</li> </ul>	Yes	Ongoing

Approving Committee	Date of Approval	Recommendations
Quality Improvement Committee (QIC)		



# Santa Clara Family Health Plan™

2018 Population Health Management (PHM) Impact Analysis

Quality Improvement Committee August 14, 2019 Presented by Sandra Carlson, Director of Medical Management

# Purpose of PHM Impact Analysis

The Case Management team has a systematic process to evaluate whether it has achieved its goals and to gain insight into operational areas needing improvement.

At least annually, CM conducts a comprehensive analysis of the impact of its PHM program Strategy that includes the following focus:

- Quantitative results for relevant clinical, cost/utilization and member experience measures
- Comparison of results with a benchmark or goal
- Qualitative Analysis of the results
- Drives changes & updates to the upcoming PHM strategy for the next calendar year



# Population Health Management (PHM) Strategy

Health Services outlines its Population Health Management (PHM) strategy for defining processes intended to meet the care needs of its member population.

The PHM Strategy describes:

- Goals and populations targeted
- Programs or services offered to member
- Program Activities both direct and indirect
- How members programs are coordinated
- How members are informed about PHM programs

# PHM Workgroup

This annual PHM Impact report is reviewed by the Quality Improvement Committee, chaired by the Chief Medical Officer and drives the PHM Strategy for the following year. The PHM Strategy Impact analysis is performed by the Population Health Management (PHM) Workgroup which includes the Manager and Director of Case Management, Director of Quality & Process Improvement, Director of Long Term Services and Supports, Manager of Behavioral Health and NCQA Project Manager.

# 2018 PHM Focus Areas

## 1) Managing multiple chronic illnesses

- Tier 1 Complex Case Management
- Tier 2 Moderate Case Management

## 2) Managing members with emerging risk

- Tier 3 Controlled Chronic Conditions

## 3) Keeping members healthy

- All CMC members

## 4) Patient safety or outcomes across settings

- Members readmitted within 30 days of discharge

## 5) Member Experience with PHM programs

- Members enrolled in CCM or Moderate CM for 60 days +

# Focus Area 1: Managing multiple chronic conditions

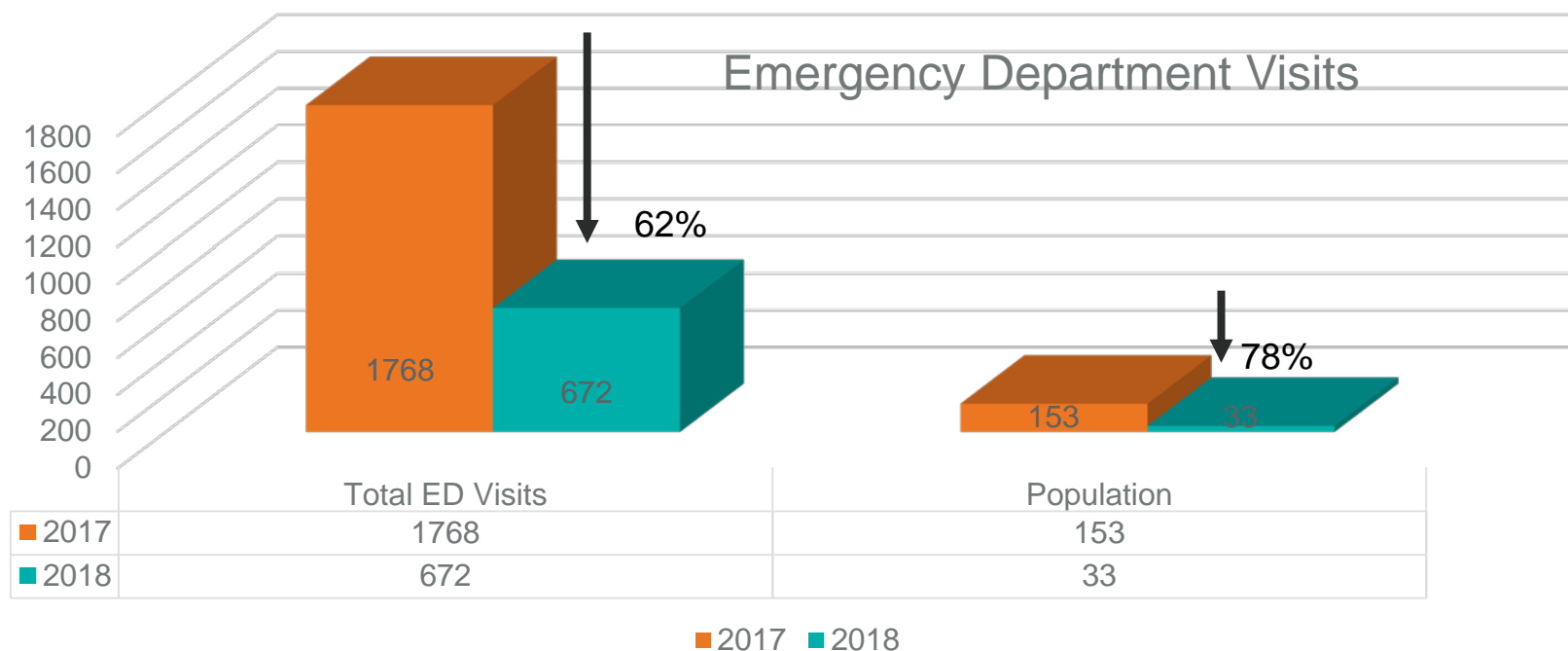
**Focus Area Goal:** To reduce the number of members with multiple unmanaged chronic conditions who also had 3 or more avoidable ED visits in the past year, by 10 percentage points.

**Goal Relevance Statement:** SCFHP member population has been identified to have a high rate of avoidable Emergency Department (ED) visits for members dealing with one or more unmanaged chronic disease. Through the PHM Strategy Tier structure, the members with the highest prevalence of avoidable ED use related to one or more unmanaged chronic condition, have been stratified as being eligible for either Tier 1: Complex Case Management (CCM) or Tier 2: Moderate CM.

**Population Targeted:** Tier 1 & Tier 2 members with one or more unmanaged chronic condition that resulted 3 or more ED visits in 2017.

**Tier 1 & 2 Programs and Services:** Complex Case Management (CCM), Moderate Case Management, Medication Therapy Management (MTM), 24 Hour Nurse Advice Line.

This graph illustrates a 78% reduction in the Complex Case Management and Moderate Case Management population who experienced 3 + ED visits from CY 2017 to 2018 and a 62% reduction of total ED visit in the same population from 2017 to 2018. This outcome **meets** the measurement goal of 10 Percentage points.



Recommend continuing to review this measurement as the 2019 PHM Strategy Focus Area Goal.

## Focus Area 2: Managing Members with Emerging Risk

**Focus Area Goal:** Increase HbA1c control rate by 2 percentage points compared to baseline

**Goal Relevance Statement:** Within SCFHP CMC line of business, there are 1,450 or 18% of members who meet the HEDIS definition of having diabetes. The plan also has a large population of Hispanic and Asian members who based on their ethnicity, are at higher risk for diabetes. Uncontrolled diabetes can lead to cardiac disease and progressive decline in health. This Focus Area is aligned with HEDIS efforts to decrease HbA1c levels and improve diabetic health outcomes for members. Through the PHM Strategy members with controlled diabetes are eligible for Tier 3: Basic Case Management to receive support to increase self-management to improve their overall health.

**Population Targeted:** Members stratified in Tier 3 with a controlled chronic condition of diabetes.

**Tier 3 Programs & Services:** Basic Case Management, Health Education, Provider Engagement, Behavioral Health (SMI), Gaps in Care

The Comprehensive Diabetes Care Graph illustrates in 2017 Comprehensive Diabetes Care (CDC) Control Rate was 60.58% compared to 2018 Comprehensive Diabetes Control rate which was 61.07% resulting in a 0.81% and 0.49 percentage point increase in HbA1c levels over the measurement year, resulting in **not meeting** the 2 percentage point increase goal for this focus area.

## Comprehensive Diabetes Care



	2017	2018
Comprehensive Diabetes Care	60.58%	61.07%

Comprehensive Diabetes Care

# PHM Work Group Qualitative Analysis & Opportunities for Improvement:

Priority	Barrier	Opportunity	Action	Status
1	Lack of reporting on what members are enrolled in Diabetic Health Education classes with improved HbA1c self-management verses members who have been referred to Health Education classes but opt-out.	Report development to identify members who have been referred to DM Health Education who have been enrolled in classes. This report will also identify members that do not choose to participate that may benefit from further engagement form CM.	Coordinate with Health Education team to develop reporting.	Planned implementation Q4 2019
2	Many members with Diabetic retinopathy experience barriers to medication adherence due lack of knowledge of medication assistive devices.	To increase staff knowledge of how to address barriers to medication adherence in members that require medication assistive devices to increase self-management and mitigate risk.	Schedule care manager in-service on best practices and covered and non-covered DME resources to support medication adherence in members requiring assistive devices.	Planned implementation Q4 2019

PHM work group recommends to continuing to review this measure and the impacts of the planned actions for this Focus Area of the 2019 PHM Strategy.



## Focus Area 3: Keeping Members Healthy

**Focus Area Goal:** Reach a 5% increase in the number of CMC members with at least one annual wellness visit.

**Goal Relevance Statement:** Based on an analysis of risk adjustment data, SCFHP discovered that we did not have utilization information on many of our CMC members during CY 2017. Annual Wellness visits are critical to as well as improving the health of our members with multiple chronic conditions.

**Population Targeted:** All CMC members

**Programs & Services:** Basic Case Management, Transitions of Care (TOC), Provider Engagement.

**Results:** The Annual Wellness Visit Graph reflects that in **2017**, 759 of 7559 CMC members had one or more in-office Annual Wellness Visit encounters, for a total of 10.04% of the population compared to the 854 CMC members who had one or more Annual Wellness Visit encounters in 2018, for a percentage of 11.29%. These findings resulted in a 12.45 % increase, **meeting** the Focus Area goal for the measurement year



# PHM Work Group Qualitative Analysis & Opportunities for Improvement

Priority	Barrier	Opportunity	Action	Status
1	Members demonstrate having a lack of understanding of the importance of preventative health screenings.	Increase member education & engagement and provide assistance to members to who need assistance to access PCP annual wellness visit.	<p>Process implementation: Essette HRA Assessment was enhanced with the addition of a new recommended ICP goal to see provider annually.</p> <p>The addition of mandatory Annual Wellness Goal and Intervention is now included in all ICPs.</p>	Implemented Q2 2018
2	This measure did not include In-home annual wellness visits completed by Advanced Health.	Increase provider engagement for members that do not schedule an annual wellness visit by providing PCPs a copy of the in home IHA.	Case Managers will review Initial Health Assessments (IHA) and notify PCP. IHAs will be uploaded into Essette automatically and flagged for CM review. CMs will send the IHA to PCPs or update the members ICP as needed and send a copy to member and PCP.	Implemented Q2 2019

Although SCFHP met the Focus Area goal for this measure the PHM workgroup has identified two opportunities for improvement and recommends moving the Focus Area from Annual Wellness Visits to Initial Health Assessments this will measure the impact of the IHA program. 2019 PHM Strategy goal will change to the overall percentage of newly eligible CMC members who complete an Initial Health Assessment compared to the number of PCPs that receive IHAs.

## Focus Area 4: Patient Safety or Outcomes across Settings

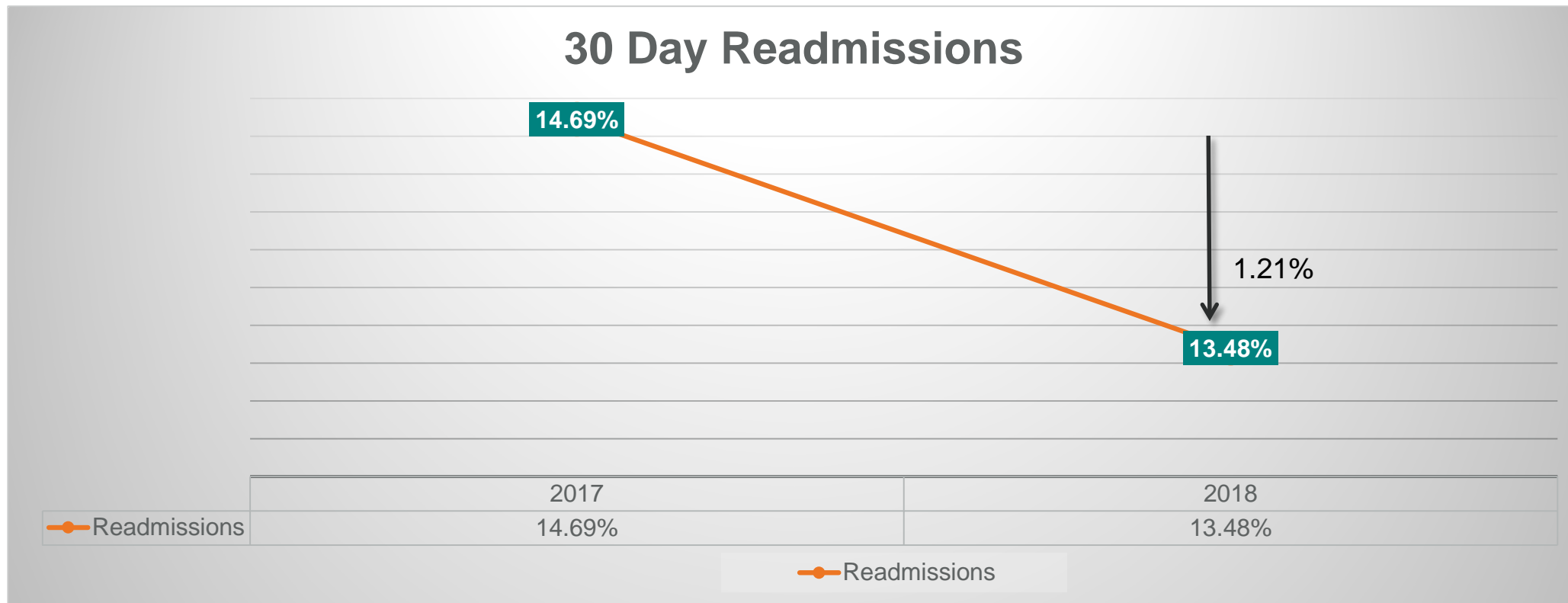
**Focus Area Goal:** Decrease 30 Day Readmission rate for CMC members by 1 percentage point.

**Goal Relevance Statement:** The intent is to promote transitions of care for members discharged from an acute or skilled nursing facility setting and improve continuity of care across acute care, long term care, behavioral health and home and community based settings. Programs and services are aligned with HEDIS efforts to reduce all cause readmissions and improve health outcomes for members.

**Population Targeted:** Members readmitted within 30 days of discharge

**Programs & Services:** Basic Case Management, Transitions of Care (TOC), Whole Person Care Diversion, Provider Engagement.

**Results:** The 30 Day Readmission Graph illustrates in 2017 Plan All-Cause Readmissions (PCR) Observed Readmission Rate was 14.69% compared to 2018 which was 13.48% resulting in a 1.21% decrease in 30 day readmission rates which **meeting** the 1 percentage point increase goal.



PHM work group recommends to continuing to review this measure and the impacts of the planned actions for this Focus Area of the 2019 PHM Strategy.

## Focus Area 5 Member experience with CM Programs

Santa Clara Family Health Plan (SCFHP) monitors Cal MediConnect (CMC) members' experience with Complex Case Management (CCM) Program and an additional CM program, for CY 2018 the Moderate Case Management Program was designated for evaluation with the goal of reaching a 90% or better satisfaction rating.

The purpose of measuring member satisfaction for CM specific programs is to ensure adequate satisfaction with the program and that the program objectives are achieved. Annually, SCFHP completes an analysis which incorporates member survey questions and complaints related to CMC Complex and Moderate CM services. Results are evaluated annually each April by the QI Committee.

This analysis allows the organization to identify opportunities for improving the CM and CCM program services through action plans in order to provide the highest quality of case management services. Annual survey results contribute to the overall Population Health Management (PHM) program effectiveness evaluation.

# Focus Area 5a: Member Experience with CCM Program

Focus Area goal of 90% or above satisfaction was **MET!**

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

# Focus Area 5b: Member Experience with Moderate CM Program

Focus Area goal of 90% of better satisfaction rate. **Met 5 out of 6 measures**

CM Member Satisfaction Survey	Strongly Agree		Agree		Disagree		Strongly Disagree		Sample Size	Goal Met
	N	%	N	%	N	%	N	%	N	Yes / No
I am able to better manage my health and health care after being in the case management program.	11	15.49	58	81.69	2	2.82	0	0.00	71	Y
I better understand my disease or condition after being in the case management program.	9	12.68	62	87.32	0	0.00	0	0.00	71	Y
My case manager helped me find services that I needed.	15	21.13	56	78.87	0	0.00	0	0.00	71	Y
My case manager involved me in discussing and planning my care.	11	15.49	59	83.10	1	1.41	0	0.00	71	Y
My case manager listened to what I had to say.	17	23.94	54	76.06	0	0.00	0	0.00	71	Y
My case manager returned my phone calls in a timely manner.	16	22.54	54	76.06	1	1.41	0	0.00	71	Y
My case manager treated me with respect.	20	28.17	51	71.83	0	0.00	0	0.00	71	Y
My situation is better because of my case manager's help.	12	16.90	57	80.28	2	2.82	0	0.00	71	Y
	Very Satisfied		Satisfied		Somewhat Satisfied		Not at all satisfied			
Overall, how satisfied are you with the Case Management Services you received?	58	81.69	0	0.00	11	2.82	2	2.82	71	N



## Barrier Analysis

Barrier	Opportunity	Intervention	Selected for 2019?	Date Initiated	Progress
Members do not understand their condition well enough and are not satisfied with the service provided because of inadequate provision of tools and materials assisting the member in self-management.	Case Managers will have access to Health Education material and resources that can be made available to Member and Caregiver.	Provide ongoing training to CCM Case Management Staff on health education materials, resources and free/low cost community programs available to members.	Yes	January 2019	Complete
Not all members eligible to complete the Survey were reached by phone.	To format the survey into a paper questionnaire that can be mailed to the member.	Create a CCM Experience Survey document that can be mailed to the member directly through the Case Management Platform (Essette) Correspondence module.	Yes	January 2019	Target Q4 2019
Current survey questions lack enough detail to evaluate specific program areas that need improvement	Revise survey questions to better identify areas of case management support members feel they need.	Configure additional questions with the current CCM Survey Assessment in Essette.	Yes	January 2019	Target Q4 2019

PHM workgroup has identified 0 opportunities for improvement that will proceed through 2019. 2019 PHM Strategy will reflect the changes of focus from member experience with Moderate CM services to member experience with Behavioral Health Program services.

# Conclusion:

Although the report resulted in meeting 4.5 of 5 focus area measures, participants in the PHM workgroup identified several areas of improvement resulting in planned 3 changes to the 2019 PHM Strategy.

1. **Managing Multiple Chronic Illnesses:** 2019 PHM strategy will reflect that this focus area goal will not change but will continue to be evaluated during this next year.
2. **Managing Members with Emerging Risk:** 2019 PHM strategy will reflect that focus area goal will not change. However additional process improvements will be implemented specific to referral management reporting, additional outreach, and additional staff education/in-service training opportunities which will be provided to continue to help improve member outcomes.

# Conclusion cont.

Although the report resulted in meeting 4.5 of 5 focus area measures PHM work group identified several areas of improvement resulting in 3 changes to the 2019 PHM Strategy.

## 3. **Keeping Members Healthy:** 2019 PHM strategy will reflect a new Focus Area goal

- **2019 Focus Area: Keeping Members Healthy**
- **Focus Area Goal:** Reach a 90% provider IHA notification rate.
- **Goal Relevance:** Based on the analysis of 2018 Annual Wellness data less than 10 percent of CMC members had an Annual Wellness Visit performed in their PCP office. Annual Wellness Visits are crucial to maintaining the health of our CMC population. Advanced Health performs annual wellness assessments in-home. PHM strategy outlines how case managers facilitate communication between members and providers by sending member assessment information to providers directly or through the care planning process.

# Conclusion cont.

4. **Patient Safety or Outcomes across Settings:** 2019 PHM strategy will reflect that focus area goal will not change. However, additional planned process improvements and reporting functionality will be developed and implemented to help improve member outcomes.

5. **Member Experience with Case Management Programs** (CCM & Moderate):

2019 PHM strategy will reflect the focus area goal will not change for the CCM program. Beginning in 2018, member experience outcomes data has been monitored for those members receiving Behavioral Health CM services. PHM work group will evaluate BH member outcomes over the next reporting cycle.

Your feedback is valuable. These discussions help to improve the quality of SCFHP's PHM program.



## POLICY

<b>Policy Title:</b>	<b>Comprehensive Case Management</b>	<b>Policy No.:</b>	QI.13
<b>Replaces Policy Title (if applicable):</b>	Case Management	<b>Replaces Policy No. (if applicable):</b>	CM030_05
<b>Issuing Department:</b>	Health Services	<b>Policy Review Frequency:</b>	Annually
<b>Lines of Business (check all that apply):</b>	<input checked="" type="checkbox"/> Medi-Cal	<input checked="" type="checkbox"/> Healthy Kids	<input checked="" type="checkbox"/> CMC

### I. Purpose

To promote access to appropriate, coordinated services with the intent that members with case management needs may achieve optimal health and functionality.

### II. Policy

- A. The Population Health Management Program (PHM) is established to provide case management processes and procedures that helps members with multiple or complex conditions to obtain access to care and services, and the coordination of appropriate care and resources. The structure of comprehensive case management is organized to promote quality case management, client satisfaction and cost efficiency through the use of collaborative communications, evidence-based clinical guidelines and protocols, patient-centered care plans, and targeted foals and outcomes.
- B. To define the fundamental components of Santa Clara Family Health Plan (SCFHP) case management services which when appropriate for any given member, include:
  1. Initial assessment of members' health status, including condition specific issues
  2. Documentation of clinic history, including medications
  3. Initial assessment of the activities of daily living
  4. Initial assessment of behavioral health status, including cognitive functions
  5. Initial assessment of social determinants of health
  6. Initial assessment of life-planning activities
  7. Evaluation of cultural and linguistic needs, preferences or limitations
  8. Evaluation of visual and hearing need, preferences or limitations
  9. Evaluation of caregiver resources and involvement
  10. Evaluation of available benefits
  11. Evaluation of community resources
  12. Notification to PCP of active CM services
- C. Referrals to SCFHP's case management team are accepted from members or their caregivers, practitioner's or other external providers, hospital discharge planners, SCFHP internal staff (including customer service and utilization management) and/or community partners. All referrals will initially be assessed by case management staff for the appropriate level of case management support needed to coordinate care and services for medical, behavioral health and other non-medical risk factors. Successful completion of an initial assessment will determine member's placement in the most appropriate Population Health case management tier for ongoing support.

# POLICY

- D. A Case Management referral form is available on SCFHP’s public website and all completed forms and supporting documentation may be submitted directly to the Case Management department by USPS mail delivery or by secure email to: CaseManagementHespDesk@scfhp.com. Case Management referrals may also be requested verbally through telephonic interaction by calling SCFHP’s Case Management department at 1-877-590-8999. All Case Management referrals will receive an initial review within 72 business hours of receipt.
- E. SCFHP’s 2019 Population Health Management (PHM) Strategy defines the process of how SCFHP stratifies the member population and coordinates services for the highest risk members with complex conditions through the Complex Case Management Program and meets the applicable regulatory requirements through Population Health Management to identify members with emerging risk and provide coordinated services to maintain or improve members’ health status.



### III. Responsibilities

Health Services collaborates with other SCFHP departments (IT, claims, benefits, provider services) as well as providers and community services to identify, coordinate services, coordinate benefits and provide members with complex case management.



### IV. References

**3 Way Contract (2018) Contract between United States Department of Health and Human Services; Centers for Medicare and Medicaid Services and California Department of Health Care Services. California, USA. NCQA Health Plan Accreditation Guidelines 2019 – Population Health (PHM) Element 5 DPL 17-001 and DPL 17-002**

### V. Approval/Revision History

Version Number	Change (Original/ Reviewed/ Revised)	First Level Approval	Second Level Approval
V2	Revised 7/22/19	<div style="text-align: center;">  </div> <hr/> Signature Sandra Carlson, RN	<div style="text-align: center;">  </div> <hr/> Signature Laurie Nakahira, DO
		<hr/> Name Director, Medical Management	<hr/> Name Chief Medical Officer
		<hr/> Title 7/22/19	<hr/> Title 7/22/19
		<hr/> Date	<hr/> Date

# POLICY

First Level Approval			Second Level Approval	
				
Signature Johanna Liu, PharmD			Signature Jeff Robertson, MD	
Name Director, Quality and Pharmacy			Name Chief Medical Officer	
Title 6/6/18			Title 6/6/18	
Date			Date	
Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
V1	Original: 8/5/16; Reviewed: 8/9/17; Reviewed: 6/6/18	Quality Improvement	Approve 6/6/18	
V2	Revised 7/22/19	Quality Improvement		



QUALITY IMPROVEMENT  
COMMITTEE or ACTIVITY REPORT

Name of Reporting Committee or Activity:

Monitoring or Meeting Period:

Credentialing Committee

June 5, 2019

**Areas of Review or Committee Activity**

Credentialing of new applicants and recredentialing of existing network practitioners

**Findings and Analysis**

<b>Initial Credentialing (excludes delegated practitioners)</b>		
Number initial practitioners credentialed	10	
Initial practitioners credentialed within 180 days of attestation signature	100%	100%
<b>Recredentialing</b>		
Number practitioners due to be recredentialled	11	
Number practitioners recredentialled within 36-month timeline	11	
% recredentialled timely	100%	100%
Number of Quality of Care issues requiring mid-cycle consideration	0	
Percentage of all practitioners reviewed for ongoing sanctions or licensure limitations or issues	100%	100%
<b>Terminated/Rejected/Suspended/Denied</b>		
Existing practitioners terminated with cause	0	
New practitioners denied for cause	0	
Number of Fair Hearings	0	
Number of B&P Code 805 filings	0	
Total number of practitioners in network (excludes delegated providers) as of 05/31/2019	265	

(For Quality of Care ONLY)	Stanford	LPCH	NT 20	NT 40	NT 50	NT 60
<b>Total # of Suspension</b>	0	0	0	0	0	0
<b>Total # of Terminations</b>	0	0	0	0	0	0
<b>Total # of Resignations</b>	0	0	0	0	0	0
<b>Total # of practitioners</b>	1497	1384	720	774	402	128

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.

### **Actions Taken**

1. All current network practitioners and providers were monitored on an ongoing basis for licensing issues, sanctions, validated quality of care issues and opt-out exclusion. No currently credentialed practitioner or provider had an identified issue on any of the exclusion lists or licensing boards.
2. Staff education conducted regarding the recredentialing of practitioners within the required 36-month timeframe. Procedure review of mailing pre-populated recredentialing applications six months prior to due date reviewed.

### **Outcomes & Re-measurement**

Weekly re-measurement will be conducted on recredentialing applications to measure compliance

Note: This is a count of single providers in their credentialed networks. A provider belonging to multiple networks will be counted for each network once.



Regular Meeting of the  
**Santa Clara County Health Authority d.b.a. Santa Clara Family Health Plan**  
**OPEN SESSION - Pharmacy & Therapeutics Committee**  
 Thursday, March 21, 2019  
 6:00 PM - 8:00 PM  
 6201 San Ignacio Avenue San Jose, CA 95119

## MINUTES

Voting Committee Members	Specialty	Present (Y or N)
Jimmy Lin, MD	Internal Medicine	Y
Hao Bui, BS, RPh	Community Pharmacy (Walgreens)	Y
Minh Thai, MD	Family Practice	N
Amara Balakrishnan, MD	Pediatrics	N
Peter Nguyen, MD	Family Practice	Y
Jesse Parashar-Rokicki, MD	Family Practice	Y
Narinder Singh, PharmD	Health System Pharmacy (SCVMC)	N
Ali Alkoraishi, MD	Adult & Child Psychiatry	Y
Dolly Goel, MD	VHP Chief Medical Officer	N
Xuan Cung, PharmD	VHP Pharmacy Supervisor	N
Laurie Nakahira, DO	SCFHP Chief Medical Officer	Y
Johanna Liu, PharmD, MBA	SCFHP Director of Quality and Pharmacy	Y

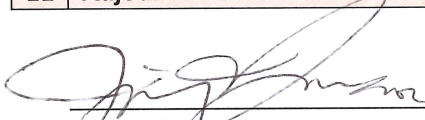
Non-Voting Committee Members	Specialty	Present (Y or N)
Lily Boris, MD	SCFHP Medical Director	N
Nancy Aguirre	SCFHP Administrative Assistant	N
Dang Huynh, PharmD	SCFHP Pharmacy Manager	Y
Tami Otomo, PharmD	SCFHP Clinical Pharmacist	Y
Duyen Nguyen, PharmD	SCFHP Clinical Pharmacist	Y
Amy McCarty, PharmD	MedImpact Clinical Program Manager	Y
Tiffanie Pham, CPhT	SCFHP Pharmacy Coordinator	Y

	Topic and Discussion	Follow-Up Action
1	<p><b>Introductions</b></p> <p>The meeting convened at 6:08 PM.</p> <p>Dr. Liu commented to let the minutes reflect that Dr. Robertson is no longer a member of the P&amp;T Committee.</p>	
2	<p><b>Public Comment</b></p> <p>No public comment.</p>	

3	<p><b>Past Meeting Minutes</b></p>	
	<p>At the scheduled time for this part of the agenda, quorum was not reached. This item was pended until quorum was reached.</p> <p>Quorum was reached at 6:20. The SCFHP 4Q2018 P&amp;T Minutes from December 13, 2018 were reviewed by the Committee as submitted. Requested corrections to the minutes:</p> <ul style="list-style-type: none"> <li>- Under Voting Committee Members, Laurie Nakahira’s title should be DO</li> </ul>	<p>Upon motion duly made and seconded, the SCFHP 4Q2018 P&amp;T Minutes from December 13, 2018 were approved as corrected and will be forwarded to the QI Committee and Board of Directors.</p>
4	<p><b>Standing Agenda Items</b></p>	
	<p><b>CMO Health Plan Updates</b></p> <p>Dr. Nakahira shared that SCFHP reached a milestone by receiving NCQA accreditation for three years. SCFHP is currently in the middle of DHCS and DMHC audits. The Facility Site Reviews (FSR) are scheduled for the end of April.</p>	
	<p><b>SCFHP/DHCS Global DUR</b></p> <p>Dr. Otomo presented updates on the plan’s global drug utilization review (DUR) programs:</p> <ol style="list-style-type: none"> <li>1. Morphine equivalency initiative             <ol style="list-style-type: none"> <li>a. Finance department is still working on applying inclusion and exclusion criteria to identify members for this program</li> </ol> </li> <li>2. Anticholinergic initiative             <ol style="list-style-type: none"> <li>a. After inclusion and exclusion criteria were applied, two members were identified. Although the report write up states that the plan will mail educational outreach letter and response form to impacted providers, the plan will be amending this to instead forwarding these members to Case Management for provider and member outreach.</li> </ol> </li> </ol>	
	<p><b>Opioid Utilization Monitoring</b></p> <p>Dr. Otomo presented the current opioid monitoring in place for Cal MediConnect:</p> <ol style="list-style-type: none"> <li>1. CMS Opioid Overutilization Monitoring System Reports</li> <li>2. SCFHP Opioid Clinical Program</li> <li>3. Point-of-Sale Safety Edits</li> </ol> <p>For the Medi-Cal line of business, the H.R.6 Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT)</p>	

	<p>for Patients and Communities Act requires plans to implement the following point-of-sale safety edits by October 1, 2019:</p> <ol style="list-style-type: none"> <li>1. Opioid cumulative dosing edit(s)</li> <li>2. Opioid-benzodiazepine concurrent use edit</li> <li>3. Opioid-antipsychotic concurrent use edit</li> </ol> <p>SCFHP is working with MedImpact to meet this implementation deadline. The SUPPORT Act also expects plans to monitor antipsychotic prescribing for children.</p>	
	<p><b>Annual Pharmacy Policy Review</b> Dr. Liu presented the following pharmacy policies for annual review. There were no changes made.</p> <ol style="list-style-type: none"> <li>1. PH01 Pharmacy and Therapeutics Committee</li> <li>2. PH02 Formulary Development and Guideline Management</li> <li>3. PH03 Prior Authorization</li> <li>4. PH04 Pharmacy Clinical Programs and Quality Monitoring</li> <li>5. PH05 Continuity of Care for Pharmacy Services</li> <li>6. PH06 Pharmacy Communications</li> <li>7. PH07 Drug Recalls</li> <li>8. PH08 Pain Management Drugs for Terminally Ill</li> <li>9. PH09 Medications for Members with Behavioral Health Conditions</li> <li>10. PH11 340B Program Compliance</li> <li>11. PH14 Medications for Cancer Clinical Trial</li> </ol>	<p>Upon motion duly made and seconded, the pharmacy policies were approved for annual review as presented.</p>
	<p><b>Adjourn to Closed Session</b> Committee adjourned to closed session at 6:27 PM.</p>	
5	<b>Metrics &amp; Financial Updates</b>	
6	<b>Discussion and Recommendations for changes to SCFHP Cal MediConnect Formulary &amp; Prior Authorization Criteria</b>	
7	<b>Discussion and Recommendations for Changes to SCFHP Medi-Cal &amp; Healthy Kids Formulary &amp; Prior Authorization Criteria</b>	
8	<b>Discussion and Recommendations for Changes to SCFHP Medical Benefit Drug Prior Authorization Grid for SCFHP CMC, Medi-Cal, &amp; Healthy Kids</b>	
9	<b>New Drugs and Class Reviews</b>	
	<p><b>Reconvene in Open Session</b> Committee reconvened to open session at 7:52 PM.</p>	
10	<b>Discussion Items</b>	
	<b>Update on New Drugs and Generic Pipeline</b>	

	<p>Dr. McCarty presented the new drugs and generic pipeline.</p> <p>High impact-interest agent pipeline: Cablivi, esketamine, and a drug to treat peanut allergy were a few notable drugs, as well as a lot of drugs to treat multiple sclerosis.</p> <p>Generic pipeline: Impactful generics (for Ventolin HFA, ProAir HFA, Advair Diskus) in the asthma/COPD class were released in January. Generic for Lyrica is scheduled to be released in July.</p>	
11	<b>Adjournment at 7:57 PM</b>	

  
 Jimmy Lin, MD  
 Chair of P&T Committee

6/20/2017  
 Date

Regular Meeting of the

**Santa Clara County Health Authority  
Utilization Management Committee**

Wednesday, April 17, 2019, 6:30-8:00 PM  
Santa Clara Family Health Plan, Redwood  
6201 San Ignacio Ave, San Jose, CA 95119

## MINUTES

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**Voting Committee Members Present:**

Jimmy Lin, MD, Chairperson, Internal Medicine  
Indira Vemuri, Pediatric Specialist  
Ali Alkoraishi, MD, Psychiatry Speciality  
Dung Van Cai, MD, OB/GYN Specialist  
Habib Tobbagi, MD, PCP, Nephrology Specialist

**Voting Committee Members Absent:**

Ngon Hoang Dinh, DO, Head & Neck Surgery  
Specialist

**Staff Present:**

Christine Tomcala, Chief Executive Officer  
Lily Boris, MD, Medical Director  
Sandra Carlson, Director of Medical Management  
Natalie McKelvey, Manager of Behavioral Health  
Luis Perez, Medical Management UM Supervisor  
Nancy Aguirre, Administrative Assistant

**1. Introduction**

Dr. Jimmy Lin called the meeting to order at 6:35 p.m. A Quorum was established.

**2. Review and Approval of Meeting Minutes**

The minutes of the January 16, 2019 Utilization Management Committee meeting and the March 13, 2019 Ad Hoc Utilization Management Committee meeting were reviewed.

It was moved by Dr. Lin and seconded by Dr. Van Cai to approve the minutes as written.

**3. Public Comment**

No Public Comment.

#### 4. CEO Update

Christine Tomcala, CEO, shared the following updates:

Per the Governor's new proposal, the HEDIS quality score needs to reflect a performance of at least within the 50<sup>th</sup> percentile within the country. This new proposal has been put into affect retrospectively, as of January 2019. Ms. Tomcala added Santa Clara Family Health Plan (SCFHP) is identifying the gaps in care and sharing findings with providers electronically in addition to IPA's. SCFHP is also implementing new incentive programs from a member perspective. Ms. Tomcala stated SCFHP welcome any ideas and suggestions on different approaches to improve effectiveness.

NCQA Survey: SCFHP has achieved the three year NCQA accreditation for their Cal-Medi Connect line of business. Kudos to Dr. Liu, the Quality team, and the whole organization for their efforts.

O'Connor Hospital and St. Louise Regional acquisition: Both hospitals have now been acquired by the County.

Regional Medical Center: SCFHP has signed a contract, and we are now officially contracted for all product lines.

No action required. Informational only.

#### 5. CMO Update

Dr. Boris, Medical Director, presented the following updates on behalf of Dr. Nakahira, CMO:

SCFHP reached a three year accreditation for NCQA for Cal MediConnect line of business.

DMHC and DHCS audits: DMHC and DHCS were onsite for two weeks in March. DMHC does not leave behind a report when their audit is completed. DHCS conducts an exit conference before they leave, though their finding(s) at that point are not necessarily final.

CMS Validation Audit: Confirmation the lookback period will be May 1<sup>st</sup> through July 31<sup>st</sup>, 2019. This will be our next audit.

No action required. Informational only.

#### 6. Old Business/Follow Up Items

Dr. Boris presented the following updates for old business and follow up items:

Autism Data: This item was missed and not placed on the agenda. We will carry it forward to the next UMC meeting on July 17, 2019. This will include how many children SCFHP services, which services are provided, including Behavioral Health Services.

#### 7. Action Items

##### a. UM Program Evaluation

Presented by Dr. Boris. The UM Program Evaluation is part of the requirements of the state, as well as NCQA. It is divided into Quality of Clinical Care and Quality of Service.

- i. SCFHP successfully reviewed all the benchmarks as they are reviewed quarterly.
- ii. Completed quality of services related issues such as denials and prior authorizations.
- iii. Completed interrater reliability training biannually.
- iv. Review program description and program evaluation annually and review metrics based on benchmarks.



Dr. Boris asked Dr. Lin if the committee would like to review all three Action Items before voting, or vote on the Action Items one by one. Dr. Lin asked to review all three first, then cast a vote.

Dr. Boris continued to present the following Action Items:

**b. Annual Review of UM Work Plan**

Ms. The UM Work Plan reflects requirements SCFHP promises to achieve by next year. Requirements are divided by quarter. Dr. Boris highlighted item #16 in the UM Work Plan: Monitor member and provider experience with Utilization Management process through survey. This is an annual NCQA requirement. SCFHP will be conducting a member and provider satisfaction survey, specific to the Utilization Management process.

Dr. Boris introduced Mr. Perez as the Supervisor of Utilization Management.

**c. Care Coordinator Guidelines**

Mr. Perez presented the Care Coordinator Guidelines.

There have been changes made to VHP's Document of Financial Responsibility (DOFR), specific to skilled level of care, effective January 1<sup>st</sup>, 2019.

- i. Section C, Point 1: VHP Long term custodial care services became the financial responsibility of SCFHP on the first day of the month following admission, if VHP submits the enrollee reassignment request of SCFHP before that day.
- ii. Bed holds: Change due to VHP's DOFR change. Under Section C, VHP will be responsible for bed holds at the time the member is delegated to them.
- iii. Hospice Room and Board, non contracted providers. Under Section C, VHP fully delegated for hospice services.
- iv. Non Emergency Medical Transportation. Under Section 1, SCFHP removed all, as Kaiser is now fully delegated to the non-emergency medical transportation.
- v. Behavioral Health: Updated the new APL, 18-006.

**Action:** Dr. Lin motioned to approve Action Items A, B, and C. It was seconded by Dr. Van Cai. The motion carried.

**8. Reports (MediCal/SPD, Healthy Kids)**

**a. Membership**

Dr. Boris presented membership reports reviewed in April, 2019.

Total 250,778 members. Of those, 239K are Medi-Cal members. About 119K of which are within the Valley Health Plan Network. Healthy Kids population has remained stable at around 3,400. The growth in Cal MediConnect is about 5% increase, reflecting a total of 7,869 members.

**b. UM Reports 2019**

Mr. Perez presented the UM Reports for 2019.

IRR Testing: April 8<sup>th</sup>, 2019, SCFHP's UM department conducted their first IRR testing. 100% of staff participated and passed with above 80% efficiency.

Ms. Carlson, Director of Medical Management, explained the IRRs are a requirement enforced by regulators to ensure anyone who has clinical decision making capacity are applying guidelines and/or the regulations similarly, for consistency in criteria.

Ms. McKelvey, Manager of Behavioral Health, reported there are four staff members that completed the IRR in Behavioral Health. All passed at 100%.

i. **Dashboard Metrics: Turn Around Time (Cal MediConnect/Medi-Cal)**

Mr. Perez reported we received 100% for standard timely decisions made within 14 calendar days for March 2019. For expedited timely decisions made, 97.8% reported. For urgent concurrent timely decisions made, 71.4%. Organization determinations, 100%.

Dr. Boris explained based on the findings from last year, SCFHP needs to obtain 100% compliance. As of now, SCFHP will be doing daily audits of all authorizations to ensure letters are being mailed out, determinations are being made within a timely fashion, and the language in the denial letters are correct.

Ms. McKelvey reported 100% for Behavioral Health timely decisions made within 14 calendar days for Cal MediConnect.

Dr. Tobaggi asked why the requirement is 100%.

Dr. Boris explained SCFHP is funded by a combination of state and federal funds. There are a set of regulations set by DMCS for managed healthcare organizations, in which all healthcare plans have to perform at a specific level. These are outlined in regulations, then passed on to all health plans that provide managed care services. A platform is needed to compare healthplans, to ensure members receiving benefits are receiving services in a timely fashion.

ii. **Standard Utilization: Metrics PowerPoint**

Reviewed by Dr. Boris. There are roughly about 700 case management patients. 125 of those are Complex Case Management patients. SPD population has remained at around 22%. CMC nicely flattened around 23%.

c. **MLTSS Dashboard**

The MLTSS Dashboard was reviewed during the Dashboard Metrics.

d. **HS.04.01 Reporting Quality Monitoring of Plan Auths, Denials, etc. (Q1 19)**

Presented by Dr. Boris.

On a quarterly basis, SCFHP reviews about 30 auths within Cal MediConnect and Medi-Cal. SCFHP looks at the turn around time, the quality, the timeliness, whether a physician or pharmacists reviewed it, and whether SCFHP met expedited or standard timeframes.

e. **Referral Tracking Quarterly Report**

Presented by Dr. Boris. This report is reviewed on a quarterly basis, looking back at 3 months. About 50-60% of auths matched the paid claim.

f. **Nurse Advice Line Stats**

Ms. Carlson presented the Nurse Advice Line Stats.

For the 3 month period of Q1, there were a total of 1,804 Medi-Cal calls across all networks to the nurse advice line. Of those calls, 53 received the disposition to call 911 immediately.

For Healthy Kids, there were a total of 48 calls, one of which received the disposition to call 911 immediately.

For Cal MediConnect members, there were a total of 160 calls, 11 of which received the disposition to call 911 immediately.

Our Case Management team reviews each and every one of these calls for a follow up. Nurse Advice line is offered in 5 language thresholds.

## 9. Behavioral Health UM Reports

Presented by Ms. McKelvey.

### a. Turn Around Time/Dashboard Metrics

The health plan is responsible for mild to moderate referrals. The county provides services for specialty mental health. The call center will refer those members to Behavior Health Treatment (BHT). BHT then coordinates their services to therapists as well as mild to moderate psychiatrists. This year, BHT has had 39 referrals for all lines of business.

### b. Stats on Autism (ABA Services & Other BHT)

The county provides services for specialty mental health. We have 33 new BHT referrals this quarter. This excludes VHP and Kaiser as they delegate their own services for BHT for mild to moderate.

Ms. McKelvey will prepare information about autism services and other BHT services available for the next UMC meeting, July 17, 2019.

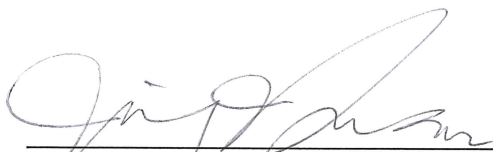
## 10. Adjournment

The meeting adjourned at 7:47 p.m.

The next UMC meeting is scheduled for Wednesday, July 17, 2019.

Minutes prepared by:

Nancy Aguirre, Administrative Assistant

  
\_\_\_\_\_  
Jimmy Lin, MD, Utilization Management  
Committee Chairperson

7/17/2019  
\_\_\_\_\_  
Date

Regular Meeting of the  
**Santa Clara County Health Authority  
Provider Advisory Council (PAC)**

Wednesday, August 7, 2019, 12:15 – 1:45 PM  
Santa Clara Family Health Plan, Boardroom  
6201 San Ignacio Ave, San Jose, CA 95119

## MINUTES - Draft

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### Committee Members Present

Thad Padua, MD, Chair  
Clara Adams, LCSW  
Jimmy Lin, MD  
David Mineta  
Meg Tabaka, M.D., Resident  
Chung Vu, MD

### Committee Members Absent

Dolly Goel, MD  
Bridget Harrison, MD  
Peter Nguyen, MD  
Sherri Sager  
Hien Truong, MD

### Staff Present

Brandon Engelbert, Director, PNM  
Dang Huynh, Director, Pharmacy  
Johanna Liu, Director, Quality & Process  
Improvement  
Laurie Nakahira, DO, CMO  
Christine Tomcala, CEO

### Others Present

Laura Watkins, VP, Marketing & Enrollment  
Christina Hernandez, Marketing  
Robyn Esparza, Administrative Assistant  
Jayne Giangreco, Manager, Administrative  
Services

### 1. **Roll Call/Establish Quorum**

Thad Padua, MD, Chair, called the meeting to order at 12:25 pm. Roll call was taken and a quorum was established.

Mr. Brandon Engelbert was introduced as the new Director of Provider Network Management.

### 2. **Meeting Minutes**

The previous minutes from May 8, 2019 were reviewed.

**It was moved, seconded and the May 8, 2019 Provider Advisory Council minutes were unanimously approved.**

### 3. **Public Comment**

There were no public comments.

#### 4. Chief Executive Officer Update

Ms. Christine Tomcala, CEO, presented the July 2019 Membership Summary. She noted that since the last meeting, we were at 257,778 total members. As of August, we are at 247,032 members. We continue to see a bit of decrease, which is not unexpected as the Plan budgeted for the decrease. We do believe the decline is tapering off a bit. The decrease is seen statewide and not specific to SCFHP.

Ms. Tomcala was happy to report there was an increase in Cal Medi-Connect (CMC) line of business. Membership continues to grow thanks to the outreach efforts of the Plan's wonderful Medicare Outreach team. The previous membership was at 7,869 the last time we met and, as of August, membership is at 8,134.

Ms. Tomcala reported that Medi-Cal dropped from 239,444 down to 235,389. She further reported the Healthy Kids population has been pretty stable. The last time we met, we reported 3,465 and, currently, we now stand at 3,509. She noted the bulk of these children are now going to be eligible for full scope Medi-Cal. Out of all our Healthy Kids, there are only two of our children that will not qualify for going into full scope Medi-Cal. The Health Plan has spoken with the county and there is a move afoot to change the income range for Valley Kids to make sure that kids that fall in the income rates will have coverage, which is on the Board of Supervisors' agenda later this month.

It is expected that any children not going into full scope Medi-Cal can go into Valley Kids. Then, basically, the Healthy Kids Program, which has been a wonderful accomplishment for our organization and the broader county, has basically done its work and all of these children then will have coverage and more complete coverage elsewhere. She extended congratulations to the whole community for having done that. More news to come as that phases out in October.

- No action required. Informational only.

#### 5. PAC Membership

Dr. Laurie Nakahira, CMO, reminded the council that members must attend 50% of the scheduled meetings as outlined in the charter.

- Dr. Nakahira will reach out to members who have not been in attendance to inquire if they wish to continue their membership or vacate.

#### 6. Pharmacy

Dang Huynh, PharmD, Director of Pharmacy, presented drug utilization reports on the Top 10 Drugs by Total Cost and Top 10 Drug Classes by Prior Authorization Volume for the date range April 1, 2019 – June 30, 2019 (Copy Attached Herein).

- No action required. Informational only.

#### 7. Quality

Ms. Johanna Liu gave a presentation on HEDIS 2019 Scores (Copy Attached Herein). These scores reflect reporting that was assessed earlier this year, but they are on the measurement for calendar year of 2018. Ms. Liu noted that traditionally, before the advancement of DHCS Quality Monitoring, our goal was to at least meet the minimum plan limit of 25<sup>th</sup> percentile for all of the measures, which was accomplished.

Dr. Padua questioned if the plan is only going to target the 25<sup>th</sup> percentile and not seek higher? Ms. Liu explained that we do shoot higher; however, the regulatory requirement before was that we not fall under the 25<sup>th</sup> percentile for any of the measures. Our new requirement from a regulatory standpoint is that we do not fall below the 50<sup>th</sup> percentile on any measure. So that is something that we are actively working on, which will be discussed in the Provider Performance Program section. She reviewed the achievements for this reporting period. The completed data is outlined in the attached presentation.

- No action required. Informational only.

## 8. New Business

- **Provider Performance Program (PPP) Report Cards**

Ms. Johanna Liu noted that as a result of the new DHCS advancement, we have overhauled our Provider Performance Program, which is based off HEDIS measures. She gave a presentation on the Provider Performance Program (PPP) Report Cards (Copy Attached Herein). The data is outlined in the attached presentation. Ms. Liu did note that we have always had Provider Performance Program. They may work a little differently, financially, for diff delegate groups, depending on contractual agreements with each one.

- No action required. Informational only.

- **Provider Communication Preferences**

- Due to time constraints, this item was not addressed and will be deferred to the next meeting.

## 9. Old Business

### Update on CHME DME Provider

Dr. Laurie Nakahira reminded the council that CHME, one of our DME vendors, have been placed on a corrective action plan, effective July 25, 2019 in order to ensure quality of care and the safety of our members. This corrective action plan precludes CHME from accepting new patients and/or new orders for existing patients until they are able to demonstrate that the service issues have been resolved to the plan's satisfaction. Memo was broadcasted via fax to providers on July 26, 2019.

- No action required. Informational only.

## 10. Discussion / Recommendations

- There were no further discussions / recommendations.

## 11. Adjournment

The meeting was adjourned at 1:35 pm. The next meeting is scheduled for November 13, 2019.

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Dr. Thad Padua, Chair

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Date

# MINUTES – Draft

For a Regular Meeting of the

## **Santa Clara County Health Authority Consumer Advisory Committee**

Tuesday, September 10, 2019, 6:00-7:00 PM

Santa Clara Family Health Plan, Redwood Conference Room

6201 San Ignacio Ave, San Jose, CA 95119

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### **Committee Members Present**

Danette Zuniga

Rachel Hart

Tran Vu

Evangeline P. Sangalang

### **Committee Members Absent**

Blanca Ezquerro

Rebecca Everett

Maria Cristela Trejo Ramirez

### **Staff Present**

Chris Turner, Chief Operating Officer

Laura Watkins, Vice President, Marketing & Enrollment

Chelsea Byom, Director, Marketing & Communications

Mai Chang, Manager, Quality Improvement

Lisa FitzPatrick, Manager, Marketing Production

Charlene Luong, Manager, Customer Service

Janet Gambatese, Director, Provider Network  
Management

Stephanie Lin, Marketing Coordinator

#### **1. Roll Call/Establish Quorum**

Ms. Sangalang, Committee Chair, called the meeting to order at 6:07 PM.

#### **2. Public Comment**

There were no public comments.

#### **3. Review and Approval of June 11, 2019 Meeting Minutes**

Ms. Zuniga moved and Mr. Vu seconded the motion to approve the minutes from the meeting held on June 11, 2019. The motion passed unanimously.

#### **4. Health Plan Update**

Ms. Turner presented the enrollment update: As of September 1, Medi-Cal enrollment is 234,478; Cal MediConnect is 8,194; Healthy Kids is 3,512, for a total enrollment of 246,184 members. The decrease in total enrollment comes from Medi-Cal. The increase in Cal MediConnect can be attributed to SCFHP's Cal MediConnect outreach team, which recently added a fourth representative who is fluent in Spanish.

Ms. Turner shared regulatory updates: Public Charge Final Rule becomes effective on October 15<sup>th</sup>; Medi-Cal expands to undocumented adults 19 to 25 years old and raises income eligibility threshold from 122% to 138% for adults 65 and older on January 1, 2020.

Ms. Sangalang asked how the changes will impact the community. Ms. Turner responded that the low income community will be impacted by the expansion of the income eligibility threshold as more people will

qualify. Ms. Watkins added that the expansion will help members who are age 65 and older or disabled adults maintain their eligibility after turning 65.

#### **5. Healthy Kids CCHIP Transition**

Ms. Watkins shared updates on the Healthy Kids CCHIP Transition. Effective October 1<sup>st</sup>, Healthy Kids members enrolled through CCHIP will transition into Medi-Cal program. They will have full Medi-Cal benefits and will keep their PCPs. Members have received notices from the Department of Health Care Services (DHCS) alerting them to the change, and those who enrolled in August and September will receive DHCS notices in their new member welcome packets. The second phase of the transition includes closing the Healthy Kids program by December 31<sup>st</sup>. The two non-CCHIP Healthy Kids members will have the option to apply for Valley Kids, a safety net coverage option offered by the Santa Clara Valley Health & Hospital System. Non-CCHIP members will receive notices and outreach from SCFHP.

Ms. Sangalang asked whether the non-CCHIP Healthy Kids members have raised any concerns or anxiety. Ms. Watkins responded that the first notice will be mailed to these members by end of September. The County Patient Access department will reach out to assist them with Valley Kids applications. Ms. Sangalang asked if there will be any change in their doctors. Ms. Watkins confirmed that their PCPs will change. Ms. Zuniga asked whether Liberty Dental will be closed as well. Ms. Watkins confirmed. Members who transition to Medi-Cal will have access to Medi-Cal Dental, and non-CCHIP Healthy Kids members will receive their coverage through Valley Kids.

#### **6. Member Access to Telephone Services**

Ms. Luong presented the differences between Customer Service, Case Management, and Nurse Advice. Customer Service: Acts as an advocate between Health Plan, Members, Providers and Prospective Members. Staff are not licensed healthcare professionals so they are unable to answer medical questions. Ms. Sangalang asked about the process for member concerns. Ms. Luong responded that when concerns are shared with Customer Service, the team will formally document the concern and try to resolve the issue if possible. The Grievance and Appeal department will assist further for issues unresolved by Customer Service.

Case Management: Some Case Managers may be registered nurses or social workers. Ms. Zuniga asked whether Behavior Health questions will be directed to the County's 1-800 number. Ms. Luong confirmed, and added that SCFHP's Behavior Health case managers can help if a member encounters issues accessing care through the County.

Nurse Advice: Licensed health care professionals that are available 24/7 to answer questions, and advise members regarding health concerns.

Ms. Zuniga shared a negative experience with the County's 1-800 number for Behavior Health where only one in-network provider was suggested by the helpline. Ms. Luong suggested that the issue could be escalated to the Behavior Health case managers through SCFHP. Ms. Sangalang suggested Ms. Zuniga to email the provider information to SCFHP staff.

Ms. Luong shared contact information for the three departments. Customer Service and Nurse Advice phone numbers can be found on member ID cards. Ms. Zuniga asked whether the Nurse Advice team is onsite at SCFHP. Ms. Turner responded that they are an offsite agency with whom SCFHP contracts for 24/7 coverage.

#### **7. New Website User Testing**

Ms. FitzPatrick presented the new mobile-friendly SCFHP website to the committee for feedback. Mr. Vu stated that the font weight used in the navigation menu is hard to read. Ms. FitzPatrick noted the concern and said this can be adjusted.



The plan is to launch the website by next month. Ms. Watkins added that announcements will be made when the website is rolled out. Ms. Hart asked if forms are downloadable from the website. Ms. FitzPatrick demonstrated the steps to download the forms from the website. Ms. Watkins asked whether the committee should review the content when they provide feedback through the survey. Ms. FitzPatrick responded that the review should focus on navigation and design.

#### **8. SCFHP Member Communications**

Ms. Byom reviewed recent and upcoming member communications, including summer newsletters, and a mailing to members under 21 about Early and Periodic Screening, Diagnostic, and Treatment Services. The purpose of the mailing is to notify members about a change in the benefit that requires Medi-Cal plans to provide more comprehensive preventive health care services for children under age 21. The definition of “medically necessary” is expanded for kids under 21 through this change. Care that treats or makes tolerable an issue discovered in a child’s developmental screening will now be covered by Medi-Cal. Ms. Zuniga asked whether these screenings are conducted through the PCP. Ms. Byom confirmed.

Ms. Sangalang asked if there are any process flow charts or information on covered services on the website. Ms. Turner responded that the Member Handbook, linked from the website, provides comprehensive information on covered and excluded services.

Ms. Watkins shared that SCFHP started a new mailing in August, targeting an estimated 4000 to 6000 members each month who lose their eligibility with SCFHP and are put into hold status. The mailing informs the members that they need to complete their redetermination in order to regain Medi-Cal eligibility. Over the coming months, SCFHP will monitor the impact of this outreach on the retention of members.

Ms. Byom shared events that SCFHP attended (e.g., Silicon Valley Pride) and dates for upcoming outreach events, including Day on the Bay.

#### **9. Future Agenda Items**

Ms. Watkins would like to discuss Medi-Cal benefit restoration if SCFHP has any further information by the next meeting. Mr. Vu suggested a discussion on transportation help for members. Ms. Sangalang brought up Ms. Everett’s past suggestion on bringing in a mental health representative. Ms. Byom will ask Natalie McKelvey, Manager of Behavioral Health, to present at the next meeting. Ms. Sangalang suggested to have an update on the regulatory changes. Ms. Watkins will provide an update on the SCFHP Community Resource Center. Additional suggestions can be sent to Stephanie Lin (slin@scfhp.com).

#### **10. Adjournment**

Ms. Sangalang adjourned the meeting at 6:57 pm.

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Evangeline Pickell Sangalang  
Chair, Consumer Advisory Committee

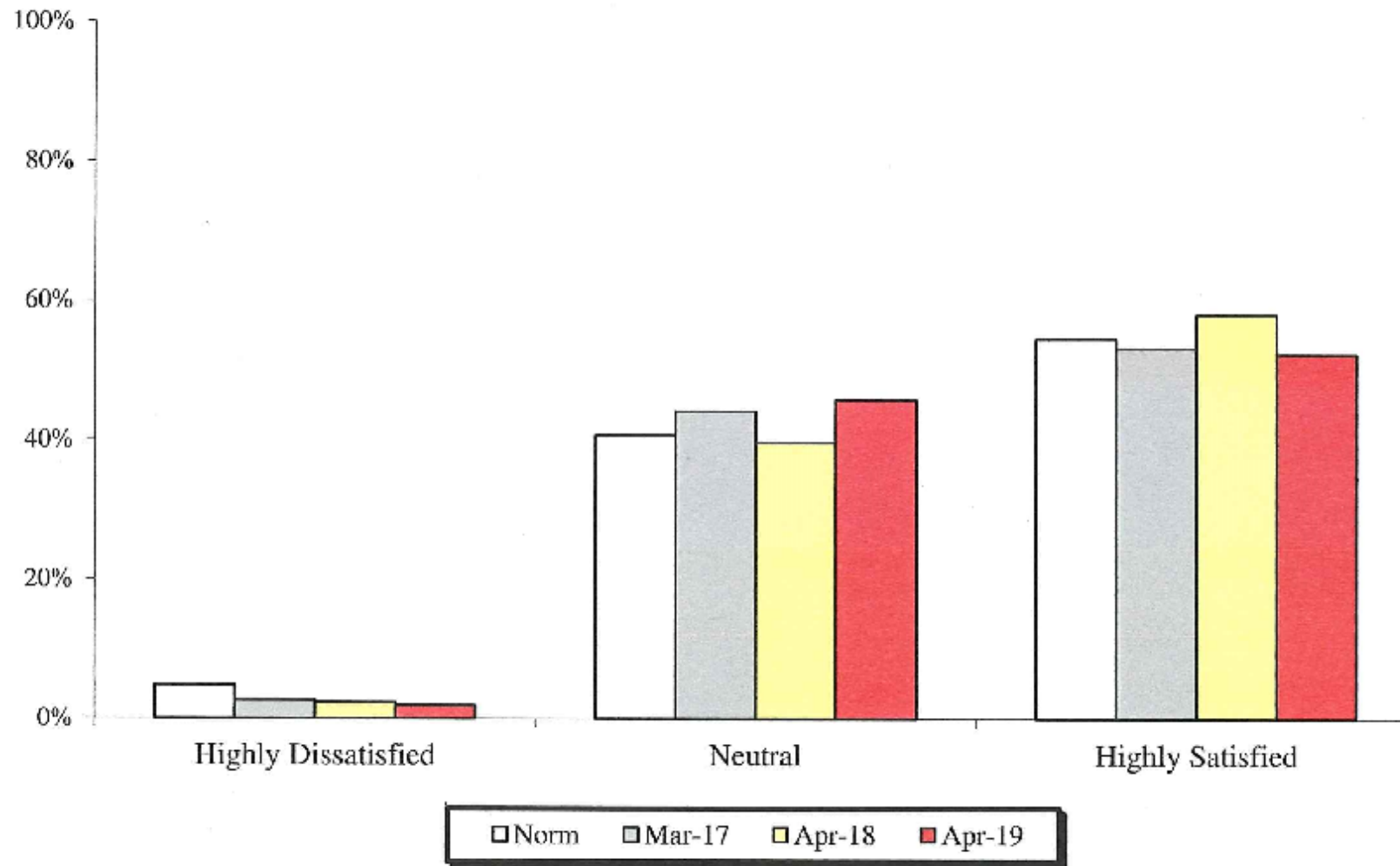
# SCFHP Employee Satisfaction Survey

April 8 – May 1, 2019

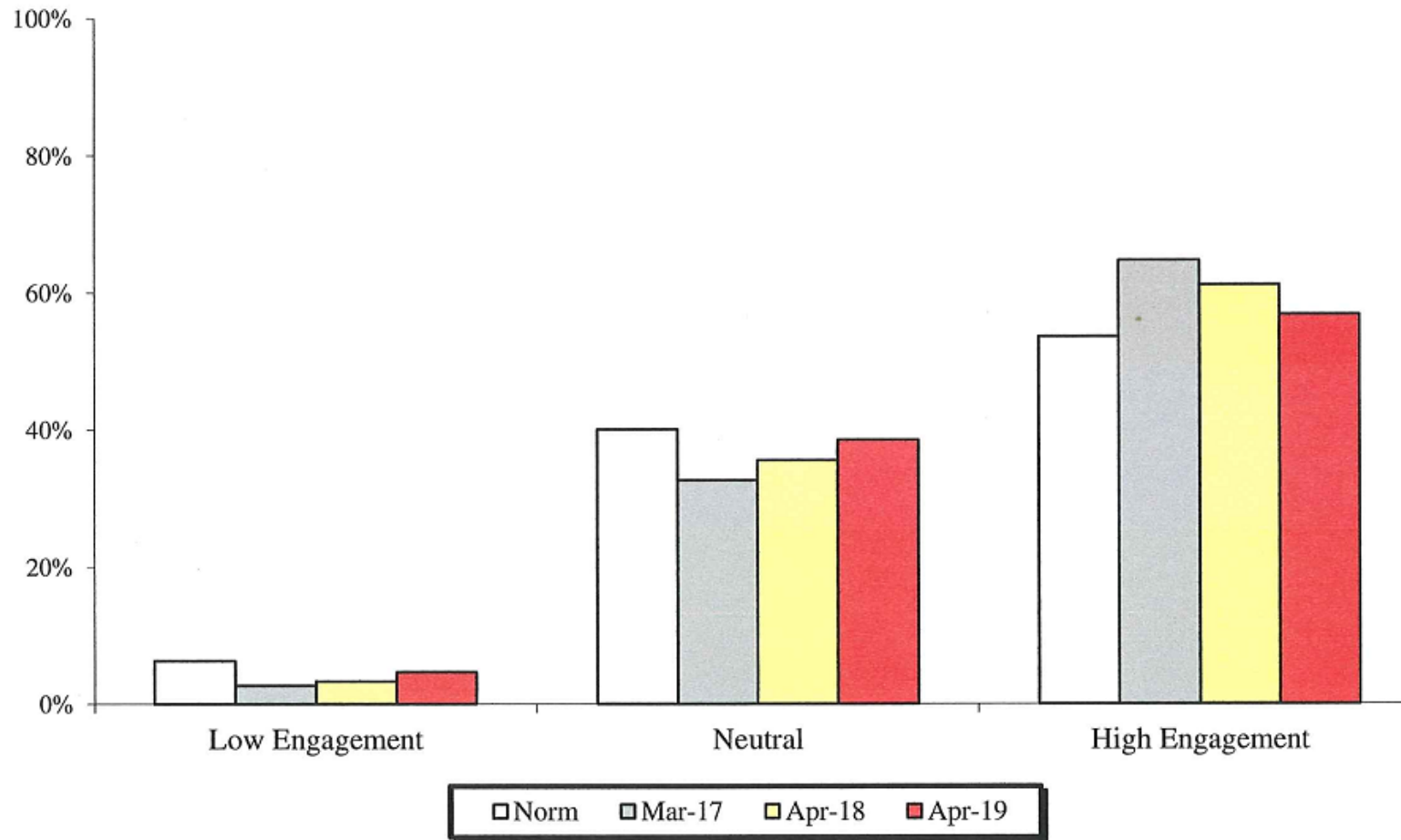
## HIGHLIGHTS

- 80% response rate (214 responses/267 employees)
- Respondent Tenure:
  - 5+ years – 27%
  - 1-5 years – 51%
  - <1 year – 23%
- Compared to 2018
  - Improvement on 44 questions (56%)
  - Decline on 34 questions (44%)
- Three Overall Ratings:
  - No statistically significant difference from 2018 or California Health Plan norm

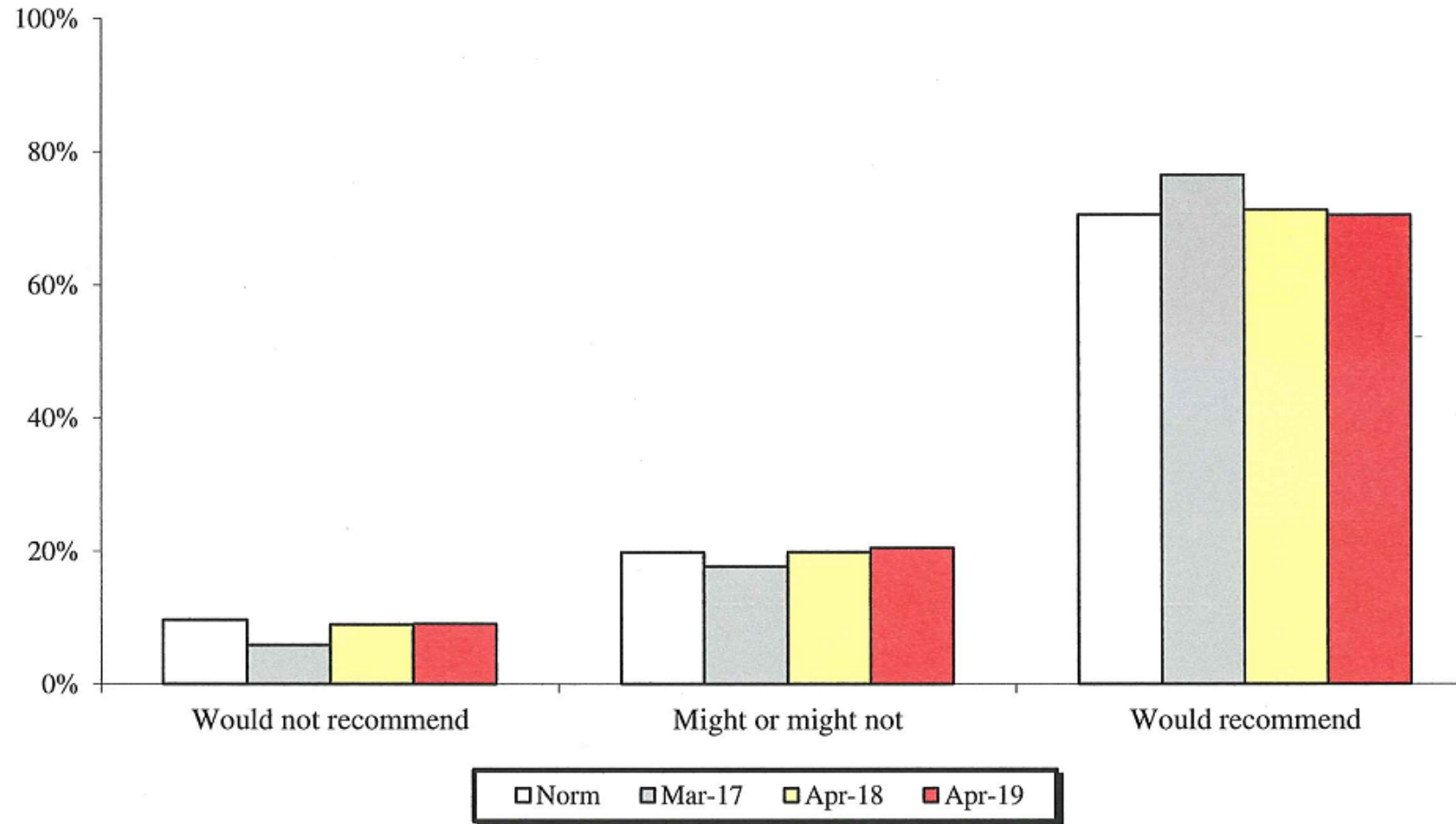
# Overall Satisfaction



# Engagement (Enthusiasm)



# Willingness to Recommend SCFHP to a Friend Seeking Employment



# Key Strengths

- I understand the mission and goals of SCFHP
- I understand how my work supports my department's objectives
- I know what is expected of me at work
- I understand how my work directly contributes to the overall success of the organization and its mission
- I understand how my work supports SCFHP's strategic objectives
- I feel comfortable telling my supervisor about any questions, concerns, or ideas I have
- I understand all of the benefits available to me
- My supervisor treats me with respect

# Key Opportunities for Improvement

- SCFHP gives enough recognition for work that's well done
- Different groups work well together (work groups, departments, etc.)
- “Politics” at this company are kept to a minimum
- Everyone here “pulls their own weight”
- People at SCFHP are held accountable for their actions
- My salary is fair for the work that I do
- The Executive Team does not play favorites
- There is adequate communication between departments

**Santa Clara County Health Authority  
Updates to Pay Schedule  
September 26, 2019**

<b>Job Title</b>	<b>Pay Rate</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
Behavioral Health Personal Care Coordinator	Annually	52,516	65,645	78,774
Communications Project Manager	Annually	78,133	97,667	117,200
Compliance Audit Program Manager	Annually	88,092	112,317	136,542
Delegation Oversight Analyst	Annually	78,133	97,667	117,200
Director, Provider Network Management	Annually	168,189	218,645	269,102
Grievance and Appeals Quality Assurance Program Manager	Annually	67,942	84,928	101,913
HEDIS Project Manager	Annually	88,092	112,317	136,542
IT Project Coordinator	Annually	67,942	84,928	101,913
Long Term Services and Supports Personal Care Coordinator	Annually	52,516	65,645	78,774
Manager, Communications	Annually	88,092	112,317	136,542
Manager, Enrollment and Eligibility	Annually	88,092	112,317	136,542
Manager, Marketing Production	Annually	103,508	131,972	160,437
Provider Network Associate Lead	Annually	78,133	97,667	117,200
Provider Performance Program Manager	Annually	78,133	97,667	117,200
Quality Improvement Analyst	Annually	78,133	97,667	117,200
Receptionist	Annually	37,065	43,840	51,146
Supervisor, Production Services	Annually	78,133	97,667	117,200
Supervisor, Quality Improvement	Annually	88,092	112,317	136,542

**Santa Clara County Health Authority  
Job Titles Removed from Pay Schedule  
September 26, 2019**

<b>Job Title</b>	<b>Pay Rate</b>	<b>Minimum</b>	<b>Midpoint</b>	<b>Maximum</b>
Manager, Support Services and Enrollment	Annually	88,092	112,317	136,542
Support Services Representative	Annually	37,065	43,840	51,146





# Santa Clara Family Health Plan™

Unaudited Financial Statements  
For The Month Ended July 31, 2019

# Agenda

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# Financial Highlights



	<u>MTD</u>		<u>YTD</u>	
Revenue	\$90 M		\$90 M	
Medical Expense (MLR)	\$84 M	94.0%	\$84 M	94.0%
Administrative Expense (% Rev)	\$5.1 M	5.7%	\$5.1 M	5.7%
Other Income/Expense	\$428,592		\$428,592	
<b>Net Surplus (Loss)</b>	<b>\$691,976</b>		<b>\$691,976</b>	

Cash on Hand	\$288 M
Receivables	\$745 M
Total Current Assets	\$1,044 M
Current Liabilities	\$869 M
Current Ratio	1.20
Tangible Net Equity	\$203 M
% of DMHC Requirements	<b>675.3%</b>

# Financial Highlights

<b>Net Surplus (Loss)</b>	<ul style="list-style-type: none"> <li>▶ Month: Surplus of \$692K is \$262K or 27.5% unfavorable to budget of \$954K.</li> <li>▶ YTD: Surplus of \$692K is \$262K or 27.5% unfavorable to budget of \$954K.</li> </ul>
<b>Enrollment</b>	<ul style="list-style-type: none"> <li>▶ Month: Membership was 248,155 (1,040 or 0.4% favorable budget of 247,115).</li> <li>▶ YTD: Membership was 248,155 (1,040 or 0.4% favorable budget of 247,115).</li> </ul>
<b>Revenue</b>	<ul style="list-style-type: none"> <li>▶ Month: \$89.8M (\$82K or 0.1% favorable to budget of \$89.7M)</li> <li>▶ YTD: \$89.8M (\$82K or 0.1% favorable to budget of \$89.7M)</li> </ul>
<b>Medical Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$84.4M (\$444K or 0.5% unfavorable to budget of \$83.9M)</li> <li>▶ YTD: \$84.4M (\$444K or 0.5% unfavorable to budget of \$83.9M)</li> </ul>
<b>Administrative Expenses</b>	<ul style="list-style-type: none"> <li>▶ Month: \$5.1M (\$85K or 1.7% unfavorable to budget of \$5.1M)</li> <li>▶ YTD: \$5.1M (\$85K or 1.7% unfavorable to budget of \$5.1M)</li> </ul>
<b>Tangible Net Equity</b>	<ul style="list-style-type: none"> <li>▶ TNE was \$202.8M (675.3% of minimum DMHC requirement of \$30.0M)</li> </ul>
<b>Capital Expenditures</b>	<ul style="list-style-type: none"> <li>▶ YTD Capital Investments of \$229K vs. \$4.8M annual budget, primarily IT hardware.</li> </ul>



**Santa Clara Family  
Health Plan™**

Detail Analyses

# Enrollment

- Total enrollment has decreased since June 30, 2019 by 1,050 or -0.4%, in line with budgeted expectation.
- As detailed on page 7, much of the Medi-Cal enrollment decline has been in the Medi-Cal Non-Dual Child, Adult Expansion and Adult categories of aid. Medi-Cal Dual enrollment has been stable overall while CMC enrollment continues to grow in line with budget due to outreach efforts.
- Membership Trends:
  - Medi-Cal membership decreased by 1,119 or -0.5%.
  - CMC membership increased by 54 or 0.7%.
  - Healthy Kids membership increased by 15 or 0.4%.

Santa Clara Family Health Plan Enrollment Summary									
	For the Month of July 2019			For the Month of July 2019				Prior Year Actuals	Δ FY19 vs. FY20
	Actual	Budget	Variance	Actual	Budget	Variance	Variance (%)		
Medi-Cal	236,578	235,714	0.4%	236,578	235,714	864	0.4%	237,697	(0.5%)
Cal Medi-Connect	8,076	8,053	0.3%	8,076	8,053	23	0.3%	8,022	0.7%
Healthy Kids	3,501	3,348	4.6%	3,501	3,348	153	4.6%	3,486	0.4%
<b>Total</b>	<b>248,155</b>	<b>247,115</b>	<b>0.4%</b>	<b>248,155</b>	<b>247,115</b>	<b>1,040</b>	<b>0.4%</b>	<b>249,205</b>	<b>(0.4%)</b>

Santa Clara Family Health Plan Enrollment By Network July 2019								
Network	Medi-Cal		CMC		Healthy Kids		Total	
	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total	Enrollment	% of Total
Direct Contract Physicians	30,340	13%	8,076	100%	360	10%	38,776	16%
SCVHHS <sup>1</sup> , Safety Net Clinics, FQHC <sup>2</sup> Clinics	117,615	50%	-	0%	1,533	44%	119,148	48%
Palo Alto Medical Foundation	6,820	3%	-	0%	88	3%	6,908	3%
Physicians Medical Group	41,765	18%	-	0%	1,257	36%	43,022	17%
Premier Care	14,612	6%	-	0%	263	8%	14,875	6%
Kaiser	25,426	11%	-	0%	-	0%	25,426	10%
<b>Total</b>	<b>236,578</b>	<b>100%</b>	<b>8,076</b>	<b>100%</b>	<b>3,501</b>	<b>100%</b>	<b>248,155</b>	<b>100%</b>
Enrollment at June 30, 2019	237,697		8,022		3,486		249,205	
Net Δ from Beginning of FY20	-0.5%		0.7%		0.4%		-0.4%	

<sup>1</sup> SCVHHS = Santa Clara Valley Health & Hospital System  
<sup>2</sup> FQHC = Federally Qualified Health Center

# Enrollment By Aid Category

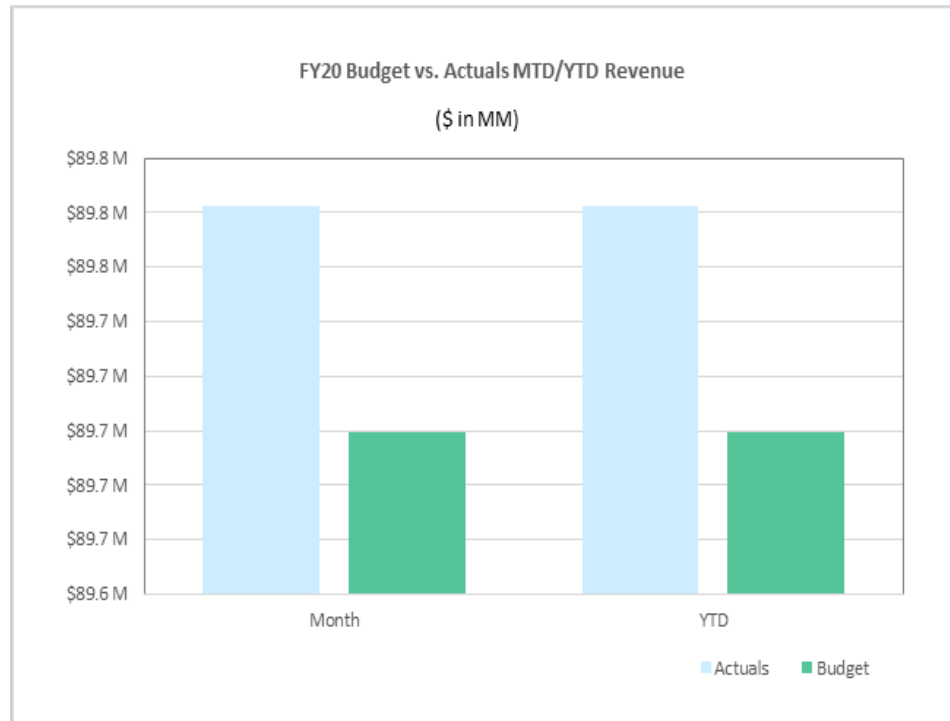
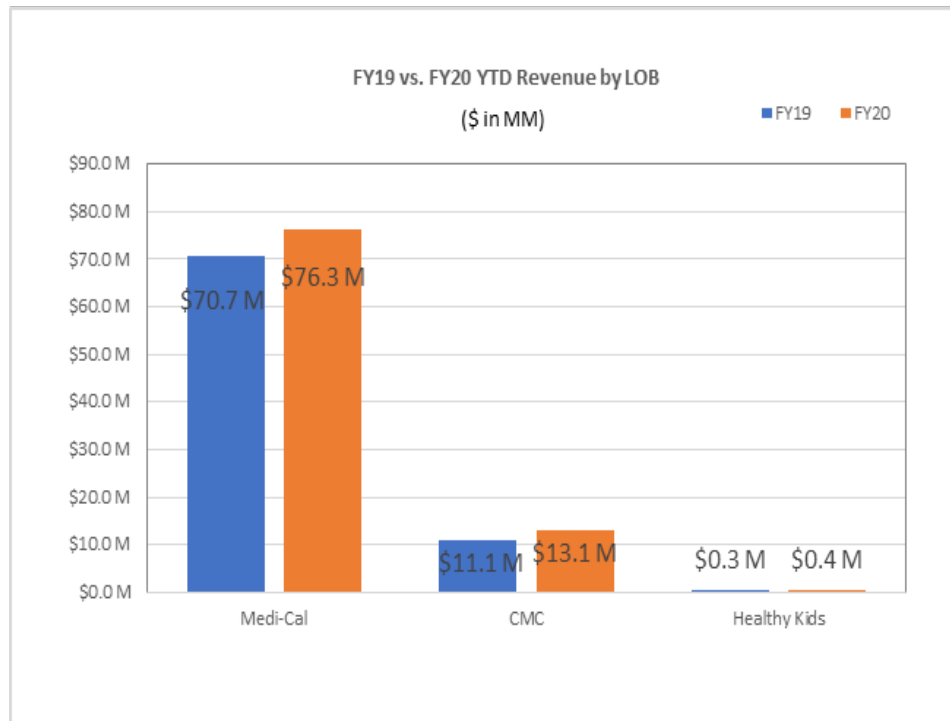
SCFHP TRENDED ENROLLMENT BY COA YTD JUL-19

		2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07
<b>NON DUAL</b>	Adult (over 19)	27,185	27,001	26,652	26,568	26,354	26,213	26,175	25,954	25,846	25,779	25,563	25,198	25,204	24,989
	Child (under 19)	100,238	99,369	98,316	98,255	97,518	96,830	96,331	95,155	95,177	95,229	94,956	94,255	94,026	93,536
	Aged - Medi-Cal Only	10,963	10,909	10,815	10,887	10,869	10,887	10,923	10,901	10,963	10,934	10,949	10,871	10,995	10,948
	Disabled - Medi-Cal Only	10,750	10,742	10,679	10,635	10,611	10,624	10,631	10,629	10,579	10,595	10,678	10,780	10,819	10,774
	Adult Expansion	74,292	74,261	73,971	73,959	73,601	73,398	73,186	72,075	72,223	72,143	72,114	71,364	71,465	71,082
	BCCTP	13	13	14	13	12	11	11	9	9	8	10	11	11	10
	Long Term Care	384	382	384	387	379	377	372	371	376	375	375	370	372	372
	<b>Total Non-Duals</b>	<b>223,824</b>	<b>222,676</b>	<b>220,831</b>	<b>220,703</b>	<b>219,343</b>	<b>218,340</b>	<b>217,629</b>	<b>215,093</b>	<b>215,173</b>	<b>215,063</b>	<b>214,644</b>	<b>212,848</b>	<b>212,891</b>	<b>211,711</b>
<b>DUAL</b>	Adult (21 Over)	393	387	385	382	385	390	379	373	376	367	368	354	352	351
	SPD (21 Over)	22,811	22,919	22,928	22,984	22,963	22,897	22,893	22,765	22,728	22,725	22,941	23,009	22,988	23,087
	Adult Expansion	451	455	485	521	533	538	586	556	529	479	304	252	253	209
	BCCTP	2	2	2	2	1	1	1	2	1	1	0	0	0	0
	Long Term Care	1,295	1,316	1,323	1,292	1,268	1,233	1,208	1,209	1,203	1,201	1,187	1,192	1,213	1,220
	<b>Total Duals</b>	<b>24,952</b>	<b>25,079</b>	<b>25,123</b>	<b>25,181</b>	<b>25,150</b>	<b>25,059</b>	<b>25,067</b>	<b>24,905</b>	<b>24,837</b>	<b>24,773</b>	<b>24,800</b>	<b>24,807</b>	<b>24,806</b>	<b>24,867</b>
<b>Total Medi-Cal</b>	<b>248,776</b>	<b>247,755</b>	<b>245,954</b>	<b>245,884</b>	<b>244,493</b>	<b>243,399</b>	<b>242,696</b>	<b>239,998</b>	<b>240,010</b>	<b>239,836</b>	<b>239,444</b>	<b>237,655</b>	<b>237,697</b>	<b>236,578</b>	
<b>Healthy Kids</b>	<b>3,196</b>	<b>3,278</b>	<b>3,187</b>	<b>3,163</b>	<b>3,217</b>	<b>3,460</b>	<b>3,345</b>	<b>3,252</b>	<b>3,375</b>	<b>3,348</b>	<b>3,465</b>	<b>3,507</b>	<b>3,486</b>	<b>3,501</b>	
<b>CMC</b>	CMC Non-Long Term Care	7,275	7,302	7,318	7,386	7,383	7,407	7,484	7,540	7,616	7,680	7,661	7,706	7,815	7,869
	CMC - Long Term Care	228	221	222	214	218	218	211	210	198	204	208	209	207	207
	<b>Total CMC</b>	<b>7,503</b>	<b>7,523</b>	<b>7,540</b>	<b>7,600</b>	<b>7,601</b>	<b>7,625</b>	<b>7,695</b>	<b>7,750</b>	<b>7,814</b>	<b>7,884</b>	<b>7,869</b>	<b>7,915</b>	<b>8,022</b>	<b>8,076</b>
<b>Total Enrollment</b>	<b>259,475</b>	<b>258,556</b>	<b>256,681</b>	<b>256,647</b>	<b>255,311</b>	<b>254,484</b>	<b>253,736</b>	<b>251,000</b>	<b>251,199</b>	<b>251,068</b>	<b>250,778</b>	<b>249,077</b>	<b>249,205</b>	<b>248,155</b>	

# Revenue

Current month revenue of \$89.8M is \$82K or 0.1% favorable to budget of \$89.7M. This month's variances were due to several factors including:

- Non-Dual revenue is \$367K favorable due to a higher FY20 Long Term Care (LTC) rate and higher Senior Persons with Disability (SPD) member months versus budget.
- HCBS High revenue is \$183K unfavorable to the budget due to a rate reduction versus budget.

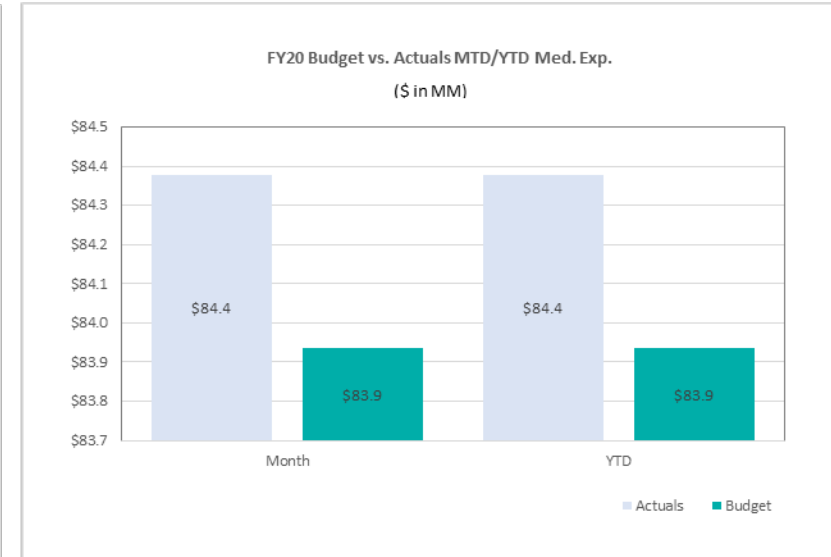
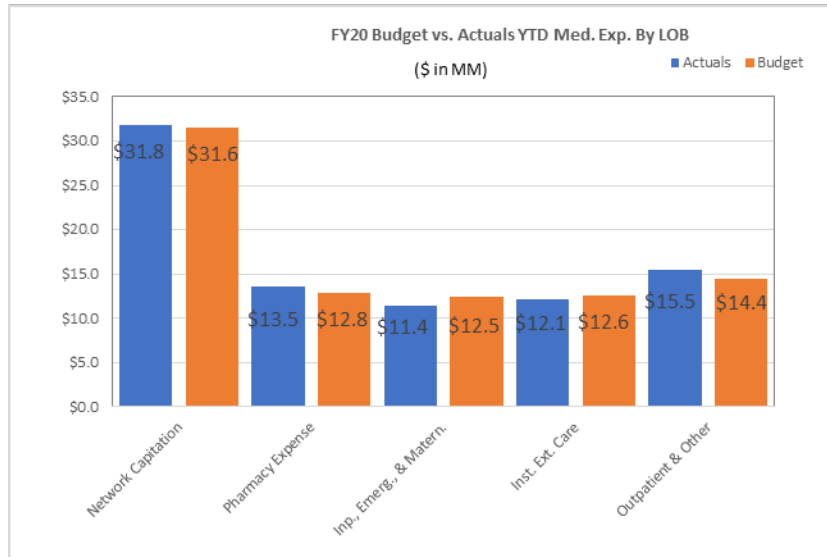




# Medical Expense

Current month medical expense of \$84.4M is \$444K or 0.5% unfavorable to budget of \$83.9M. The current month variances were due to a variety of factors, including:

- Capitation expense is \$248K unfavorable due to higher Kaiser member months than budgeted.
- Medi-Cal pharmacy is \$258K unfavorable to budget due to a higher specialty drug cost in Non-Dual Child, LTC and MCE COA.



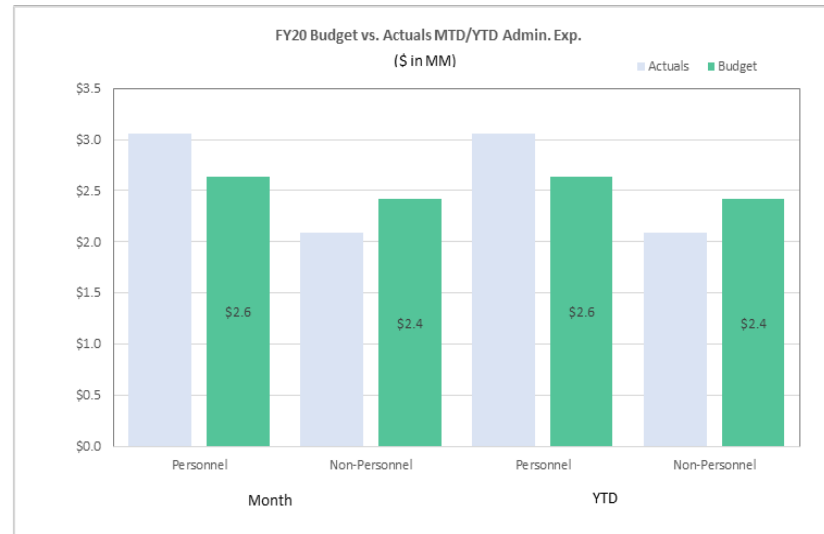
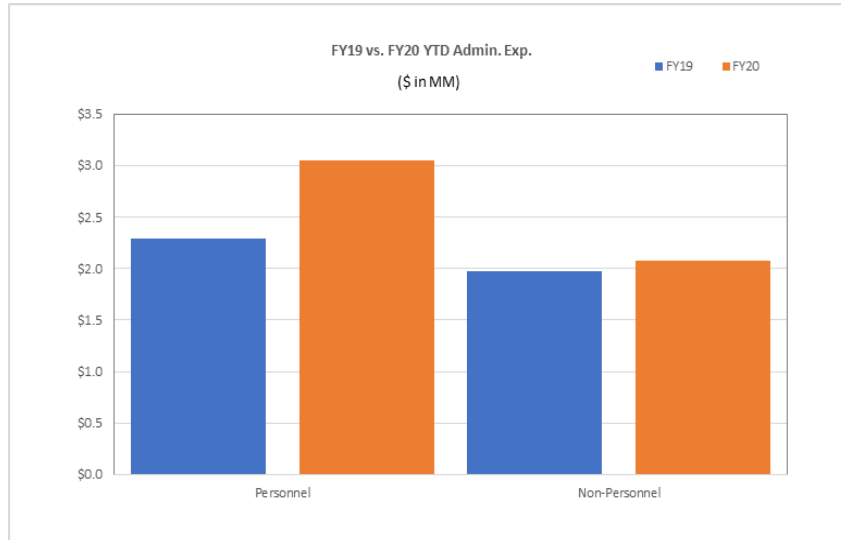
	FY20 Budget vs. Actuals YTD Med. Exp. By LOB			
	Actuals	Budget	Variance	
Network Capitation	\$31.8	\$31.6	(\$0.2)	-0.8%
Pharmacy	\$13.5	\$12.8	(\$0.7)	-5.3%
Inp., Emerg., & Matern.	\$11.4	\$12.5	\$1.1	8.6%
Inst. Ext. Care	\$12.1	\$12.6	\$0.5	4.1%
Outpatient & Other	\$15.5	\$14.4	(\$1.1)	-7.7%
<b>Total Medical Expense</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>

	FY20 Budget vs. Actuals MTD/YTD Med. Exp.			
	Actuals	Budget	Variance	
<b>Month</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>
<b>YTD</b>	<b>\$84.4</b>	<b>\$83.9</b>	<b>(\$0.4)</b>	<b>-0.5%</b>

# Administrative Expense

Current month admin expense of \$5.1M is \$85K or 1.7% unfavorable to budget of \$5.1M. The current month variances were primarily due to the following:

- Personnel expenses were \$418K or 15.8% unfavorable to budget due to timing of hires.
- Non-Personnel expenses were overall \$333K or 13.8% favorable to budget due to the timing of consulting, advertising and postage expenses.



	FY19 vs. FY20 YTD Admin. Exp.			Variance	
	FY19	FY20	Variance		
Personnel	\$2.3	\$3.1	\$0.8	25.0%	
Non-Personnel	\$2.0	\$2.1	\$0.1	5.2%	
<b>Total Administrative Expense</b>	<b>\$4.3</b>	<b>\$5.1</b>	<b>\$0.9</b>	<b>17.0%</b>	

		FY20 Budget vs. Actuals MTD/YTD Admin. Exp.			
		Actuals	Budget	Variance	
Month	Personnel	\$3.1	\$2.6	-\$0.4	-15.8%
	Non-Personnel	\$2.1	\$2.4	\$0.3	13.8%
	<b>MTD Total</b>	<b>\$5.1</b>	<b>\$5.1</b>	<b>-\$0.1</b>	<b>-1.7%</b>
YTD	Personnel	\$3.1	\$2.6	-\$0.4	-15.8%
	Non-Personnel	\$2.1	\$2.4	\$0.3	13.8%
	<b>YTD Total</b>	<b>\$5.1</b>	<b>\$5.1</b>	<b>-\$0.1</b>	<b>-1.7%</b>

# Balance Sheet

- Current assets totaled \$1,044M compared to current liabilities of \$868.9M, yielding a current ratio (Current Assets/Current Liabilities) of 1.20:1 vs. the DMHC minimum requirement of 1.0:1.
- Cash balance decreased by \$11.4M compared to the cash balance as of year-end June 30, 2019.
- Current Cash & Equivalent components and yields were as follows:
- Investment yield exceeds budget.

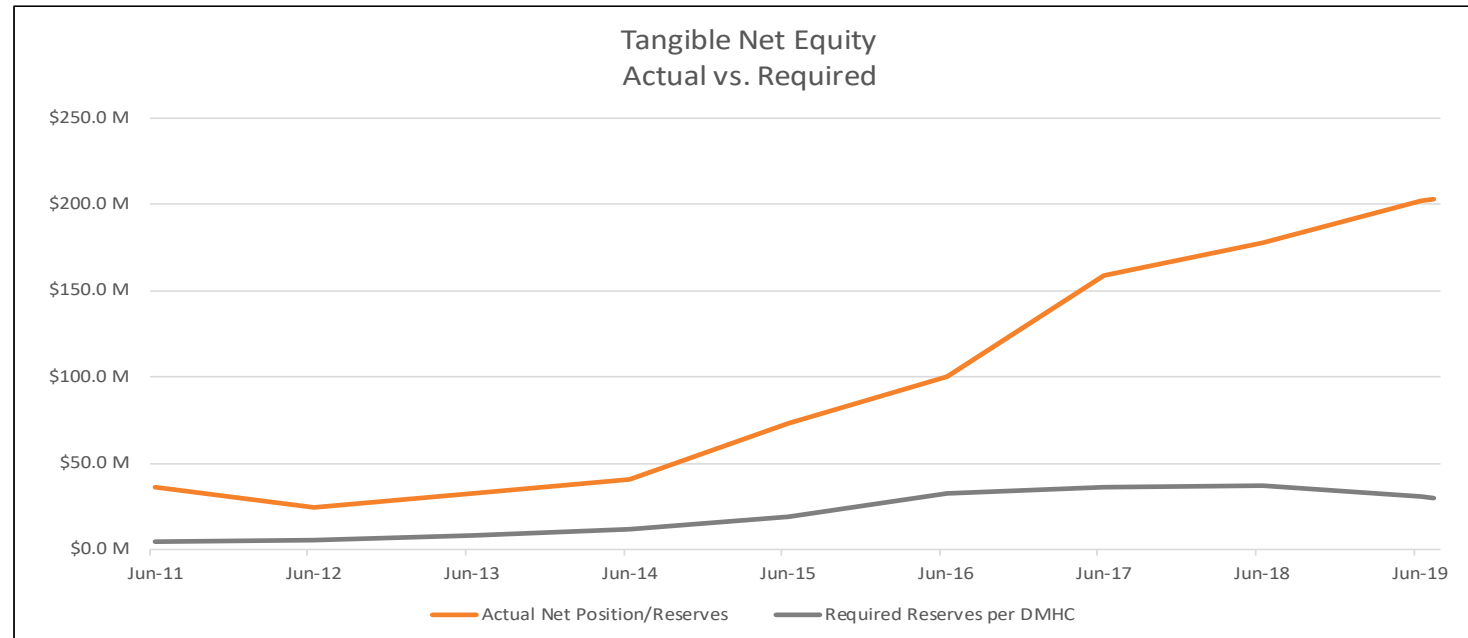
Description	Month-End Balance	Current Yield %	Interest Accrued	
			Month	YTD
<b>Short-Term Investments</b>				
County of Santa Clara Comingled Pool	\$78,952,945	1.95%	\$100,000	\$100,000
<b>Cash &amp; Equivalents</b>				
Bank of the West Money Market	\$197,265	1.34%	\$9,540	\$9,540
Wells Fargo Bank Accounts	\$208,594,009	2.18%	\$427,078	\$427,078
	\$208,791,274		\$436,619	\$436,619
<b>Assets Pledged to DMHC</b>				
Restricted Cash	\$305,350	0.42%	\$13	\$13
<b>Petty Cash</b>	\$500	0.00%	\$0	\$0
<b>Total Cash &amp; Equivalents</b>	<b>\$288,050,069</b>		<b>\$536,631</b>	<b>\$536,631</b>

# Tangible Net Equity

- TNE was \$202.8M or 675.3% of the most recent quarterly DMHC minimum requirement of \$30.0M.
- TNE trends are presented below:

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

	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Jul-19
<b>Actual Net Position/Reserves</b>	\$36.1 M	\$24.2 M	\$32.6 M	\$40.9 M	\$72.6 M	\$100.3 M	\$158.4 M	\$178.0 M	\$202.1 M	\$202.8 M
<b>Required Reserves per DMHC</b>	\$5.0 M	\$5.9 M	\$7.8 M	\$11.4 M	\$19.3 M	\$32.4 M	\$35.9 M	\$36.8 M	\$30.9 M	\$30.0 M
<b>200% of Required Reserve</b>	\$10.0 M	\$11.8 M	\$15.6 M	\$22.9 M	\$38.5 M	\$64.8 M	\$71.8 M	\$73.6 M	\$61.8 M	\$60.1 M
<b>Actual as % Required</b>	722.5%	410.2%	418.5%	357.5%	376.9%	309.8%	441.2%	483.4%	654.4%	675.3%



# Reserves Analysis

<b>SCFHP RESERVES ANALYSIS July 2019</b>	
<b>Financial Reserve Target #1: Tangible Net Equity</b>	
Actual TNE	202,817,728
Current Required TNE	<u>30,033,631</u>
<b>Excess TNE</b>	<b>172,784,098</b>
Required TNE %	675.3%
<b>SCFHP Target TNE Range:</b>	
350% of Required TNE (Low)	105,117,708
500% of Required TNE (High)	150,168,154
<b>TNE Above/(Below) SCFHP Low Target</b>	<b><u>97,700,020</u></b>
<b>TNE Above/(Below) High Target</b>	<b><u>52,649,574</u></b>
<b>Financial Reserve Target #2: Liquidity</b>	
Cash & Cash Equivalents	288,050,069
Less Pass-Through Liabilities	
Other Pass-Through Liabilities	<u>(19,703,965)</u>
<b>Total Pass-Through Liabilities</b>	<b>(19,703,965)</b>
Net Cash Available to SCFHP	<u>268,346,104</u>
SCFHP Target Liability	
45 Days of Total Operating Expense	(120,210,934)
60 Days of Total Operating Expense	(160,281,245)
Liquidity Above/(Below) SCFHP Low Target	<b><u>148,135,170</u></b>
Liquidity Above/(Below) High Target	<b><u>108,064,859</u></b>

Note 1: In December 2018, the Governing Board established a Board Discretionary Fund of \$2.2M. The specific projects/recipients have yet to be determined.

Note 2: Other Pass-Through Liabilities include Prop 56 and other provider payables.

# Capital Expenditures

Expenditure	YTD Actual	Annual Budget
Building	\$19,033	\$0
Hardware	169,565	620,000
Software	38,112	1,029,000
Furniture and Fixtures	2,033	0
Leasehold Improvements	0	3,149,500
<b>TOTAL</b>	<b>\$228,743</b>	<b>\$4,798,500</b>



**Santa Clara Family  
Health Plan™**

Financial Statements

# Income Statement



<b>Santa Clara County Health Authority</b> <b>INCOME STATEMENT</b> <b>For the Month Ending of July 31, 2019</b>												
	Jul-2019	% of	Jul-2019	% of	Current Month Variance		YTD Jul-2019	% of	YTD Jul-2019	% of	YTD Variance	
	Actuals	Rev	Budget	Rev	\$	%	Actuals	Rev	Budget	Rev	\$	%
<b>REVENUES</b>												
MEDI-CAL	\$ 76,322,159	85.0%	\$ 75,595,567	84.3%	\$ 726,592	1.0%	\$ 76,322,159	85.0%	\$ 75,595,567	84.3%	\$ 726,592	1.0%
CMC MEDI-CAL	2,636,599	2.9%	2,807,695	3.1%	(171,096)	-6.1%	2,636,599	2.9%	2,807,695	3.1%	(171,096)	-6.1%
CMC MEDICARE	10,451,167	11.6%	10,948,537	12.2%	(497,370)	-4.5%	10,451,167	11.6%	10,948,537	12.2%	(497,370)	-4.5%
TOTAL CMC	13,087,766	14.6%	13,756,231	15.3%	(668,466)	-4.9%	13,087,766	14.6%	13,756,231	15.3%	(668,466)	-4.9%
HEALTHY KIDS	372,154	0.4%	347,857	0.4%	24,297	7.0%	372,154	0.4%	347,857	0.4%	24,297	7.0%
<b>TOTAL REVENUE</b>	<b>\$ 89,782,079</b>	<b>100.0%</b>	<b>\$ 89,699,656</b>	<b>100.0%</b>	<b>\$ 82,423</b>	<b>0.1%</b>	<b>\$ 89,782,079</b>	<b>100.0%</b>	<b>\$ 89,699,656</b>	<b>100.0%</b>	<b>\$ 82,423</b>	<b>0.1%</b>
<b>MEDICAL EXPENSES</b>												
MEDI-CAL	\$ 72,072,740	80.3%	\$ 70,681,001	78.8%	\$ (1,391,738)	-2.0%	\$ 72,072,740	80.3%	\$ 70,681,001	78.8%	\$ (1,391,738)	-2.0%
CMC MEDI-CAL	2,547,824	2.8%	2,961,247	3.3%	413,424	14.0%	2,547,824	2.8%	2,961,247	3.3%	413,424	14.0%
CMC MEDICARE	9,516,047	10.6%	9,917,833	11.1%	401,786	4.1%	9,516,047	10.6%	9,917,833	11.1%	401,786	4.1%
TOTAL CMC	12,063,871	13.4%	12,879,080	14.4%	815,209	6.3%	12,063,871	13.4%	12,879,080	14.4%	815,209	6.3%
HEALTHY KIDS	241,887	0.3%	374,468	0.4%	132,581	35.4%	241,887	0.3%	374,468	0.4%	132,581	35.4%
<b>TOTAL MEDICAL EXPENSES</b>	<b>\$ 84,378,498</b>	<b>94.0%</b>	<b>\$ 83,934,550</b>	<b>93.6%</b>	<b>\$ (443,948)</b>	<b>-0.5%</b>	<b>\$ 84,378,498</b>	<b>94.0%</b>	<b>\$ 83,934,550</b>	<b>93.6%</b>	<b>\$ (443,948)</b>	<b>-0.5%</b>
<b>MEDICAL OPERATING MARGIN</b>	<b>\$ 5,403,581</b>	<b>6.0%</b>	<b>\$ 5,765,106</b>	<b>6.4%</b>	<b>\$ (361,525)</b>	<b>-6.3%</b>	<b>\$ 5,403,581</b>	<b>6.0%</b>	<b>\$ 5,765,106</b>	<b>6.4%</b>	<b>\$ (361,525)</b>	<b>-6.3%</b>
<b>ADMINISTRATIVE EXPENSE</b>												
SALARIES AND BENEFITS	\$ 3,056,582	3.4%	\$ 2,639,026	2.9%	\$ (417,556)	-15.8%	\$ 3,056,582	3.4%	\$ 2,639,026	2.9%	\$ (417,556)	-15.8%
RENTS AND UTILITIES	14,722	0.0%	27,217	0.0%	12,495	45.9%	14,722	0.0%	27,217	0.0%	12,495	45.9%
PRINTING AND ADVERTISING	26,869	0.0%	57,780	0.1%	30,911	53.5%	26,869	0.0%	57,780	0.1%	30,911	53.5%
INFORMATION SYSTEMS	346,123	0.4%	350,293	0.4%	4,170	1.2%	346,123	0.4%	350,293	0.4%	4,170	1.2%
PROF FEES/CONSULTING/TEMP STAFFING	1,020,570	1.1%	1,179,175	1.3%	158,606	13.5%	1,020,570	1.1%	1,179,175	1.3%	158,606	13.5%
DEPRECIATION/INSURANCE/EQUIPMENT	383,829	0.4%	390,899	0.4%	7,070	1.8%	383,829	0.4%	390,899	0.4%	7,070	1.8%
OFFICE SUPPLIES/POSTAGE/TELEPHONE	59,884	0.1%	83,974	0.1%	24,090	28.7%	59,884	0.1%	83,974	0.1%	24,090	28.7%
MEETINGS/TRAVEL/DUES	77,627	0.1%	127,841	0.1%	50,214	39.3%	77,627	0.1%	127,841	0.1%	50,214	39.3%
OTHER	153,992	0.2%	199,000	0.2%	45,008	22.6%	153,992	0.2%	199,000	0.2%	45,008	22.6%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 5,140,198</b>	<b>5.7%</b>	<b>\$ 5,055,206</b>	<b>5.6%</b>	<b>\$ (84,992)</b>	<b>-1.7%</b>	<b>\$ 5,140,198</b>	<b>5.7%</b>	<b>\$ 5,055,206</b>	<b>5.6%</b>	<b>\$ (84,992)</b>	<b>-1.7%</b>
<b>OPERATING SURPLUS (LOSS)</b>	<b>\$ 263,384</b>	<b>0.3%</b>	<b>\$ 709,900</b>	<b>0.8%</b>	<b>\$ (446,516)</b>	<b>-62.9%</b>	<b>\$ 263,384</b>	<b>0.3%</b>	<b>\$ 709,900</b>	<b>0.8%</b>	<b>\$ (446,516)</b>	<b>-62.9%</b>
ALLOWANCE FOR UNCOLLECTED PREMIUM	850	0.0%	0	0.0%	(850)	0.0%	850	0.0%	0	0.0%	(850)	0.0%
GASB 75 - POST EMPLOYMENT BENEFITS EXPENSE	59,780	0.1%	60,000	0.1%	220	0.4%	59,780	0.1%	60,000	0.1%	220	0.4%
GASB 68 - UNFUNDED PENSION LIABILITY	75,000	0.1%	75,000	0.1%	0	0.0%	75,000	0.1%	75,000	0.1%	0	0.0%
<b>NON-OPERATING EXPENSES</b>	<b>\$ 135,630</b>	<b>0.2%</b>	<b>\$ 135,000</b>	<b>0.2%</b>	<b>\$ (630)</b>	<b>-0.5%</b>	<b>\$ 135,630</b>	<b>0.2%</b>	<b>\$ 135,000</b>	<b>0.2%</b>	<b>\$ (630)</b>	<b>-0.5%</b>
INTEREST & OTHER INCOME	564,222	0.6%	379,225	0.4%	184,996	48.8%	564,222	0.6%	379,225	0.4%	184,996	48.8%
<b>NET NON-OPERATING ACTIVITIES</b>	<b>\$ 428,592</b>	<b>0.5%</b>	<b>\$ 244,225</b>	<b>0.3%</b>	<b>\$ 184,367</b>	<b>75.5%</b>	<b>\$ 428,592</b>	<b>0.5%</b>	<b>\$ 244,225</b>	<b>0.3%</b>	<b>\$ 184,367</b>	<b>75.5%</b>
<b>NET SURPLUS (LOSS)</b>	<b>\$ 691,976</b>	<b>0.8%</b>	<b>\$ 954,125</b>	<b>1.1%</b>	<b>\$ (262,150)</b>	<b>-27.5%</b>	<b>\$ 691,976</b>	<b>0.8%</b>	<b>\$ 954,125</b>	<b>1.1%</b>	<b>\$ (262,150)</b>	<b>-27.5%</b>



# Balance Sheet

**SANTA CLARA COUNTY HEALTH AUTHORITY**  
For the month Ending of July 31, 2019

	Jul-2019	Jun-2019	May-2019	Jul-2018
<b>Assets</b>				
Current Assets				
Cash and Marketable Securities	288,050,069	299,422,504	305,353,492	138,960,658
Receivables	744,725,861	751,127,472	469,045,789	576,211,578
Prepaid Expenses and Other Current Assets	11,465,989	12,078,740	8,104,514	7,913,589
<b>Total Current Assets</b>	<b>1,044,241,919</b>	<b>1,062,628,716</b>	<b>782,503,795</b>	<b>723,085,825</b>
Long Term Assets				
Property and Equipment	44,987,513	44,758,770	43,624,427	39,686,232
Accumulated Depreciation	(17,697,374)	(17,366,530)	(17,053,735)	(14,609,330)
Total Long Term Assets	27,290,140	27,392,240	26,570,692	25,076,902
<b>Total Assets</b>	<b>1,071,532,059</b>	<b>1,090,020,956</b>	<b>809,074,487</b>	<b>748,162,727</b>
<b>Deferred Outflow of Resources</b>	<b>9,237,609</b>	<b>9,237,609</b>	<b>14,535,240</b>	<b>14,535,240</b>
<b>Total Assets &amp; Deferred Outflows</b>	<b>1,080,769,668</b>	<b>1,099,258,565</b>	<b>823,609,727</b>	<b>762,697,967</b>
<b>Liabilities and Net Assets:</b>				
Current Liabilities				
Trade Payables	6,980,419	6,205,578	4,450,765	4,472,841
Deferred Rent	-	-	-	8,506
Employee Benefits	1,808,174	1,821,153	1,713,820	1,583,453
Retirement Obligation per GASB 75	4,003,066	3,943,286	4,208,371	4,942,575
Advance Premium - Healthy Kids	98,208	91,917	97,693	61,095
Deferred Revenue - Medicare	-	-	8,950,629	10,560,996
Whole Person Care / Prop 56	19,703,965	17,810,066	15,893,653	6,140,476
Payable to Hospitals (AB 85)	-	-	243,089	-
IGT, HQAF, Other Provider Payables	303,266,025	298,881,608	18,097,493	8,871,601
MCO Tax Payable - State Board of Equalization	-	26,353,889	17,569,259	9,038,963
Due to DHCS	27,506,572	26,789,200	36,800,474	26,453,103
Liability for In Home Support Services (IHSS)	416,092,527	416,092,526	416,092,527	413,549,551
Current Premium Deficiency Reserve (PDR) - AOC Data	8,294,025	8,294,025	8,294,025	8,294,025
Current Premium Deficiency Reserve (PDR)	2,374,525	2,374,525	2,374,525	2,374,525
Medical Cost Reserves	87,129,411	87,855,016	89,581,155	84,273,557
<b>Total Current Liabilities</b>	<b>868,962,891</b>	<b>888,218,764</b>	<b>616,073,453</b>	<b>572,331,242</b>
Non-Current Liabilities				
Noncurrent Premium Deficiency Reserve (PDR)	5,919,500	5,919,500	5,919,500	5,919,500
Net Pension Liability GASB 68	75,000	-	2,649,796	1,899,796
<b>Total Non-Current Liabilities</b>	<b>5,994,500</b>	<b>5,919,500</b>	<b>8,569,296</b>	<b>7,819,296</b>
<b>Total Liabilities</b>	<b>874,957,391</b>	<b>894,138,264</b>	<b>624,642,749</b>	<b>580,150,538</b>
<b>Deferred Inflow of Resources</b>	<b>2,994,548</b>	<b>2,994,548</b>	<b>4,034,640</b>	<b>4,034,640</b>
<b>Net Assets</b>				
Invested in Capital Assets	27,290,140	27,392,240	26,570,692	25,076,902
Restricted under Knox-Keene agreement	305,350	305,350	305,350	305,350
Unrestricted Net Equity	174,530,263	150,318,273	151,139,821	152,633,611
Current YTD Income (Loss)	691,976	24,109,890	16,916,475	496,926
<b>Total Net Assets / Reserves</b>	<b>202,817,728</b>	<b>202,125,753</b>	<b>194,932,338</b>	<b>178,512,789</b>
<b>Total Liabilities, Deferred Inflows and Net Assets</b>	<b>1,080,769,668</b>	<b>1,099,258,565</b>	<b>823,609,727</b>	<b>762,697,967</b>

# Cash Flow – YTD

	<u>Jul-2019</u>
Cash Flows from Operating Activities	
Premiums Received	70,547,173
Medical Expenses Paid	(80,719,685)
Administrative Expenses Paid	(1,535,402)
<b>Net Cash from Operating Activities</b>	<b>(11,707,914)</b>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(228,743)
Cash Flows from Investing Activities	
Interest Income and Other Income (Net)	564,222
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(11,372,436)</b>
Cash & Cash Equivalents (Jun 2019)	299,422,504
Cash & Cash Equivalents (Jul 2019)	<b>288,050,068</b>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating Income/(Loss)	127,754
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	
Depreciation	330,843
Changes in Operating Assets/Liabilities	
Premiums Receivable	6,401,611
Other Receivable	-
Due from Santa Clara Family Health Foundation	-
Prepays & Other Assets	612,751
Deferred Outflow of Resources	-
Accounts Payable & Accrued Liabilities	2,721,831
State Payable	(25,636,517)
IGT, HQAF & Other Provider Payables	4,384,417
Net Pension Liability	75,000
Medical Cost Reserves & PDR	(725,605)
IHSS Payable	-
Deferred Inflow of Resources	-
<b>Total Adjustments</b>	<b>(11,835,668)</b>
<b>Net Cash from Operating Activities</b>	<b>(11,707,914)</b>

# Statement of Operations by Line of Business - YTD



Santa Clara County Health Authority Statement of Operations By Line of Business (Including Allocated Expenses) For the Month Ending July 31, 2019						
	Medi-Cal	CMC Medi-Cal	CMC Medicare	Total CMC	Healthy Kids	Grand Total
<b>P&amp;L (ALLOCATED BASIS)</b>						
REVENUE	\$76,322,159	\$2,636,599	\$10,451,167	\$13,087,766	\$372,154	\$89,782,079
<b>MEDICAL EXPENSE (MLR)</b>	\$72,072,740	\$2,547,824	\$9,516,047	\$12,063,871	\$241,887	\$84,378,498
<b>GROSS MARGIN</b>	\$4,249,419	\$88,775	\$935,119	\$1,023,895	\$130,267	\$5,403,581
<b>ADMINISTRATIVE EXPENSE</b> (% of Revenue Allocation)	\$4,369,591	\$150,950	\$598,349	\$749,300	\$21,307	\$5,140,198
<b>OPERATING INCOME/(LOSS)</b> (% of Revenue Allocation)	(\$120,172)	(\$62,175)	\$336,770	\$274,595	\$108,961	\$263,384
<b>OTHER INCOME/(EXPENSE)</b> (% of Revenue Allocation)	\$364,338	\$12,586	\$49,891	\$62,477	\$1,777	\$428,592
<b>NET INCOME/(LOSS)</b>	\$244,167	(\$49,589)	\$386,660	\$337,072	\$110,737	\$691,976
<b>PMPM (ALLOCATED BASIS)</b>						
REVENUE	\$322.61	\$326.47	\$1,294.10	\$1,620.58	\$106.30	\$361.80
MEDICAL EXPENSES	\$304.65	\$315.48	\$1,178.31	\$1,493.79	\$69.09	\$340.02
GROSS MARGIN	\$17.96	\$10.99	\$115.79	\$126.78	\$37.21	\$21.78
ADMINISTRATIVE EXPENSES	\$18.47	\$18.69	\$74.09	\$92.78	\$6.09	\$20.71
OPERATING INCOME/(LOSS)	-\$0.51	-\$7.70	\$41.70	\$34.00	\$31.12	\$1.06
OTHER INCOME/(EXPENSE)	\$1.54	\$1.56	\$6.18	\$7.74	\$0.51	\$1.73
NET INCOME/(LOSS)	\$1.03	-\$6.14	\$47.88	\$41.74	\$31.63	\$2.79
<b>ALLOCATION BASIS:</b>						
MEMBER MONTHS - YTD	236,578	8,076	8,076	8,076	3,501	248,155
REVENUE BY LOB	85.0%	2.9%	11.6%	14.6%	0.4%	100.0%



**Santa Clara Family  
Health Plan™**

**FY 2018-19 FOCUS**

**Drive Quality Improvement & Achieve Operational Excellence**

Governing Board Meeting – September 26, 2019

## FY 2018-19 FOCUS

### Drive Quality Improvement & Achieve Operational Excellence

	Plan Objectives	Success Measures	Preliminary Year-End Status
1	Enhance compliance program and delegation oversight	<ul style="list-style-type: none"> <li>• <math>\geq 95\%</math> of metrics on Compliance Dashboard in compliance</li> <li>• Answer 80% of Customer Service calls in <math>\leq 30</math> seconds</li> <li>• 90% of routine regulatory reports submitted timely, without rejection</li> <li>• Evaluate Compliance Program Effectiveness (CPE) and develop work plan</li> </ul>	<ul style="list-style-type: none"> <li>○ 88% of metrics on May 2019 Compliance Dashboard in compliance</li> <li>○ Customer Service calls answered in <math>\leq 30</math> seconds in May 2019: 83.3% for CMC; 65.5% for Medi-Cal with a 78 second average speed of answer</li> <li>○ 100% of CMC and 96% of Medi-Cal routine regulatory reports submitted timely, without rejection</li> <li>○ CPE evaluation completed &amp; work plan on track</li> <li>○ Of note, SCFHP was selected for, and underwent, its first CMS Program Audit starting in July 2018</li> </ul>
2	Pursue benchmark quality performance	<ul style="list-style-type: none"> <li>• Achieve 3-year CMC NCQA accreditation</li> <li>• Increase HEDIS composite average to 70% for Medi-Cal and 60% for CMC</li> <li>• Develop and implement provider access &amp; availability initiatives</li> </ul>	<ul style="list-style-type: none"> <li>○ Achieved 3-year CMC NCQA accreditation</li> <li>○ Medi-Cal HEDIS composite average 68.09%; CMC HEDIS composite average 58.12%</li> <li>○ Updated and implemented provider and delegate access &amp; availability training, and enhanced cross-functional regulatory reporting</li> </ul>
3	Expand reporting and analytics	<ul style="list-style-type: none"> <li>• Develop and post dashboard metrics by department</li> <li>• Implement uniform Regulatory Report Template for 24 reports</li> <li>• Complete Phase II development of enterprise data warehouse</li> </ul>	<ul style="list-style-type: none"> <li>○ Departmental dashboard metrics developed and posted</li> <li>○ Uniform Regulatory Report Templates implemented for 30 reports</li> <li>○ Phase II development of enterprise data warehouse completed in December 2018</li> </ul>

Critical Priority

4	Foster membership growth and retention	<ul style="list-style-type: none"> <li>• Implement Medi-Cal retention activity plan</li> <li>• Achieve net increase of 500 CMC members</li> <li>• Develop a robust provider network strategy</li> </ul>	<ul style="list-style-type: none"> <li>○ Medi-Cal retention initiatives: implemented Community Outreach Program, launched Wellness Rewards Program, improved capture of member contact information, launched member portal with 5% sign-up YTD, partnering with County Social Services on redetermination outreach</li> <li>○ Achieved net increase of 519 CMC members for a total of 8,022</li> <li>○ Provider network strategy not developed</li> </ul>
5	Collaborate with Safety Net Community Partners	<ul style="list-style-type: none"> <li>• Continue Whole Person Care partnership with SCVHHS to increase Long Term Care community transitions from baseline of 20 in FY 2017-18</li> <li>• Implement Health Homes by July 2019</li> <li>• Explore potential Satellite Office</li> </ul>	<ul style="list-style-type: none"> <li>○ WPC partnership continued; achieved 40 Long Term Care community transitions</li> <li>○ Health Homes Program being implemented effective July 2019</li> <li>○ Submitted proposal to lease Satellite Office space at N. Capitol Avenue &amp; McKee Road</li> </ul>
6	Achieve budgeted financial performance	<ul style="list-style-type: none"> <li>• Achieve FY 2018-19 Net Surplus of \$9.1 million</li> <li>• Maintain administrative loss ratio <math>\leq</math> 6% of revenue</li> </ul>	<ul style="list-style-type: none"> <li>○ Projected to exceed budgeted FY 2018-19 Net Surplus</li> <li>○ Projected administrative loss ratio 5.3% of revenue</li> </ul>

Membership Growth:	<b>June '19 – 249,205 members</b> <b>June '18 – 259,475 members</b>	<b>4.0% decrease in members (10,270)</b> <b>6.0% decrease in member months</b>
Revenue Growth:	<b>FY 2018-19 – \$1.05 billion</b> <b>FY 2017-18 – \$1.33 billion</b>	<b>\$280 million decrease in revenue</b> <b>21.1% decrease in revenue</b>
Employee Hiring:	<b>June '19 – 276 staff/14 temps</b> <b>June '18 – 236 staff/26 temps</b>	<b>20.3% turnover rate (52 departures)</b> <b>89 new hires</b>

Critical Priority



**Santa Clara Family  
Health Plan™**

Fiscal Year 2018-2019 Team Incentive Compensation

Governing Board Meeting – September 26, 2019

## Fiscal Year 2018-2019 Team Incentive Compensation

Performance Level	Payout (% of salary/wages)	Compliance Metrics (% of dashboard metrics in compliance)	Service Level (calls answered in ≤ 30 seconds)	CMC NCQA Accreditation	Medi-Cal HEDIS (composite average)
<i>weighting</i>		40%	20%	20%	20%
Maximum	5%	97% - 100%	85% - 100%	3-year	72% - 100%
Target	3%	94% - 96.9%	80% - 84.9%	---	70% - 71.9%
Minimum	1%	91% - 93.9%	75% - 79.9%	1-year	68% - 69.9%

### Calculation:

- $0.40$  (Compliance Metrics Payout %) +  $0.20$  (Service Level Payout %) +  $0.20$  (CMC NCQA Accreditation Payout %) +  $0.20$  (Medi-Cal HEDIS Payout %) = **Overall Percent Payout**
- All staff are eligible to receive the Overall Percent Payout multiplied by the salary/wages they were paid as a regular employee from July 2018 through June 2019. (Does not include PTO cash out.)

### Process:

- Santa Clara Family Health Plan must achieve a **Net Operating Surplus** as a gate to any incentive award consideration.
- Incentive compensation will be determined upon receipt of the audited financial statements for the fiscal 2018-19 performance year.
- **Compliance Metrics** will be calculated as the percent of January – June 2019 compliance dashboard measures that meet or exceed regulatory requirements.
- **Service Level** will be calculated as the percentage of member and provider calls in the Customer Service and Utilization Management call queues answered in ≤ 30 seconds from January – June 2019.
- **CMC NCQA Accreditation** status will be determined by NCQA based on their survey in February 2019.
- **Medi-Cal HEDIS** performance will be calculated as the overall average of the percentage performance on each HEDIS measure.
- To be eligible to receive a payout, an employee must be employed by Santa Clara Family Health Plan in a regular position at the time of distribution.





**Santa Clara Family  
Health Plan™**

**FY 2019-20 FOCUS**

**Drive Quality Improvement & Achieve Operational Excellence**

Governing Board Meeting – September 26, 2019

## FY 2019-20 FOCUS

### Drive Quality Improvement & Achieve Operational Excellence

**DRAFT**

	Plan Objectives	Success Measures
1	Pursue benchmark quality performance	<ul style="list-style-type: none"> <li>• Increase HEDIS composite average to 60% for CMC</li> <li>• Decrease Medi-Cal HEDIS measures below the new MPL (50<sup>th</sup> percentile) to <math>\leq 4</math></li> <li>• Increase developmental screenings for children to <math>\geq 5,000</math></li> <li>• Conduct gap analysis and roadmap for Medi-Cal NCQA accreditation</li> <li>• Achieve <math>\leq 120</math> second average speed of answer for Medi-Cal member calls</li> </ul>
2	Enhance compliance program and delegation oversight	<ul style="list-style-type: none"> <li>• <math>\geq 95\%</math> of metrics on Compliance Dashboard in compliance</li> <li>• 95% of routine regulatory reports submitted timely, without resubmission</li> <li>• Full implementation of enhanced delegation oversight program</li> </ul>
3	Improve IT infrastructure	<ul style="list-style-type: none"> <li>• Conduct HIPAA security risk assessment</li> <li>• Implement and optimize phone system upgrade by December 2019</li> <li>• Implement monthly gaps in care on the provider portal by December 2019</li> </ul>
4	Foster membership growth and retention	<ul style="list-style-type: none"> <li>• Increase Medi-Cal market share from 78.3%</li> <li>• Achieve net increase of 533 CMC members</li> <li>• Develop a robust provider network strategy</li> </ul>
5	Collaborate with Safety Net Community Partners	<ul style="list-style-type: none"> <li>• Continue Whole Person Care partnership with SCVHHS and achieve <math>\geq 40</math> Long Term Care community transitions</li> <li>• Implement Health Homes for members with severe mental illness by January 2020</li> <li>• Establish satellite office/community resource center</li> </ul>
6	Achieve budgeted financial performance	<ul style="list-style-type: none"> <li>• Achieve FY 2019-20 Net Surplus of \$7.7 million</li> <li>• Maintain administrative loss ratio <math>\leq 7\%</math> of revenue</li> </ul>

Critical Priority



**Santa Clara Family  
Health Plan™**

Fiscal Year 2018-2019 Team Incentive Compensation

Governing Board Meeting – September 26, 2019

**Fiscal Year 2019-2020 Team Incentive Compensation**  
September 26, 2019  
**DRAFT**

<b>Performance Level</b>	<b>Payout (% of salary/ wages)</b>	<b>Medi-Cal HEDIS (measures below 50<sup>th</sup> percentile)</b>	<b>CMC HEDIS (composite average)</b>	<b>Medi-Cal Member Calls (answered in ≤ 600 seconds)</b>	<b>Compliance Metrics (% of dashboard metrics in compliance)</b>
<i>weighting</i>		20%	20%	20%	40%
Maximum	5%	≤ 3	62% - 100%	99% - 100%	97% - 100%
Target	3%	4	60% - 61.9%	97% - 98.9%	94% - 96.9%
Minimum	1%	5	58% - 59.9%	95% - 96.9%	91% - 93.9%

**Calculation:**

- $0.20$  (Medi-Cal HEDIS Payout %) +  $0.20$  (CMC HEDIS Payout %) +  $0.20$  (Service Level Payout %) +  $0.40$  (Compliance Metrics Payout %) = **Overall Percent Payout**
- All staff are eligible to receive the Overall Percent Payout multiplied by the salary/wages they were paid as a regular employee from July 2019 through June 2020. (Does not include PTO cash out.)

**Process:**

- Santa Clara Family Health Plan must achieve a **Net Operating Surplus** as a gate to any incentive award consideration.
- Incentive compensation will be determined upon receipt of the audited financial statements for the fiscal 2019-20 performance year.
- **Medi-Cal HEDIS** will be calculated as the number of measures with scores below the HEDIS 50<sup>th</sup> percentile.
- **CMC HEDIS** will be calculated as the overall average of the percentage performance on each HEDIS measure.
- **Medi-Cal Member Calls** will be calculated as the percentage of calls answered by a Customer Service representative within 600 seconds (July 2019 – June 2020).
- **Compliance Metrics** will be calculated as the percent of compliance dashboard measures that meet or exceed regulatory requirements (July 2019 – June 2020).
- To be eligible to receive a payout, an employee must be employed by Santa Clara Family Health Plan in a regular position at the time of distribution.



**Santa Clara Family  
Health Plan™**

## 2020 Board Meeting Calendar

Governing Board Meeting – September 26, 2019

## JANUARY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## APRIL

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

## JULY

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## OCTOBER

S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## FEBRUARY

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16	17	18	19	20	21	22
23	24	25	26	27	28	29

## MAY

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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

## AUGUST

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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## NOVEMBER

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## MARCH

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## JUNE

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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

## SEPTEMBER

S	M	T	W	T	F	S
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

## DECEMBER

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Governing Board 12:00 pm – 2:30 pm
March 26
June 25
September 24
December 17
Executive/Finance 11:30 am – 1:30 pm
January 23
February 27
April 23
May 28
July 23
August 27
October 22
November 19
Compliance Committee 1:00 pm – 3:00pm
February 27
May 28
August 27
November 19



**Santa Clara Family  
Health Plan™**

## Public Charge

Governing Board Meeting – September 26, 2019



# CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY PUBLIC CHARGE GUIDE

September 2019

## Every family is different, reach out for legal advice first.

An immigration or public benefits attorney can give you advice based on your specific situation. You can find a list of legal services providers on the California Department of Social Services [website](#).

It is important to have accurate information, before you make a decision regarding your public benefits, so you can make the right choice for the health and well-being of your family.

## Not all immigrants are subject to the new federal policy.

Many immigrants are not affected by this new federal policy.

It does **NOT** apply to lawful permanent residents (green card holders) who apply for citizenship, Refugees, Asylees, Special Immigrant Juveniles, certain trafficking victims, certain victims of qualifying criminal activity, or certain victims of domestic violence, among others.

## Not all programs are subject to the new federal policy.

Public programs used by your children, who are United States citizens, cannot be used against you or another immigrant parent in a public charge determination.

- ✓ If you are only receiving nutrition benefits through the Women, Infants, and Children Program or WIC, you are **NOT** impacted by this federal policy.
- ✓ If you are only receiving subsidies for health insurance coverage through Covered California, you are **NOT** impacted by this federal policy.
- ✓ If you are under the age of 21 and only receiving Medi-Cal benefits, you are **NOT** impacted by this federal policy.
- ✓ If you are a pregnant woman, or within 60 days following the birth of a child, and only receiving Medi-Cal benefits, you are **NOT** impacted by this federal policy.
- ✓ If you are only covered for emergency medical services as part of Medi-Cal, you are **NOT** impacted by this federal policy.

## Public Charge Policy

Under longstanding federal policy, the Federal Government can deny an individual entry into the United States, or adjustment to lawful permanent resident status, if he or she is determined likely to become a public charge.

Public charge is a term used in immigration law to refer to a person who is or might be dependent on public programs as their main source of support.

Application for or use of certain public benefits is just one factor of many that is considered in determining if a person is likely to become a public charge.

In August of 2019, the Federal Government released a new public charge policy. Under the new federal policy, a public charge is redefined as an immigrant who receives one or more public benefits for more than 12 months over a 36-month period.

## Effective Date

The federal policy change will not go into effect until **October 15, 2019**.

There are several legal challenges that are seeking to stop the federal policy from being implemented. If successful, there will be a delayed implementation, or the policy could potentially never go into effect.

Benefits, other than cash assistance and long-term care services, used before October 15, 2019, will not be considered in public charge determinations.

Need More  
INFORMATION?



<https://immigrantguide.ca.gov>



# FAST FACTS

California is home to many newcomers from all over the world. In an effort to integrate immigrants, California offers services that help immigrants become part of the social, economic and civic fabric of our state.

**11 million**

Californians are foreign born

**1 in 2**

Children in California has at least one immigrant parent

**74%**

Non-citizens live in households with a citizen

**\$715 billion**

Immigrants' contribution to California's economy

**35%**

California's civilian workforce is comprised of immigrants

**4.7 million**

Californians live with an undocumented family member

## Programs included in public charge consideration.

You should consult with an immigration or public benefits attorney to better understand the impact of accessing public programs, including but not limited to the following:

- ✓ CalWORKs or TANF
- ✓ CalFresh or SNAP
- ✓ Medi-Cal or Medicaid (Adults +21 Only)
- ✓ In-Home Supportive Services (Adults +21 Only)
- ✓ Supplemental Security Income

## Appointments scheduled prior to effective date.

You should keep your doctor, or any other health and human services, appointments that are scheduled prior to the October 15, 2019 effective date.

## Family members accessing public programs.

The Federal Government will only consider public benefits received directly by the person who is applying for the change in status, or if they're listed as a beneficiary. This means that your family members accessing public programs will have no impact on you.

## Personal information and your privacy.

The information you provide for the enrollment of public programs cannot be shared publicly. However, the Federal Government may share your information internally between its own departments and agencies. You should only provide the information that is necessary for eligibility determination.

## Impact on lawful permanent residents.

There is no public charge policy to renew a green card. There is no public charge policy to apply for citizenship (naturalization).

It is important for lawful permanent residents or green card holders to speak to an immigration or public benefits attorney before leaving the United States for more than 180 days. This federal policy could apply if a green card holder leaves the United States for more than 180 days. If a green card holder travels outside the United States for more than 180 days during one trip, the government can ask questions to see if the person is a public charge upon returning to the United States.





# Santa Clara Family Health Plan™

## Healthy Kids Transition

Governing Board Regular Meeting

September 26, 2019

# Healthy Kids Transitions and Closure

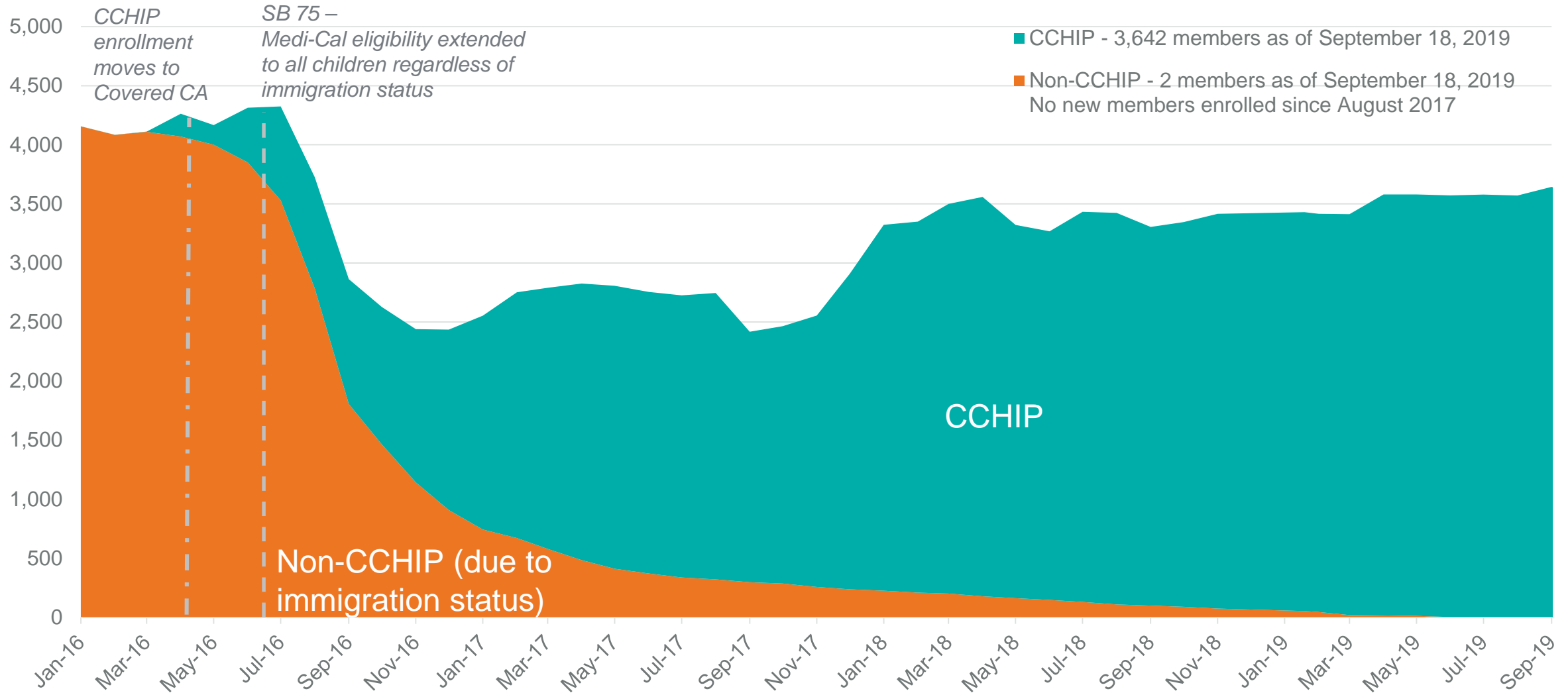
## CCHIP Members

- 3,642 members as of September 18, 2019
- On track for October 1 transition to Medi-Cal
- Member communications
  - Written communications – DHCS 60/30 day notices, dental notice, FAQs, new member notice; SCFHP notice with statements
  - Information posted on SCFHP website
  - Outbound call campaign in process, to be completed by September 30 – 3 call attempts for each family
- Data transfers to DHCS/Maximus ongoing; final transfer October 10, 2019

## Non-CCHIP Members

- 2 members as of September 18, 2019
- On track for member transition to Valley Kids, January 1, 2020 program closure and January 1, 2020 license surrender
- SCC Board of Supervisors approved adjusting Valley Kids income eligibility to 266-400% of FPL, providing coverage option for Healthy Kids members not eligible for CCHIP or Medi-Cal
- DMHC Notice of Material Modification Filings submitted:
  - August 15, 2019 – Withdrawal from Service Area
  - September 13 – Surrender of Santa Clara Community Health Authority (“QIF”) License
  - September 16, 2019 – DMHC approved 90 and 30 day member notices

# Healthy Kids Enrollment





# Santa Clara Family Health Plan™

## SCFHP At a Glance

Governing Board Meeting – September 26, 2019

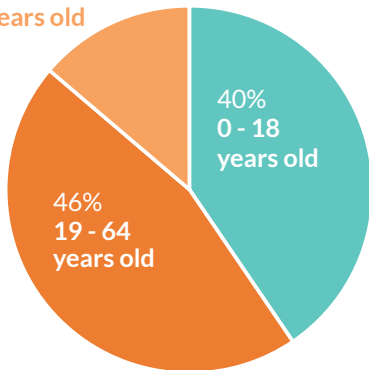
SCFHP is a local, community-based health plan dedicated to improving the health and well-being of the residents of Santa Clara County. Working in partnership with providers and community organizations, we serve our neighbors through our Medi-Cal, Cal MediConnect (Medicare-Medicaid Plan) and Healthy Kids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

## MEMBER DEMOGRAPHICS

**236,900**

Medi-Cal Members

14%  
65+ years old

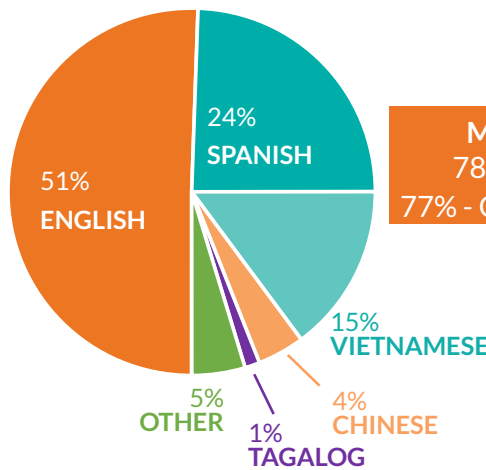


**30%**

of our Medi-Cal members are covered through ACA expansion

**1.74**

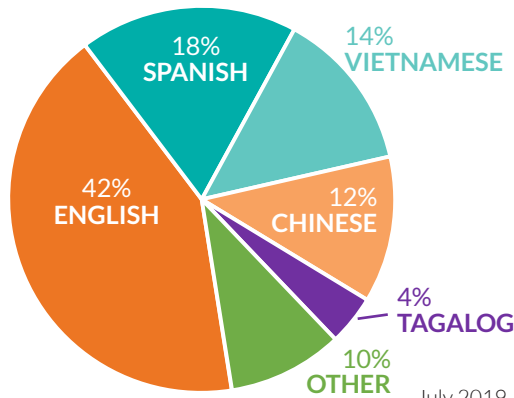
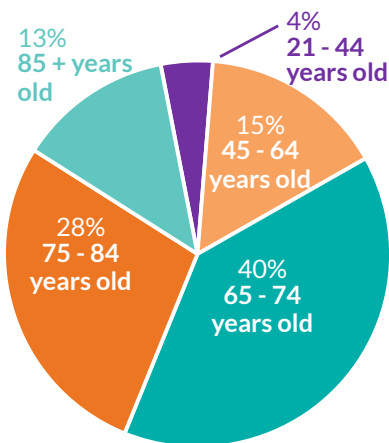
average # of kids in a Medi-Cal Family



**8,200**

Cal MediConnect (Medicare-Medicaid Plan) Members

13% 85+ years old



July 2019



## CONTRACTED PROVIDERS

**Primary Care Physicians**  
730 Medi-Cal  
510 Cal MediConnect

**Specialists**  
3,400 Medi-Cal  
2,530 Cal MediConnect

**Ancillaries**  
540 Medi-Cal  
160 Cal MediConnect

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

June 2019

**94 ¢**

of every \$1 is spent on benefits and services

**6 ¢**

of every \$1 is spent on administration

**<1 ¢**

of every \$1 is saved in reserves

**>\$1 B**

invested in local economy each year

Budget FY 2020

Keep Up With Us

