



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

Thursday, December 16, 2021, 12:00 PM – 2:30 PM
Santa Clara Family Health Plan – Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES

Members Present

Bob Brownstein, Chair
Alma Burrell
Dave Cameron
Darrell Evora
Kathleen King
Liz Kniss
Sarita Kohli
Michele Lew
Sue Murphy
Ria Paul
Debra Porchia-Usher
Sherri Sager

Staff Present

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

Others Present

Eva Terrazas, VP, Public Policy & Special Initiatives,
Uplift Family Services
Tiffany Washington, Program Manager–Business
Development, Valley Health Plan

1. Roll Call

Bob Brownstein, Chair, called the meeting to order at 12:00 pm. Roll call was taken and a quorum was established. Mr. Brownstein welcomed Eva Terrazas as a newly appointed member of the Board who is awaiting an opportunity to take her oath.

2. Public Comment

There were no public comments.

3. Approve Consent Calendar and Changes to the Agenda

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

- a. Approve minutes of the September 23, 2020 **Governing Board Meeting**
- b. Accept minutes of the October 22, 2021 **Special Executive/Finance Committee Meeting**
 - Ratify approval to continue use of teleconferencing without providing public access to each teleconference location pursuant to Government Code Section 54953
- c. Accept minutes of the October 28, 2021 **Executive/Finance Committee Meeting**
 - Ratify approval of the Fiscal Year 2020-2021 Independent Auditor's Report
 - Ratify approval of the August 2021 Financial Statements
- d. Accept minutes of the November 18, 2021 **Executive/Finance Committee Meeting**
 - Ratify acceptance of the Network Detection and Prevention Update
 - Ratify approval of the September 2021 Financial Statements
 - Ratify approval of three-year contracts with D-SNP Enrollment, Sales & Broker Systems vendors Dynamic Healthcare Systems and Engagement Health
 - Ratify approval of Innovation Fund COVID-19 Expenditure for Children's Discovery Museum COVID-19 Vaccination Clinics
 - Ratify approval of Innovation Fund Expenditure for Behavioral Health Contractors Association of Santa Clara County for Readiness Support for Delivery System Changes
- e. Accept minutes of the November 18, 2021 **Compliance Committee Meeting**
 - Ratify approval of the Compliance Program, Standards of Conduct, and Policies
 - CP.07 Corrective Actions
 - CP.10 Compliance Training
 - CP.12 Annual Compliance Program Effectiveness Audit
 - CP.15 Standards of Conduct
 - CP.17 Risk Assessments
 - DE.04 Communication Between SCFHP and FDRs/Delegated Entities
 - DE.05 Joint Operations Committee Meetings Between SCFHP and FDRs/Delegated Entities
 - DE.12 Delegated Entity Reporting
- f. Accept minutes of the October 13, 2021 **Quality Improvement Committee Meeting**
 - Ratify approval of the Annual Assessment of Physician Directory Accuracy Report 2021
 - Ratify approval of the Physician and Hospital Directories Usability Testing Report
 - Ratify approval of the Annual Cal MediConnect (CMC) Continuity and Coordination Between Medical Care and Behavioral Healthcare Analysis
 - Ratify approval of the Assessment of CMC Member Understanding of Policies & Procedures: Call Code Analysis
 - Ratify approval of the 2020 Member Experience Analysis
 - Ratify approval of the Annual Cal Medi-Connect (CMC) Continuity and Coordination of Medical Care Analysis (2021)
 - Ratify approval of the Grievance and Appeals Report Q2 2021
 - Ratify acceptance of Committee Reports
 - Pharmacy & Therapeutics Committee (P&T) – September 16, 2021
 - Credentialing Committee Report – August 4, 2021
- g. Accept minutes of the November 16, 2021 **Special Quality Improvement Committee Meeting**
 - Ratify approval of the Appointment Availability Analysis MY 2021
 - Ratify approval of the Annual Assessment of Network Adequacy
- h. Accept minutes of the December 7, 2021 **Quality Improvement Committee Meeting**
 - Ratify approval of the Grievance and Appeals (G&A) Report Q3 2021
 - Ratify acceptance of Committee Reports
 - Utilization Management Committee (UMC) – October 20, 2021
 - Credentialing Committee Report – October 6, 2021
- i. Accept minutes of the November 10, 2021 **Provider Advisory Council Committee Meeting**
- j. Accept minutes of the December 14, 2021 **Consumer Advisory Committee Meeting**
- k. Approve **Publicly Available Salary Schedule**

- l.** Approve **Quarterly Investment Compliance Report**
- m.** Approve revised **2022 Board & Committee Meeting Calendar**
- n.** Approve **Resolution to Adopt an Amended Conflict of Interest Code**
- o.** Approve **Annual Report to the Board of Supervisors**
- p.** Approve **continued use of teleconferencing** without providing public access to each teleconference location pursuant to Government Code Section 54953

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

Motion: Ms. Murphy

Second: Ms. Kniss

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

Alma Burrell joined the meeting.

4. CEO Update

Christine Tomcala, Chief Executive Officer, presented the updated SCFHP COVID-19 Summary, noting 62.3% of members age 5+ have received at least one COVID vaccine dose. The age category 30 to 39 has the largest percentage gap (26.6%) between members and county residents who received at least one vaccine dose. Ms. Tomcala presented the total number of members yet to be vaccinated (86,116). She further shared the percentage of members who have received a COVID-19 booster (19%). Ms. Tomcala noted SCFHP is the second highest performing Medi-Cal plan in the state with respect to the percent of members age 5 and over who have received at least one COVID vaccination dose (62.3%). Anthem's rate in Santa Clara County is 59.7%.

Bob Brownstein inquired about actions SCFHP is taking to encourage members to receive COVID-19 booster shots. Ngoc Bui-Tong, VP, Strategies & Analytics, explained continued efforts to promote access with community partners, hiring temporary workers to outreach to members, as well as events at the Blanca Alvarado Community Resource Center. Ms. Tomcala explained there is a crossover in the efforts of SCFHP to encourage members to receive their first dose, while providing already vaccinated members with the opportunity to receive their COVID-19 booster shot.

Ms. Tomcala reported the percentage of vaccinated staff is 90%. She noted the postponement of a return to office date due to the extension of the Public Health Emergency, and indicated the intention of SCFHP is to adopt a hybrid workforce upon return.

Ms. Tomcala presented the Quarterly Board Dashboard and called attention to the addition of an Annual Dashboard, which provides annual metrics to be shared each December.

Ms. Tomcala provided an update on the opening of the Blanca Alvarado Community Resource Center (CRC). She invited Board Members to access the Activity Calendar on the website, and stop by the upcoming Open House scheduled for December 18, 2021.

Ms. Tomcala congratulated Darrell Evora on his retirement and confirmed Mr. Evora's continued participation as a member of the SCFHP Governing Board.

Ms. Tomcala introduced Ashley Kerner as the new Manager of Administrative Services.

5. Compliance Report

Tyler Haskell, Interim Compliance Officer, provided an update on the status of various audits and compliance deficiencies. He reported the Plan was assessed an administrative penalty of \$10,000 by the Department of Managed Health Care (DMHC) as a result of two missing files in 2017 report submissions. Mr. Haskell confirmed the issue has been rectified.



Mr. Haskell shared the current Annual Compliance Program Effectiveness Audit required of all Medicare plans is underway. Mr. Haskell explained the past practice of paying an outside firm to conduct the audit, and shared that this audit will be conducted by peer review facilitated by Health Plan Alliance. Mr. Haskell stated SCFHP is being audited by Piedmont Health Plan from Virginia and the preliminary report is expected soon.

Mr. Haskell shared a disclosure made by SCFHP to CMS upon discovering certain faxes were not reaching providers. Mr. Haskell stated no action would be taken against SCFHP by CMS as a result of this disclosure.

Mr. Haskell discussed the recent receipt of the Annual Audit Notice from the State Department of Health Care Services. Mr. Haskell explained the audit will cover both Medi-Cal and Cal MediConnect.

Mr. Haskell reported SCFHP has been involved in a Performance Measures Data Validation for Medicare that focused on members with an Initial Health Risk Assessment and an Initial Care Plan completed within 90 days of enrolment. Mr. Haskell shared SCFHP has received a passing score on both sets of data validation.

Darrell Evora requested a frame of reference on the fine. Sherri Sager responded that the fine is not unusual. Ms. Tomcala further explained the fine was from 2017 and that SCFHP aims to improve internal processes to strive to avoid fines in the future.

6. October 2021 Financial Statements

Neal Jarecki, Chief Financial Officer, presented the October 2021 unaudited financial statements, which reflected a current month net surplus of \$543 thousand (\$842 thousand unfavorable to budget) for the month and a year-to-date net surplus of \$19.9 million (\$14.4 million favorable to budget).

Enrollment increased by 946 members from the prior month to 287,498 members (3,485 members or 1.2% lower than monthly budget). Membership growth continues due to the extended duration of the COVID pandemic during which member disenrollment's have been suspended. YTD member months trailed budget by 8,114 member months or 0.7%.

Revenue reflected an unfavorable current month variance of \$870 thousand (0.8%) largely due to a one-time revenue true-up associated with the prior month's estimated revenue due to DHCS' delay in sending data. This adjustment offsets otherwise favorable results due to higher CY21 rates versus budget, the mix of capitation rates received and higher supplemental kick revenue due to higher utilization, partially offset by lower enrollment than budgeted. YTD Revenue was \$2.1 million (0.5%) favorable to budget due to higher CY21 rates versus budget, the mix of rates and higher supplemental kick revenue due to higher utilization, partially offset by lower enrollment than budgeted.

Medical Expense reflected a favorable current month variance of \$294 thousand (0.3%) largely due pharmacy expense favorable to budget by \$1.3 million due to lower cost trends coupled with lower capitated enrollment, partly offset by increased unit cost and utilization in certain fee-for-service categories of service. YTD Medical Expense was \$11.5 million (2.7%) favorable to budget due to the same factors.

Administrative Expense was at budget for the month. YTD Administrative Expense was \$1.7 million (6.5%) favorable to budget largely due to lower headcount than budgeted and deferred timing of certain non-personnel expenses.

The Balance Sheet reflected a Current Ratio, a key measure of liquidity, of 1.33:1 versus the DMHC minimum current ratio requirement of 1.00:1.

Tangible Net Equity of \$275 million, which represented approximately three months of the Plan's total expenses, included unrestricted net assets of \$231 million.

Capital Investments of \$857 thousand were made year-to-date, predominately computer software licenses.

It was moved, seconded, and the October 2021 Unaudited Financial Statements were unanimously approved.

Motion: Mr. Cameron

Second: Ms. Sager

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

7. SCFHP Equity Steering Committee

Ngoc Bui-Tong, VP, Strategies and Analytics, reviewed the new structure for organization-wide focus on diversity, equity, and inclusion.

Liz Kniss commented on studies showing the impact of healthcare on outcomes including longevity and asked if this subject will be addressed by the Equity Steering Committee. Ms. Bui-Tong confirmed that the Committee would assess disparity in longevity across differing populations if that is a disparity of focus from the Councils.

Alma Burrell asked about the Committee's plans to increase equity. Ms. Bui-Tong explained the responsibility of each Council to create a roadmap of objectives and projects to achieve increased equity and confirmed that the roadmaps would be shared with the Board.

Eva Terrazas inquired what the organization is doing to move beyond diversity, equity, and inclusion into social justice and reduction of systemic barriers. Ms. Bui-Tong answered that the Committee will not limit its focus to the traditional ways of addressing health equity and disparity.

Sue Murphy asked how employees on the Staff Equity Council will be selected. Ms. Bui-Tong stated that employees will participate on a volunteer basis and membership will be prioritized to ensure representation across departments and staff levels.

Sarita Kohli asked how the Committee will ensure equity among vendors. Ms. Bui-Tong stated that the Committee would assess a possible commitment to small or minority owned businesses. Chris Turner added the Plan intends to create opportunities to work with underrepresented vendors.

Ms. Kohli asked about the timeline for implementing the Equity Steering Committee. Ms. Bui-Tong stated that the aim would be to kick-off the Committee in January 2022 with the goal of providing the Governing Board with a roadmap for fiscal year 2023.

8. Medi-Cal Dental Care

Ms. Bui-Tong presented a summary of dental coverage under Medi-Cal.

Sue Murphy asked if PCP providers are currently providing dental varnish services. Ms. Bui-Tong confirmed that dental varnish is currently provided and there is opportunity for SCFHP to increase the rate of service by assisting PCPs with education on how to access the required training. Deborah Porchia-Usher inquired about the measure of success for this initiative. Ms. Bui-Tong responded that success would be measured by an increase in the number of providers receiving training and providing dental varnish service. Ms. Bui-Tong stated the intention is to conduct a survey querying PCPs on barriers their members are experiencing with dental care access.

Kathleen King stated the percentage of children screened showing severe cavities or infection is 40.65%. Ms. King shared the estimated number of dental visits for children needed by the end of 2022 (24,000) and offered to provide data by zip code, race, ethnicity, and age. Ms. King indicated due to the increase in need, the strategy should include additional services beyond dental varnish. Ms. Bui-Tong responded that as SCFHP is not the provider of care, the Plan will work to remove barriers to access.



Kathleen King added that vision referrals have risen by 40%. Ms. Bui-Tong requested data on vision referrals as SCFHP serves as a provider of vision services and is currently working to increase member outreach efforts.

Ms. Tomcala commented on past funding of dental chairs for community partners. She stated SCFHP would be happy to support other similar investments. Ms. King thanked Ms. Tomcala and indicated she would be interested in talking further.

9. Government Relations Update

Tyler Haskell, Interim Compliance Officer, provided an update on relevant federal, state, and local actions. He discussed the status of two bills in Congress containing Medicaid and Medicare provisions—the Build Back Better Act and Medicare sequestration moratorium extension. Mr. Haskell also discussed the federal executive order mandating vaccinations of employees of certain large employers.

Mr. Haskell discussed the status of various Medi-Cal initiatives—Enhanced Care Management, Community Supports, Medi-Cal Rx, and commercial plan reprocurement—as well as possible Medi-Cal risk adjustment legislation and the projected State budget surplus.

At the local level, Mr. Haskell notified the Board that the Plan had participated in two recent County Board of Supervisors committee meetings, including one meeting of the Health and Hospital Committee and one meeting of the Children, Seniors, and Families Committee.

10. Adjourn to Closed Session

a. Contract Rates

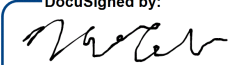
The Governing Board met in Closed Session to discuss Plan partner rates.

11. Report from Closed Session

Mr. Brownstein reported that the Governing Board met in Closed Session to discuss Plan partner rates.

12. Adjournment

The meeting was adjourned at 2:30pm.

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Michele Lew, Secretary