

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)
dba Gold Coast Health Plan (GCHP)**

Executive Finance Committee

Special Meeting

Thursday, November 16, 2023 – 4:00 p.m.

711 E. Daily Drive, Suite 106 Camarillo CA 93010

Community Room

Members of the public can participate using the Conference Call Number below or any of the posted locations as noted on this agenda.

Conference Call Number: 805-324-7279

Conference ID Number: 347 991 342#

Adventist Health Simi Valley
2975 N. Sycamore Dr.
Simi Valley, CA. 93065

Community Memorial Health System
147 N. Brent St.
Ventura, CA 93003

Clinicas del Camino Real
1040 Flynn Rd.
Camarillo, CA 93012

233 Corte Linda
Santa Paula, CA 93060

2220 E. Gonzales Road, Suite 210B
Oxnard, CA 93036

AGENDA

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

The public has the opportunity to address Ventura County Medi-Cal Managed Care Commission (VCMMCC) doing business as Gold Coast Health Plan (GCHP) on the agenda.

Persons wishing to address VCMMCC are limited to three (3) minutes unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

Members of the public may attend the meeting in person, call in, using the numbers above, or can submit public comments to the Committee via email by sending an email to ask@goldchp.org. If members of the public want to speak on a particular agenda item, please identify the agenda item number. Public comments submitted by email should be under 300 words.

CONSENT

1. Approval of Executive Finance Committee special meeting minutes of October 26, 2023.

Staff: Maddie Gutierrez, MMC, Clerk to the Commission

RECOMMENDATION: Approve the minutes as presented.

2. Approval of 2024 Executive Finance Committee meeting Calendar

Staff: Maddie Gutierrez, MMC, Clerk to the Commission

RECOMMENDATION: Approve the 2024 Exec. Finance meeting calendar as presented.

FORMAL ACTION

3. HealthEdge – Contract Amendment

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute this contract amendment with HealthEdge. The term of the contract will be 6 years and 9 months commencing October 1, 2023, and expiring on June 30, 2030, for an amount not to exceed \$3.3M.

4. Contract Approval – KP LLC., Print and Fulfillment Services

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute a contract with KP LLC. The term of the contract will be 7 months of implementation and 5 years of services commencing December 1, 2023, and expiring on June 30, 2029, for an amount not to exceed \$18M.

5. Contract Approval – TTEC Government Solutions, LLC., Call Center Software

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute a contract with TTEC Government Solutions. The term of the contract will be 3 years with 2 one-year renewal options commencing December 1, 2023, and expiring on March 31, 2029, for an amount not to exceed \$1.2M.

6. Contract Approval – Optum Insight

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: It is the Plan's recommendation that the Executive Finance Committee recommend that the Ventura County Medi-Cal Managed Care authorize the CEO to execute the associated software schedules with Optum Insight for this software. The term of the license will be October 1, 2023, until June 30, 2030, for an amount not to exceed \$9M.

7. Recuperative Care Expansion Project

Staff: Erik Cho, Chief Policy & Program Officer

RECOMMENDATION: The Plan recommends that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute the grant funding agreement with the County to assist with the development of these capital projects so as to expand the capacity for recuperative care services within the County.

8. Funding Increase – Wellth Behavioral Economics Application Contract

Staff: Erik Cho, Chief Policy & Program Officer

RECOMMENDATION: It is the Plan's recommendation that the Executive Finance Committee recommend that the Ventura County Medi-Cal Managed Care authorize the CEO to increase the budget for the Wellth contract from \$700,000 to \$2,323,446.

ADJOURNMENT

Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on <http://goldcoasthealthplan.org>. Materials related to an agenda item submitted to the Committee after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Board.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5512. Notification for accommodation must be made by the Tuesday prior to the meeting by 3 p.m. will enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.

AGENDA ITEM NO. 1

TO: Executive Finance Committee
FROM: Maddie Gutierrez, MMC - Clerk of the Board
DATE: November 16, 2023
SUBJECT: Meeting Minutes for Special Executive Finance Meeting of October 26, 2023

RECOMMENDATION:

Approve the minutes.

ATTACHMENTS:

Copies of the Executive Finance Committee special meeting minutes of October 26, 2023.

**Ventura County Medi-Cal Managed Care Commission (VCMGCC)
Executive/Finance Committee
Special Meeting via Teleconference/In Person**

October 26, 2023

CALL TO ORDER

Committee Chair Dee Pupa called the meeting to order at 3:02 p.m. The meeting was held in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive Suite 106 Camarillo, California.

ROLL CALL

Present: Commissioners Anwar Abbas, Laura Espinosa, and Dee Pupa

Absent: Commissioners James Corwin and Jennifer Swenson.

GCHP Staff in attendance: CEO Nick Liguori, CIO Alan Torres, CHR Paul Aguilar, CFO Sara Dersch, CPPO Erik Cho, CMO Felix Nunez, M.D., CIO Eve Gelb, Marlen Torres, Exec. Director of Strategy & External Affairs, Anna Sproule, Bob Bushey, Susana Enriquez-Euyoque, and General Counsel, Scott Campbell.

Moss Adams representatives: Kimberly Sokoloff, and Stelian Damu

PUBLIC COMMENT

None.

CONSENT

- 1. Approval of Executive Finance Committee special meeting minutes of August 9, 2023.**

Staff: Maddie Gutierrez, MMC, Clerk to the Commission

RECOMMENDATION: Approve the minutes as presented.

Commissioner Pupa motioned to approve Consent item 1. Commissioner Abbas seconded the motion.

AYES: Commissioners Anwar Abbas, and Dee Pupa.

ABSTAIN: Commissioner Laura Espinosa

NOES: None.

ABSENT: Commissioners James Corwin and Jennifer Swenson.

The clerk declared the motion carried.

FORMAL ACTION

2. FY 2022-23 Audit Results (Presented by Moss Adams)

Staff: Sara Dersch, Chief Financial Officer
Stelian Damu, Moss Adams Representative
Kimberly Sokoloff, Moss Adams Representative

Chief Financial Officer, Sara Dersch Stated the GCHP finance team has been a skeleton crew and they have dedicated themselves to working with Moss Adams and getting the audit done. CFO Dersch stated there is a significant accomplishment for GCHP, there is good news. CFO Dersch introduced Moss Adams presenters; Kimberly Sokoloff, and Stelian Damu. Ms. Sokoloff stated that she appreciates the collaboration with GCHP. Moss Adams does stay in touch throughout the entire year with the Finance Team. She noted that they all worked on items early.

Stelian Damu stated the relationship with GCHP is appreciated. He stated the results will be presented at this meeting. He reviewed the Scope of Services that were performed for GCHP.

Commissioner Jennifer Swenson joined the meeting at 3:08 p.m.

Ms. Sokoloff reviewed identified significant risks. These risks are consistent with audit plan provided in June 2023. As part of the audit requirement, Moss Adams must identify the aspects of a financial statement audit. There is no vulnerability for the organization. Due to the nature of these areas; the magnitude of the dollars, such as capitation revenue which drives the statement of operations, along with level of judgement and estimation involved in the medical claims liability, these are areas where expanded audit procedures and performed. Incremental audit procedures are done. The procedures have been outlined, and there were no findings. Ms. Sokoloff noted that in medical claims liability internal controls are tested over medical claims processing, along with liability estimation process, which involves Conduent. She noted that in the past years audit presentations there were findings from time to time

in getting sufficient information from Conduent. Last year there was a significant deficiency in controls as Conduent was not able to produce a formal report that it normally produces yearly. Last year Moss Adams worked directly with Conduent to test controls because they had not provided the control report. This year, Conduent did produce the SAC1 report as required. And it was provided in a timely manner, and Moss Adams was able to incorporate it into their audit approach. Therefore, it is no longer a finding for the 2022/23 audit. CFO Dersch stated it is the first time in five years that there has not been a claims finding in the audit.

For Medical Claims liability, Moss Adams performs their own independent calculations of expectations, and review the outsource actuaries' model and it is helpful to engage in discussions with the actuaries in order to understand significant assumptions or model changes made in the current year. Actual claim payments are reviewed, and two different analyses are done. Current year claim payments are compared to prior year. There was some divergence in 2021/22 due to the Covid disruption and was common in most health plans across the state. It was difficult to predict utilization.

July and August claims runout is reviewed to see if they match the historical information/payment patterns. The liability that is recorded is within what is expected.

Ms. Sokoloff reviewed Moss Adams responsibility regarding financial statements under audit standards. They conduct the audit in accordance with standards accepted in the U.S. GAAS, and they exercise professional judgement and maintain professional skepticism throughout the audit.

Internal controls are outlined – Ms. Sokoloff noted there were no control findings. She did note that there are new accounting standards. Last year operating leases that had been expensed every year were required to present value remaining future committed payments for operative leases, and place that value amount as an asset and liability. This year, GAASB 96 required the same accounting for subscription-based IT arrangements. This required management to do the same process as with leases. It is challenging to obtain inventory of software arrangements that meet the criteria. Both Moss Adams and the finance team worked through the process.

Ms. Sokoloff noted there were no significant unusual transactions identified. No significant difficulties were encountered during the audit. There were no disagreements with management. There were no circumstances that affected the form and content of the audit report and there were no other findings or issues arising from the audit report. She also noted there were no uncorrected misstatements identified as a result of the audit. The audit report will be submitted to Commission, and it will be unmodified.

Ms. Sokoloff reviewed the copy of the full management representation letter and stated it is available upon request.

Commissioner Abbas motioned to approve the fiscal year 2022-23 Audit Results as presented by Moss Adams. Commissioner Pupa seconded the motion.

AYES: Commissioners Anwar Abbas, Dee Pupa and Jennifer Swenson.

ABSTAIN: Commissioner Laura Espinosa

NOES: None.

ABSENT: Commissioner James Corwin.

The clerk declared the motion carried.

The clerk declared the motion carried.

Agenda Item 3 was pulled from the packet. General Counsel, Scott Campbell noted there were potential breaches that were being reviewed.

3. Contract Approval – KP LLC., Print and Fulfillment Services

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: Staff recommends that the Executive Finance Committee recommend that the Commission award a competitively bid contract for Print and Fulfillment Services to KP LLC.

ADJOURNMENT

The meeting was adjourned at 3:33 p.m.

Approved:

Maddie Gutierrez, MMC
Clerk to the Commission

AGENDA ITEM NO. 2

TO: Executive Finance Committee
FROM: Maddie Gutierrez, MMC - Clerk to the Commission
DATE: November 16, 2023
SUBJECT: Approval of the 2024 Executive Finance Committee Meeting Calendar.

SUMMARY:

To establish the Executive Finance Committee meeting dates for the 2024 calendar year.

RECOMMENDATION:

Approve the 2024 Executive Finance Committee calendar as presented.

ATTACHMENTS:

Copy of the 2024 Executive Finance Committee meeting dates.



2024
Exec. Finance Committee Meetings

Exec. Finance Meeting
Thursdays 3PM - 5PM

Please Note: March & July are dark.

January						
Su	M	Tu	W	Th	F	Sa
	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			

February						
Su	M	Tu	W	Th	F	Sa
				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		

March						
Su	M	Tu	W	Th	F	Sa
					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						
Su	M	Tu	W	Th	F	Sa
	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				

May						
Su	M	Tu	W	Th	F	Sa
		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	

June						
Su	M	Tu	W	Th	F	Sa
						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						

July						
Su	M	Tu	W	Th	F	Sa
	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			

August						
Su	M	Tu	W	Th	F	Sa
				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

September						
Su	M	Tu	W	Th	F	Sa
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					

October						
Su	M	Tu	W	Th	F	Sa
		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		

November						
Su	M	Tu	W	Th	F	Sa
					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

December						
Su	M	Tu	W	Th	F	Sa
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				

AGENDA ITEM NO. 3

TO: Executive Finance Committee

FROM: Alan Torres, Chief Information & System Modernization Officer

DATE: November 16, 2023

SUBJECT: Contract Amendment - HealthEdge

BACKGROUND/DISCUSSION:

Executive Summary

The Plan and HealthEdge identified the need for additional and necessary technical components for the Plans environment of HealthEdge's cloud infrastructure. Without these needed technical components GCHP would not be able to support electronic claims processing, price and pay claims, and support GCHP's ability to provide timely and accurate claims reporting via GCHP's new data warehouse capability.

By this request, GCHP staff is asking that the Executive Finance Committee recommend that the Commission approve the requested change order for \$3M for services necessary to support the implementation of the HealthEdge core administration platform and support GCHP's claims processing.

Master Agreement Amendment

HealthEdge is seeking approximately \$45k month for technical infrastructure costs associated with hosting the Optum claims pricing software, replicating of data from the HealthEdge platform into the GCHP new data warehouse and to add a VPN (Virtual Private Networks) connection for Edifec files which will allow Edifecs to process electronic enrollments and claims in real-time with the HealthEdge platform. A virtual private network is a connection between two computers that are isolated from all others. That's why it's private: nobody else can access the network and see what's happening. All of these components will reside and be managed in HealthEdge's cloud environment.

The hosting of the Optum claims pricing software and the VPN connections are part of the existing Conduent contract (included in the overall PMPM charges) and exist within the Conduent's cloud environment. These hosting responsibilities are transitioning to HealthEdge's cloud environment and are required to run the day-to-day core administration business. The requirement to support data replication of claims data from HealthEdge to GCHP's new modern data warehouse is needed to address the timeliness and quality of the claims data that is needed to support the claims operations reporting department. This requirement will address two significant issues we have today with the claims data we receive from Conduent. First, we

receive the core data from Conduent every 24 – 28 hours and this service level agreement (SLA) has been a challenge for Conduent to meet. Second, the data we receive often has data quality issues in the areas of Encounters and claims payment information to name a few. These data issues have been exacerbated with the platform conversion that took place in 2021 and we are still feeling the impacts of this change. One example of the data issue GCHP has experienced is with claims payment information not having the correct payment transaction type. The transaction type field indicates if a claims payment has been paid, voided, etc. The incorrect setting of this field impacted GCHP's ability to accurately support its monthly IBNR (Incurred but not received) report which is used to determine the monthly net profit from operations. This requirement will also advance GCHP's data strategy by allowing data to flow near-real time to GCHP's provider and member portals, medical management platform, and new CRM capability. In addition, data will flow to external entities such as Inovalon to support near-real time reporting and analytical capabilities. The requirements to support Claims pricing, electronic enrollment and Claims processing, and data replication were all part of the RFP and implementation discussions conducted with all vendors. What was not known at that time were the associated costs to support the technical infrastructure requirements for data replication, connectivity support with Edifecs and the hosting of the Optum claims pricer product. At the time of execution of the HealthEdge contract we did not know the data sizing requirements (data volumes, etc) to replicate the data from the HealthEdge environment to GCHP's data warehouse. Edifecs was not yet contracted so HealthEdge and GCHP did not know the number of VPN connections needed to support electronic enrollment and claims processing. Finally, contract negotiations with Optum had not completed, so HealthEdge and GCHP did not know the number of servers needed, in the HealthEdge cloud environment, to support the Optum claims pricing capability.

We did not go to market for these cloud infrastructure capabilities because these are functions typically supported by the SaaS vendor because these are part of the core claims processing system. Today it's Conduent, in the future it would be HealthEdge.

The infrastructure related costs, for Optum claims pricing and VPN connections, are rolled into the PMPM costs of the existing Conduent contract. GCHP does not have visibility to Conduent's technical infrastructure environment. So, comparing it to our current spend is very difficult to identify. Also, Conduent does not support the data replication into our data warehouse in real-time today. So, this would not be priced in today's Conduent solution and PMP costs.

- 1) Costs for Optum claims pricing and VPN connections are part of the existing Conduent PMPM costs and transferring exactly to what we pay today - \$2.3m
- 2) Costs for the data replication is \$1M over 9 months of implementation and 6 years of production support.

The one-time installation fee is \$46,650 and the projected monthly recurring infrastructure cost over the term to include an annual COLA is \$45,735.

FISCAL IMPACT:

The total cost over the projected 9 months of implementation support and 6-year production support period (10/1/2023 - 6/30/2030) is projected to not exceed \$3.3M. This will bring the total contract value with HealthEdge to \$22.8M:

Approved contract amount	- \$19.5M
Change Order amount	- \$ 3.3M

Total contract amount	- \$22.8M

The '23/24 fiscal budget period projected costs are \$33,454.

RECOMMENDATION:

It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute this contract amendment with HealthEdge. The term of the contract will be 6 years and 9 months commencing October 1, 2023, and expiring on June 30, 2030, for an amount not to exceed \$3.3M.

Future implementation changes will be presented if we exceed the originally approved amount.

If the Executive Finance Committee desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 4

TO: Executive Finance Committee

FROM: Alan Torres, Chief Information & System Modernization Officer

DATE: November 16, 2023

SUBJECT: Contract Approval – KP LLC., Print and Fulfillment Services

Executive Summary

With this item, GCHP staff seeks a recommendation to award the print and fulfillment services contract to KP LLC, a contractor with vast experience in this service who was selected through a competitive bid process. The contract amount will replace the current agreement with Conduent and will be in an amount not to exceed \$18M.

BACKGROUND/DISCUSSION

The Commission has authorized GCHP staff to undertake improvements throughout the Plan to improve medical care and outcomes and become a leader in the delivery of health care services to members. The specific initiative relative to this request was to survey the marketplace through a competitive bidding process, (RFP 7), for Print and Fulfillment Services, (Reference Table 1 below) These services will be aligned with the modernized capabilities of the new HealthEdge Health Rules Core Administration. The scope of services for this contract is as follows: printing and fulfillment of documents that are generated out of the Health Edge Rules Core Administration platform such as: printing and fulfillment of documents that are generated out of the Health Edge Rules Core Administration platform such as: Member ID Cards, Member Welcome Kits, member mailings, claims and payment materials, ad-hoc letters, authorizations and all other Medical Management related letters. GCHP staff is asking that the Executive Finance Committee recommend that the Commission award a competitively bid contract for print and fulfillment services in an amount not to exceed \$18M.

Table 1

RFP 1	EDI Services
RFP 2	Core Claims Processing Software
RFP 3	Medical Management Software
RFP 4	Provider and Member Portal Software
RFP 5	BPO (Claims Processing Services)
RFP 6	Mailroom and Claims Editing Services
RFP 7	Print and Fulfillment Services
RFP 8	Call Center Software/Technology
RFP 9	Customer Relationship Management (CRM Software/Technology

Procurement Background

On May 10, 2023, staff issued a Request For Proposal, (RFP) for Print and Fulfillment Services to the following 16 vendors:

Advanced Color Graphics	Orange County Direct mail OCDM
KP LLC	Zelis
RR Donnelley	Change Healthcare/Optum
The DOT Corporation	Netmark Business
National Printing	Catalyst Solutions
Spectra Integration	Conduent
Command Companies	Coffey Communications
InfoSend	O'Neil Printing

The RFP was also posted on GCHP's website. Set forth below is the schedule utilized for the RFP.

Event	Date	Time (If applicable)
RFP Released	5/10/2023	
Intent to Propose Notification Due By	5/16/2023	5pm, PT
Questions Due	5/22/2023	5pm, PT
Questions Answered	5/26/2023	
Proposal Due Date	7/5/2023*	5pm, PT
Short List Established and Contractual Discussions Begin	8/1/2023	

GCHP received ten (10) responsive proposals. A cross functional evaluation team was formed with representation from IT, (2 team members), Operations, (4 team members), Communications, (1 team member) and Procurement, (1 team member) to evaluate the proposals. Using predetermined evaluation criteria and weights, the team scored each proposal from the RFP's qualitative and quantitative requirements.

The scoring results from the evaluation team using a blend of onshore and offshore resources is as follows:

Evaluation Matrix Scores (High to Low):

Rank	Vendor	Score
1	Conduent	53.68
2	KP	51.51
3	RR Donnelley	50.69
4	Netmark Business Services	49.93
5	Advantage Color Graphics	47.40
6	Command Print	45.61
7	O'Neil Digital Solutions	44.16
8	Change HealthCare	43.94
9	Dot Printing	32.98
10	National Graphics	27.59

Contract Negotiations

The team developed a short of the top 3 scoring vendors, which included, Conduent, KP and RR Donnelley. Contractual negotiations commenced immediately with all 3 vendors. KP's contractual changes were minimal while Conduent and RR Donnelley's Proposal response included a significant number of changes and many in very critical area's such as limits of liability, insurance limits, warranties, information security protections, indemnification, etc. Conduent and RR Donnelley were both asked to make another attempt to minimize changes. They both responded with updated documents, but the contractual risks associated with these agreements remained higher than those with KP. . Concurrently, GCHP conducted satisfactory reference checks with KP customers, San Francisco Health Plan (Medi-Cal plan in SF) and Covered CA and finalized contractual documents with minimal changes to GCHP's Business Associate Agreement, Master Services Agreement, and Statement of Work to include all of GCHP's required service level measurements.

Pricing

The current contract for Operational Print and Fulfillment is with Conduent, GCHP's BPO vendor. The pricing schema under this contract is in a Per Member Per Month (PMPM) format and PMPM pricing is based on number of Members and other factors. The PMPM is not allocated by service type uniformly, nor does the contract break out print on a per piece basis. There is not enough detail or transparency in this format to accurately show actual Operational Print and Fulfillment costs. For Collateral Print, the 2022 spend with the incumbent vendor, Coffey Print, was \$584,778. In the new environment, KP has provided pricing of \$393,547, a savings of 32%.

Note: The total 5-year pricing below represents *post* Proposal final negotiated pricing with KP and the pricing listed in the RR Donnelley and Conduent proposals. In addition to the total costs for print and fulfillment, an estimated \$2.8M per year is budgeted for postage. Postage costs are paid as a “pass-through” cost that is paid to the vendor at the same cost the vendor pays. Postage is *not* included within the below print costs.

KP	\$16,984,657
RR Donnelley	\$16,592,563
Conduent	\$20,935,393

GCHP concluded negotiations and finalized a contract that is acceptable to GCHP and Proposers were notified of the recommendation to award the contract to KP LLC. GCHP has notified the respective vendors of its recommendation to award the contract to KP LLC (KP).

KP’s Overall Value and Reason for Recommendation

Although Conduent had an overall higher evaluation score, it was the most expensive, GCHP staff is recommending the contract be awarded to KP for several reasons. GCHP staff reached agreement with KP first on price and terms of the contract. KP has a long history of creating workflow and portal-based solutions for healthcare companies. They are experts at solving complex business problems using print, direct Mail, fulfillment, email, document automation, geocoding, and more. KP’s solutions include easy-to-use tools for data management, automating documents, and multichannel outputs - all using the industry’s highest levels of security and compliance certifications. Lastly, given KP’s experience working with other California Medi-Cal Plans, GCHP is confident that KP understands the business and provides best in class services and capabilities. Further, as described above, Conduent and RR Donnelley insisted on including terms in the contracts that were significantly less favorable than the terms agreed to by KP. Other factors include:

- **KP’s Operational experience**
 - Proven experience delivering print and fulfillment processing best practices.
 - Years of experience in the area of business process monitoring.
 - Years of experience supporting other Medi-Cal health plans in California
- **Document Automation**
 - KP continues to invest in best-of-class technology and workflow solutions for processing and managing complex incoming data for transformation to printed or digital delivery such as solutions for the print, mail, cleansing, digital delivery and fulfillment of customer communications.
- **IT Security**
 - KP has passed GCHP’s Security Risk Assessment. The proposed KP agreement includes a business associate agreement that incorporates stringent privacy and security standards for vendors who handle Protected Health Information, as established by the Department of Health Care Services. KP also indemnifies

GCHP for the liability and costs associated any breach of PHI and agrees to carry insurance coverage of \$5 million privacy liability and network security or cyberliability insurance per occurrence and in the aggregate annually, plus \$5 million umbrella coverage.

FISCAL IMPACT:

The total cost over the projected useful life of the 7-month implementation period and 5-year agreement (12/1/2024 - 6/30/2029) is projected to not exceed \$18M, which includes a six percent contingency, should for example, membership increase, GCHP need additional third-party integrations beyond the current known scope, or if regulatory mandates for printed materials change. This is at or below fair market value and based on fair and open competition.

The '23/24 fiscal budget period projected costs are \$23,479.

RECOMMENDATION:

It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute a contract with KP LLC. The term of the contract will be 7 months of implementation and 5 years of services commencing December 1, 2023, and expiring on June 30, 2029, for an amount not to exceed \$18M.

If the Executive Finance Committee desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 5

TO: Executive Finance Committee

FROM: Alan Torres, Chief Information & System Modernization Officer

DATE: November 16, 2023

SUBJECT: Contract Approval – TTEC Government Solutions, LLC., Call Center Software

Executive Summary

GCHP staff is seeking recommendation of the Executive Finance Committee to recommend that the Commission enter into a contract with TTEC Government Solutions, LLC for Call Center Software as part of the Enterprise Transformation project. The amount of the contract is a not to exceed amount of \$1.2M and this contract will replace the Conduent contract.

BACKGROUND/DISCUSSION:

The Commission has authorized GCHP staff to undertake improvements throughout the Plan to improve medical care and outcomes and become a leader in the delivery of health care services to members. This specific initiative relative to this request was to survey the marketplace through a competitive bidding process (RFP 8) for Call Center Software/Technology. (Reference Table 1 below) This technology will be aligned with the modernized capabilities of the new Health Edge Health Rules Core Administration and Casenet TruCare Medical Management software. This software will support the insourcing of provider and member inbound and outbound calls using GCHP customer service representatives. GCHP staff is asking that the Executive Finance Committee recommend that the Commission award a competitively bid contract for call center software in an amount not to exceed \$1.2M.

Table 1

RFP 1	EDI Services
RFP 2	Core Claims Processing Software
RFP 3	Medical Management Software
RFP 4	Provider and Member Portal Software
RFP 5	BPO (Claims Processing Services)
RFP 6	Mailroom and Claims Editing Services
RFP 7	Print and Fulfillment Services
RFP 8	Call Center Software/Technology
RFP 9	Customer Relationship Management (CRM Software/Technology)

Procurement Background

Lead by GCHP's Executive team On July 5, 2023, staff issued a Request For Proposal, (RFP) for Call Center Software directly to the following seven (7) vendors:

Ring Central MVP	AWS/ Amazon Connect
GoTo Connect	TalkDesk
8X8	Genesys
Avaya OneCloud	

The RFP was also posted on GCHP's website. Set forth below is the schedule utilized for the RFP.

Event	Date	Time (If applicable)
RFP Released	7/5/2023	
Intent to Propose Notification Due By	7/10/2023	5:00pm. PT
Questions Due	7/12/2023	5:00pm. PT
Questions Answered	7/19/2023	TBD
Proposal Due Date	8/7/2023	5:00pm. PT
Short List Established and Contractual Discussions Begin	8/15/2023	
Short List – Product Demo		Scheduled for the week of the 8/21

GCHP received three (3) responsive proposals. A cross functional evaluation team was formed with representation from IT, (2 team members), Operations, (3 team members) and Procurement, (1 team member) to evaluate the proposals. Using predetermined evaluation criteria and weights, the team scored each proposal from the RFP's qualitative and quantitative requirements.

The scoring results from the evaluation team are as follows:

Evaluation Matrix Scores (High to Low):

Vendor	Qualitative Score	Quantitative Score	Overall Score
GoTo	46.83	16.49	63.32
Genesys/TTEC	54.69	4.76	59.76
CSS*	47.34	4.76	52.10

*Proposal was from the public posting

Contract Negotiations

With only three responsive Proposals, the team agreed to move forward with further discussions and clarifications from all three. From that due diligence, the team determined that the GoTo proposed software did not have the full breadth and depth of functionality required and that CSS's proposed software represented functionality and costs well beyond the requirements of the RFP. The team concurrently had similar discussions with TTEC Government Solutions (TTEC) who is a Genesys assigned System Integrator, (SI) and determined that their proposed software meets the requirements and expectations of the RFP and concurrently concluded positive reference checks with two of TTEC customers, LifeCare Assurance Company and Tandem Diabetes.

Note: The post Proposal implementation plus 5-year recurring subscription service cost, and projected telecom fees is below:

GoTo	\$ 862,584
Genesys/TTEC	\$1,115,837
CSS	\$1,318,483

GCHP concluded negotiations and finalized a contract that is acceptable to GCHP and Proposers were notified of the recommendation to award the contract to TTEC Government Solutions.

Genesys/TTEC's Overall Value and Reason for Recommendation

GCHP staff is recommending the contract be awarded to Genesys/ TTEC for several reasons. First, prior to our evaluation it was known that Genesys rates well in most all of the critical capabilities in Gartner's research for Call Center as a Service (CCaaS) which resulted in a top-tier position in all of the use cases (data as of July 21, 2023). They are also a company headquartered in California. TTEC is one of their most utilized and experienced SI's in implementing the Genesys platform. GCHP staff found the capabilities described through their RFP response to be aligned with their actual demonstrated capabilities in both their product

demonstrations and with thorough review of existing clients in our reference checks with entities aligned with requirements like GCHP.

Genesys Qualitative Benefits:

As we continue to transform the member experience to bring them closer to care, the Genesys CCaaS platform is most aligned with our strategic vision and to execute that member experience journey within our contact center. A thorough review of their technical capabilities and infrastructure used to support the CCaaS platform was done by GCHP IT Executives and staff to insure it aligns with and exceeds GCHP requirements.

Technical Benefits:

- **Scalability:** Genesys CCaaS is highly scalable, allowing GCHP to easily adjust capacity based on service demands without significant infrastructure changes.
- **Multichannel Support:** Genesys CCaaS offers seamless support for all communication channels (voice, chat, email, SMS, etc.) enabling GCHP to meet members and providers unique demands where they prefer to communicate.
- **AI-Powered Features:** Genesys leverages AI and machine learning for features like sentiment analysis, and predictive routing, which assist in improving member interactions.
- **Integration Capabilities:** Genesys easily integrates with standard connectors to both CRM vendors as well as other GCHP business systems, facilitating a unified member view and efficient data sharing.
- **Global Presence:** With a worldwide data center footprint, Genesys CCaaS ensures low-latency access and compliance with regional data regulations.
- **Reliability:** Genesys offers high availability and redundancy, reducing downtime and ensuring business continuity.
- **Security:** Robust security measures protect member data, including encryption, access controls, and compliance with industry standards.
- **Analytics and Reporting:** Comprehensive reporting and analytics tools provide insights into member interactions and agent performance, aiding data-driven decision-making.

Operational/Functional Benefits:

- **Cost-Efficiency:** Genesys CCaaS is a subscription-based service, eliminating the need for upfront hardware investments and reducing total cost of ownership.
- **Rapid Deployment:** Quick implementation allows GCHP respond nimbly to market changes and meet member needs and demands more efficiently.
- **Remote Work Enablement:** Genesys CCaaS supports remote or distributed agent teams (multi-site), ensuring flexibility and continuity in the face of unforeseen disruptions.
- **Agent Productivity:** Features like screen pop-ups, agent scripting, and knowledge bases enhance agent efficiency and member satisfaction.

- **Member Self-Service:** The platform supports interactive voice response (IVR) and other advanced features to automate routine inquiries, reducing the workload on agents.
- **Quality Management:** Genesys CCaaS includes tools for monitoring and coaching agents, ensuring consistent service quality.
- **Compliance:** Built-in compliance tools help GCHP to remain compliant and meet regulatory requirements, reducing legal and financial risks.
- **Personalization Capabilities:** Genesys CCaaS enables personalized member interactions. Agents are provided with a 360-degree member view, allowing them to tailor responses and recommendations based on the member's history and preferences. This personalization can lead to increased member satisfaction and quality of service, bringing members closer to care.
- **Predictive Routing:** The Genesys CCaaS platform uses predictive routing to match members with the most appropriate agents, ensuring that members are connected to the right resource from the start. This reduces call transfer rates, wait times, and frustration, ultimately leading to a better member experience.

FISCAL IMPACT:

The total cost over the projected 64-month period, assuming renewals, (12/1/2023 - 3/31/2029) is projected to not exceed \$1.2M. This is at or below fair market value and based on fair and open competition.

RECOMMENDATION:

It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care authorize the CEO to execute a contract with TTEC Government Solutions. The term of the contract will be 3 years with 2 one-year renewal options commencing December 1, 2023, and expiring on March 31, 2029, for an amount not to exceed \$1.2M.

If the Executive Finance Committee desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 6

TO: Executive Finance Committee

FROM: Alan Torres, Chief Information & System Modernization Officer

DATE: November 16, 2023

SUBJECT: Contract Approval – Optum Insight

Executive Summary

By this request, GCHP staff is asking the Executive Finance Committee to recommend that the Commission approve an amendment of a contract with Optum Insight for claims editing software that is currently used to assist process claims by Conduent so that such software can continue to be used by HealthEdge when it takes over claims processing from Conduent. The contract also authorizes HealthEdge to use the software during the implementation phase, which will occur prior to the July 1, 2023 go live date. The total license cost is a not to exceed amount of \$9M.

BACKGROUND/DISCUSSION:

The Commission has authorized GCHP staff to undertake improvements throughout the Plan to improve medical care and outcomes and become a leader in the delivery of health care services to members. Through the process, the Commission has selected HealthEdge to replace Conduent for claims processing services. As part of Conduent's work, it relies upon claims editing software licenses provided by Optum Insight. The Plan desires to continue using these licenses. This software is currently hosted with Conduent through licenses and those licenses expire on 6/30/24. The Plan requires the ability to run these licenses in two locations through the transition from the Conduent claims system to HealthEdge, such that Conduent can continue processing claims and HealthEdge can begin onboarding the process of transitioning claims processing. Effective July 1, 2024, the Plan will only require licensing this software for use with HealthEdge. GCHP staff is asking that the Executive Finance Committee recommend that the Commission award a contract for these Optum licenses in an amount not to exceed \$9M. As the cost of these licenses is included in the costs currently paid to Conduent, it is difficult to ascertain the exact increase in costs compared to what is paid now.

FISCAL IMPACT:

The total cost to license this software until 6/30/2030 is projected to not exceed \$9M.

The impact to the '23/24 fiscal budget is \$9,117.

RECOMMENDATION:

It is the Plan's recommendation that the Executive Finance Committee recommend that the Ventura County Medi-Cal Managed authorize the CEO to execute the associated software schedules with Optum Insight for this software. The term of the license will be October 1, 2023, until June 30, 2030, for an amount not to exceed \$9M.

If the Commission desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 7

TO: Executive Finance Committee

FROM: Erik Cho, Chief Policy & Program Officer

DATE: November 16, 2023

SUBJECT: Recuperative Care Expansion Project

Executive Summary

- GCHP seeks approval to invest \$10 million of Housing and Homelessness Incentive Program (“HHIP”) dollars that GCHP received from the Department of Health Care Services (DHCS) to expand Recuperative Care capacity by 125 recuperative care beds in Ventura County which is needed for GCHP members.
 - HHIP funding is to be used to address social determinants of health and health disparities, make investments and progress toward addressing homelessness, and keep people housed.
 - HHIP funding for Recuperative Care facilities would be part of a \$43 million investment by the Ventura County Board of Supervisors and the State of California. GCHP is partnering with the County of Ventura to bolster existing projects to expand and connect social and health services for all eligible GCHP members.
 - The current 32-bed Recuperative Care location has limited time funding.
- Recuperative Care services provide short-term residential care, up to 90 days, and connection to health and social services for all GCHP members who no longer meet medical necessity for hospitalization but need additional time to convalesce.
 - Based on average monthly discharge data from all local hospitals, 125 beds can meet the need for Recuperative Care beds, but the current capacity of 32 beds falls short.
 - Recuperative Care Expansion will assist GCHP in closing the Managed Care Accountability Set (“MCAS”) quality gaps by ensuring members are engaged after acute and inpatient stays to improve post-discharge follow-up, medications, and the necessary supports to improve continuity of care.
- GCHP’s HHIP funding supports the renovation of two facilities for a total of 125 recuperative care beds.
 - First facility: 1400 Vanguard Drive, Oxnard, includes permanent supportive housing and recuperative care beds.
 - Second facility: 2323 Knoll Drive, Ventura, will house 50 recuperative care beds and administrative services.
- According to the Hospital Association of Southern California (“HASC”), a hospital can significantly reduce the costs (about \$1,200 per day) associated with caring for homeless inpatients by transitioning them to recuperative care.

BACKGROUND/DISCUSSION:

Project Summary

Through this request, GCHP staff is asking that the Ventura County Medi-Cal Managed Care Commission approve a \$10 million grant award to the County of Ventura (the “County”) Chief Executive Office to expand capacity for recuperative care services within the County. The proposed funding will contribute to the planning, design, and construction costs of two facilities, which will ultimately house a total of 125 recuperative care beds. GCHP is utilizing HHIP funds, allocated to the Plan through DHCS through earned incentives for investments related to engagement with the County’s Continuum of Care (“CoC”) and addressing issues of homelessness. DHCS, through HHIP, encourages Managed Care Plans who participate in the program to make significant investments in addressing homelessness and keeping people housed. GCHP’s \$10 million investment is part of a larger \$43 million investment by the County of Ventura and the State of California. According to the 2023 point in time homeless count, 2,441 adults and children were counted as homeless in Ventura County. There are approximately 5,000 individuals in the County’s Homeless Management Information System, a more accurate reflection of the actual needs of persons experiencing homelessness countywide.

The first facility’s location is at 1400 Vanguard Drive in the City of Oxnard in the 5th District. It includes an approximately 78,000 square-foot building on seven acres and is commonly known as the Vanguard Building. In October 2022, the County began to accept proposals from development and operating partners to convert and operate two County-owned parcels into a Permanent Supportive Housing (PSH)/recuperative care project. The Vanguard Building project comprises approximately 320 permanent supportive housing units, 75 recuperative care beds, and a healthcare clinic.

The second facility’s location is 2323 Knoll Drive in the City of Ventura, the former home of the Ventura County Health Care Agency. Part of the building is currently used as a year-round emergency homeless shelter, also owned by the County. The building has four floors: the first floor will continue to operate as a homeless shelter, the second and third floors will be used for 50 recuperative care beds, and the fourth floor will be used for the administration of the services.

Recuperative Care Services

Expanding access to recuperative care, also known as medical respite care, is a priority for GCHP. Recuperative care is a California Advancing and Innovating Medi-Cal (“CalAIM”) Community Support that provides short-term residential care for individuals who no longer require hospitalization but still need to heal from an injury or illness (including behavioral health conditions) and whose condition would be exacerbated by an unstable living environment. Recuperative care is an allowable Community Support if it is necessary to achieve or maintain medical stability and prevent hospital admission or re-admission. Under the recuperative care Community Support, individuals are able to remain in the recuperative care setting for up to 90

days of continuous duration. GCHP currently offers Recuperative Care as a Community Support to all members who qualify regardless of network assignment or hospital discharge. Members in Recuperative Care are offered connections to care coordination and multiple supportive services during their stays.

GCHP's current capacity for Recuperative Care is 32 beds, however, funding for the current allotment of beds is estimated to close by 2025 due to federal and state allocations sunsetting. Demand for Recuperative Care services has exceeded the local capacity since the program's inception. Based on the number of average monthly discharges from all local hospitals, 125 beds can meet the need for Recuperative Care beds. When GCHP members access Recuperative Care and a suite of supportive services, they not only see improved health outcomes, but Recuperative Care also results in fewer hospital readmissions, long-term stability, and an increased likelihood of independence. The Illumination Foundation, a Recuperative Care provider in Orange County, estimates that the cost of 1.5 days in the hospital approximately equals an entire month of recuperative care for a homeless patient.

Summary of Funding Sources

Because CalAIM's Community Supports funding does not include funding for building modification or building rehabilitation, GCHP is utilizing funding directly earned through the Department of Health Care Services' ("DHCS") Housing and Homelessness Incentive Program for this project. HHIP funding is intended to reduce and prevent homelessness and to ensure that Medi-Cal managed care plans, such as GCHP, develop the necessary capacity and partnerships to connect their members to needed housing services. HHIP funding comes from both State and federal dollars through DHCS. GCHP collaborated with the Ventura County CoC to develop this proposal to ensure funds could be maximized for a significant impact on GCHP's membership and Ventura County's Homeless population.

In September 2022, GCHP submitted its HHIP Investment Plan to DHCS, demonstrating its plan for achieving measures and targets across the course of the HHIP in collaboration with the County. In its Investment Plan, GCHP included a recuperative care investment activity that would support the expansion of recuperative care beds in the County to assist individuals who are homeless or experiencing unstable living conditions, thereby addressing the County's insufficient number of beds for its population. DHCS approved GCHP's Investment Plan.

FINANCIAL IMPACT:

The total anticipated cost of the project will not exceed \$10 million. Funds will be allocated by GCHP directly from the funds received through the HHIP. GCHP will provide the County with two one-time payments: (1) \$7,500,000 within 60 calendar days after the Effective Date; and (2) \$2,500,000 60 calendar days after GCHP receives the second disbursement of HHIP funds from DHCS (expected in Q2 of 2024). The County is required to use the funds solely as intended.

RECOMMENDATION:

The Plan recommends that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute the grant funding agreement with the County to assist with the development of these capital projects so as to expand the capacity for recuperative care services within the County.

ATTACHMENTS:

N/A

Recuperative Care Expansion

Thursday, November 16, 2023

Erik Cho,
Chef Policy and Programs Officer

Recuperative Care – a key element of GCHP’s Model of Care

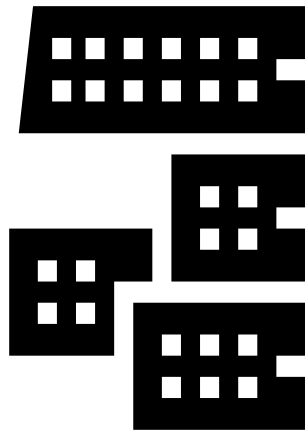
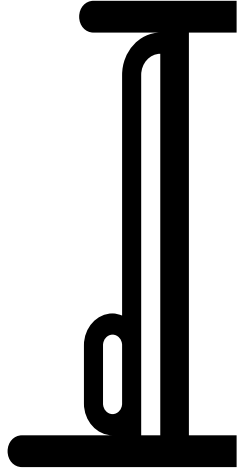
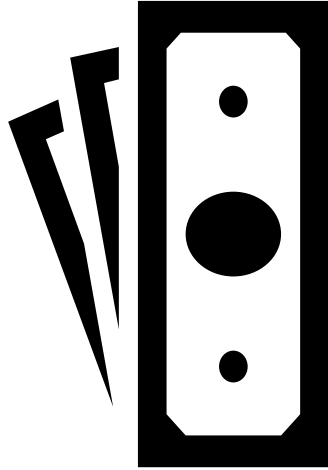
focused on connecting vulnerable members with the right care.

- DHCS funding aimed at addressing unique healthcare challenges facing Medi-Cal members living with unstable living situations or homelessness.
- Recuperative care is short-term residential care for homeless individuals who no longer require hospitalization but need an environment supportive of recovery. It is a proven solution to reduce unnecessary readmissions.
- With the land and the experience, Ventura County is the best positioned partner to develop and operate effective recuperative care at the scale needed for GCHP membership.

**\$10 MILLION
INVESTMENT**

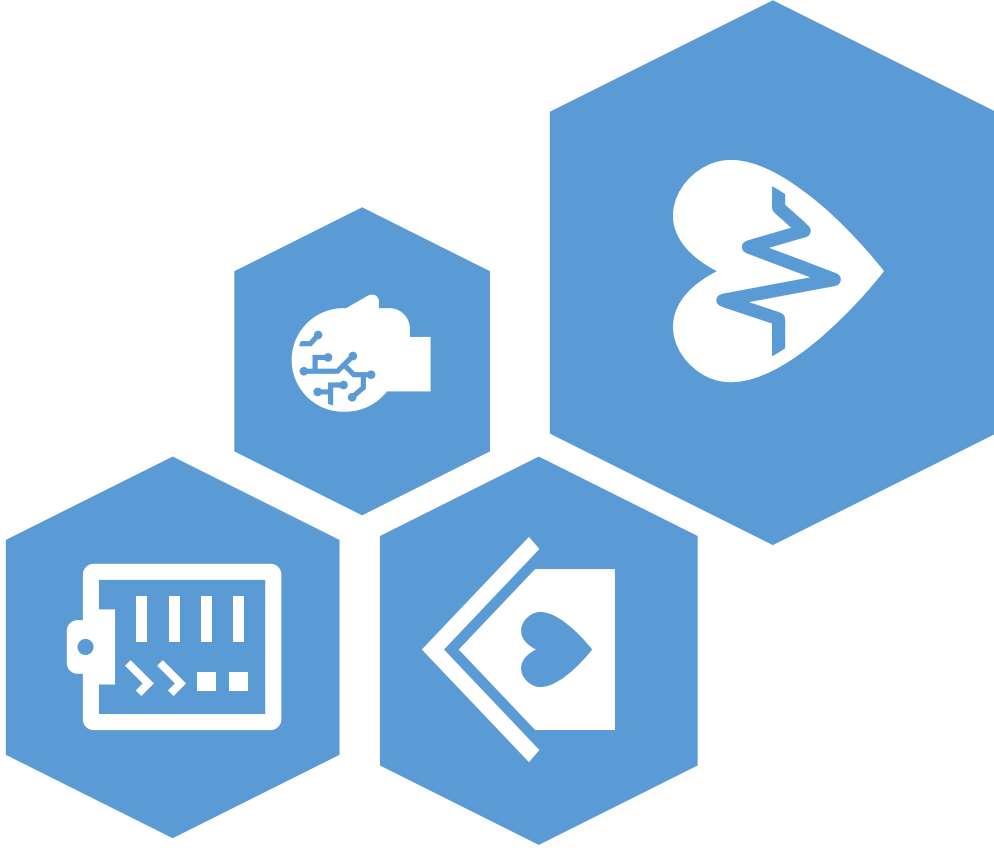
**125
Recuperative
Care Beds**

**OXNARD
AND VENTURA
PROPERTIES**



Recuperative Care Expansion

- HHIP funding is used to address social drivers of health (SDOH) and decrease health disparities. HHIP assists Plans to make investments and progress toward addressing homelessness, and keep people housed.
- HHIP funding for Recuperative Care facilities would be part of a \$43 million investment by the Ventura County Board of Supervisors and the State of California.
- GCHP is partnering with the County of Ventura to bolster existing projects to expand and connect social and health services for all eligible GCHP members.



What is Recuperative Care?

- Short-term residential care for individuals who no longer require hospitalization, but still need to heal
- Addresses housing instability and promotes recovery after acute care
- Allows patients to continue accessing care and social services
- Bridge program between hospital and emergency departments and homeless shelters that do not offer medical care
- 90-day limitation on continuous duration



Why increase Recuperative Care Capacity?

- The current Recuperative Care location has limited funding and only 32 total beds.
- GCHP and HASC estimates there are an average of ~96 discharges monthly for unhoused members from all local hospitals.
- By increasing the local capacity GCHP is expected to meet the demand for all GCHP members who stay between 30 and 45 days.
- Increasing the number of beds will allow GCHP to flex some of the beds for Short Term Post Hospitalization Housing (STPHH), for members who need additional time to recuperate.

Estimated Capacity			
# of Beds	32	125	
# of Bed Days	11,680	45,625	
30 day stay (GCHP auth period)	389	1,521	
% of estimated need	33.6%	131%	
45 day average stay	260	1,014	
% of estimated need	22.4%	87%	
60 day average stay	195	760	
% of estimated need	16.8%	66%	
90 day (Medi-Cal max) stay	130	507	
% of estimated need	11.2%	44%	
180 day (STPHH Medi-Cal max) stay	65	253	
% of estimated need	5.6%	22%	

Why Recuperative Care?

- 28% average reduction in hospital days for chronically homeless individuals (4.24 vs. 5.88)
- Reduction in health care costs of \$62,504 per person per year, versus \$25,925 (a difference of \$36,579)
- Estimated savings of \$18,000 to \$48,000 per patient stay



1. [A Pilot Study of the Impact of Housing First–Supported Housing for Intensive Users of Medical Hospitalization and Sobering Services](#)
2. [Program evaluation of a recuperative care pilot project](#)

Recuperative Care Expansion



Vanguard Drive, Oxnard

78,000 square-foot building, 7-acre location

75 beds Recuperative Care

~320 Permanent Supportive Housing Units

Healthcare Clinic for homeless individuals



Knoll Drive, Ventura

50 beds Recuperative Care

Co-located with the Mercy House
Emergency Homeless Shelter

Recuperative Care Expansion

- The total commitment by GCHP to the project will not exceed \$10 million
 - Funding contributes to architecture and engineering services as well as to the construction of the facilities.
 - The County of Ventura is allocating about \$5.9 million in project funding, in addition to the \$10 million GCHP funding, for Recuperative Care facilities.
- The Vanguard Building total cost is estimated at \$43 million, with funding from the Ventura County Board of Supervisors and State of California.
 - Funding by the BOS was approved on June 6, 2023.
 - The BOS will meet to approve GCHP's funding on 12/7/2023.
 - All GCHP funds will be allocated from incentive dollars earned through the Housing and Homelessness Incentive Program (HHIP)
- Two one-time payments:
 - \$7,500,000 in 2023
 - \$2,500,000 in 2024



AGENDA ITEM NO. 8

TO: Executive Finance Committee

FROM: Erik Cho, Chief Policy & Programs Officer

DATE: November 16, 2023

SUBJECT: Funding Increase – Wellth Behavioral Economics Application Contract

Executive Summary

- GCHP has engaged Wellth to employ an innovative approach to digitally engaging and incentivizing our Members with multiple chronic conditions through behavioral economics to support them in their journey to improved health and wellness. Members receive financial benefits by accomplishing tasks, making medical appointments, or engaging in health care activities.
- GCHP seeks to expand the program with Wellth given the success of the program, quick adoption by GCHP members and impact it will have on improving the health of our membership.
- Wellth was able to enroll over 1,400 Members in the program within the first two months of program launch.
- Initial engagement data shows that 89% of our Members are engaging in their daily check-ins with the application and engagement is higher for Spanish speakers (92%).
- Based upon initial program engagement success, GCHP would like to expand enrollment to launch a quality program focused on care gap closure for up to 6,500 total enrollment in this fiscal year and an additional 5,000 Members in future fiscal years if expected program outcomes are met.

BACKGROUND/DISCUSSION:

Project Background

In our continued commitment to implement a model of care and work with leading industry partners, GCHP is the first Medi-Cal plan to engage with Wellth, the leading digital behavior change company that empowers patients to prioritize their health and manage chronic conditions. Wellth will help GCHP meet our strategic goals of empowering Members to engage with their care and implementing programs and services to address their needs.

GCHP has engaged Wellth to employ an innovative approach to digitally engaging and incentivizing our Members with multiple chronic conditions through behavioral economics to support them in their journey to improved health and wellness. Wellth looks holistically at

Members' health needs in their care journey and ensures Members can earn rewards and incentives for building health behaviors that lead to long term improved health outcomes. This includes incentivizing daily behaviors like taking medications, eating healthy meals, checking blood glucose or blood pressure as well as one-time annual actions (getting A1c checked, breast cancer screening, cervical cancer screening, etc.) and opportunities for data collection (health risk assessment completion, social determinants of health challenge screeners, race/ethnicity data collection). As members engage in such services, they receive financial rewards through a credit card they can use for their purchases. The more they accomplish with their care, the more they can earn, up to \$500 for each member.

Wellth has a dedicated outreach and engagement team that walks the Members through every step of the enrollment process so that they can begin their journey towards improved health through engagement with the application. As Members are prompted through the application to answer questions about barriers to accessing healthcare services and supports, they are provided with direct contact information for our Health Education team who may help to facilitate scheduling an appointment for preventive services or make a referral to our Care Management team for those Members needing extra support. Initial program engagement has been highly successful, therefore, GCHP is proposing a phased approach to program expansion.

Phase 1: Utilization Program

The Wellth pilot focusing on Members with chronic conditions and high utilization patterns launched on September 12, 2023. In just 7 weeks, Wellth has been able to enroll more than 1,400 Members on the application. Initial data on Member engagement can be found below.

- Overall engagement with the application for GCHP Member is 89%; 92% for Spanish speaking Members and 87% for English speaking Members.
- 1/3 of the activated Members are Spanish speakers.
- 71% of activated Members have 3+ chronic conditions (most prevalent listed below)
 - Hypertension (73% of Members)
 - Diabetes (56% of Members)
 - CKD (40% of Members)
- As of 10/31/23, Members have earned \$16,712 in rewards for demonstrating care plan adherence by engaging in their daily check-ins to promote healthy behaviors.
- 88% of Members at >80%+ adherence to their daily Wellth check ins.

Proposed outcomes for the utilization program include reductions in inpatient days, readmission days, and emergency department visits. Evaluation of outcomes for the utilization program will be available in April 2024. Improved utilization outcomes from an Arizona based Medicaid plan 7 months post Wellth implementation include:

- 41% reduction in inpatient days per Member per month
- 45% reduction in readmission days per Member per month
- 19% reduction in emergency room visits per Member per month

Phase 2: Launch New Quality Focused Program

Because of the initial success for the Wellth utilization program focusing on Members with chronic conditions, staff engaged Wellth in discussions on how GCHP could encourage Members to access preventive health screenings and other healthcare services tracked as part of the Managed Care Accountability Set (MCAS). Wellth has previously utilized behavioral science and economics to support MCAS gap closure for a Medicaid program in Arizona with improvements in Members in compliance ranging from 7.9% to 20.3% per measure. Wellth is working to co-design a program with GCHP staff customized to address those MCAS measures for which GCHP is held to minimum performance level.

The new quality focused program will enroll up to 3,800 Members based upon the following enrollment criteria:

- 18+ years
- Full scope Medi-Cal
- Taking at least one medication
- Not currently enrolled in the Wellth utilization program
- Has 2+ care gaps

Initial program outcomes related to the quality focused program will include medication adherence as well as improvements in care gap closure for Hemoglobin A1c Control for Patients with Diabetes (HBD), Breast Cancer Screening (BCS) and Cervical Cancer Screening (CCS). If the program launches by December of 2023, initial program outcome data will be available in June 2024.

Phase 3 and 4: Evaluation of Program Data

GCHP staff will continue enrolling Members with chronic conditions in the utilization program until enrollment reaches 1,499 Members. For the quality focused program, over 3,800 Members were identified with two or more gaps in care who meet enrollment criteria for the quality focused program. This number will increase as the 2024 MCAS measurement year begins. An additional 6,700 Members were identified with at least one care gap who meet enrollment criteria. GCHP staff has requested approval through the Department of Health Care Services (DHCS) to expand the Wellth program by 10,500 Members.

During Phase 3 of program implementation and evaluation, in April 2024, there will be a decision on whether or not to enroll an additional 1,200 Members in one of the two Wellth programs. Initial outcome evaluation data on reductions in inpatient days, readmission days, and emergency department visits will be available for the utilization program as well as Member satisfaction data. Initial engagement data on the quality focused program will also be available for review. GCHP staff will determine how to allocate those 1,200 Members based upon this evaluation.

During Phase 4, in June 2024, outcome data on medication adherence as well as improvements in care gap closure for Hemoglobin A1c Control for Patients with Diabetes (HBD), Breast Cancer Screening (BCS) and Cervical Cancer Screening (CCS) will be available for the quality focused program. After consideration of the evaluation for the quality focused program, GCHP will determine whether or not to continue to grow the engagement with Wellth and how to allocate the remaining 5,500 Members between one of the two Wellth programs.

We have sought DHCS approval for the expansion of the Wellth program and any such expansion is contingent on DHCS approval.

Procurement Background

The Wellth contract was approved through the FY 2023-24 budgeting process with \$700K allocated from the CalAIM portfolio budget. This contract went through internal legal review and external review and approval by the Department of Health Care Services (DHCS) as part of the Mobile Application review process.

Wellth was selected through a sole source procurement because of the shared risk model Wellth has developed for program implementation and the urgent need to address supporting GCHP's goals to close care gaps and improve membership's overall health. Wellth has a "fees for success" model where Wellth earns fees for successfully getting members activated onto the platform (\$100 per Member) and monthly fees tied to Member's adherence to their care plans (\$20 per Member to Wellth and up to \$40 in incentives to the Member). Their activation rate for enrolling Members in the program ranges between 15-25% which is well above industry standards.

FISCAL IMPACT:

Wellth has agreed to add the quality focused program using the same shared cost model under the current DHCS approved contract and scope of work with no required modifications. Through expansion of the utilization focused program up to 1,499 Members and adding the quality focused program with up to 5,000 Members, it is estimated that the total cost for this fiscal year with an average of 87% engagement for up to 6,500 Members would be \$2,323,446.

The Parties entered into a 3-year Master Agreement on June 13, 2023, supported by a SOW that allowed GCHP to begin a pilot with Wellth with a minimum of 1,000 Members to determine if the program would improve outcomes for GCHP's membership. GCHP staff plans to conduct a thorough program evaluation to assess outcomes for both the utilization and quality programs in June of 2024. If the evaluation supports the expansion to up to 12,000 Members, the annual budget for the remainder of the Wellth contract is estimated to be \$6,903,478. These costs are all anticipated to be categorized under Medical Loss Ratio (MLR). Also, costs are very likely to be offset by savings realized through decreased inappropriate emergency room use or hospitalization per improvements Wellth has seen in similar programs.

RECOMMENDATION:

It is the Plan's recommendation that the Executive Finance Committee recommend that the Ventura County Medi-Cal Managed Care authorize the CEO to increase the budget for the Wellth contract from \$700,000 to \$2,323,446.

If the Commission desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

Gold Coast Health Plan

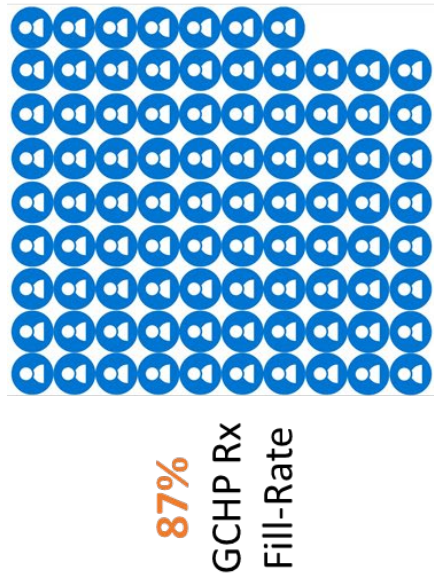
Wellth Program Update

November 16, 2023

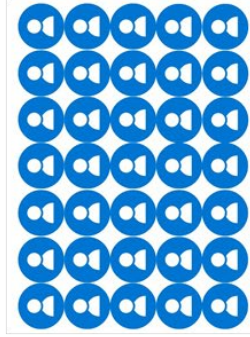
Review: Our Data Driven Focus

Over **13%** of our top 10% have had
no Rx claims in the last 3 months.

Studies show that of those who do fill their prescriptions, **only 40%** will adhere to their medication regimen.*



Only 35 in 100
GCHP
members are
filling Rx &
taking it
properly.



- We must advance management of acute/ chronic conditions.
- We must improve linkages to and retention of care and medication adherence.

Program Participation Data

The Wellth & Gold Coast Health Plan program had a smooth program launch and is showing extremely strong member engagement and activations in the first two months of the program.

The excellent uptake and engagement is expected to translate to reductions in high-cost utilization, improvements to clinical values, and boosts to proportion of days covered (PDC) which will be reviewed in the coming months pending claims data.

Program Participation Data



Activated Members

1,458



Wellth Program
Engagement Rate

88%



Progress towards
Activation Goal
(Goal: 1,499 members)

97%



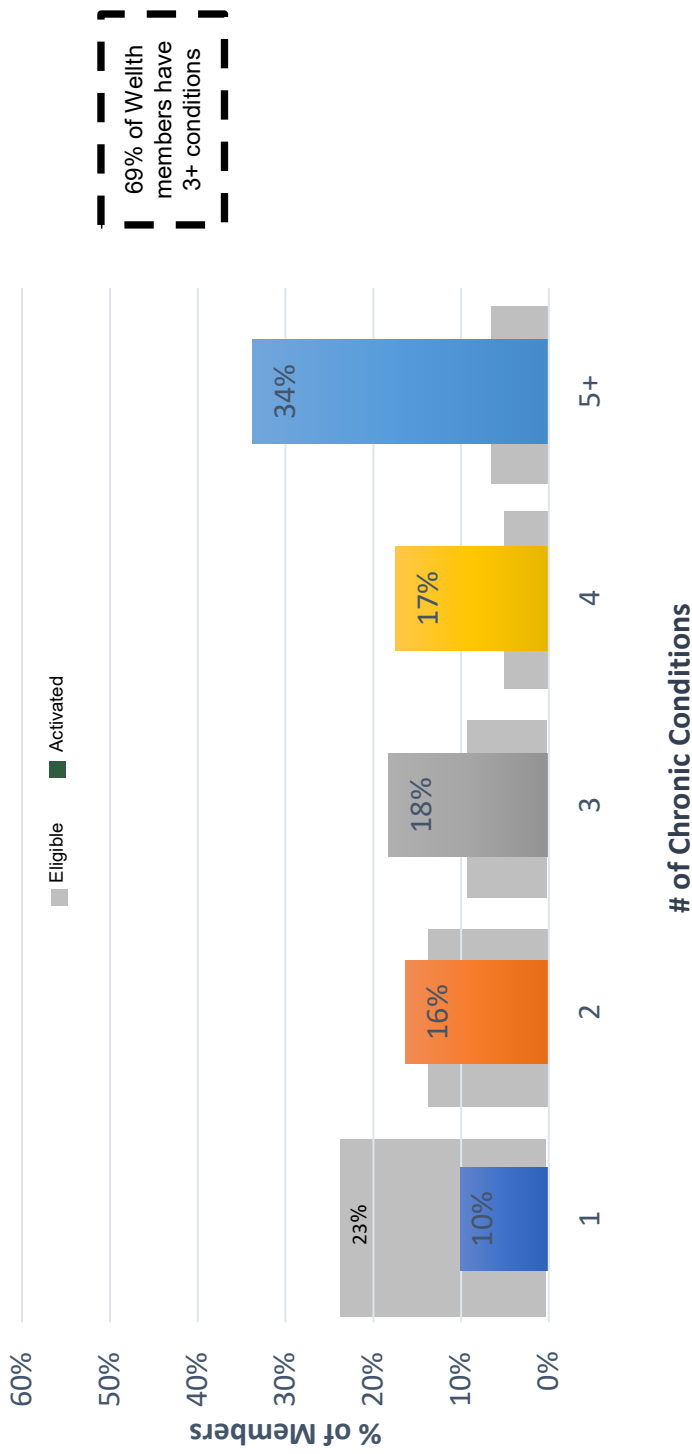
Activated Members with
3+ Chronic Diseases

69%

Wellth Program Participation by Chronic Conditions

Wellth enrollment approach targets the highest-risk, most complex members. **Around two-thirds of all enrolled members have 3+ chronic conditions.**

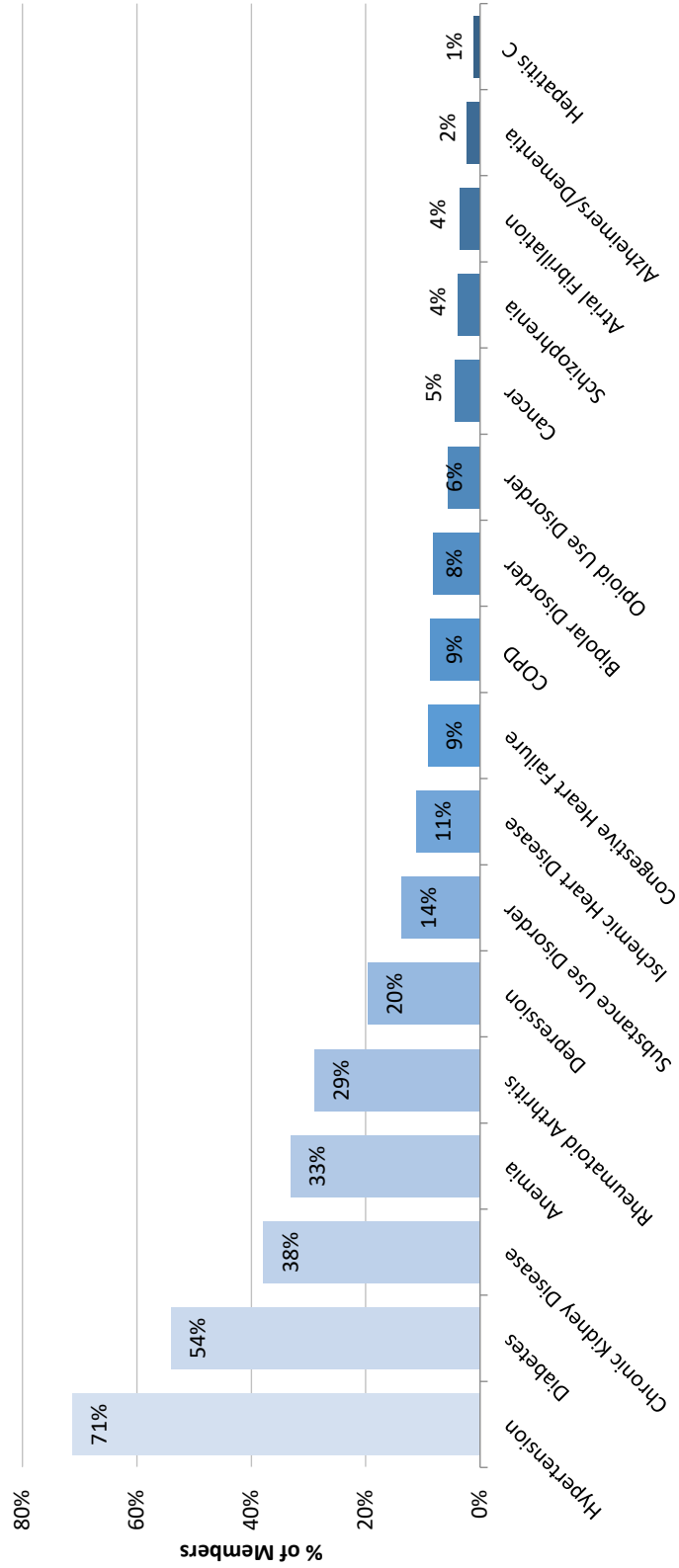
Eligible and Activated Members by Number of Chronic Conditions



Prevalence Among Activated Members

Members are managing a range of physical and behavioral health conditions. Nearly all members have cardiometabolic diseases, with particularly high rates of hypertension and diabetes.

Prevalence of Conditions among Activated Members



Newly Proposed Quality Focused Program

- 1 18+ years
- 2 Full scope Medi-Cal
- 3 2+ Care Gaps
- 4 Taking at least 1 medication
- 5 Not currently enrolled in Wellth Utilization Program

Phased Program Launch

Phase 1

- Timeline: In Progress
- Target Enrollment of 1,499 with Chronic Conditions
- Outcomes Focused on Decreased Utilization

Phase 2

- Timeline: Launch QI Program in December 2023
- Target Enrollment of 3,800 with 2+ care gaps
- Outcomes Focused on Medication Adherence and Gap Closure

Phase 3

- Timeline: April 2024
- Target Enrollment of up to 1,200 additional Members
- Evaluate Outcome data for Utilization and Engagement data for QI

Phase 4

- Timeline: June 2024 for next FY
- Target Enrollment of up to 5,550 additional Members
- Evaluate Outcomes for both programs to determine allocation

Questions