

**NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS**

**THURSDAY, MAY 3, 2018
2:00 P.M.**

**505 CITY PARKWAY WEST, SUITES 108-109
ORANGE, CALIFORNIA 92868**

BOARD OF DIRECTORS

Paul Yost, M.D., Chair	Lee Penrose, Vice Chair
Ria Berger	Ron DiLuigi
Supervisor Andrew Do	Dr. Nikan Khatibi
Alexander Nguyen, M.D.	Richard Sanchez
J. Scott Schoeffel	Supervisor Michelle Steel
Supervisor Lisa Bartlett, Alternate	

CHIEF EXECUTIVE OFFICER
Michael Schrader

CHIEF COUNSEL
Gary Crockett

CLERK OF THE BOARD
Suzanne Turf

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form(s) identifying the item(s) and submit to the Clerk of the Board. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Consent Calendar, the reading of the individual agenda items, and/or the beginning of Public Comments. When addressing the Board, it is requested that you state your name for the record. Address the Board as a whole through the Chair. Comments to individual Board Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the Clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board Meeting Agenda and supporting documentation is available for review at CalOptima, 505 City Parkway West, Orange, CA 92868, Monday-Friday, 8:00 a.m. – 5:00 p.m. The Board Meeting Agenda and supporting materials are also available online at www.caloptima.org. Board meeting audio is streamed live at <https://caloptima.org/en/AboutUs/BoardMeetingsLive.aspx>

CALL TO ORDER

Pledge of Allegiance
Establish Quorum

PRESENTATIONS/INTRODUCTIONS

MANAGEMENT REPORTS

1. [Chief Executive Officer Report](#)
 - a. Program of All-Inclusive Care for the Elderly (PACE) Expansion
 - b. PACE Audit
 - c. Fiscal Year 2018-19 Budget
 - d. Medical Loss Ratio Audit
 - e. Behavioral Health Treatment Transition
 - f. Provider Enrollment in Medi-Cal
 - g. Community Grants
 - h. Community Activities

PUBLIC COMMENTS

At this time, members of the public may address the Board of Directors on matters not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors. Speakers will be limited to three (3) minutes.

CONSENT CALENDAR

2. [Minutes](#)
 - a. Approve Minutes of the April 5, 2018 Regular Meeting of the CalOptima Board of Directors
 - b. Receive and File Minutes of the February 8, 2018 Meeting of the CalOptima Board of Directors' Provider Advisory Committee

REPORTS

3. [Consider Adoption of Resolution Approving Updated CalOptima Employee Handbook and Proposed Market Adjustments](#)
4. [Consider Authorizing Allocations/Reallocations of Spending Rate Year 2011–12 Intergovernmental Transfer \(IGT 2\) Funds](#)
5. [Consider Authorizing Expenditures in Support of CalOptima's Participation in Community Events](#)
6. [Consider Authorizing Memorandum of Understanding with the Regional Center of Orange County for the Coordination of Behavioral Health Treatment Services](#)
7. [Consider Authorizing the Chief Executive Officer \(CEO\) to Submit OneCare Bid for Calendar Year 2019 and Execute Contract with the Centers for Medicare & Medicaid Services; Authorize the CEO to Amend/Execute OneCare Health Network Contracts and Take Other Actions as Necessary to Implement](#)

ADVISORY COMMITTEE UPDATES

8. [Provider Advisory Committee Update](#)
9. [OneCare Connect Cal MediConnect \(Medicare-Medicaid Plan\) Member Advisory Committee Update](#)
10. [Member Advisory Committee Update](#)

INFORMATION ITEMS

11. [Introduction to the Fiscal Year 2018-19 CalOptima Budget: Part 2](#)
12. [March 2018 Financial Summary](#)
13. [Compliance Report](#)
14. [Federal and State Legislative Advocates Reports](#)
15. [CalOptima Community Outreach and Program Summary](#)

BOARD MEMBER COMMENTS AND BOARD COMMITTEE REPORTS

CLOSED SESSION

CS 1 Pursuant to Government Code Section 54956.87, subdivision (b), Health Plan Trade Secrets - OneCare

ADJOURNMENT

NEXT REGULAR MEETING: Thursday, June 7, 2018 at 2:00 p.m.

MEMORANDUM

DATE: May 3, 2018
TO: CalOptima Board of Directors
FROM: Michael Schrader, CEO
SUBJECT: CEO Report
COPY: Suzanne Turf, Clerk of the Board; Member Advisory Committee; Provider Advisory Committee; OneCare Connect Member Advisory Committee

Program of All-Inclusive Care for the Elderly (PACE) Expansion Now Operational

Months in the making, the expansion of CalOptima PACE has officially begun. In April, the first PACE participant began receiving regular services at Acacia Adult Day Services, the first of five Alternative Care Setting sites that will be brought on as CalOptima PACE enhances its reach and capacity. Further, this month, PACE will identify its first community-based physician, with a plan to contract in June and have the physician as part of a care team by July. This flexibility to include doctors other than the PACE physician follows CalOptima's recently approved federal waiver, which allows participants to continue receiving care from the community-based physicians they have known for years. Finally, next up is PACE Service Area Expansion. In July, CalOptima PACE can begin serving participants in all Orange County ZIP codes, offering access to comprehensive, coordinated care without limitations because of where eligible participants live. I look forward to providing updates regarding this exciting time in the history of CalOptima PACE.

Centers for Medicare & Medicaid Services (CMS) Conducts Routine PACE Audit

As another sign of CalOptima PACE's maturity, the program underwent its first standard CMS audit in late April. This was the first audit conducted since the conclusion of the CMS three-year trial period, during which time the new program was audited annually with generally positive results. The standard audit protocol measures CalOptima PACE's performance in both clinical and administrative areas. Regulators will provide feedback during an exit conference planned for early May.

Budget for New Fiscal Year Highlights Key Changes, Challenges

As a public agency, CalOptima is focused on prudent use of resources and financial transparency. Those goals were the impetus behind the introduction to the FY 2018–19 CalOptima budget, shared at the April Board meeting. One potentially significant budget issue is the possible change in rates for Medi-Cal Expansion members, bringing them closer to the rates paid for Medi-Cal Classic members. Over the past few months, we have made this possible rate change clear to health networks and providers so they can plan ahead. Also significant is CalOptima's January 2019 integration of California Children's Services as part of the Whole-Child Model. The state is developing a per member per month rate for CCS services, which will be part of CalOptima's budget for next year.

Medical Loss Ratio (MLR) Audit Shows Aggregate Health Network Spending at 91 Percent

To measure medical spending in the Medi-Cal Expansion era, CalOptima is in the process of completing an MLR audit of our contracted health networks. The purpose of the audit is to ensure that an appropriate portion of health networks' capitation payments is used to pay for medical services. Under contract, health networks are obligated to spend 85 percent or more of their capitation revenue on member health expenses. Based on preliminary analysis, the aggregate MLR for all health networks is 91 percent, which is good news showing that networks took less than the maximum of 15 percent for administrative costs and profit. To be abundantly fair with our MLR methodology, CalOptima aggregated results for Medicare and Medi-Cal Classic and Expansion members, since health networks could have margins far smaller than 15 percent for Classic and greater than 15 percent for Expansion. Further, we combined the first three years of Classic and Expansion (2014, 2015 and 2016) since the rates for Expansion have decreased over time. The initial findings show that health networks are appropriately passing dollars along to providers. However, there are a few networks that did have lower than required medical spending. Our compliance team will oversee corrective action so these networks distribute at least 85 percent to the provider community and establish new operating parameters, ensuring the ratio is met both during the audit period and in the future. Going forward, CalOptima plans to conduct MLR audits of the networks on an annual basis.

CalOptima Readies for Another Transition of Behavioral Health Treatment (BHT)

In another vote of confidence about managed care plans' ability to handle behavioral health, the Department of Health Care Services (DHCS) released a timeline for the transition of BHT for children with non-Autism Spectrum Disorders. Responsibility for those services is moving from Regional Centers to Medi-Cal managed care plans, including CalOptima, starting in July 2018. (CalOptima completed a similar transition for the population with Autism Spectrum Disorders about two years ago.) Orange County will follow a phased approach based on birth month. The first group of birthdays (January–April) will transition July 1, and two other birthday groups will move August 1 and September 1. CalOptima is responsible for mailing 60- and 30-day notices to ensure those affected are aware in advance.

CalOptima Providers to Enroll in Medi-Cal Based on New Mega Reg Rule

Based on rules in the federal Mega Reg, DHCS issued an All-Plan Letter late last year stating that all Medi-Cal contracted providers are required to be enrolled with Medi-Cal. Effective January 1, 2018, all non-contracted providers who want to participate with CalOptima must first be enrolled with Medi-Cal, and any contracted providers who are not currently enrolled have until December 31, 2018, to become enrolled or face possible contract termination. CalOptima's policy has always required provider enrollment in Medi-Cal, yet we have made careful exceptions when there was a need for a certain type of provider or specialist. In March, CalOptima notified those who need to enroll, sending approximately 1,200 letters to various providers affiliated with CalOptima Community Network, health networks, behavioral health vendors or ancillary services companies.

Board Ad Hoc Committee Considers Appropriate Timing for Community Grants

CalOptima's Intergovernmental Transfer (IGT) Ad Hoc committee of the Board was reconfigured in April to guide the community grant process for projects in three approved

categories: opioid and other substance overuse, children's mental health, and homeless health. The group is also considering these grants in light of Orange County's highly visible, multifaceted effort to address the homeless crisis in our community. At a recent meeting, the Ad Hoc committee determined that CalOptima needs more time to engage with those working on the homeless issue to better understand the needs of the population and to plan next steps before releasing limited grant dollars. Community organizations that submitted Letters of Interest seeking grants to fund programs and services in the three categories will be informed about changes to the timeline.

CalOptima Maintains Full Calendar of Community Activities

Reflecting dedication to external outreach and engagement, CalOptima participates in a variety of activities, ranging from events, meetings and media appearances, to ensure that stakeholders remain aware of our commitment to Orange County. Here are selected items from April:

- **South County Senior Summit**
I spoke at the South County Senior Summit when CalOptima was recognized as the event's diamond sponsor. Hosted by Supervisor Lisa Bartlett, the event shares important health information and community resources with seniors. CalOptima had a booth to highlight our PACE program.
- **Whole-Child Model Outreach**
In our industry-leading effort to raise awareness about the move of California Children's Services to the Whole-Child Model, CalOptima executives overseeing the transition spoke to physicians at three separate events, including a dinner meeting with the Orange County Medical Association's Pediatric Committee and two pediatrician meetings for HealthCare Partners. More outreach to physicians, member advocates and affected families is planned in the coming months.
- **Vietnamese Radio**
CalOptima's OneCare/OneCare Connect Customer Service Supervisor, Tammy Nguyen, spoke in Vietnamese during an evening interview on VietLink Radio 1480 AM. The 30-minute show covered CalOptima services, local resources at the County Community Service Center and a PACE update.

MINUTES
REGULAR MEETING
OF THE
CALOPTIMA BOARD OF DIRECTORS

April 5, 2018

A Regular Meeting of the CalOptima Board of Directors was held on April 5, 2018, at CalOptima, 505 City Parkway West, Orange, California. Chair Paul Yost, M.D., called the meeting to order at 2:00 p.m. Supervisor Steel led the Pledge of Allegiance.

ROLL CALL

Members Present: Paul Yost, M.D., Chair; Ria Berger, Ron DiLuigi, Dr. Nikan Khatibi, Alexander Nguyen, M.D., Scott Schoeffel, Supervisor Michelle Steel

Members Absent: Lee Penrose, Vice Chair; Supervisor Andrew Do, Richard Sanchez (non-voting)

Others Present: Michael Schrader, Chief Executive Officer; Gary Crockett, Chief Counsel; Greg Hamblin, Chief Financial Officer; Richard Helmer, M.D., Chief Medical Officer; Ladan Khamseh, Chief Operating Officer; Len Rosignoli, Chief Information Officer; Suzanne Turf, Clerk of the Board

MANAGEMENT REPORTS

1. Chief Executive Officer (CEO) Report

Michael Schrader, CEO, reported on the transition of the behavioral health therapy benefit from the Regional Center of Orange County to CalOptima beginning July 1, 2018. Mr. Schrader also provided an update on CalOptima's continued partnership with the Orange County Health Care Agency (HCA) to provide assistance to homeless Medi-Cal members relocated from the Santa Ana riverbed to motels and shelters. CalOptima received referrals from HCA and screenings were conducted for enrolled members; nonmembers were directed to the Social Services agency to determine eligibility for possible coverage. Among those members who were screened, many were referred to providers for behavioral or physical health needs or referred to case management. CalOptima will continue working diligently to provide support to this vulnerable group as Orange County forges a more permanent housing solution.

Chair Yost reordered the agenda to hear Item 10, 2017-19 Strategic Plan: Year 1 Progress Report.

10. 2017-19 Strategic Plan: Year 1 Progress Report

Mr. Schrader presented an overview of the accomplishments during year one of CalOptima's 2017-19 Strategic Plan. Highlights included the Program of All-Inclusive Care for the Elderly (PACE) service area expansion into South Orange County, the transition of California Children's Services to the Whole Child Model, Medi-Cal top ratings by the National Committee for Quality Assurance (NCQA) and the Department of Health Care Services (DHCS), the Pay for Value Program for CalOptima's Community Network, opioid abuse interventions, adolescent depression screenings, and the health care safety net.

[Back to Agenda](#)

PUBLIC COMMENTS

- Ana Ginoris-Requena – Oral re: denial of dental services for her adult daughter with special needs.
- Ana Sanchez, M.D. – Oral re: Agenda Item 11, Introduction to the FY 2018-19 CalOptima Budget: Part 1.

CONSENT CALENDAR

2. Minutes

- a. Approve Minutes of the March 1, 2018 Regular Meeting of the CalOptima Board of Directors
- b. Receive and File Minutes of the December 14, 2017 Meeting of the CalOptima Board of Directors' OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan) Member Advisory Committee

Action: On motion of Director DiLuigi, seconded and carried, the Board of Directors approved the Consent Calendar as presented. (Motion carried 7-0-0; Vice Chair Penrose and Supervisor Do absent)

REPORTS

3. Consider Adoption of Resolution Approving Updated Human Resources Policies, Acquisition of Computing Equipment to Support Improved Employee Timekeeping, and Budget Reallocation of Unspent Capital Funds

Action: On motion of Director Schoeffel, seconded and carried, the Board of Directors: 1) Adopted Resolution No. 18-0405, Approving CalOptima's Updated Human Resources Policies GA.8033: License and Certification Tracking; GA.8047: Reduction in Force; and GA.8056: Paid Holidays; 2) Authorized the purchase of 12 tablet computers for the purpose of improving the efficiency and accuracy of employee timekeeping; and 3) Authorized reallocation of budgeted but unspent capital funds in the amount of \$45,000 for the purpose of purchasing the tablet computers. (Motion carried 7-0-0; Vice Chair Penrose and Supervisor Do absent)

4. Consider Authorizing Expenditures for CalOptima Staff Wellness Programs from Funding Received from CIGNA HealthCare for Calendar Year 2018

Chair Yost suggested the inclusion of mindfulness/meditation training for employees the next time wellness program funding is available from CIGNA or include in the upcoming FY 2018-19 budget for Board consideration.

Action: On motion of Director Berger, seconded and carried, the Board of Directors authorized expenditures for CalOptima staff wellness programs from funding received from CIGNA HealthCare Wellness/Health Improvement Fund for calendar year 2018. (Motion carried 7-0-0; Vice Chair Penrose and Supervisor Do absent)

5. Consider Approval of Insurance Policy Renewals for Policy Year 2018-2019

Action: ***On motion of Director Schoeffel, seconded and carried, the Board of Directors approved the renewal of insurance policies for policy year 2018-2019 at a premium cost not to exceed \$2,300,000. (Motion carried 7-0-0; Vice Chair Penrose and Supervisor Do absent)***

6. Consider Authorizing Migration of CalOptima's Microsoft Exchange Electronic Mail System to the Microsoft Azure Cloud Environment; Consider Authorizing a Contract with a Vendor to Support this Migration

Director Schoeffel did not participate in this item due to financial interest in investments in Microsoft and left the room during the discussion and vote.

Action: ***On motion of Supervisor Steel, seconded and carried, the Board of Directors authorized the Chief Executive Officer (CEO) to upgrade and complete a migration of CalOptima's Microsoft Exchange system for email to the Microsoft Azure cloud environment, and authorized the CEO, with the assistance of legal counsel, to contract with a professional services vendor selected through a Request for Proposal to support the proposed email system upgrade and migration. (Motion carried 6-0-0; Vice Chair Penrose Supervisor Do, and Director Schoeffel absent)***

ADVISORY COMMITTEE UPDATES

7. OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan) Member Advisory Committee (OCC MAC) Update

Patty Mouton, OCC MAC Vice Chair, presented an overview of the activities at the February 22, 2018 OCC MAC meeting, including an update on the Ombudsman Service Program, and an overview of SeniorServ. A Nominations Ad Hoc will meet in April to review and evaluate the applications received for the OCC MAC seats whose terms expire on June 30, 2018.

8. Member Advisory Committee (MAC) Update

MAC Chair Sally Molnar reported on the recruitment efforts for the MAC and the Whole-Child Model Family Advisory Committee. Ms. Molnar also noted that the application deadline for the Medi-Cal member (Consumer) representative on the Member Advisory Committee has been extended. Recommended candidates for the MAC and Whole Model Family Advisory Committee will be presented to the Board for consideration at a future meeting.

9. Provider Advisory Committee (PAC) Update

Teri Miranti, PAC Chair, provided a brief update on the joint meeting of the MAC, OCC MAC and PAC held on March 8, 2018, which included a presentation on the Orange County Coalition for Behavioral Health, an update on Orange County's opioid epidemic, and a discussion on the difficulty of member access to specialty care.

INFORMATION ITEMS

11. Introduction to the FY 2018-19 CalOptima Budget: Part 1

Greg Hamblin, Chief Financial Officer, presented an overview of the CalOptima budget process, including lines of business, revenue and enrollment, medical and administrative expenses, provider risk arrangements, and the capital budget. He also discussed potential rate reductions from the state that may have a significant impact on the rates CalOptima pays providers. The FY 2018-19 CalOptima Budget timeline was reviewed with the Board. A second presentation on the budget process will be presented at the May 3, 2018 Board meeting, followed by an in depth review at the May 17, 2018 Board of Directors' Finance and Audit Committee meeting, then approval by the Board of Directors at its June 7, 2018 meeting.

12. Child Health and Disability Prevention (CHDP) Services Update

Candice Gomez, Executive Director, Program Implementation, provided a brief review of the regulatory changes implemented by the Department of Health Care Services related to CHDP fee for service claims to national standards. A review of stakeholder engagement efforts and next steps was presented to the Board.

The following Information Items were accepted as presented:

- 13. February 2018 Financial Summary
- 14. Compliance Report
- 15. Federal and State Legislative Advocates Report
- 16. CalOptima Community Outreach and Program Summary

BOARD MEMBER COMMENTS

Board members expressed their appreciation for the progress report on the 2017-2019 Strategic Plan, as well as the information provided on the FY 2018-19 budget process.

Chair Yost reported that Supervisor Do has been appointed to serve on the ad hoc with Directors Nguyen and Schoeffel to make recommendations to the full Board on the expenditure of Intergovernmental Transfer (IGT) 6 and 7 funds. Chair Yost announced that performance evaluations for the Chief Executive Officer and Chief Counsel are coming up, and an ad hoc composed of the Chair and Vice Chair will perform a preliminary review, coordinate to seek input from all Board members over the next few weeks, and return to the Board with recommendations in June. Additionally, at the May Board meeting, a Nominations Ad Hoc will be formed for Board officers for the next fiscal year, which begins on July 1, 2018.

ADJOURNMENT

Hearing no further business, Chair Yost adjourned the meeting at 3:53 p.m.

/s/ Suzanne Turf

Suzanne Turf
Clerk of the Board

Approved: May 3, 2018

MINUTES

REGULAR MEETING OF THE CALOPTIMA BOARD OF DIRECTORS' PROVIDER ADVISORY COMMITTEE

February 8, 2018

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, February 8, 2018, at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

Teri Miranti, PAC Chair, called the meeting to order at 8:10 a.m., and Member Jensen led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Teri Miranti, Chair; Suzanne Richards, MBA, FACHE, Vice Chair; Anjan Batra, M.D.; Donald Bruhns; Theodore Caliendo, M.D.; Mary Hale; Jena Jensen; Craig G. Myers; George Orras, Ph.D., FAAP; Jacob Sweidan, M.D.

Members Absent: Steve Flood; Pamela Kahn, R.N.; John Nishimoto, O.D; Mary Pham, Pharm.D., CHC; Pamela Pimentel, R.N.;

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Richard Bock, M.D., Deputy Chief Medical Officer; Phil Tsunoda, Executive Director, Public Policy and Public Affairs; Cheryl Simmons, Staff to the PAC

Chair Miranti welcomed new PAC member Mary Hale, Deputy Agency Director, Orange County Health Care Agency (OCHCA). Member Hale now occupies the OCHCA standing seat.

MINUTES

Approve the Minutes of the December 14, 2017 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

Action: On motion of Member Dr. Sweidan, seconded and carried, the Committee approved the minutes of the December 14, 2017 meeting. (Motion carried 10-0-0; Members Flood, Kahn, Nishimoto, Pham and Pimentel absent)

PUBLIC COMMENTS

No requests for public comment were received.

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Update

Michael Schrader, Chief Executive Officer, discussed the impact to CalOptima of a possible government shutdown, and noted that the federal Department of Health and Human Services has a contingency plan that covers Medicare and Medicaid, and the Children's Health Insurance Program (CHIP) funding. Mr. Schrader also discussed adjustments to the Medi-Cal rates for the Expansion population. While specific guidance from the Department of Health Care Services (DHCS) is not yet available, Medi-Cal health plan financial leaders expect the FY 2018-19 Medi-Cal Expansion rates to be similar to the Classic rate for adult Temporary Assistance for Needy Families (TANF) members.

Mr. Schrader reported that, due to Proposition 56 tobacco tax revenues, the DHCS provided CalOptima with an estimate of supplemental capitation payments for providers based on specific procedure codes used by primary care physicians and psychiatrists. Additionally, tobacco tax dollars are improving Denti-Cal benefits and reimbursement.

Chief Operating Officer Update

Ladan Khamseh, Chief Operations Officer, discussed changes to the PM 160 Form, and reviewed the Whole Child Model Stakeholder meeting, noting that six additional events are planned for members during February. Ms. Khamseh provided an update on the recruitment underway for the California Children Services (CCS) Advisory Committee. Applications will be accepted through February 28, 2018. Ms. Khamseh shared that CalOptima is planning to delegate responsibility to the health networks to pay for Children's Health and Disability Prevention (CHDP) through claims payments; staff will keep the PAC informed of progress on this change.

Chair Miranti reordered the agenda to hear the Federal and State Budget update.

Federal and State Budget Update

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, noted the 2017 Year-End Federal Activity: Medicaid Impacts and the Governor's 2018-19 Budget Proposal Analysis and CalOptima Impacts were in the member packets.

Chief Medical Officer Update

Richard Bock, M.D., Deputy Chief Medical Officer, reported that CalOptima is seeking volunteers to serve on the CCS Clinical Advisory Committee that will convene in the Fall of 2018. Dr. Bock also reviewed the transition of behavioral health from Magellan to CalOptima and noted that the transfer of service went smoothly.

INFORMATION ITEMS

Tele Health in Pediatric Cardiology Presentation

PAC Member Anjan Batra, presented on the advances in Tele Health Pediatric Cardiology. Dr. Batra, a Pediatric Cardiologist, Professor, Division Chief and Vice Chair of Pediatrics for the University of Irvine (UCI), reported that the Pediatric Resident physicians at UCI had developed a telemedicine-based application E-Consult App for smart phones, which resulted in a 40% reduction in wait times for patients and their parents, a 46% reduction in face-to-face visits, and provided rapid responses to clinical questions in under 3 days. The E-Consult App allowed members to video chat with a cardiologist to provide pediatric care, review medical records, listen to their heart rhythms and sounds via their smart phone. Dr. Batra also noted that the use of the E-Consult App allows physicians to interpret the data from anywhere in the world, especially for members with limited access to specialists due to distance.

PAC Member Updates

Chair Miranti reminded the members to provide input on the PAC Report to the Board for inclusion in the next report. She also reminded the members that nominations for the following open PAC seats will be accepted beginning March 1, 2018 through March 30, 2018: Allied Health, Behavioral Health, Health Network and Nurse Representatives. Nominations for PAC Chair and Vice Chair will also be accepted. Chair Miranti solicited volunteers for a nomination ad hoc to convene in April to review applications for open PAC seats. Members Hale, Jensen, and Sweidan agreed to serve on the ad hoc. Candidate recommendations will be considered at the May PAC meeting.

Chair Miranti reviewed the March 8, 2018 Agenda for the Joint Member, OneCare Connect Member and PAC Advisory Committee's meeting that was formulated at the January 11, 2018 joint ad hoc meeting. She reminded the PAC that the Joint Meeting was scheduled for March 8, 2018.

ADJOURNMENT

There being no further business before the Committee, Chair Miranti adjourned the meeting at 9:50 a.m.

/s/ Cheryl Simmons

Cheryl Simmons
Staff to the PAC

Approved: April 12, 2018

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 3, 2018

Regular Meeting of the CalOptima Board of Directors

Report Item

3. Consider Adoption of Resolution Approving Updated CalOptima Employee Handbook and Proposed Market Adjustments

Contact

Ladan Khamseh, Chief Operations Officer, (714) 246-8400

Recommended Actions

1. Adopt Resolution Approving Updated CalOptima Employee Handbook; and
2. Approve proposed market adjustments for two positions.

Background

On November 1, 1994, the Board of Directors delegated authority to the Chief Executive Officer to promulgate employee policies and procedures, and to amend these policies from time to time, subject to annual presentation of the policies and procedures, with specific emphasis on any changes thereto, to the Board of Directors or a committee appointed by the Board of Directors for that purpose. On December 6, 1994, the Board adopted CalOptima's Bylaws, which requires, pursuant to section 13.1, that the Board of Directors adopt by resolution, and from time to time amend, procedures, practices and policies for, among other things, hiring employees and managing personnel.

The proposed revisions to the CalOptima Employee Handbook have been made to update general information consistent with CalOptima's current practices and be consistent with policy changes made after February 2017. Substantive changes have been made to the Employee Handbook on pages 8-10, 12-15, 20, 22-23, 29-31, 33, 36, 38, 41-44, 46, 48, 50-53, 57, 60, and 62.

Market Adjustment

Staff recommends one (1) market adjustment for Systems Network Administrator, Sr. The Human Resources Department conducted a market study resulting in the recommendation to adjust compensation to reflect increased subject matter complexity and job scope for the impacted employee.

Staff recommends one (1) market adjustment for Director Network Management. The Human Resources Department conducted a market study resulting in the recommendation to adjust compensation to reflect depth of experience and comprehensive knowledge and complexity of CalOptima operations for the impacted employee.

Fiscal Impact

Staff estimates the fiscal impact for the market adjustments is \$23,747 annually or \$3,197 for the period on or after the pay period ending May 13, 2018, through June 30, 2018. Funding for the market adjustments are from unspent budgeted funds for salaries and benefits approved in the CalOptima Fiscal Year (FY) 2017-18 Operating Budget. Staff will include updated salaries and benefit expenses in the FY 2018-19 CalOptima Operating Budget.

Rationale for Recommendation

Approval is recommended to the updated Employee Handbook to be consistent with corresponding changes in policies and ensure that CalOptima meets its ongoing obligation to provide structure and clarity on employment matters, consistent with applicable federal, state, and local laws and regulations.

The recommended salary increase for the Systems Network Administrator, Sr., is based on an extensive review by CalOptima's Human Resource Department as a result of a market analysis, comparison of job scope with others in the same position and grade, similar years of experience and completed education to ensure that CalOptima is able to retain well qualified staff and to remain competitive with market trends. This employee has the lead role in the architecture, design, and implementation of CalOptima's key production environments that service all staff members that support our membership and provider networks.

The recommended salary increase for the Director Network Management is based on an extensive review by CalOptima's Human Resource Department as a result of a market analysis, comparison of job scope with others in the same position and grade, similar years of experience and completed education to ensure that CalOptima is able to retain well qualified staff and to remain competitive with market trends. This employee's responsibility serves as the face of CalOptima handling all downstream delegated providers including health networks, hospital systems, and key ancillary providers for dental and vision. We wish to retain this employee and adjust the compensation fairly based on our review of market data and alignment with peers.

Concurrence

Gary Crockett, Chief Counsel

Attachments

1. Resolution No. 18-0503, Approve Updated CalOptima Employee Handbook
2. Revised CalOptima Employee Handbook (redlined and clean)
3. Summary of Market Adjustments

/s/ Michael Schrader
Authorized Signature

4/25/2018
Date

RESOLUTION NO. 18-0503

RESOLUTION OF THE BOARD OF DIRECTORS ORANGE COUNTY HEALTH AUTHORITY d.b.a. CalOptima

APPROVE UPDATED CALOPTIMA EMPLOYEE HANDBOOK

WHEREAS, section 13.1 of the Bylaws of the Orange County Health Authority, dba CalOptima, provide that the Board of Directors shall adopt by resolution, and may from time to time amend, procedures, practices and policies for, inter alia, hiring employees, and managing personnel; and

WHEREAS, in 1994, the Board of Directors designated the Chief Executive Officer as the Appointing Authority with full power to hire and terminate CalOptima employees at will, to set compensation within the boundaries of the budget limits set by the Board, to promulgate employee policies and procedures, and to amend said policies and procedures from time to time, subject to annual review by the Board of Directors, or a committee appointed by the Board for that purpose; and

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That the Board of Directors hereby approves and adopts the attached revised CalOptima Employee Handbook.

APPROVED AND ADOPTED by the Board of Directors of the Orange County Health Authority, d.b.a., CalOptima this 3rd day of May 2018.

AYES:
NOES:
ABSENT:
ABSTAIN:

/s/ _____

Title: Chair, Board of Directors

Printed Name and Title: Paul Yost M.D., Chair, CalOptima Board of Directors

Attest:

/s/ _____
Suzanne Turf, Clerk of the Board



CalOptima

Better. Together.

*****REPLACE COVER PAGE WITH NEW ONE*****

Employee Handbook

Revised ~~February 2, 2017~~ May 3, 2018

1	Welcome Letter	4
2	Required Policies.....	6
3	Welcome to CalOptima.....	7
4	Our Personal Challenge.....	7
5	Mission Statement	7
6	About This Handbook.....	7
7	Right to Revise.....	8
8	The History of CalOptima	8
9	At-Will Employment Status.....	9
10	Equal Employment Opportunity.....	9
11	Unlawful Harassment and Discrimination.....	10
12	Recruitment and Hiring.....	11
13	Job Posting	12
14	Background Checks	12
15	Proof of Right to Work	13
16	Job Duties.....	13
17	Employment Classifications	13
18	Employment of Relatives	14
19	Employee Performance and Responsibilities.....	16
20	Introduction to Employee Performance and Responsibilities	17
21	Performance Evaluations.....	17
22	Initial Performance Review	17
23	Job Performance, Conduct, and Progressive Discipline	17
24	Training.....	18
25	Open Door	18
26	Internal Complaint Review.....	19
27	Attendance, Tardiness, and Reporting Absences.....	20
28	Drug-Free and Alcohol-Free Workplace	21
29	Employee Access to Personnel Records.....	22
30	Change of Employee Personal Information	22
31	Confidential Information	22
32	Compliance Program	23
33	Code of Conduct	24
34	Dress Code	24
35	Conflict of Interest.....	25
36	Guests	26
37	Benefits	27
38	Introduction	28
39	Workers' Compensation	28
40	Paid Time Off and Workers' Compensation	28
41	Core Health Benefits.....	28
42	Retirement Benefits	30
43	Paid Time Off (PTO)	31
44	Paid Sick Leave.....	32
45	Holidays	32
46	Education Reimbursement.....	33
47	Unemployment Insurance.....	34
48	COBRA.....	34
49	CalOptima Property	35
50	Employer Property.....	36
51	Housekeeping	36
52	Off-Duty Use of Facilities	37
53	Cell Phones.....	37
54	Restrictions on Smoking and Unregulated Nicotine Products	37

1	Computer, Email, and Internet Usage	37
2	Solicitation, Distribution, and Bulletin Boards	39
3	Photo-Identification Badges	39
4	Wages and Work Schedules	40
5	Work Schedules	41
6	Time-keeping Requirements	41
7	Workweek and Workday	41
8	Payment and Wages	41
9	Payment on Resignation or Termination	42
10	Overtime	42
11	Meal and Rest Periods	42
12	Holiday Pay	42
13	Make Up Time	42
14	Supplemental Compensation	43
15	Severance Pay	44
16	Merit Pay	44
17	Unemployment Compensation	44
18	Short-Term Disability	44
19	Long-Term Disability	44
20	Alternative Work Schedules (9/80)	45
21	Telecommuting	46
22	Leaves of Absence	47
23	Leaves of Absence Overview	48
24	Pregnancy Disability Leave	48
25	Family Medical Leave Act and California Family Rights Act Leave	49
26	Coordination of PDL with FMLA and/or CFRA	49
27	Military Service Leave	50
28	Military Spouse Leave	50
29	Workers' Compensation Leave	51
30	Jury or Witness Duty Leave	51
31	Parental School Attendance	51
32	Bereavement Leave	51
33	Time Off for Voting	52
34	Victims of Domestic Violence, Sexual Assault, or Stalking Leave	52
35	Victims of Crime Leave	52
36	Volunteer Civil Service Leave	52
37	Civil Air Patrol Leave	53
38	Extended Disability Leave	53
39	Personal Leave	53
40	Kin Care	54
41	Safety and Security	55
42	Safety	56
43	Security	56
44	Security Cameras	56
45	Workplace Violence	57
46	Ergonomics	57
47	Inspections, Searches, and Monitoring of CalOptima Premises	57
48	Termination	59
49	Employee References	60
50	Exit Interviews	60
51	Termination	60
52	Confirmation of Receipt	61
53	Confirmation of Receipt	62

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Welcome Letter

1
2 Thank you for choosing CalOptima as your employer. The dedication of our employees is critical to
3 CalOptima's ability to fulfill its mission and deliver access to quality, compassionate care to all
4 members. Although we have evolved into a multi-faceted organization, we are grateful that our
5 employees remain fully committed to ensuring that all programs, initiatives and services are centered on
6 meeting the health care needs of our members.
7

8 We at CalOptima understand that excellence in service to our members could not happen without our
9 most valued resource, our dedicated and caring employees. Our diverse and mission-driven staff works
10 tirelessly to meet our members' health care needs. I am exceptionally proud of our employees and am
11 fully committed to maintaining the employee-focused culture in which our employees thrive.
12

13 With the support of CalOptima's Board of Directors and the Member and Provider Advisory
14 Committees, our strong network of physicians and hospitals, and the dedication and drive of our
15 employees, CalOptima looks forward to fully engaging in new opportunities that will improve the
16 delivery of health care services to our members and the Orange County community.
17

18 On behalf of the administrative staff and the Board of Directors, welcome to CalOptima.
19

20 Sincerely,
21

22
23
24 Michael Schrader
25 Chief Executive Officer
26

27
28
29
30 ~~Mark Refowitz~~
31 Paul Yost

32 Chairman, CalOptima Board of Directors
33
34
35
36
37
38
39
40
41

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Required Policies

1 Welcome to CalOptima

2
3 Welcome to CalOptima, a public agency and health plan that serves Orange County members of Medi-Cal,
4 OneCare (Medicare Advantage Special Needs Plan), OneCare Connect, Cal MediConnect Plan (Medicare-
5 Medicaid Plan) and PACE (Program of All-Inclusive Care for the Elderly). We believe you will find CalOptima
6 an exciting organization with an important mission that is fulfilled through the collective efforts of our employees.
7 You are joining our staff of dedicated and talented professionals, and we are confident that your skills and
8 experience will assist us in achieving our mission.
9

10 Our Personal Challenge

11
12 CalOptima's success is a direct result of the important contributions our employees make every day. We
13 challenge all employees to keep our members front and center in all that they do. Our commitment to our
14 members goes beyond the Customer Service Department, and we recognize that we would be unable to
15 implement our important mission without our providers. We also recognize we need to serve all of our customers
16 which include members, health networks, pharmacies, ancillary providers, physicians and their staff, and
17 CalOptima employees.
18

19 But more than just meeting our members' needs, we strive to anticipate what they need and recommend it before
20 they ask. We strive to be good stewards of public funds and honor our accountability to the community by
21 working together to keep administrative costs as low as possible while improving the quality of care for our
22 members and the effectiveness of our providers.
23

24 To do this, we must continually evaluate and reinvent the way we do business. Identifying opportunities for
25 improving efficiency and effectiveness is the responsibility of all CalOptima team members. With your help, we
26 will continue to build a team-oriented environment where innovation and flexibility are the standards for
27 achieving our mission.
28

29 Mission Statement

30
31 The Mission of CalOptima is to provide members with access to quality health care services delivered in a cost-
32 effective and compassionate manner.
33

34 About This Handbook

35
36 This handbook is provided for your use as a reference and as a summary of CalOptima's mission, history,
37 employment practices, key employee policies, procedures and benefits. Because CalOptima is a dynamic and
38 changing organization, at times it may be necessary to change or improve the policies and practices presented in
39 this handbook. As CalOptima deems appropriate in its sole and absolute discretion, CalOptima reserves the right
40 to amend, supplement or rescind this handbook, or any portion(s) herein, other than CalOptima's employment-at-
41 will provisions. This handbook is not a contract, either express or implied, of continued employment.
42

43 Employees are encouraged and expected to read and familiarize themselves with the contents of this handbook
44 and should consult with their manager and/or Human Resources to obtain clarification or detailed information
45 regarding any policy, procedure or practice outlined in this handbook.
46

47 CalOptima is constantly striving to improve its policies, procedures, and services. We encourage employees to
48 bring suggestions for improvements to their managers. By working together, we hope to share with all of our
49 employees a sincere pride in our workplace and the services we are all here to provide.

This handbook supersedes all previously issued handbooks but does not supersede applicable federal, state or local laws. Your manager or the Human Resources Department will be happy to answer any questions you may have.

Right to Revise

This employee handbook summarizes some of the employment policies and practices of CalOptima in effect at the time of publication. A full list of policies may be found on the CalOptima InfoNet. All previously issued handbooks and any inconsistent policy statements or memoranda in effect prior to the effective date of publication are hereby superseded to the extent it conflicts with this handbook.

CalOptima reserves the rights to revise, modify, delete, or add to any and/or all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment.

Any written changes to this handbook will be made available to all employees via CalOptima's InfoNet and/or via email communication so that employees will be aware of the new policies or procedures. No oral statements, or representations, can in any way alter the provisions of this handbook.

Nothing in this employee handbook, or in any other personnel document, including benefit plan descriptions, creates, or is intended to create, a promise or representation of continued employment for any employee.

The History of CalOptima

CalOptima was established as ~~a result part~~ of a ~~longstanding~~ community effort to improve access to health ~~care~~ services for ~~the county's~~ Orange County's low-income ~~populations~~ residents. The Orange County Board of Supervisors ~~established~~ created CalOptima in 1993 as a county organized health system (COHS), which is a public agency. ~~It~~ CalOptima is one ~~(1)~~ of six ~~(6)~~ COHS authorized by federal and state law to administer Medi-Cal benefits in California. This ~~model of delivering~~ health care ~~services~~ model allows local decision-making ~~at the local level~~ and ensures the plan is community-driven ~~and sensitive to local needs~~. CalOptima's ~~goal~~ mission is to provide Orange County's Medi-Cal access to quality health care services delivered in a cost-effective and compassionate manner.

In October 1995, CalOptima launched our Medi-Cal program with 180,000 members. That program remains our flagship today, with 2018 membership approaching 800,000 members. In the years since Medi-Cal was established, CalOptima went on to launch other programs for important segments of Orange County's low-income population with streamlined access to quality care through the efficient use of state and federal funds.

In 1998, CalOptima launched the Healthy Families Program (HFP) to provide health care coverage for children up to the age of ~~nineteen (19)~~ who ~~reside in Orange County and~~ met eligibility requirements ~~based on family income~~. In 2013, HFP members were transitioned into CalOptima's CalOptima Medi-Cal ~~plan, based on at the direction provided by the State of California~~ state legislation.

In ~~October~~ 2005, CalOptima launched OneCare, our Medicare Advantage Special Needs Plan (HMO SNP). OneCare was created through a contract with the Centers for Medicare & Medicaid Services to offer enhanced care coordination and streamlined health care delivery by combining the Medicare and Medi-Cal ~~benefit packages~~ benefits into a single plan.

In 2013, CalOptima launched a Program of All-Inclusive Care for the Elderly (PACE), which is a community-based Medicare and Medi-Cal program that provides coordinated and integrated health care services to frail

1 elderly ~~members~~participants to help ~~these members~~them continue living independently in the community.

2
3 ~~In 2014, CalOptima earned our highest quality honor to date, being named the top ranked health plan in~~
4 ~~California by the National Committee for Quality Assurance (NCQA). In the NCQA's Medicaid Health Insurance~~
5 ~~Plan Rankings 2014-2015, CalOptima was ranked first in the state and 29th nationwide among the 136 Medicaid~~
6 ~~plans that were ranked.~~

7
8 In 2015, CalOptima launched OneCare Connect, a new health plan designed to simplify and improve health care
9 for seniors and people with disabilities who have Medicare and Medi-Cal coverage. The plan combines Medicare
10 and Medi-Cal benefits, adds supplemental benefits and offers personalized support.

11
12 ~~Since commencing operations on October 1, 1995~~In the past four years, CalOptima ~~continues to fulfill its~~
13 ~~mission~~has maintained an outstanding record of ~~providing access to~~ quality ~~health care~~ for ~~our members through.~~
14 Since 2014, we have been California's top-rated health plan, according to the National Committee for Quality
15 Assurance. It is an honor we strive to uphold as we aim to fulfill our mission, but we cannot accomplish this
16 alone. As a ~~unique~~community ~~health care delivery system that relies~~plan, we rely on private health care networks,
17 including ~~more than~~nearly 1,600 primary care providers and ~~nearly more than~~ 6,000 specialists. ~~to deliver the~~
18 services our members need. Further, CalOptima is proud to administer our programs in a cost-effective manner
19 and is consistently recognized as having one of the lowest administrative cost ratios ~~of~~among all Medi-Cal
20 managed care plans in California.

21 22 **At-Will Employment Status**

23
24 CalOptima employees are at-will employees with no guarantee of employment for any specified term. CalOptima
25 recognizes that relationships are not always mutually satisfactory. To protect both parties' rights, the employment
26 relationship at CalOptima is terminable at-will, at the option of the employee, or CalOptima. An employee, or
27 CalOptima, may terminate employment at any time, with or without cause, and with or without notice. As a
28 professional courtesy, Employees are encouraged to provide no less than two weeks' notice of termination to
29 ensure adequate time to transition job responsibilities.

30
31 CalOptima reserves the right to change the conditions of an employee's employment including, but not limited to,
32 compensation, duties, assignments, responsibilities, and location at any time, with or without cause. There are no
33 written, oral, or implied promises of permanent, or continuing, employment. This policy supersedes any such
34 agreements to the extent that any may exist.

35 36 37 **Equal Employment Opportunity**

38
39 CalOptima is an equal employment opportunity employer and makes all employment decisions on the basis of
40 merit. CalOptima wants to have qualified employees in every job position. CalOptima prohibits unlawful
41 discrimination against any employee, or applicant for employment, based on race, religion/religious creed, color,
42 national origin, ancestry, mental or physical disability/, medical condition, genetic information, marital status,
43 ~~Sex, Sex Stereotypes~~sex, sex stereotype, gender, ~~Gender Identity, Gender Expression~~gender identity, gender
44 expression, age, sexual orientation, military status as a disabled veteran, or veteran of the Vietnam era, or any
45 other consideration made unlawful by federal, state, or local laws. CalOptima also prohibits unlawful
46 discrimination based on the perception that anyone has any of those characteristics or is associated with a person
47 who has, or is perceived as having, any of those characteristics.

48
49 Equal employment opportunity will be extended to all persons in all aspects of the employer-employee
50 relationship, including recruitment or recruitment advertising, hiring, training, promotion, rates of pay or other

forms of compensation, benefits, transfer, discipline, layoff or termination, career development opportunities, and social and recreational programs.

It is the responsibility of every manager and employee to conscientiously adhere to this policy.

See Human Resources Policy GA.8025: Equal Employment Opportunity

Unlawful Harassment and Discrimination

CalOptima is committed to providing a work environment that is free of harassment, discrimination, and retaliation. CalOptima prohibits unlawful harassment and/or discrimination against any employee, or applicant for employment, based on race, ~~Sex, Sex Stereotype~~sex, sex stereotype, gender, ~~Gender Identity, Gender Expression~~gender identity, gender expression, age, color, national origin, ancestry, mental or physical disability, sexual orientation, religion, religious creed, exercise of rights under Family and Medical Leave Act (FMLA), marital status, military and veteran status, medical condition, genetic information or any other protected characteristic is a violation of state and federal law and is strictly prohibited by CalOptima. Any person who commits such a violation may be subject to personal liability as well as disciplinary action, up to and including termination of employment.

CalOptima encourages reporting of all perceived or actual incidents of discrimination or harassment. An employee who believes he or she is being, or has been, harassed in any way, should report the facts of the incident or incidents immediately to his or her supervisor, manager or, if he or she prefers, to the Human Resources Department. Supervisors and managers must report incidents or claims of harassment immediately to the Human Resources Department. A Human Resources representative will investigate any and all complaints of unlawful harassment or discrimination and take appropriate preventive and/or corrective action, including disciplinary action, when it is warranted. Every reported complaint of unlawful harassment or discrimination will be investigated thoroughly, promptly, and in a confidential manner.

CalOptima will not tolerate retaliation against an employee for reporting harassment and/or discrimination, for cooperating in an investigation, for making compliance complaints or for making any other complaint to the Human Resources Department. Employees engaging in any actions which are retaliatory against another employee will be subjected to disciplinary action, up to and including termination of employment

See Human Resources Policy GA.8027: Unlawful Harassment

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Recruitment and Hiring

Job Posting

CalOptima supports the development and advancement of employees from within the organization, and that belief is supported by CalOptima's job posting process. Employees are responsible for taking ownership of their own career and checking new and current job postings for growth and advancement opportunities. CalOptima encourages employees to apply for promotions, or transfers, to open positions for which they meet the qualifications and minimum requirements.

Upon completion of the Request To Fill (RTF) process, positions will normally be posted internally and/or externally. Open positions must be posted internally for five (5) full business days before an offer can be made. On rare occasions, there may be situations where a position is not posted due to a sensitive business need. The exceptions from posting must be approved by the Chief Executive Officer.

Employees are not eligible to apply for posted jobs until they have completed at least six (6) months' service in their current position. Employees must possess the necessary education, skills and experience for the job position, complete an internal job application (including an updated résumé) and be in good standing to apply for open positions. As a courtesy, it is recommended that employees notify their managers upon applying.

See Human Resources Policy GA.8019: Promotions and Transfers

Background Checks

CalOptima believes that hiring qualified individuals to fill positions contributes to our overall strategic success. Background checks serve as an important part of the selection process. CalOptima employees have access to confidential, private, and protected health information. Through comprehensive background checks, CalOptima can obtain additional applicant-related information that helps determine the applicant's overall employability and ensures the protection of the people, property, and information of the organization.

CalOptima uses a third-party agency to conduct the background checks. The type of information that can be collected by this agency includes, but is not limited to, information pertaining to an individual's past employment, criminal background, education, character, credit record (where applicable), Department of Motor Vehicles (DMV) record, and reputation. Background checks are held confidentially in compliance with all federal and state statutes, such as the California Investigative Consumer Reporting Act and the Fair Credit Reporting Act.

CalOptima conducts background checks on job applicants prior to commencement of employment. For promotions, or transfers, of employees to certain positions, a post-employment background check may also be required. Falsification of information on the employment application or providing false information ~~for or~~ incomplete information for the purpose of hiring may result in disciplinary action up to and including termination of employment. Employees shall timely notify HR of any licenses or certifications that they hold in California or other states that have been revoked, suspended, or restricted due to misconduct or disciplinary action.

CalOptima also conducts exclusion monitoring through the Office of Inspector General (OIG) List of Excluded Individuals/Entities (LEIE) ~~and~~, the General Services Administration's (GSA) System for Award Management (SAM) ~~website~~ Website, and the Medi-Cal Suspended and Ineligible (S&I) Website. Any applicant found on the LEIE, SAM Website and/or ~~SAM website~~ Medi-Cal S&I Website and verified according to the Human Resources procedures cannot be hired with CalOptima. Similarly, any existing CalOptima employee found on the LEIE, SAM Website, and/or ~~SAM website~~ Medi-Cal S&I Website and verified according to the Human Resources procedures will be immediately terminated. Employees shall notify the Human Resources Department upon hire, or immediately any time thereafter, if the employee knows or has reason to know that the employee is excluded from a federally funded health care program and/or may be listed on the LEIE, SAM and/or ~~SAM Website~~ Medi-

[Cal S&I Websites.](#)

See Human Resources Policy GA.8030: Background Checks

Proof of Right to Work

In accordance with federal law, all new hires will need to produce original documentation establishing their identity and authorization to be legally employed in the United States. In addition, each new hire is required to complete an INS Form I-9 swearing that they are legally employable in the United States. This verification must be completed as soon as possible after an offer of employment is made and in no event more than three (3) business days after an individual is hired. All offers of employment and continued employment for positions in the United States are conditioned on furnishing satisfactory evidence of identity and legal authority to work in the United States.

Job Duties

In order to run a cost-effective program at CalOptima, it's important that employees are flexible and do what needs to be done to best serve the needs of our members and customers. During the employee's initial orientation and during the initial performance review, management will explain job responsibilities and the performance standards expected of their employees. Be aware that job responsibilities may evolve and/or change at any time during the employment relationship. From time to time, employees may be asked to work on special projects, and/or to assist with other work necessary or important to the operation of their department or CalOptima. Cooperation and assistance in performing such additional work is expected. Employees may be exposed to disagreeable conditions typical of working with individuals in distress, as well as encounter normal stress and pressure associated with a fast-paced environment, including various deadlines and interactions with regulators and/or member of the public. Work volume may be consistent or vary at different times of the year.

CalOptima reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

Employment Classifications

CalOptima uses the following specific classifications to describe the responsibilities and benefits of employment:

Full-Time: Employees who are regularly scheduled to work sixty (60) to eighty (80) hours a pay period and are eligible for all employer-provided health care and retirement benefits.

Part-Time: Employees who are regularly scheduled to work less than fifty-nine (59) hours per pay period. Regular part-time employees are eligible for benefits and must pay an additional premium for health care benefits. PTO and flex holiday hours accrue on a prorated basis according to an employee's ~~prorated work-~~ schedule-scheduled work hours (Full-Time Equivalent (FTE) Status).

~~**Limited Term:** Employees who are hired to work a full time, or part time, schedule on special assignments that last a period of less than six (6) months. Limited term employees do not become regular employees as a result of the passage of time. Limited term employees are eligible for employer-provided health care and retirement benefits at a rate dependent on their full time, or part time status.~~

1 a. **As-Needed:** Employees called to work ~~sporadically~~ on an as-needed basis. As-needed
2 employees are employed for an indefinite duration and must work less than one-thousand
3 (1,000) hours per fiscal year. These employees may not have regularly scheduled hours and
4 do not earn any benefits ~~but may become eligible for paid sick leave, unless otherwise~~
5 required by law, but may become eligible for paid sick leave. In certain circumstances,
6 CalOptima may provide additional benefits to “As-Needed” employees averaging thirty (30)
7 or more hours per week and working beyond the ninetieth (90) calendar day of employment.
8 If this occurs, the employee may be converted to either full-time or part-time, depending on
9 the circumstances, for the duration of the “As Needed” period, not to exceed one-thousand
10 (1,000) hours per fiscal year, with an offer of associated benefits to comply with applicable
11 laws, including, but not limited to, the Affordable Care Act (ACA).

12
13
14 **Temporary Agency Workers:** Workers who have been hired by and are paid by a temporary agency for an
15 assignment generally not expected to last more than one-thousand (1,000) hours per fiscal year. Temporary
16 agency workers are not eligible for CalOptima benefits, with the exception of CalPERS retirement benefits, where
17 applicable.

18
19 **Salaried (Exempt):** These employees are exempt from the overtime provisions of the federal Fair Labor
20 Standards Act (FLSA) and state regulations governing wages and salaries, where applicable. Exempt status is
21 determined by the duties and responsibilities of the position and is defined by Human Resources for each position.
22

23 **Hourly (Non-Exempt):** Includes all employees who are not identified as exempt. Non-exempt employees are
24 paid on an hourly basis and are eligible for overtime compensation as required by federal wage and hour laws.
25

26 **Interns:** Paid interns are considered as-needed employees and must be enrolled in a college, or university, two (2)
27 or four (4)-year degree program, an accredited vocational institution, or a graduate program, and may receive
28 school credit for the internship. Unpaid interns shall not be deemed employees of CalOptima and must be enrolled
29 in a college, or university, two (2) or four (4)-year degree program, an accredited vocational institution, or a
30 graduate program, and will receive school credit for the internship.
31

32
33 CalOptima may change the employment classification/category of any employee at any time based on the nature
34 of the employment assignment and to ensure compliance with applicable state and federal laws.
35

36 Licenses and Certifications

37
38 When a required licensure and/or certification is/are mandated as part of a job position, or in the performance of
39 an employee’s job duties, or where an employee receives supplemental pay for having a particular license and/or
40 certification, the applicant/employee shall have, maintain, and provide proof of the applicable active and current
41 license(s) and/or certification(s). Employees shall notify HR immediately any time the employee knows, or has
42 reason to know, of any action to be taken on the employee’s required licensure and/or certification, or an event
43 that occurs that could lead to such actions, including, but not limited to, pending, active, or resolved licensing
44 board investigations, restrictions, allegations, revocations, suspensions, probation disciplinary actions, accidents,
45 DUIs, etc.

46
47 See Human Resources Policy GA.8033: License and Certification Tracking

48 **Employment of Relatives**

1
2 Management will exercise appropriate discretion in each case in the hiring and employment of relatives of current
3 employees. "Relatives" are defined as any persons related by birth, marriage, domestic partner status, or legal
4 guardianship including, but not limited to, the following relationships: spouse, child, step-child, parent, step-
5 parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, niece, nephew, parent-in-law,
6 daughter-in-law, son-in-law, brother-in-law and sister-in-law, or non-relatives of the same residence (housemate).
7 If an employee knows or has reason to know that CalOptima is considering a relative of the employee for
8 employment, that employee should make that fact known to the Human Resources Department.
9

10 Relatives of present employees may be hired by CalOptima only if:

- 11
- 12 • The applicant will not work directly for or directly supervising an existing employee; and
- 13 • A determination can be made that a potential for adverse impact on supervision, security, safety or
- 14 employee morale does not exist.
- 15

16 If the relationship is established after the employee's employment with CalOptima, i.e. two (2) existing
17 employees marry, become related by marriage, or become housemates, and a determination has been made that
18 the potential for adverse impact does exist, the department head in conjunction with the Human Resources
19 Director, shall make reasonable efforts to minimize problems of supervision, or safety, security, or morale,
20 through reassignment of duties, relocation, or transfer to another position for which he or she is qualified, if such
21 position is available. If CalOptima is unable to make an acceptable accommodation, then the employee and his or
22 her relative and/or housemate shall be given an opportunity to decide which one (1) person shall be transferred, if
23 possible, or terminated from employment. If the employees do not make a decision within thirty (30) business
24 days, CalOptima shall automatically reassign one (1) of the employees, if possible, or terminate one (1) of the
25 employees from employment. The decision as to which employee will leave will be at the discretion of
26 CalOptima with consideration of CalOptima's business needs.
27

28 See Human Resources Policy GA.8051: Hiring of Relatives

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Employee Performance and Responsibilities

Introduction to Employee Performance and Responsibilities

CalOptima strives to create an environment and culture where our employees can bring their skills and talents to the forefront. We will treat our employees with respect and provide opportunities to be successful. CalOptima expects that each employee will strive to do his or her best as a CalOptima employee and that each employee will hold him or herself accountable for excellent performance, service, and results.

Performance Evaluations

Evaluation of employees is a continuing process that takes place both formally and informally. Formal evaluations of performance and competence of regular employees shall take place following ninety (90) calendar days of employment, based on the date of hire, transfer, or promotion, and one (1) time per year thereafter as part of the annual review process.

Initial Performance Review

CalOptima strives to hire qualified employees for the job. In order to ensure both the employee and CalOptima are meeting their respective expectations, an initial performance review is conducted following ninety (90) calendar days of employment, based on the date of hire, transfer, or promotion, assuming the employee's employment has not otherwise been terminated. The manager will evaluate the employee's capabilities, work habits, compatibility with the job, interest in the job, and will discuss individual, department, and organizational expectations and performance. As an at-will employee, either party may terminate the employee's employment at any time, with or without cause, and with or without notice.

Job Performance, Conduct and Progressive Discipline

CalOptima employees are bound to one another and our organization by the following shared values: integrity, teamwork, mutual respect, and personal responsibility. Our reputation is fundamental to our continued success. Each of us has a personal responsibility to ensure that our conduct is true to that objective.

Employees are expected to abide by CalOptima's Code of Conduct and conduct themselves in an intelligent, mature, and responsible manner and in accordance with applicable laws, regulations, policies, and generally accepted work behaviors. Appropriate conduct is expected at all times while employees are on duty and/or on CalOptima property. Any violation of CalOptima policies, or any act or incident of improper behavior or conduct, may warrant disciplinary action, up to and including termination. In this regard, CalOptima has outlined some examples of undesirable behavior and/or performance issues that may result in disciplinary action, up to and including termination, which include, but are not limited to:

- Unsatisfactory work quality, or quantity;
- Failure to meet performance standards;
- Behavioral-based problems that impact productivity, quality, service, or teamwork;
- Excessive absenteeism, tardiness, or abuse of break and lunch privileges;
- Failure to follow instructions, policies, regulations, laws, or CalOptima policies and procedures; and/or
- Failure to follow established safety regulations.

CalOptima strives to assist employees in understanding their performance expectations and in improving and preventing recurrence of undesirable behavior and/or performance issues. Employees are responsible for taking ownership in correcting their performance/behavior and in meeting their performance expectations.

CalOptima may, at its sole and complete discretion, apply a progressive discipline process, where appropriate, in an effort to correct undesirable behavior and/or performance issues. Progressive discipline does not apply to all performance issues or undesirable behaviors and will be employed on a case by case basis. The severity of the discipline will depend on the nature of the offense, taking into consideration an employee's past performance and disciplinary record, where applicable. Discipline should be assessed in a fair and consistent manner.

As an at-will employee, CalOptima employees may be disciplined, up to and including termination, at any time, without advance notice. Employees are not guaranteed a right to progressive discipline prior to termination. CalOptima may skip one (1) or more steps, repeat certain steps, or skip the entire progressive discipline process altogether at CalOptima's sole and complete discretion. An employee may be terminated immediately within his or her initial ninety (90) calendar days of employment, transfer, or promotion without applying progressive discipline. Serious performance, or behavioral, problems may result in immediate termination without resorting to any of these progressive disciplinary actions.

The progressive discipline process, when applied, is intended to give employees advance notice of problems with their conduct, or performance, in order to provide the employee with an opportunity to correct these problems. When used, the progressive actions may include:

- Documented Counseling Memo;
- Written Warning;
- Final Warning with a Written Action Plan; and/or
- Termination.

Management may also place an employee on administrative leave pending an HR investigation. CalOptima may also suspend an employee without pay after an initial HR investigation. The Human Resources Department shall work with management to address disciplinary issues and management actions.

See Human Resources Policy GA.8022: Progressive Discipline

Training

CalOptima values the talent of its employees and encourages employees to continually develop their skills to enhance their job responsibilities and prepare for future opportunities within the organization. CalOptima provides mandatory trainings, as designated by CalOptima leadership, Human Resources, the Office of Compliance, and departmental staff, as well as other optional training and personal development opportunities.

All mandatory trainings must be completed within a specified time frame and may require documentation that the employee passed the associated exam in order to be deemed completed. Mandatory trainings include, but are not limited to, compliance and regulatory requirements and information, which may be administered in person, online and/or through other means of communication. Employees failing to complete the mandatory training and/or pass the associated exam within the stated time frame may be disciplined, up to and including termination of employment.

Open Door

CalOptima has an open-door approach that encourages employee participation in decisions affecting them and their daily responsibilities at CalOptima and/or the organizational operations. Employees who have work-related concerns, or complaints, or have suggestions to improve operations, are encouraged to discuss these matters in an informal and professional manner with their immediate supervisor and/or any other management representative with responsibility for their department. If such concern, or complaint, arises from any particular incident,

employees should report these issues to their immediate supervisor, or another management representative, with responsibility for their department as soon as possible after the event, or incident, that caused the concern.

If the employee feels he or she cannot resolve his or her concern, or complaint, with management within his or her department, then the employee should contact Human Resources. CalOptima believes that employee concerns are best addressed through open communication and that the majority of misunderstandings can be resolved through open dialogue. Employees are encouraged to pursue discussion of their work-related concerns until the matter is fully resolved.

Although CalOptima cannot guarantee that employees will be satisfied with the result, CalOptima will attempt in each instance to explain the result or resolution to the employee if the employee is not satisfied. CalOptima will also attempt to keep all such expressions of concern, the results of the investigation and the terms of the resolution confidential. However, in the course of investigating and resolving the matter, some dissemination of information to others may be appropriate and/or necessary. No employee will be disciplined, or otherwise penalized, for raising a good-faith work-related concern in keeping with the open-door approach.

Employees who conclude their work-related concerns should be brought to the attention of CalOptima by written complaint and formal review may refer to the Internal Complaint Review process set forth in this handbook.

Internal Complaint Review

CalOptima strives to maintain a safe, positive and pleasant environment for our employees. Employees who encounter work-related problems are encouraged to follow the steps outlined below to resolve their issues.

Step One: Immediate Supervisor

Should an employee have a problem, or complaint, he or she should try to resolve this issue with his or her immediate supervisor. In most instances, a friendly talk with a supervisor can quickly resolve a problem. The supervisor will evaluate the matter and work to provide a timely solution.

Step Two: Department Head

If the problem is not resolved in Step One, an employee can refer the problem in writing to his or her department head. The department head should schedule a meeting to discuss the issue with the employee and, in turn, provide a timely solution, where applicable.

Step Three: Human Resources Department

If, for any reason, an employee is dissatisfied with the decision of the department head, the employee can file a written complaint with the Human Resources Department. A representative from the Human Resources Department will investigate the complaint, meeting separately with the employee and with others who are either named in the complaint, or who may have knowledge of the facts set forth in the complaint. CalOptima will attempt to treat all internal complaints and their investigation as confidential, recognizing, however, that in the course of investigating and resolving internal complaints, some dissemination of information to others may be necessary. On completion of the investigation, the Human Resources Department will discuss any actions, or resolutions with the employee.

Step Four: Appeal

If the complaint is not resolved to the employee's satisfaction, the employee may submit a written request for review of the complaint to CalOptima's executive director of Human Resources. On completion of the appeal review, the employee should receive an oral, or written, explanation of the conclusion reached and the reasons for that conclusion. Decisions resulting from appeal reviews by CalOptima's Executive Director of Human Resources will be final.

No employee will be retaliated, or discriminated, against in any way because he or she made a complaint in compliance with this process. Nothing in this Internal Complaint Review is intended to alter the at-will nature of employment.

Attendance, Tardiness, and Reporting Absences

CalOptima counts on each employee's attendance and punctuality to provide efficient and consistent service to our members. We expect employees to report to work on time, observe the time limits for break and meal periods, and not leave work earlier without prior approval from their immediate supervisor-. Regular and consistent attendance is an essential function of all job positions at CalOptima.

If an employee is going to be absent or tardy, he or she must provide timely notice to his or her supervisor *before* his or her scheduled shift time. If the supervisor cannot be reached, the employee is expected to leave a message on the supervisor's voicemail and notify the department head or other designated department contact. Employees must provide the reason for the absence and the expected date of return. Employees must call in each day they will be absent, or tardy, unless they are on a lengthier, pre-approved medical leave. Frequent tardiness, or absenteeism, will result in disciplinary action, up to and including termination. If an employee is absent for four (4) consecutive days, or more, of personal and unprotected sick time, a doctor's note is required on the first day back.

Authorized Absence

An authorized absence occurs when all four (4) of the following conditions are met:

1. The employee provides sufficient notice to his or her supervisor (employee personally contacts his or her immediate supervisor prior the commencement of his or her shift).
2. The employee provides an acceptable reason to his or her supervisor.
3. Such absence request is approved by his or her supervisor.
4. The employee has sufficient accrued PTO to cover such absence or the supervisor waives this requirement because the employee has not yet accrued sufficient PTO.

The employee's immediate supervisor may waive the notice requirement when it is warranted by the particular circumstances involved; for example, when an employee is unexpectedly taken ill and cannot call. Failure to meet these requirements may result in discipline up to and including termination, depending on the surrounding circumstances.

Unauthorized Absence

An employee is considered to be on an unauthorized absence when one (1), or more, of the four (4) conditions mentioned above are not met.

Unauthorized absences may result in disciplinary action, up to and including termination, depending on the surrounding circumstances. In addition, an employee is considered to have resigned when the employee fails to report to report to work without giving notice to and/or receiving authorization from his or her immediate supervisor for three (3) consecutive days. In rare circumstances, the employee will be reinstated when it is warranted by the particular circumstances involved.

Frequent or Prolonged Absenteeism or Tardiness

Frequent, or prolonged, absenteeism, or repeated tardiness, even when authorized, may result in disciplinary action, up to and including termination. Absences from work that qualify and are approved under CalOptima's leave of absence policy will not count toward excessive absenteeism.

Drug-Free and Alcohol-Free Workplace

CalOptima strives to maintain a workplace that is free of drugs and alcohol and discourages drug and alcohol abuse by its employees. CalOptima has a vital interest in maintaining a safe and productive work environment for its employees, members, and those who come into contact with CalOptima. Substance abuse is incompatible with the mission and interest of CalOptima. Employees who are under the influence of drugs and/or alcohol in the workplace can compromise CalOptima's interests, endanger their own health and safety and the health and safety of others, and can cause a loss of efficiency, productivity, or a disruptive working environment.

The following rules and standards of conduct apply to all employees either on CalOptima's property, or on CalOptima business. Behavior that violates CalOptima policy includes:

- The unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance;
- Possession, or use, of an illegal, or controlled, substance, or being under the influence of an illegal, or controlled, substance while on the job, except where the controlled substance is lawfully prescribed and used consistent with a doctor's authorization;
- Abuse of a legal drug or the purchase, sale, manufacture, distribution, dispensation, or any legal prescription drug in a manner inconsistent with law;
- Driving a CalOptima owned, or leased, vehicle while under the influence of alcohol, illegal drugs, or controlled substance(s); and/or
- Distribution, sale, or purchase of an illegal, or controlled, substance while on the job.

Violation of these rules and standards of conduct will not be tolerated, and CalOptima shall take appropriate actions including, but not limited to, employee discipline, up to and including termination. CalOptima also may bring the matter to the attention of appropriate law enforcement authorities and/or professional licensing authority.

CalOptima reserves the right to conduct searches of CalOptima property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy. CalOptima asserts its legal right and prerogative to test certain employees for substance abuse. These employees may be asked to submit a medical examination and/or to submit to urine testing for illegal drugs, controlled substances, or alcohol under the following circumstances:

- Employees in certain positions are required to pass a pre-employment urine drug test.
- Employees in certain positions may be subject to random drug testing.
- If the CalOptima employee is involved in a traffic accident and there is reasonable suspicion of the involvement of drugs and/or alcohol.
- If an employee's supervisor suspects an employee is under the influence of drugs and/or alcohol and observes one or more symptoms.

Employee acceptance of medical examinations and testing, when requested by CalOptima for one (1) of the reasons set forth above, is a mandatory condition of employment. Refusal to submit to such medical examinations and tests constitutes a violation of CalOptima's policy and is grounds for disciplinary action, up to and including immediate termination of employment.

Any employee who is using prescription, or over-the-counter drugs, that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting, or resuming, work. Any prescription medication, which must be taken while at work, should be kept in the original prescription container and used in accordance with the prescribing physician's

1 instructions. CalOptima reserves the right to require written medical certification of the employee's ability to
2 perform his or her duties while taking any prescribed medication.

3
4 All CalOptima employees who provide health care services and personal care services to CalOptima members
5 may be subject to random drug testing. This shall include any employee who operates a CalOptima owned, or
6 leased, motor vehicle.

7
8 All CalOptima employees that have face-to-face interaction in the residence of a member, or prospective member,
9 and provide health care services, or personal care services, such as nurses in the field, may be subject to random
10 drug testing.

11
12 Employees are required to report any drug and/or alcohol related convictions occurring outside of the workplace
13 to CalOptima within five (5) calendar days of such conviction. This information may subject the employee to
14 disciplinary action, random testing requirements, referral to the EAP, and/or may be reported to the appropriate
15 licensing authority.

16
17 See Human Resources Policy GA.8052: Drug-Free and Alcohol-Free Workplace

18 19 **Employee Access to Personnel Records**

20
21 Employees of CalOptima, in certain instances, are given permission to have access to information in their own
22 personnel files. Employees may request access to this information at a reasonable time and place by appointment,
23 usually during business hours in the Human Resources Department, unless another time or place is mutually
24 agreed upon. CalOptima reserves the right to monitor the inspection of the file to ensure that nothing is removed,
25 destroyed or altered, and that it is returned to its proper location. The right to inspection does not include certain
26 records including, but not limited to, records relating to investigations, letters of reference, and/or records
27 obtained prior to the employee's employment, or were obtained in connection with a promotion, or transfer.
28 Employees requesting access to his or her own personnel record may review such records during his or her own
29 personal time, either during scheduled break times, lunch, prior to or at the end of the employee's work day, or on
30 the employee's scheduled day off, depending on the availability of the Human Resources Department.

31 32 **Change of Employee Personal Information**

33
34 Each employee is required to report promptly any change in his/her status and/or personal information to the
35 Human Resources Department as soon as it occurs, but in no event beyond thirty (30) days. Such changes include
36 name, address, marital status, telephone number, number of dependents, person(s) to be notified in case of
37 emergency, physical limitations, beneficiary, etc. This information ~~affects~~may affect deductions, health coverage,
38 and many other aspects of employment. Status changes may be made through the Employee Self-Service module
39 on the CalOptima InfoNet.

40
41 It is vitally important to notify the Human Resources Department within thirty (30) days of a status change such
42 as marriage, divorce, birth, or adoption. ~~Status changes may~~ of a child. Notification and requests to add/delete
43 dependents must be made through ~~submitted in writing to the Employee Self-Service module on the CalOptima~~
44 ~~InfoNet.~~ Human Resources Department. Failure to notify Human Resources of these qualifying events may
45 preclude, or delay, changes in eligibility for insurance.

46 47 **Confidential Information**

48
49 CalOptima property includes not only tangible property, like desks, file cabinets and computers, but also

1 intangible property such as information. CalOptima has a particular interest in protecting its proprietary, private,
2 and/or confidential information. Proprietary information includes all information obtained by CalOptima
3 employees during the course of their work including, but not limited to, intellectual property, computer software,
4 and provider identification numbers. Private information includes, but is not limited to, any information related to
5 a person's health, employment application, residence address, testing scores, personnel review, or social security
6 number. Confidential information is any CalOptima information that is not known generally to the public
7 including, but not limited to, Protected Health Information (PHI), personnel files, provider rates, DHCS
8 reimbursements, and any other information that may exist in contracts, administrative files, personnel records,
9 computer records, computer programs, and financial data.

10
11 CalOptima employees, or agents, may not reveal, or disclose, divulge, or make accessible, proprietary, private,
12 and/or confidential information belonging to, or obtained through, the employee's affiliation with CalOptima to
13 any person, including relatives, friends, and business and professional associates, other than persons who have a
14 legitimate business need for such information and to whom CalOptima has authorized disclosure. Employees
15 may not disclose or use proprietary, or confidential, information, except as their jobs require. Inappropriate use,
16 unauthorized copy and transfer, attempted destruction, the destruction or disclosure of confidential, private, or
17 proprietary information obtained through the employee's affiliation with CalOptima will subject an employee to
18 discipline, up to and including termination and possible legal recourse.

19 *Confidentiality and the Health Insurance Portability and Accountability Act (HIPAA)*

20 CalOptima is committed to protecting the confidential, sensitive, and proprietary health information of our
21 members. HIPAA addresses our need to protect and safeguard our members' information. This includes making
22 sure electronic health information is secure, taking precautions to safeguard member files, and following all other
23 HIPAA regulations regarding Protected Health Information (PHI).

24
25 An employee should not store PHI on CDs, DVDs, external electronic storage devices, mobile phones, external
26 email accounts and cloud storage without proper authorization from the Information Services (IS) department.
27 Also, sensitive data such as PHI should not be stored on nor sent to, from or through any employee's personal
28 consumer email service. Examples include Yahoo!, live.com, Gmail, Hotmail, AOL, or any other non-CalOptima
29 email system.
30

31
32
33 Please contact our HIPAA Officer for more information. Failure to follow HIPAA regulations and CalOptima
34 policies concerning protection of member files and information may subject an employee to discipline, up to and
35 including termination and possible legal recourse.

36
37 See Human Resources Policy GA.8050: Confidentiality and Disclosure; IS Policy GA.5005a: Use of Technology
38 Resources; and IS Policy IS.112: Electronic Media, Electronic Storage Device and Hardware Controls.
39

40 **Compliance Program**

41
42 CalOptima maintains a comprehensive Compliance Program, part of which is a plan to detect, investigate and
43 report fraud, waste, and abuse in any and all of the CalOptima programs. CalOptima employees are required to
44 report any and all suspected, or actual, cases of fraud, waste, and abuse to the CalOptima Office of Compliance.
45 An employee can file a report anonymously by contacting the CalOptima Compliance and Ethics Hotline at 1-
46 877-837-4417. Employees can also file a Suspected Fraud or Abuse Referral Form with the Office of
47 Compliance, which is available on the CalOptima InfoNet. In addition, employees are always welcome to speak
48 with their supervisor or the Compliance ~~director~~Officer at any time with any concerns they may have. CalOptima
49 maintains a strict policy of non-retaliation and non-retribution toward employees who make such reports in good
50 faith. Employees are protected from retaliation under 31 U.S.C. § 3730(h) for False Claims Act complaints, as
51 well as any other anti-retaliation protections.

The CalOptima Code of Conduct provides that CalOptima employees are expected and required to promptly report suspected violations of any statute, regulation, or guideline applicable to any CalOptima program, its policies and procedures and its Compliance program. Failure to comply with the Compliance program, including CalOptima's Code of Conduct, may lead to disciplinary action. Discipline, at CalOptima's discretion, may include progressive discipline or may lead to direct termination in accordance with CalOptima policies. In addition, failure to comply with CalOptima's Compliance program and Code of Conduct may result in the imposition of civil, criminal, or administrative fines on the employee and/or CalOptima, which may include exclusion from participation in federal and/or state health care programs.

[See Office of Compliance Policy HH.2014A: Compliance Program](#)

Code of Conduct

CalOptima maintains a strict Code of Conduct governing employee conduct, as well as ethical behavior related to and/or concerning work-related decisions. CalOptima expects all employees to follow this code and to report situations in which they become aware of circumstances and/or behaviors which do not live up to CalOptima's standard. In order to discourage inappropriate conduct and/or illegal activities and to protect member confidentiality, CalOptima maintains the CalOptima Compliance and Ethics Hotline at 1-877-837-4417 to provide an opportunity for all employees to report unethical conduct. CalOptima maintains a strict policy of non-retaliation and non-retribution toward employees who make such reports in good faith. Employees are protected from retaliation under 31 U.S.C. § 3730(h) for False Claims Act complaints, as well as any other anti-retaliation protections.

The CalOptima Code of Conduct provides that CalOptima employees are encouraged to speak up and report any instance in which unethical behavior occurs as outlined in the Code of Conduct policy. Failure to comply with the Code of Conduct may lead to disciplinary action, up to and including termination.

See CalOptima's Code of Conduct

Dress Code

CalOptima has adopted a Business Casual Attire Dress policy as the standard attire from Monday through Thursday. Employees must choose business casual clothing that communicates professionalism. Business casual includes CalOptima logo attire.

There may be times that management may require employees to dress in customary business professional attire including, but not limited to, when presenting to the Board of Directors, meeting with members of the business community or representing the organization at an outside community function.

The following dress guideline outlines the general workplace standard that must be followed by CalOptima employees. Management within each department shall have the discretion to determine appropriate attire and grooming requirements for employees based upon job duties.

Business Casual: Business casual attire includes suits, dress pants, dress shirts, dress sandals, sweaters, dresses and skirts. Ties may be worn but are not required. All clothing should be clean, pressed and in good repair. The height of heels should be suitable to the individual to prevent safety hazards. In all cases, management within each respective department will define "appropriate" business casual attire. We ask that employees not wear jeans (or any type of denim or any color jeans), spaghetti strap shirts, see-through clothing, short skirts, any type of

shorts (at or above the knee), casual sandals (such as flip flops or beach attire), tennis shoes, capri pants (unless part of a professional dress suit or two-piece business outfit), leggings or stretch pants, clothing displaying any written words or symbols (with the exception of CalOptima logo attire, or brand names or symbols), clothing that reveals undergarments or parts of the body incompatible with a professional setting, or any type of hat, unless the employee obtains prior approval from Human Resources.

CalOptima Logo Attire (Monday–Friday): CalOptima logo attire includes dress shirts, polo shirts, or other shirts purchased through the Human Resources Department with CalOptima’s logo displayed. Logo attire from any CalOptima program is allowed. These shirts must be partnered with dress pants, or khaki pants, in good condition. Logo attire is allowed Monday through Friday. CalOptima logo attire may not be worn with jeans, shorts, or capri pants from Monday through Thursday.

Casual Attire (Friday): Casual attire is a benefit permitted only on Fridays, unless otherwise specified. As with business casual attire, casual attire should be neat in appearance and in good repair, with no tears, or holes. Casual attire includes jeans, capri pants (loose and below the knee), casual sandals (no flip flops), tennis shoes, or other casual clothing in good condition. Leggings, or lycra slacks, are acceptable only when worn with a dress, or long shirt that falls at least below the mid-thigh level. In all cases, management within each respective department will define “appropriate” casual attire. Casual attire does not include: any type of jogging or sweat suits/sweatpants, halter tops, spaghetti strap shirts, see-through clothing, ripped jeans, shorts (at or above the knee), clothing that exposes the stomach area, or other parts of the body incompatible with a professional environment, clothing displaying any written words or symbols, with the exception of CalOptima logo attire, brand names or symbols, sports teams, or university/school/club names or logos, or hats, unless prior approval from Human Resources is given.

As a benefit, employees may dress in casual attire every Friday and every year during the following times, unless otherwise specified:

- The week of Thanksgiving;
- The period between Christmas and New ~~Years~~Year’s Day;
- The period between Memorial Day and Labor Day; and
- National Customer Service Week (First week of October).

Employees may be subject to disciplinary action, up to and including termination, for violations of CalOptima’s dress code policy.

See Human Resources Policy GA.8032: Employee Dress Code

Conflict of Interest

Employees are expected to devote their best efforts and attention to the full-time performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict or the appearance of a conflict between the employee's personal interests and the interests of CalOptima. It is CalOptima’s view that both the actual and appearance of a conflict of interest must be avoided.

Employees unsure as to whether a certain personal or non-CalOptima transaction, activity, or relationship constitutes a conflict of interest should discuss it with their immediate supervisor, or the Human Resources Department for clarification. Any exceptions to this guideline must be approved, in writing, by CalOptima's Chief Executive Officer (CEO).

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common

actual, or potential, conflicts, which employees should avoid, include the following:

1. Accepting personal gifts or entertainment from current or potential providers, members or suppliers that is more than twenty-five dollars (\$25) in a calendar year from any single source;
2. Working for a current or potential provider, contractor, vendor, member or supplier, association of contractors, vendors, providers, or other organizations with which CalOptima does business or which seek to do business with CalOptima, except when it is determined that the nature of the job does not create a conflict;
3. Engaging in self-employment in competition with CalOptima;
4. Using proprietary or confidential CalOptima information for personal gain, or the gain of others, or CalOptima's detriment;
5. Having a direct or indirect financial interest in or relationship with a current or potential provider, supplier or member; except when it is determined that the nature or financial interest does not create a conflict
6. Using CalOptima assets or labor for personal use;
7. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to CalOptima; and/or
8. Committing CalOptima to give its financial, or other, support to any outside activity, or organization.

If an employee, or someone with whom an employee has a close relationship (a family member or close companion), has a financial, or employment, relationship with a current, or potential, provider, contractor, vendor, supplier, or member, the employee must disclose this fact in writing to the Human Resources Department. Employees should be aware that if they enter into a personal relationship with an employee of a current, or potential provider, supplier or member, a conflict of interest might exist, which requires full disclosure to CalOptima.

All CalOptima employees are required to promptly report any and all non-CalOptima job positions, positions held on non-profit/charitable organizations, and/or their affiliations or interests in job-related businesses, or organizations to the Human Resources Department.

In addition to these provisions, designated employees are also subject to the provisions of the Conflict of Interest Code adopted by the CalOptima Board of Directors in compliance with the California Government Code.

Designated employees must complete a Form 700 [Statement of Economic Interests](#) and a CalOptima [Supplemental Supplement to Form 700](#) upon hire, annually, and upon termination of employment. The Human Resources Department coordinates this activity with the Clerk of the CalOptima Board.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment and/or criminal, civil or administrative action.

See Human Resources Policy GA.8012: Conflicts of Interest

Guests

Due to the confidential nature of CalOptima's operations, employees are discouraged from having visitors at work, unless necessary, or related to performance of job duties. Children of employees are not allowed on the premises during working hours unless attending a formal CalOptima sponsored function. All guests must register at the reception desk in the lobby and obtain a guest badge. Guests shall not be permitted to walk around CalOptima's secured areas unaccompanied.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Benefits

1 Introduction

2
3 CalOptima is proud of the comprehensive benefits package we provide to our employees. This section of the
4 handbook is designed to acquaint employees with some of the more significant features of CalOptima's employee
5 benefits. It is important to remember that more detailed information is set forth in the official plan documents,
6 summary plans descriptions and/or group policy contracts that govern the plans. Accordingly, if there is any real
7 or apparent conflict between the brief summaries contained in this manual and the terms, conditions, limitations
8 or exclusions of the official plan documents, the provisions of the official plan documents will control over these
9 brief summaries. Employees are welcome and encouraged to review the official plan documents, available in the
10 Human Resources Department, for further information.

11 Workers' Compensation

12
13 CalOptima, in accordance with state law, provides insurance coverage for employees in case of work-related
14 injuries. The cost of this insurance is completely paid for by CalOptima. The Workers' Compensation benefits
15 provided to injured employees may include:
16

- 17 • Medical, surgical and hospital treatment;
- 18 • Partial payment for lost earnings that result from work-related injuries; and/or
- 19 • Rehabilitation services to help injured employees return to a suitable employment.

20
21 Employees are required to report all on-the-job injuries to their supervisor and Human Resources immediately,
22 regardless of how minor the injury may be. CalOptima is legally required to report serious injuries, or illnesses,
23 including the death of an employee, within eight (8) hours of the incident and/or accident.

24 See Human Resources Policy GA.8041: Workers' Compensation Leave of Absence

25 Paid Time Off and Workers' Compensation

26
27 Workers' Compensation does not usually cover absences for medical treatment, follow-up doctor's appointments,
28 physical therapy appointments, and/or other appointments related to a Workers' Compensation claim, or injury.
29 When an employee reports a work-related illness, or injury, he or she will be sent to CalOptima's designated
30 clinic if medical treatment is necessary. Employees may have the option of seeing their own doctor if their doctor
31 has previously been designated as the treating physician and this authorization has been submitted to Human
32 Resources. CalOptima generally participates in a Medical Provider Network (MPN), through which all treatments
33 are provided to the employee. All appointments related to treatment must be coordinated through the Workers'
34 Compensation insurance company and the Human Resources Department.

35
36 Any further medical treatment will be under the direction of the employee's primary treating physician.
37 Employees returning to work, or who are still working after a work-related injury or illness under the Workers'
38 Compensation Act, are required to coordinate with their supervisor to use accrued PTO, or make up time away
39 from work, consistent with CalOptima's time-keeping requirements, for follow-up medical appointments.
40 Employees who do not have sufficient PTO accruals may take unpaid time off for follow-up medical
41 appointments. Appointments should be scheduled in a manner that provides the least disruption to the employee's
42 normal work schedule.
43

44 Core Health Benefits

1 The benefits CalOptima offers its employees are an important part of a total compensation package. Such
2 benefits, like health and life insurance, would be significantly more expensive if employees had to purchase them
3 privately. CalOptima's benefits are regularly reviewed to ensure that they are competitive with those offered by
4 other public agencies and organizations in Southern California.

5
6 All regular full-time, regular part-time and ~~limited-term~~qualifying as-needed employees and, if elected, their
7 eligible family members, are eligible for health insurance benefits beginning the first day of the month following
8 the employee's date of hire. However, if the date of hire is on the first of the month, health insurance benefits
9 begin effective on the hire date. Eligible family members include: spouses, registered domestic partners, and
10 dependent children- under the age of 26 or disabled dependent. Documentation certifying eligibility is required.
11 Coverage will commence on the first (1st) of the month following the employee's date of hire unless the date of
12 hire is the first (1st) of the month.

13
14 Employment eligibility requirements and enrollment change information is available in the individual Summary
15 of Benefits and Coverage (SBC), Summary Plan Descriptions (SPD) and other benefits booklets. Questions
16 regarding any of CalOptima's benefits should be directed to the Human Resources Department.

17
18 Once enrolled, the employee's elections will remain in effect for the entire, or remaining, plan year (January 1
19 through December 31) unless the employee has a qualifying event. Many of the deductions taken on CalOptima
20 employee health benefits are taken on a pre-tax basis since CalOptima participates in a Flexible Benefits Plan
21 (Cafeteria Section 125 Plan). ~~For~~Unless the employee has a qualifying event, no changes can be made to the
22 employee's elections after the open enrollment period has ended. Employees are solely responsible for making
23 sure the employee's elections are accurate. For this reason, changes to medical, dental, vision, health, or
24 dependent care flexible spending accounts (FSA) may only be made with the submission of supporting
25 documentation that provides substantiation of the qualifying event. Some examples of qualifying events include,
26 but are not limited to: marriage, divorce, birth/adoption of child, over-age dependent and change of spouse's
27 employment. If one of these events occurs, the Human Resources Department must be contacted within thirty (30)
28 days to make a change. Otherwise, employees are required to wait until the next annual open enrollment period,
29 usually held in October of each year, to make any changes to their elections. The effective date for qualifying
30 event changes can only be made prospectively, not retroactively.

31
32 When health benefits coverage terminates due to an extended personal leave of absence, or termination of
33 employment with CalOptima, employees may be eligible under COBRA (Consolidated Omnibus Budget
34 Reconciliation Act of 1985) to continue enrollment for a period of time. Additional information is mailed to
35 terminated employees from a third-party COBRA administrator following the last day of employment.

36
37 Upon an employee's separation from CalOptima, health insurance benefits continue through the end of the month
38 that he or she terminates in. The employee is responsible for his or her share of the costs for health insurance
39 benefits for the entire month, and appropriate deductions will be included in the employee's final paycheck.

40
41 Below is list of core benefits available to eligible full-time and part-time regular employees, ~~as well as limited-~~
42 ~~term employees.~~ The employee premiums, deductions from payroll for these benefits, vary depending on the
43 employee's employment classification and annual modifications based on changes in premiums from our carriers.
44 CalOptima reserves the rights to modify, change, eliminate or add to the following list of benefits at its sole
45 discretion:

46
47 **Health** — CalOptima provides different options for affordable HMO and PPO health plans that include a broad
48 network of medical groups and hospital access with a very reasonable co-pay structure for office visits and
49 pharmacy benefits. A High Deduction Health Plan (HDHP), inclusive of employer contributions, and a Health
50 Savings Account (HSA) are available at the employee's election.

Dental — Comprehensive dental plans that include preventive dental care visits at no charge, as well as orthodontia benefits, are available to CalOptima employees.

Vision — CalOptima’s vision plan design allows for eye examinations, glasses and contact lenses.

Life and AD&D — Full-time regular employees receive a \$50,000 life and accidental death and dismemberment (AD&D) insurance policy, or one (1) times the employee’s basic annual earnings, whichever is higher, with a maximum amount of \$325,000. Part-time regular employees receive a \$25,000 life and AD&D insurance policy, or one (1) times their basic annual earnings, whichever is higher.

Short-Term Disability — An employee with a qualifying disability/condition may receive short-term disability benefits, which pays sixty percent (60%) of an employee’s regular wages for a period of time following a waiting period. This benefit is a substitute for state disability benefits as CalOptima does not participate with the State Disability Insurance (SDI) program. CalOptima provides this benefit free to eligible employees.

Long-Term Disability — An eligible employee with a qualifying disability/condition may receive long-term disability benefits, which pays sixty percent (60%) of regular wages until normal retirement age, as long as the employee meets the definition of disability. This benefit is used in lieu of state disability benefits since CalOptima does not participate with the State Disability Insurance (SDI) program. CalOptima provides this benefit free to eligible employees.

Employee Assistance Program (EAP) — This free and confidential resource provides easy and accessible services to employees (and some extended family members) for behavioral health issues such as: counseling for relationship issues, emotional well-being, legal and financial assistance, substance abuse, as well as workplace challenges.

CalOptima also offers additional voluntary benefits to eligible employees. These voluntary optional benefits may include benefits such as: additional voluntary life and AD&D insurance, whole life and critical illness insurance plans, legal plans and flexible spending accounts (FSA). All voluntary benefit premiums are one hundred percent (100%) paid for by the employee.

Retirement Benefits

CalPERS (California Public Employees Retirement System) Defined Benefit Plan — CalOptima has contracted with CalPERS instead of participating in Social Security. Regular full-time, ~~and~~ regular part-time, ~~and-limited-term~~ employees are automatically enrolled into the CalPERS plan upon date of eligibility, which is usually the employee’s date of hire. In particular cases, qualifying as-needed and temporary employees, who were previously enrolled in CalPERS may also be enrolled into CalPERS upon date of eligibility. To be eligible for service retirement with CalPERS, employees considered classic CalPERS members must be at least age fifty (50) and have a minimum of five (5) years credited service. For new employees hired on, or after, December 1, 2013, who do not have reciprocal rights, the minimum retirement age for new hires has been increased to fifty-two (52); however, the years of credited service remains five (5). Classic CalPERS members (those that established membership prior to January 1, 2013) are enrolled in the 2 percent @ 60 benefit formula. New members (those that established membership on or after January 1, 2013) are enrolled in the 2 percent @ 62 formula. Basic CalPERS plan information is provided to employees during their first month of employment.

PARS (Public Agency Retirement Services) Defined Contribution Plan — This supplemental retirement plan is a 401(a) tax-qualified multiple employer trust. All regular full-time, ~~and~~ regular part-time ~~and-limited-term~~ employees are automatically enrolled, and a contribution is made by CalOptima. There is a vesting requirement based on quarters of service. Contributions are automatically invested into a life-cycle mutual fund and professionally managed; however, employees have the option to self-direct fund investments in their account.

Basic plan information is provided to employees during their first month of employment.

457b Deferred Compensation Plan — A 457b voluntary plan is also offered as a way to save for retirement. All deposits to this plan are made by the employee. The annual IRS regulated contribution limit generally increases each year and catch-up contribution provisions are available for those who are age fifty (50) and above. The employee determines his or her contribution amount as well as his or her investment allocation. A licensed financial advisor will provide plan related information, usually within the first month of employment.

Social Security Retirement — CalOptima does not participate in Social Security. All regular full-time and regular part-time employees are considered Social Security tax exempt and pay into CalPERS instead of Social Security. Upon hire, Human Resources will explain how CalPERS and Social Security work together. The Human Resources Department will inform employees about two (2) important Social Security provisions: Government Pension Offset and Windfall Elimination Provision. As-needed employees are not eligible for CalPERS membership, unless certain conditions apply, therefore, by default, unless they are eligible for enrollment in CalPERS, they are the exception to this rule and will see a FICA/Social Security deduction taken from their payroll, and subsequently are only authorized to work up to one thousand (1,000) hours per fiscal year on a general basis.

Medicare — The employee and CalOptima each contribute their proportionate share to Medicare.

Paid Time Off (PTO)

CalOptima provides paid time off (PTO) benefits to all eligible employees to enable them to take time off for rest and recreation and to recover from illness. CalOptima believes this time is valuable for employees in order to enhance productivity and to make the work experience more personally satisfying. CalOptima provides long-service employees with additional PTO benefits as years of service are accumulated.

Full-time, part-time, and limited-term employees who are regularly scheduled to work more than twenty (20) hours per week are eligible to accrue PTO. An eligible employee may use PTO hours for vacation, preventive health or dental care, or care of an existing health condition of the employee, or the employee's family member, short-term illness, family illness, emergencies, religious observances, personal business, Child-Related Activities, or for specified purposes if the employee is a victim of domestic violence, sexual assault, or stalking. CalOptima encourages all employees to maintain a work-life balance by utilizing PTO benefits for rest and recreation throughout the year.

The maximum amount permitted in an employee's PTO account is equal to two (2) times the employee's annual PTO accrual rate. When an employee reaches his or her maximum PTO accrual amount, the employee will stop accruing PTO. PTO accruals will only accrue in conjunction with CalOptima payroll and will be prorated based on hours earned.

Eligible employees accrue PTO based on their classification as exempt, or non-exempt, hours paid (excluding overtime) each pay period (non-exempt employees), and years of continuous services in accordance with the following accrual schedule below. PTO begins accruing from the date of hire.

Annual Paid Time Off Benefits Accrual Schedule

Non-Exempt Employees:

Years of Continuous Service	Hours of PTO Earned (Biweekly pay period)	Hours Accrued per Year	Days Accrued per Year
-----------------------------	---	------------------------	-----------------------

0-3	5.54	144	18
4-10	7.08	184	23
11 +	8.62	224	28

Exempt Employees:

Years of Continuous Service	Hours of PTO Earned (Biweekly pay period)	Hours Accrued per Year	Days Accrued per Year
0-3	7.08	184	23
4-10	8.62	224	28
11 +	10.15	264	33

See Human Resources Policy GA.8018: Paid Time Off (PTO)

Paid Sick Leave

CalOptima provides employees who are eligible to accrue PTO a sufficient amount of PTO that can be used for sick leave that satisfies the accrual, carryover, and use requirements under the Healthy Workplaces, Healthy Families Act of 2014 (Act). For all other employees who are not eligible to accrue PTO, effective July 1, 2015, as-needed, per diem, or temporary employees may become eligible for paid sick leave if the employee works thirty (30), or more, days within one (1) year from the start of their date of employment. Twenty-four (24) hours, or three (3) days, whichever is greater, of paid sick leave is provided only to eligible employees who do not accrue PTO.

Upon satisfying a ninety (90)-day employment period, employees may use accrued sick leave for preventative care or diagnosis, care, or treatment of an existing health condition of the employee, or the employee's family member, or for specified purposes if the employee is a victim of domestic violence, sexual assault, or stalking.

Upon termination, resignation, retirement, or other separation from employment, CalOptima will not pay out employees for unused paid sick leave time accrued under the Act. If an employee separates and is then rehired by CalOptima within one (1) year from the date of separation, the previously accrued and unused paid sick leave time will be reinstated. An employee rehired within one (1) year from the date of separation may not be subject to the Act's ninety (90)-day waiting period, if such condition was previously satisfied, and may use their paid sick leave time immediately upon rehire, if eligible.

See Human Resources Policy GA. 8018: Paid Time Off (PTO)

Holidays

CalOptima generally observes the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day and the Friday after Thanksgiving

- Christmas Day
- One (1) Flex Day (accrues on January 1st)

A holiday that falls on a Saturday or Sunday is usually observed on the preceding Friday, or the following Monday. Holiday observances will be announced in advance. CalOptima may, in its discretion, require an employee to work on scheduled holidays. If a non-exempt employee is required to work a scheduled holiday, he or she will receive his or her regular rate of pay for the holiday pay in addition to his or her regular compensation for the hours of actual work performed. From time to time, at the discretion of the CEO, the CEO, or his/her Designee, may authorize managers, at their discretion, to release employees early, up to a maximum of two (2) hours, with pay, on the work day immediately preceding a holiday, as long as departments ensure critical areas are covered for the entire business day. The release of employees early is intended to benefit only those employees who are working on the work day immediately preceding a holiday. Employees who are on PTO on the day employees are permitted to leave early are not entitled to any credit or future early release.

Flex Holidays

Employees will receive a maximum of one (1) flex holiday (maximum of eight (8) hours, prorated based on scheduled work hours) on January 1st of each year; however, CalOptima reserves the right to assign a specific date for the flex holiday for business reasons and/or needs. Limits are imposed on the number of flex holiday hours that can be maintained in the employee's flex holiday account. A maximum of twelve (12) hours, prorated based on scheduled work hours, may be maintained in an employee's flex holiday account as of January 1st of each year. In the event that available flex holiday hours are not used by the last pay period of the calendar year, employees may carry unused flex holiday hours into subsequent years and may accrue additional hours up to the maximum of eight (8) hours, prorated based on the scheduled work hours. If an employee reaches the maximum amount of twelve (12) hours on January 1st, prorated based on the scheduled work hours, the employee will stop accruing flex holiday hours. Flex holiday hours are not eligible for annual cash out applicable to PTO hours. However, if an employee separates from CalOptima and has unused flex holiday hours, the unused flex holiday hours for that calendar year will be paid out at the same time and in the same manner as unused PTO hours upon termination.

Eligibility

Regular full-time, and regular part-time ~~and limited term~~ employees who are regularly scheduled to work twenty (20), or more, hours per week are eligible for holiday benefits and flex holiday accrual hours, but will be prorated based on their ~~scheduled work hours~~ full-time or part-time status at the time of the holiday. To receive holiday pay, employees must work, or be paid for the regularly scheduled workdays preceding and following the CalOptima holiday. If a paid holiday occurs during the period an employee is on a LOA, the employee may be eligible for the holiday pay if PTO is being used for the LOA the day before and the day after the holiday, and the holiday pay will be prorated based on the employee's full-time or part-time status as it was in effect prior to the LOA. If a holiday falls on a day in which the employee would have been regularly scheduled to work, the holiday will count against the employee's LOA entitlement.

Education Reimbursement

CalOptima believes in the development and growth of its employees. In order to encourage developmental progression, CalOptima provides an Education Reimbursement Program to offer repayment of reasonable educational and professional development expenses for work-related courses and/or programs, including professional licensure requirements, to all eligible regular full-time, or part-time, employees who have completed their initial one hundred eighty (180) days of employment.

Courses eligible for tuition reimbursement must be either part of an accredited college degree program,

1 certifications awarded by state, or national, professional organizations, or individual local courses provided by
2 credible institutions that meet one (1) the following conditions:

- 3
- 4 1. Educate the employee in new concepts and methods in their present assignment.
- 5 2. Help prepare the employee for advancement to positions of greater responsibility available within
- 6 CalOptima.
- 7

8 Attendance at outside education courses and/or programs, whether required by CalOptima, or requested by
9 individual employees, requires prior written management and Human Resources approval. Details of the program
10 and how to apply for reimbursement are available in the Human Resources Department. The Human Resources
11 Department shall be responsible for developing, administering, and maintaining the program. In order to be
12 reimbursed, eligible employees must satisfactorily complete a work-related course or program, or complete a
13 professional certification offered by an accredited school, community college, college, university, or other
14 recognized professional organization, or learning institution. Miscellaneous expenses such as parking, books, and
15 supplies are not covered and shall not be reimbursed.

16
17 Seminars, conferences, or business meetings that do not result in certification are not covered under Education
18 Reimbursement.

19
20 See Human Resources Policy GA.8036: Education Reimbursement

21 22 **Unemployment Insurance**

23
24 CalOptima contributes to the California Unemployment Insurance Fund on behalf of its employees in the event
25 employees become unemployed through no fault of their own. Eligibility for Unemployment Insurance is
26 determined solely by the Employment Development Department (EDD) of the State of California.

27 28 **COBRA**

29
30 CalOptima complies with the provisions and requirements of both the Consolidated Omnibus Budget
31 Reconciliation Act of 1985 (COBRA) and the Health Insurance Portability and Accountability Act of 1996
32 (HIPAA). Both Acts provide for continued coverage of an employee's, his or her spouse's, and his or her
33 dependents' health benefit coverage in the event that the employee is no longer eligible for CalOptima's group
34 health coverage. Please see the Human Resources Department for additional information.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CalOptima Property

Employer Property

Cubicles, desks, computers, vehicles, and other CalOptima owned, or leased, items are considered CalOptima property and must be maintained according to CalOptima's policies, rules, and regulations. CalOptima property must be kept clean and in good condition. Decorations in an employee's work space should fit with the overall professional business atmosphere CalOptima projects and should take into consideration the needs and sensitivities of our members, providers, fellow employees and the public.

Data maintained on CalOptima's systems, including employee work-product, are CalOptima property, and Employees should refrain from downloading any CalOptima work product, particularly confidential and proprietary information, including but not limited to, documents the employee may have developed or prepared that contain PHI, during the course of employment and/or upon termination. Potential civil and criminal liability may result from such conduct.

Posters, calendars, personal affects, etc. are not allowed to be taped, or tacked, to shared areas such as filing cabinets, corridors, walls or doors. In addition, the placing of items outside of a work station panel is prohibited. If an employee has any items that need to be mounted on a wall within his or her workstation or office, he or she should request assistance from the Facilities Department. CalOptima reserves the right to inspect all CalOptima property to ensure compliance with its policies, rules, and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

Employees are asked to minimize personal phone calls and messages from personal callers to avoid interruption of work. CalOptima understands that, from time-to-time, personal, or family calls or messages, are necessary; however, employees are expected to use good judgment and, whenever possible, to limit these calls to meal and break times. CalOptima reserves the right to monitor voice mail messages and email messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence. Employees should be aware that as a public agency, all documents, including email messages and instant messages, are public records and may be subject to disclosure. Employees should not have any expectation of privacy concerning email messages sent and received from CalOptima email or instant messages sent and received through CalOptima's network.

Prior authorization must be obtained before any CalOptima property may be removed from the premises. For security reasons, employees should not leave personal belongings of value in the workplace or in plain view. Employees are solely responsible for their own personal belongings, and CalOptima shall not be liable for any lost, stolen or misplaced personal belongings. Personal items in and on CalOptima property are subject to reasonable inspection and search.

Terminated employees must remove any personal items at the time they leave CalOptima or make arrangements with Human Resources to remove these items. Personal items left in the workplace are subject to disposal if arrangements are not made at the time of an employee's termination. CalOptima shall not be responsible for any lost, or discarded, personal items left behind. Terminated employees who have CalOptima property at their home must make arrangements with Human Resources to have these items picked up within a week of their termination date.

Housekeeping

All employees are expected to keep their work areas clean and organized. The use of personal floor, or desktop heaters, coffee makers, and mini-refrigerators is not permitted in the cubicles.

People using common areas such as lunch rooms, locker rooms, conference rooms, and restrooms are expected to

1 use appropriate and courteous etiquette including keeping the common areas sanitary and in a clean state for the
2 next person to use. Employees should clean up immediately after meals and dispose of trash properly. CalOptima
3 encourages good health habits to prevent the spread of germs, colds, the flu, and other illnesses.
4
5

6 **Off-Duty Use of Facilities**

7

8 Employees are prohibited from remaining on CalOptima premises or making personal use of CalOptima facilities
9 while not on duty without prior permission from the Human Resources Department.
10

11 **Cell Phones**

12

13 **Driving with Cell Phones:**

14 In the interest of the safety of our employees and other drivers, and in compliance with state laws, CalOptima
15 employees are prohibited from using cell phones without a hands-free device and prohibited from text messaging
16 and/or searching the internet while driving on CalOptima business and/or driving during CalOptima time. If an
17 employee's job requires that he or she keep his or her cell phone turned on while he or she is driving, he or she
18 must use a hands-free device and operate the vehicle safely. Cell phones may not be used under any
19 circumstances or in any manner that would distract an employee from the duty to drive in a safe and non-
20 negligent manner.
21

22 **Cell Phone Etiquette:**

23 We ask that employees be considerate of others when using a cell phone during work hours and while on duty.
24 Appropriate phone etiquette includes putting phones on silent, or vibrate, mode to minimize disruptions, and
25 minimizing text messaging and internet surfing during meetings. Employees should refrain from excessive use of
26 personal hand-held devices during work hours and while on duty for non-job-related duties. Employees are asked
27 to minimize personal cell phone calls and text messages or personal emails unrelated to CalOptima business on
28 hand-held devices to avoid interruption of work. Employees are asked to refrain from using cell phones in
29 restrooms. Employees are expected to use good judgment and, whenever possible, to limit these personal cell
30 phone calls or use of hand-held devices to meal and break times.
31

32 **Restrictions on Smoking and Unregulated Nicotine Products**

33

34 As a public agency providing access to quality health care services, CalOptima endeavors to maintain a safe and
35 healthful environment for its employees, members, and visitors to CalOptima property. In keeping with this
36 philosophy, it is important that the workplace and office environment reflect CalOptima's concern for good health.
37 Therefore, smoking, inclusive of electronic smoking devices, and the use of unregulated nicotine products is strictly
38 prohibited inside the building and is allowed only in designated outside smoking areas at least twenty-five (25) feet
39 away from any CalOptima owned, or leased, building. Employees who wish to smoke, inclusive of electronic
40 smoking devices, or use unregulated nicotine products, must limit their smoking or use of unregulated nicotine
41 products to break and meal periods in areas outside of work premises and only in designated smoking areas.
42

43 See CalOptima Policy GA.8048: Restrictions on Smoking and Unregulated Nicotine Products
44

45 **Computer, Email, and Internet Usage**

46

47 CalOptima recognizes that use of the Internet has many benefits for CalOptima and its employees. The Internet
48 and email make communication more efficient and effective. Therefore, employees are encouraged to use and
49 access the Internet appropriately. Unacceptable use of the Internet and email can place CalOptima and others at

1 risk. As a public agency, we must be mindful that our written communications, stored data and internet searches
2 could constitute a public record. Therefore, all communications, including emails, and internet usage should be
3 business appropriate.

4
5 The following guidelines have been established for using the Internet and email in an appropriate, ethical, and
6 professional manner:

- 8 • CalOptima's Internet and email access may not be used for transmitting, retrieving, or storing of any
9 communications of a defamatory, discriminatory or harassing nature, or materials that are obscene,
10 sexually suggestive, or explicit.
- 11 • No messages with derogatory, or inflammatory, remarks about an individual's race, age, disability,
12 religion, national origin, physical attributes, or sexual preference shall be transmitted. Harassment and
13 discrimination of any kind or form is strictly prohibited.
- 14 • Disparaging, abusive, profane, discriminatory, or offensive language and any illegal activities are
15 forbidden. The posting, uploading, or downloading of pornographic or vulgar messages, photos, images,
16 sound files, text files, video files, newsletters, or related materials is strictly prohibited.
- 17 • Each employee is responsible for the content of all text, audio, or images that he/she places or sends over
18 CalOptima's Internet and email system. No email, or other electronic communications, may be sent that
19 hides the identity of the sender or represents the sender as someone else.
- 20 ~~• CalOptima recognizes that at times employees may receive personal emails related to doctor's visits,~~
21 ~~school information, etc. CalOptima employees should minimize the personal use of e-mail, or the~~
22 ~~Internet, and try to restrict personal email and Internet use to break periods. Employees are encouraged to~~
23 ~~use personal Internet email accounts to communicate regarding non-work related matters and to keep this~~
24 ~~to a minimum.~~
- 25 • All CalOptima business should be conducted using CalOptima equipment and systems. CalOptima
26 employees do not have access to personal email accounts over the internet. Access from work computers
27 to consumer email services such as Google Gmail, Yahoo! Mail, AOL, Hotmail, live.com, EarthLink,
28 university email systems, cable provider email systems, etc. is not available. Emails that are received
29 from these services from members, providers or others are permitted
- 30 • Users shall have no expectation or assumption of confidentiality, or privacy, of any kind related to the use
31 of emails and the Internet. CalOptima has the right, with or without cause or notice, to access, examine,
32 monitor, and regulate all electronic communications, including email messages, directories and files, as
33 well as Internet usage. Also, the Internet is not secure, so employees should not assume that others cannot
34 read, or possibly alter messages.
- 35 • Internal and external email messages are considered business records and may be subject to discovery in
36 the event of litigation, or disclosure, in the event of a public records request. Be aware of this possibility
37 when sending email within and outside CalOptima.
- 38 • Users shall ensure the security of Protected Health Information (PHI) in accordance with CalOptima's
39 HIPAA policies. Sensitive data (PHI) should not be stored on nor sent to through any employee's
40 personal consumer email services. Examples include Yahoo!, live.com, Gmail, Hotmail, AOL, or any
41 other non-CalOptima email system.
- 42 • Users shall be responsible for using the Internet, email, InfoNet, and internal office communicator in an
43 appropriate manner. CalOptima shall block access to categories of websites deemed inappropriate (illegal,
44 pornographic, etc.) or unnecessary (entertainment, games, etc.).

45
46 All CalOptima-supplied technology, including computer systems and CalOptima-related work records, belong to
47 CalOptima and not the employee. CalOptima may routinely monitor usage patterns for its email and Internet
48 communications. Since all the computer systems and software, as well as the email and Internet connection, are
49 CalOptima owned, all CalOptima policies are in effect at all times during usage. Any employee who abuses the
50 privilege of access to email and/or the Internet may be denied access to the Internet and, if appropriate, be subject
51 to disciplinary action up to and including termination.

CalOptima may periodically need to assign and/or change passwords and personal codes for voice mail, email or computer login. CalOptima reserves the right to keep a record of all passwords and codes used for CalOptima business and/or may be able to override any such password system.

CalOptima has separate agreements with wireless providers. As a result, CalOptima employees may be eligible for discounts with these providers. Please check with Human Resources for more information.

See Administrative ~~Policy~~Policies GA.[5005a: Use of Technology Resources and](#) GA.5005b: E-mail and Internet Use

Solicitation, Distribution, and Bulletin Boards

CalOptima is an employer that values families and nonprofit organizations, and we want to support our employees with their fundraising activities. Employees should reserve fundraising activities for non-work time (breaks and lunch, or after hours) and in non-work areas (break rooms). Solicitations should be discrete, courteous, and carried out in a manner that does not interfere with CalOptima's operations. Please make sure that any solicitation involves requests that are professional and in good taste.

An employee may distribute, or circulate, non-CalOptima written materials to other employees only during non-working time and only in non-work areas. If an employee is unclear whether an area is a work, or non-work, area, he or she should consult his or her immediate supervisor or the Human Resources Department for clarification.

Solicitation, or distribution, in any way connected with the sale of any goods or services for profit is strictly prohibited anywhere on CalOptima property at any time, unless otherwise approved by management. Similarly, solicitation, or distribution, of literature for any purpose by non-employees is strictly prohibited on CalOptima's property at any time.

CalOptima has a bulletin board located on each floor for the purpose of communicating with its employees. Postings on these boards are limited to CalOptima related material including statutory and legal notices, safety and work-related rules, CalOptima policies, memos of general interest relating to CalOptima and other items. All postings require the prior approval of the Human Resources Director, or designee.

Unauthorized posting of literature on CalOptima property (including bulletin boards, walls and the outside of cubicles) is strictly prohibited.

Photo-Identification Badges

Employees of CalOptima are required to wear their photo-identification badges while at CalOptima and, when appropriate, while conducting CalOptima business. Photo identification badges must be visible at all times while working on site. In addition, an employee's photo-identification badge also serves as a key to allow an employee access to his or her department, restrooms, break/lunch room, and other permitted areas within the building.

Photo-identification badges and/or key cards are not transferable to other CalOptima employees, vendors, or family members.

The employee's photo-identification badge is the property of CalOptima and must be returned when employment is terminated for any reason.

We also encourage employees to be aware of people in our work areas to make sure they are wearing a badge and

are either CalOptima employees or escorted by CalOptima employees. If an employee notices someone who is not wearing a badge they are expected to report them to the Facilities Department.

Wages and Work Schedules

Work Schedules

CalOptima's normal hours of operation are between the hours of 8 a.m. and 5 p.m., Monday through Friday, and our reception area is open during these hours. You and your supervisor will work out your individual work schedule, meal period, and break times. All employees are expected to be at their desks, or work stations, at the start of their scheduled shifts, ready to work. CalOptima reserves the right to modify employees' starting and ending times and the number of hours worked.

Time-keeping Requirements

All hourly (non-exempt) employees are required to accurately record time worked for payroll purposes. Employees must record their own time at the start and at the end of each work day, including before and after unpaid lunch breaks. Except for scheduled break times, non-exempt employees also must record their time away from CalOptima premises whenever they leave the building for any reason other than CalOptima business. At the end of each pay period, each hourly (non-exempt) employee shall verify and approve this schedule through CalOptima's time-keeping system and submit it to his or her supervisor for approval. Any errors on an employee's timecard should be reported immediately to his or her immediate supervisor.

Supervisors will determine and notify employees of their regular work schedule/shift. Due to possible changes in work force and CalOptima's needs, CalOptima retains the right to change an employee's work schedule, or the number of hours worked in a day, subject to all applicable wage and hour laws.

Exempt employees are not required to complete timecards and are not eligible for overtime. However, as a public agency employer, CalOptima has expectations of employees that are established pursuant to principles of public accountability. Exempt employees are expected to work a regular work schedule based on CalOptima's core business hours and should notify their supervisors in advance of any deviations from their normal work schedule and accurately record any exceptions to their regular work schedule including, but not limited to, hours used for PTO, jury duty, bereavement leave, etc. CalOptima looks to exempt employees to demonstrate the level of commitment and conscientiousness that is appropriate to their status. Exempt employees work a minimum of forty (40) hours per week (for full-time employees) and may need to work additional hours to complete projects and tasks. It is common for exempt employees to work more than a forty (40) hour work week. As a result, subject to prior supervisor approval, occasional short-term absences (for example, two (2) hours for a doctor's appointment) would not require the use of PTO accruals if the employee otherwise makes up the time away from work in the same pay period. Exempt employees are still required to be respectful and request this time off in advance from their supervisor. Supervisors will monitor an employee's time away from work and make up time to ensure accountability. Should an exempt employee work less than a full work day, and the employee does not otherwise make up the time off within the same pay period, the employee must request approval for PTO because this is lost time to the organization.

Workweek and Workday

The workweek on which weekly overtime calculations will be based begins each Sunday at midnight (12:01 a.m.) and ends the following Sunday at midnight. The work week will differ for employees working an alternative schedule such as 9/80 (see section regarding Alternative Work Schedules).

Payment and Wages

Normal paydays are every other Friday. Please consult CalOptima's pay schedule available through the Human Resources Department.

Each paycheck will include base earnings for all reported hours performed through the end of the payroll period. The payroll period ends the Sunday prior to pay day at 12 a.m. In the event that a regularly scheduled payday falls on a holiday, employees will receive their pay on the last day of the workweek preceding the day off. All employees will receive an itemized statement of wages each payday.

Payment on Resignation or Termination

According to California Labor Code Section 220 (b), as a public agency, CalOptima is not required to pay wages immediately upon termination. If an employee resigns, or is terminated, his or her final paycheck will be available on CalOptima's next regularly scheduled payday. The employee's final paycheck will include payment for all wages due and not previously paid and for accrued but unused PTO, minus authorized deductions.

Overtime

Hourly (Non-Exempt) Employees

Periodically, a need for overtime arises, either before or after the regular workday or on weekends. As a public agency, we follow federal wage and hour laws. Overtime will be provided for all **hours worked** in excess of forty (40) hours in any one (1) work week at the rate of 1½ times the non-exempt employee's regular rate of pay. Overtime must be approved in advance by management.

Salaried (Exempt) Employees

Exempt employees are not covered by the overtime provisions and do not receive overtime pay.

Meal and Rest Periods

CalOptima recognizes how important it is to have a break during the work day. As a result, CalOptima encourages employees who work for a period of more than five (5) hours to take an unpaid meal period of at least thirty (30) minutes. CalOptima also recommends a paid rest period of no more than fifteen (15) minutes to be taken approximately halfway through any work period of three and one-half (3.5) hours, or more. For example, employees should receive one (1) fifteen (15)-minute rest period in the first half of an eight (8)-hour shift, and one (1) fifteen (15)-minute rest period in the second half of an eight (8)-hour shift. Employees may not combine their breaks and lunch to alter their normal work hours.

Lactation

Employees may take a reasonable amount of break time, subject to certain limitations, in order to express milk for the employee's child. The break shall run concurrently with rest breaks or lunch periods already provided to the employee but shall otherwise be unpaid.

Holiday Pay

Employees are paid their regular straight-time wages for CalOptima paid holidays as set forth in the Holidays section under Benefits in this handbook.

Make Up Time

CalOptima allows the use of makeup time when employees need time off to tend to personal obligations. For

example, an employee might request makeup time in advance for the following situations:

- An employee needs to leave one (1) hour early for a doctor's appointment on Monday and asks to make up that time on Tuesday by working an hour later.
- An employee on a 9/80 workweek will receive eight (8) hours of holiday pay on a nine (9) hour day and he or she asks in advance to make up the additional hour rather than take it from his or her PTO accruals.

Make up time worked will not be paid at an overtime rate and the work week in which the makeup time occurs cannot exceed forty (40) hours. Employees may take time off and then make up the time later in the same work week or may work extra hours earlier in the work week to make up for time that will be taken off later in the work week.

Non-exempt employees should submit make up time requests **in advance** to their supervisor through CalOptima's time-keeping system and document their revised schedule into their timecard. Requests will be considered for approval based on the legitimate business needs of the department at the time the request is submitted. A separate written request is required for each occasion the employee requests make up time.

An employee's use of make-up time is completely voluntary. CalOptima does not encourage, discourage, or solicit the use of make-up time.

Supplemental Compensation

In certain instances, CalOptima offers supplemental compensation, in addition to an employee's regular base pay, to compensate for business needs. Supplemental compensation includes, but is not limited to, compensation for:

- Overtime **Pay**: Non-exempt employees will be paid overtime pay at a rate of one and one-half (1.5) times the employee's base hourly rate of pay for all hours worked in excess of forty (40) hours in any one (1) workweek. Exempt employees are not covered by the overtime provisions and do not receive overtime pay.
- Night Shift **Pay**: A non-exempt employee who works an assigned night shift shall, in addition to his or her regular base pay, be paid a supplemental night shift pay for each hour actually worked on the assigned night shift.
- Bilingual Pay: A supplemental bilingual pay may be paid to ~~a~~ qualified exempt and non-exempt ~~employee holding a position requiring employees who are fluent in at least one (1) of CalOptima's Threshold Languages and~~ bilingual ~~proficiency in a specific language as designated by~~ usage is required or preferred ~~in the department director job description.~~
- Call Back Pay: In certain departments, non-exempt employees are eligible for call back pay should they be asked to physically return to work within one (1) hour by their supervisor.
- On Call Pay: On occasion, employees may be asked to be on call. On call pay is compensation provided to employees who must remain accessible after hours and/or on the weekends via pager, or mobile phone, and be available to work via phone, fix problems or report to work, if necessary.
- Certified Case Manager (CCM) Pay: Supplemental pay may be paid to an RN who holds an active CCM certification when such certification is required or preferred in the job description and used regularly in performance of the employee's job duties.
- Sales Incentive Program: Eligible employees in the OneCare Sales and Marketing Department may be eligible to receive a sales incentive that corresponds to the number of eligible members the employee enrolls in the OneCare and OneCare Connect Programs each month.
- Translation Pay: The Cultural and Linguistic Services Program may compensate CalOptima employees outside of their department for translation work.

- Executive Incentive Program: The Chief Executive Officer may recognize executive staff, including interim appointments, using incentive compensation as described in CalOptima Policy GA.8042: Supplemental Compensation. For executive staff who achieve superior performance, the executive incentive compensation is considered bonus pay pursuant to 2 CCR Section 571(a) and is to be reported to CalPERS as special compensation for classic Members.

See Human Resources Policy GA.8042: Supplemental Compensation ~~and Human Resources and Policy GA.8035: Translation Rates~~

Severance Pay

The Chief Executive Officer (CEO), in his sole and complete discretion, may authorize severance pay upon an employee's separation from service when it is deemed appropriate due to special circumstances; e.g., separations due to changing needs of CalOptima, a reorganization of functions or staffing, lack of work ~~and/or~~ changes in the technology or methods used for a specific position, and/or resolution of a potential dispute.

See Human Resources Policy GA.8047: Reduction in Force

Merit Pay

The annual performance review period established by the Chief Executive Officer is typically April 1–March 31, with the annual salary review date occurring in July. In the event a performance review date is delayed for an employee and a positive performance review is given for the covered period that results in a recommended salary increase, CalOptima may make salary adjustments retroactive to the original performance review date with the approval of the Human Resources Department and subject to the guidelines set by the Human Resources Department.

Unemployment Compensation

CalOptima pays into Unemployment Compensation on behalf of the employee. This insurance provides income in the event an employee loses his or her job through no fault of his or her own. Qualified employees should register at their nearest Employment Development Department in order to receive benefits. The amount of unemployment insurance payments varies according to income level.

Short-Term Disability

CalOptima does not participate in the State of California Disability Insurance Plan. Instead, CalOptima operates under an approved private plan of disability insurance. This plan provides for loss of income resulting from non-work-related illness or injury, paying sixty percent (60%) of regular income for up to a maximum of twelve (12) weeks for all benefit-eligible employees. There is a fourteen (14) ~~calendar~~ day waiting/elimination period on illness-related and accident-related disabilities. CalOptima provides this benefit free of charge to employees.

Long-Term Disability

CalOptima provides a rich long-term disability program. Regular full-time ~~and limited term~~ employees are eligible to receive long-term disability coverage, following a ninety (90) ~~calendar~~ day waiting period, during which short-term disability is provided the first month following ninety (90) calendar days of employment. Regular Part-Time/Benefit, Regular Part-Time/Non-Benefit, Per Diem, and Temporary employees are not eligible for long-term disability benefits. All benefit eligible employees are automatically enrolled into this

benefit.

Alternative Work Schedules (9/80)

CalOptima has established an alternative workweek schedule as another way for employees to manage work/life balance and provide CalOptima the opportunity to maintain productivity through different work schedules. Employees will be considered for alternative workweek scheduling on a case-by-case basis. The department director/manager is responsible for identifying if an alternative work week is practical and effective for their department by evaluating both the productivity and quality impacts of the schedule to the department and the needs of the department to ensure service goals can be consistently achieved.

The 9/80 alternate work schedule consists of eight (8) business days of nine (9) work hours per day and one (1) business day of eight (8) work hours for a total of eighty (80) hours during two (2) consecutive workweeks. The eight (8)-hour work day must be on the same day of the week as the employee's regularly scheduled day off. Therefore, under the 9/80 schedule, one calendar week will consist of forty-four (44) hours (four (4) nine (9)-hour days and one (1) eight (8)-hour day) and the alternating calendar week will consist of thirty-six (36) hours (four (4) nine (9)-hour days and one (1) day off). However, each work week will only consist of forty (40) hours, in accordance with the 9/80 Federal Labor Standards Act (FLSA) workweek.

Not every position at CalOptima is eligible for alternative work scheduling. Employees who are interested should discuss this with their supervisor. Employees must receive approval from their supervisor and Human Resources to participate in the 9/80 work schedule. Employees not meeting job standards or expectations and/or who are on a performance improvement plan may not participate in the compressed work schedule until performance standards are met. Managers will review such exceptions with Human Resources before denying the option. Transitioning to the new work week can result in either fewer, or more, than eighty (80) hours in a pay period. Human Resources will work with management to minimize incurring overtime during the transitional period.

Paid time off (PTO) accrual will remain the same for participating employees. When an employee takes a day off under the PTO policy, the accrual will be depleted by the number of scheduled hours for that day. For example, if an employee takes a PTO day on one (1) of their nine (9)-hour days, nine (9) hours of PTO time will be removed from their total available PTO hours. Holiday pay shall remain at eight (8) hours. When a holiday falls on a regular nine (9)-hour workday, the employee has the option of using one (1) hour of accrued PTO or working one (1) hour of make-up time. Should a holiday fall on an employee's scheduled day off, the employee will be permitted to take another day off in the same work week.

Employees are expected to continue to provide the same level of excellent service expected of them. Department managers, at their discretion, may discontinue an individual's, group's, or department's participation in the 9/80 work schedule based on business needs. As a condition of participating in the 9/80 work schedule, employees must agree to work on a scheduled day off for an urgent situation, or as compelled by business needs as determined by the employee's manager.

The 9/80 alternate work schedule is an optional program. CalOptima reserves the right to discontinue the entire program, or an individual employee's participation in the program at any time, for any reason, at management discretion. Employees will not be eligible to participate in both the telework program and the 9/80 Work Schedule during the same period. Employees eligible for both may only request one (1) alternative at a time.

See Human Resources Policy GA.8020: 9/80 Work Schedule

Telecommuting

CalOptima is committed to providing a work environment that assists employees to achieve a proper balance between their work, home and family obligations. In some cases, this balance can best be achieved by allowing employees to perform some or all of their work from their homes when they can do so without compromising their work quality, efficiency, or productivity. Telework is not a universal employee benefit, or entitlement, but an alternative method of meeting the work needs of the organization through ~~an innovative and~~ a flexible work structure. Telecommuting must be pre-approved by an employee's supervisor, director, Environmental Health & Safety Manager, and Human Resources. A Telecommuting Agreement must be completed before an employee may begin telecommuting.

CalOptima retains the right, in its sole discretion, to designate positions that are appropriate for telecommuting and approve employees for telecommuting. Telecommuting does not change the conditions of employment, or required compliance with all CalOptima policies and procedures. CalOptima reserves the right to change, or terminate, the Telecommuting Agreement at any time, with or without cause, or advance notice. An employee's ability to work under a Telecommuting Agreement rests in the sole discretion of CalOptima; and requires that the employee be and remain in good standing. Telecommuting is a privilege and may not be appropriate for all employees and/or all positions. Any employee wishing to telework must first discuss this option with his or her supervisor and Human Resources.

~~For exempt employees not in a teleworking position~~ When special circumstances require it, an employee's manager has the discretion to allow an ~~exempt~~ employee, ~~who is required to be present at his or her home for an unusual and reasonable purpose,~~ to work from ~~home~~ a remote work location on an occasional basis. Occasional is defined as rare, infrequent and not regularly scheduled for brief periods (usually a day or part of a day); with no specific or implied expectation from an employee that he or she will be allowed to work from ~~home. A Telecommuting Agreement, along with the Teleworker Home Inspection Checklists, must be completed and submitted before an employee may work from home~~ a remote work location routinely. This is not considered or counted as a telework position.

Employees who occasionally work from a remote work location must abide by the same requirements as employees who telework. An employee who occasionally works off-site must execute the CalOptima Occasional Off-site Work Agreement and submit the signed document to the Human Resources Department.

Employees will not be eligible to participate in both the telework program and the 9/80 Work Schedule during the same period. Employees eligible for both may only request one (1) alternative at a time.

See Human Resources Policy GA.8044: Telework Program

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Leaves of Absence

Leaves of Absence Overview

CalOptima will grant a leave of absence (LOA) to eligible employees in accordance with CalOptima's respective policies and procedures and all applicable laws. An employee's manager may approve up to five (5) business days of excused absences for an illness, or pre-planned surgery; however, absences of more than five (5) scheduled work days for illnesses, or pre-planned surgery must be submitted to and approved by HR. Use of PTO time for pre-planned vacations does not require HR approval.

If the LOA is granted, the start date of the LOA will be the first day of the requested, substantiated, and approved LOA. Requests for an LOA must be made through the Human Resources Department. To be eligible, employees are required to submit all applicable forms, including, but not limited to sufficient medical documentation, to the Human Resources Department in a timely manner, unless in special circumstances where timely submission may not be feasible.

Employees who satisfy the eligibility requirements set out in CalOptima's respective policies and applicable laws will receive may be granted one or more of the following types of LOAs. These leaves include:

- a. Pregnancy Disability Leave
- b. Family Medical Leave
- c. California Family Rights Leave
- d. Military Family Leave
- e. Military Service Leave
- f. Military Spouse Leave
- g. Workers' Compensation Leave
- h. Jury or Witness Duty Leave
- i. Parental School Attendance
- j. Voting Leave
- k. Victims of Domestic Violence, Sexual Assault or Stalking Leave
- l. Victims of Crime Leave
- m. Volunteer Civil Service Leave
- n. Civil Air Patrol Leave
- o. Bereavement Leave
- p. Personal Leave

Employees taking any LOA must use their full balance of PTO before moving to unpaid leave, unless deemed otherwise by law (i.e., Pregnancy Disability Leave, etc.).

See Human Resource Policy GA.8037: Leave of Absence, GA.8038: Personal Leave of Absence, GA.8039: Pregnancy Disability Leave, GA.8040: Family and Medical Leave Act and California Family Rights Act Leave, GA.8041: Workers' Compensation Leave

Types of Leaves:

Pregnancy Disability Leave

Pursuant to the California Fair Employment and Housing Act (FEHA), Pregnancy Disability Leave (PDL) is available to eligible female employees who are temporarily disabled by pregnancy, childbirth, or a related medical condition. PDL is available for up to four (4) months, including intermittent periods.

1 An employee may request to use accumulated PTO during the PDL and is eligible for disability benefits. If PDL
2 is foreseeable, and when practicable, a thirty (30~~+~~) calendar day advance notice is required. Health benefits and
3 other insurances will continue during the leavePDL period, and the employee is required to pay her portion of
4 coverage at the active employee rate, either by the usual payroll deduction if the employee is still receiving a
5 paycheck, or by making other payment arrangements with the CalOptima Human Resources Department.

6 See Human Resources Policy GA.8039: Pregnancy Disability Leave of Absence

8 **Family Medical Leave Act and California Family Rights Act Leave**

10 State and federal family and medical leave laws provide up to twelve (12) workweeks of unpaid family/medical
11 leave within a twelve (12)-month period. Full-time and part-time employees must meet the following conditions:

- 12 • The employee must have a total of at least twelve (12) months of service at CalOptima.
- 13 • The employee must have worked at least one thousand two hundred fifty (1,250) hours during the
14 previous twelve (12)-month period before the need for leave.

15 An eligible employee may take an unpaid leave of absence under the federal Family and Medical Leave Act
16 (FMLA) and the California Family Rights Act (CFRA) for the following reasons:

- 17 • To care for the employee's newborn child, or placement of a child with an employee for adoption, or
18 foster care.
- 19 • To care for the employee's spouse, registered domestic partner, child or parent who has a serious health
20 condition.
- 21 • For the employee's own serious health condition that makes the employee unable to work at all, or unable
22 to perform the functions of his or her job (While an employee disabled by pregnancy, childbirth or related
23 medical condition may qualify for a LOA under FMLA, such conditions do not qualify the employee for a
24 LOA under CFRA.).
- 25 • To care for a spouse, child, or parent who is a covered military service member on active duty, or has
26 been notified of an impending call, or order, to active duty.
- 27 • To care for a covered military service member with a qualifying serious injury or illness if the employee
28 is the spouse, child, parent or next of kin of the military service member. Under FMLA, an eligible
29 employee may take up to twenty-six (26) weeks, during a single twelve (12)-month period, of unpaid
30 leave to care for a covered service member with a qualifying serious injury, or illness.
- 31 • To care for a covered military service member with a qualifying serious injury or illness if the employee
32 is the spouse, child, parent or next of kin of the military service member. Under FMLA, an eligible
33 employee may take up to twenty-six (26) weeks, during a single twelve (12)-month period, of unpaid
34 leave to care for a covered service member with a qualifying serious injury, or illness.

35 An employee is required to use accumulated PTO during FMLA and/or CFRA LOA, unless deemed otherwise by
36 law and may be eligible for disability benefits if the LOA is due to his or her own illness. If FMLA/CFRA is
37 foreseeable, and when practicable, a thirty (30~~+~~) calendar day advance notice is required. Health benefits and
38 other insurances will continue during the FMLA/CFRA leave period and the employee is required to pay his or
39 her portion of coverage at the active employee rate.

40 See Human Resources Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights
41 Act (CFRA) Leave of Absence

43 **Coordination of PDL with FMLA and/or CFRA**

44 If an employee takes PDL and is eligible for a LOA under FMLA and/or CFRA, CalOptima will continue to make
45 payments towards group health insurance coverage during the period of the PDL, FMLA and/or CFRA, subject to
46

the employee's timely payment of his or her portion of coverage at the active employee rate. For any leave taken under PDL, FMLA runs concurrently with PDL, and may run concurrently with CFRA if less than twelve (12) weeks of PDL are taken.

If an employee is ineligible under FMLA and CFRA for a LOA, CalOptima will continue to pay the employer's portion of payments to group health insurance coverage during the period of the PDL, subject to the employee's timely payment of his or her portion of coverage at the active employee rate. In some instances, CalOptima may recover premiums it paid to maintain health coverage for an employee if the employee fails to return to work following PDL.

If an employee exhausts her PDL and any other protected leave, and the employee is granted a Personal LOA, ~~the employee may elect to continue~~ CalOptima will not pay for group health insurance premiums during any remaining portion of a Personal LOA. The employee is fully responsible for the employer share and the employee share of health insurance premiums during the remaining portion of the Personal LOA. Failure to pay premiums in a timely manner will result in immediate termination of coverage through CalOptima in conjunction with federal COBRA guidelines by making timely monthly payments to CalOptima. the remainder of the Personal LOA.

See Human Resources Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leaves of Absence

Military Service Leave

CalOptima employees who are members of "uniformed services" (e.g., Army, Navy, Air Force, Marine Corps, Coast Guard, and the reserves of each of those branches: Army National Guard, Air National Guard or similar branches) will be granted, upon request, a cumulative of five years of leave of absence (with certain exceptions) without pay for both inactive and active duty (e.g., military training, drills, encampments, cruises, special exercises, or similar activities). All regular full-time and part-time employees are eligible for Military Service Leave.

In certain circumstances employees on a Military Service Leave may be entitled to up to thirty (30) days' calendar days' salary and benefits continuation in any one (1) fiscal year.

Upon the exhaustion of pay and benefits for the first thirty (30) calendar days, an employee called to active duty, or active training duty, with the U.S. Armed Forces, or National Guard, as a result of the National Emergency arising from the War on Terror, may receive supplemental compensation and continuation of benefits during the Military Service Leave.

Employees will be required to complete a Leave of Absence Request form and provide a copy of all military orders to the Human Resources Department.

An employee who returns from a Military Service Leave will be reinstated to the same position, or a position of like seniority, status, and pay in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and Section 395.1 of the California Military and Veteran's Code.

See Human Resources Policy GA.8037: Leave of Absence

Military Spouse Leave

In addition, employees who are regularly scheduled to work an average of twenty (20), or more, hours per week

and who are spouses of qualified military service members, are eligible to take up to ten (10) scheduled work days of unpaid leave when their spouses are on leave from active duty in the U.S. armed forces, reserves, or National Guard. Employees may use accrued PTO if sufficient PTO is accrued or may take this time as unpaid. Employees must give a minimum of two (2) days' business days' notice of their need for leave and provide appropriate written documentation to the Human Resources Department.

See Human Resources Policy GA.8037: Leave of Absence

Workers' Compensation Leave

Employees who sustain a work-related injury will may be granted a leave of absence as required by law. Subject to any limitations permitted by law, time off for work-related injuries shall may be extended to the employee for the duration of the injury. depending on business necessity.

See Human Resources Policy GA.8041: Workers' Compensation Leave of Absence

Jury or Witness Duty Leave

CalOptima will grant a LOA with regular pay for those hours that coincide with the employee's regularly-scheduled working hours for the purpose of jury service, appearance as a witness in court (other than as a litigant, or to respond to an official order from another governmental jurisdiction for reasons not brought about through the connivance or misconduct of the employee.) Employees are required to provide reasonable advance notice of any need for such leave. On days employees are not required to report to court, or on days when the court either dismisses the employee early or requests that the employee report at a later time, whenever practical, the employee must report to work to perform regular duties prior to or after completing jury duty or appearing as a witness, unless the employee's manager approves that the remaining work time is less than reasonable travel time to court and work location. Employees are expected to work with and coordinate with their manager to ensure that their time away from work does not adversely impact business needs, their coworkers, or CalOptima's members. Employees seeking an official Jury Duty Leave should submit to their immediate supervisor a memo for absence accompanied by a copy of the official order not less than ten (10) calendar days prior to the beginning of the date of the leave. The employee must submit to the Human Resources Department the payment received for the jury service, excluding payments for mileage.

See Human Resources Policy GA.8037: Leave of Absence

Parental School Attendance

Pursuant to Labor Code Section 230.8, employees can take time off up to eight (8) hours in one (1) month, or forty (40) hours each year to participate in school activities of their children, subject to conditions: limitations under applicable laws. Pursuant to Labor Code Section 230.7, employees can take time off to appear in the school pursuant to a request made under Education Code Section 48900.1 (suspension of pupil), subject to conditions. Employee may use accrued paid time off (PTO) if sufficient PTO is accrued or may take this time as unpaid.

Bereavement Leave

With approval of an employee's manager, an employee may take up to three scheduled workdays off with pay (maximum of twenty four (24) hours) in the event of a death of an employee's: current spouse; registered domestic partner; biological, adopted, step or foster child; biological, adopted, step or foster parent; legal guardian; siblings, including step brother; and step sister; grandparent; grandchild; parents-in-law; siblings-in-

law; or child-in-law. Supporting documents for bereavement leave must be submitted to Payroll within thirty (30) calendar days of leave. The employee's manager may approve additional time off of up to five (5) business scheduled work days to be taken as either PTO or unpaid time off. An employee must submit an LOA request form to HR and request a Personal LOA pursuant to Human Resources Policy GA.-8038: Personal Leave of Absence, if the employee plans to take additional unpaid time off exceeding five (5) scheduled work days.

Time Off for Voting

CalOptima encourages employees to fulfill their civic responsibilities by voting. Employees who are unable to vote before or after work should request time off to vote from their supervisor at least two (2) working days prior to election day so that the necessary time off can be scheduled at the beginning or end of the work day, whichever provides the least disruption to the normal work schedule.

See California Elections Code 14000

Victims of Domestic Violence, Sexual Assault or Stalking Leave

Subject to the requirements under Labor Code Sections 230 and 230.1, an employee who is a victim of domestic violence, sexual assault, or stalking may, with reasonable advance notice, unless the advance notice is not feasible, request an LOA. Employees may elect to use accrued PTO, if available, when an LOA is granted; however, the PTO cannot be used to adjust the start date and will count as part of the LOA. This LOA is limited to twelve (12) weeks in a twelve (12)-month period. After an employee exhausts his or her PTO accruals, if elected, the remaining time off will be unpaid.

See Human Resources Policy GA.8037: Leave of Absence

Victims of Crime Leave

An employee who is a victim of a crime or whose immediate family member(s) is/are a crime victim may take time off to attend judicial proceedings related to that crime, subject to the procedural conditions imposed pursuant to Labor Code Section 230.2.

The absence from work must be in order to attend judicial proceedings related to a crime. To the extent feasible, before an employee is absent from work for such a reason, the employee must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court, or government agency, setting the hearing, an attorney related to the case, or victim/witness office. Any absence from work to attend judicial proceedings will be unpaid unless employee chooses to use PTO.

See Human Resources Policy GA.8037: Leave of Absence

Volunteer Civil Service Leave

A Civil Service LOA may be granted for employees who are required to perform emergency duty (reserve peace officers, volunteer firefighter, and emergency rescue personnel). There are no limitations to the amount of time an employee can use for volunteer civil service leave.

An employee who performs duty as a volunteer firefighter, a reserve peace officer, or as emergency rescue personnel is also permitted to take an LOA not to exceed an aggregate of fourteen (14) scheduled work days-per

1 calendar year, for the purpose of fire, law enforcement, or emergency rescue training.

2
3 Any Volunteer Civil Service Leave can be taken unpaid unless employee chooses to use accrued PTO. However,
4 an employee cannot use PTO to adjust the start date of the required leave period and the time covered by PTO
5 will still count as part of this leave.

6
7 Certification from emergency personnel office, or civil air authority, will be required to verify the employee's
8 eligibility for leave requested.

9
10 See Human Resources Policy GA.8037: Leave of Absence

11 12 **Civil Air Patrol Leave**

13
14 Employees who have been employed for at least ninety (90) calendar days may request a maximum total of ten
15 (10) scheduled work days per calendar year (three days maximum for a single emergency operational mission,
16 unless otherwise authorized by HR) for Civil Air Patrol duty.

17
18 See Human Resources Policy GA.8037: Leave of Absence

19 20 **Extended Disability Leave**

21
22 Reasonable accommodations for a leave of absence ~~will~~may be granted for a recognized disability, including
23 pregnancy disability and other serious medical conditions that prevent the employee from working-, unless such
24 extended leave causes CalOptima undue hardship and/or is indefinite in duration. Human Resources will engage
25 in the "interactive process" with the employee and his or her manager to help determine whether a reasonable
26 accommodation is available in order to grant such leave request.

27
28 Employees are required to use PTO during the leave of absence. Group health insurance plans (health, dental and
29 vision) will generally be made available via COBRA after all PTO and protected LOAs have been exhausted.

30 31 **Personal Leave**

32
33 All full-time and part-time employees are eligible to request a Personal Leave of Absence.

34
35 A Personal Leave of Absence, without pay, may be granted, in CalOptima's sole discretion, for a reasonable
36 period of time of up to a total of ninety (90) calendar days per twelve (12)-month period. Personal LOAs are
37 entirely dependent on CalOptima's discretion and are only approved when it is determined that granting the LOA
38 will not unduly interfere with CalOptima's operations.

39
40 Any accumulated PTO must be used during Personal LOA. However, the use of such PTO will not adjust the start
41 date of the leave; i.e., time covered by PTO will still count as part of the Personal Leave.

42
43 CalOptima does not guarantee that an employee's position will remain vacant while the employee is on an
44 approved Personal LOA. CalOptima may fill the employee's position for business reasons.

45
46 If an employee's position is filled while he or she is off on an approved Personal LOA, the employee may, at the
47 conclusion of his or her scheduled leave, apply for any open position for which he or she is qualified at
48 CalOptima. However, if no such position is available, the employee's employment will be terminated.
49 If the employee fails to return to work at the agreed date, the employee will be treated as having voluntarily
50 resigned his or her employment.

See Human Resources Policy GA.8038: Personal Leave of Absence

Kin Care

Employees may use up to half of their annual accrued PTO for preventative care or care of an existing health condition for the employee or a family member as permitted under Labor Code, Sections 233 (generally known as “Kin Care,” but also referred to as “Protected Sick Leave”) and 246.5(a). Accrued PTO shall also be automatically used for time-off for Child-Related Activities, subject to the limitations under Labor Code Section 230.8.

For purposes of PTO use, a “child” is defined as a biological, foster, or adopted child; stepchild; or a legal ward. A “child” also may be someone for whom an employee has accepted the duties and responsibilities of raising, even if he or she is not their legal child.

A “parent” is an employee’s biological, foster, or adoptive parent; stepparent; or legal guardian.

A “spouse” is an employee’s legal spouse according to the laws of California, which do not recognize “common law” spouses (a union that has not been certified by a civil or religious ceremony). All conditions and restrictions placed on an employee’s use of PTO apply also to PTO used for care of a child, parent or spouse.

A “registered domestic partner” is another adult with whom an employee has chosen to share his or her life in an intimate and committed relationship of mutual caring, and with whom they have filed a Declaration of Domestic Partnership with the Secretary of State of California (or another state that allows for such).

A “registered domestic partner’s child” is the biological, foster or adopted child, stepchild or legal ward of an employee’s domestic partner. A “domestic partner’s child” also may be someone for whom an employee’s domestic partner has accepted the duties and responsibilities of raising, even if he or she is not the domestic partner’s legal child.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

19
20
21
22

Safety and Security

Safety

CalOptima is committed to providing and maintaining a healthy and safe work environment for all employees. CalOptima believes that the establishment and maintenance of a safe work environment is the shared responsibility of CalOptima and employees at all levels of the organization. CalOptima will attempt to establish a safe environment in compliance with federal, state and local safety regulations.

Accordingly, CalOptima has instituted an Injury and Illness Prevention Program designed to protect the health and safety of all personnel. A complete copy of the Injury and Illness Prevention Program is kept in the Facilities Department and is available for employees' review.

Every employee is required to know and comply with CalOptima's general safety rules and to follow safe and healthy work practices at all times. Employees may be subject to discipline, up to and including termination, for engaging in any unsafe or unhealthy work practice or for violation of established safety rules. Each employee is also required to report to his or her supervisor any potential health or safety hazards and all injuries or accidents.

First aid supplies are located in each lunch/copy room. Please report any work-related injuries, or illnesses, immediately to the Environmental Health and Safety Manager and/or Human Resources Department. If an employee witnesses, or discovers an accident in which a CalOptima visitor, or employee, is injured, they are expected to assist the visitor or employee as much as possible, and if the situation is an emergency, to call 911. If the situation is not an emergency, employees should contact the Environmental Health and Safety Manager and/or Human Resources Department for further direction.

See Human Resources Policy GA.8016: Unusual Occurrence, Threats and Danger

Security

The security of employees, employee property, and CalOptima property is of vital importance. All employees share responsibility to ensure that proper security is maintained. Any breach of security should be reported promptly to the CalOptima security guard, manager or director of Facilities, and the Human Resources Department. Employees may call upon the CalOptima security guard for assistance by dialing zero (0) and having the receptionist page him/her. For immediate emergencies, dial 911.

The building security guard is stationed in the main lobby of the building. The building security guard hours are twenty-four (24) hours daily, Monday through Friday and all Friday night until 6 a.m. Saturday morning. If an employee is working late and requires an escort to his or her vehicle, the employee may call the building guard, number located on the InfoNet. If an employee experiences a problem while working on the weekend, or after regular working hours, he or she should call the building after hours emergency number located on the InfoNet.

Security Cameras

CalOptima takes the safety and security of its employees, members, and CalOptima guests very seriously. Proper video surveillance, where deemed appropriate and necessary, is one of the most effective means of helping to keep CalOptima facilities and properties operating in a safe and secure manner. Therefore, please be aware CalOptima has and monitors video surveillance cameras in common areas throughout its buildings and surrounding property for safety and security reasons. The use of video surveillance is solely for the purpose of controlling theft, ensuring the safety of CalOptima employees and members, and facilitating the identification of individuals who behave in a disruptive manner, cause damage to CalOptima property, or are otherwise in contravention of CalOptima's policies, procedures, and Code of Conduct.

Workplace Violence

CalOptima has a strong commitment to its employees and its members to provide a safe, healthy, and secure work environment. CalOptima has zero tolerance for acts of violence, threats, intimidation, or harassment, whether occurring on CalOptima property, ~~or occurring~~ off CalOptima property but while conducting CalOptima business or occurring off or on CalOptima property but directed towards another or other CalOptima employees. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to disciplinary action, up to and including termination.

It is every employee's responsibility to assist in establishing and maintaining a violence-free and safe work environment. Therefore, employees are expected and encouraged to report any incident which may be threatening to them or their co-workers or any event which they reasonably believe is suspicious activity, threatening, intimidating, or violent. Employees may report an incident to any supervisor, or manager.

A threat includes, but is not limited to, a statement (verbal, written, or physical) which is intended to intimidate by expressing the intent to either harass, hurt, take the life of another person, or damage, or destroy, property. This includes threats made in jest or as a joke, but which others could perceive as serious.

See CalOptima Policy GA.8053: Workplace Violence

Ergonomics

CalOptima is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. CalOptima will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. CalOptima encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines.

CalOptima believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being and is essential to our business. We intend to provide appropriate resources to create a risk-free environment. For more information, contact the Facilities Department.

Inspections, Searches, and Monitoring of CalOptima Premises

CalOptima believes that it is important to the efficient and safe conduct of its business to assure access at all times to any property, equipment, records, documents, and/or files, etc. on its premises. CalOptima also believes that maintaining a workplace that is free of drugs, alcohol, firearms, explosives, and other harmful and improper materials is vital to the health and safety of its employees and to the success of the organization. CalOptima also intends to protect against the unauthorized removal of its property from the premises. Accordingly, CalOptima reserves the right to access, inspect, and search CalOptima property and premises at any time according to this policy.

Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs, or medications, may not be placed or stored in employees' work spaces or desks. If such prohibited items are found, they will be confiscated by CalOptima and delivered to the proper authorities. In addition, CalOptima reserves the right to inspect personal belongings including, but not limited to, any package, container, bag, briefcase, etc. carried in or out of CalOptima by any employee, volunteer, or visitor when deemed appropriate by management and/or CalOptima's security guards. Employees who fail to cooperate in any inspection will be subject to disciplinary action, up to and including termination.

CalOptima is not responsible for any personal belongings or items placed, or stored, in a work space or desk that

1 is lost, damaged, destroyed, or stolen. Employees have an obligation to cooperate fully with all inspections,
2 investigations, and searches conducted in accordance with this Section; failure to do so may result in disciplinary
3 action, up to and including termination.
4
5

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Termination

Employee References

All requests for references must be directed to the Human Resources Department. No other manager, supervisor, or employee is authorized to release references for current, or former, employees. By policy, CalOptima discloses only the dates of employment and the title of the last position held of former employees. If an employee authorizes the disclosure in writing, CalOptima will also inform prospective employers of the amount of salary, or wage the employee last earned.

Employees may also participate in The Work Number® service from Equifax to provide automated income and employment verifications. Information about the service can be found on the InfoNet.

Exit Interviews

At time of separation, employees will be scheduled for an exit interview with the Human Resources Department. This interview allows employees to communicate their views on their work with CalOptima, as well as provide input regarding the requirements, operations and training needs of their former position. It also provides employees an opportunity to discuss issues concerning benefits and insurance. At the time of the interview, employees must return all CalOptima-furnished property, e.g., uniforms, tools, equipment, I.D. cards, keys (electronic and regular), laptops, cell phones, and CalOptima-related documents. Arrangements for clearing any outstanding debts with CalOptima and for receiving final pay will also be made at this time.

Termination

We hope employees will enjoy a long and mutually rewarding employment relationship with CalOptima. Sometimes, however, an employee may find it desirable, or necessary, to resign and take employment elsewhere, or CalOptima may need to discharge an employee. In either case, it is important that employees who resign, or are terminated, are treated with mutual respect to achieve a professional, orderly transition.

An employee is considered to have voluntarily terminated his or her employment with CalOptima when the employee:

- Resigns from CalOptima.
- Fails to return from vacation or from an approved leave of absence at the scheduled time.
- Fails to report to work without notice or authorization for three (3) consecutive days.

Employees who elect to resign are asked to provide CalOptima with at least two (2) ~~week's~~weeks' notice prior to their final day of work.

From time-to-time, CalOptima may reduce the size of the work force by terminating employees for business, operational, or economic, reasons (such as lack of work, restructuring the workforce, reorganizing a department, or job elimination). Should CalOptima consider such terminations necessary, CalOptima will attempt to provide all affected employees with advance notice when practical. Employees affected by such reductions in force are considered to have been laid-off.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Confirmation of Receipt

Confirmation of Receipt

I have received my copy of CalOptima's Employee Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by CalOptima, and it is my own personal responsibility to stay up-to-date with, be familiar with, and abide by any and all changes ins policies or practices. CalOptima reserves the right to change my hours, wages, benefits and/or working conditions at any time. I understand and agree that other than the Board and CEO of CalOptima, no manager, supervisor or representative of CalOptima has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will. I understand that if there is a conflict between a relevant law and this handbook, the law will supersede the handbook.

I understand and agree that nothing in the Employee Handbook creates or is intended to create a promise or representation of continued employment and that employment at CalOptima is employment at-will; employment may be terminated at the will of either CalOptima or me. My signature certifies that I understand that the foregoing agreement on my at-will status is the sole and entire agreement between CalOptima and me concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings and representations concerning my employment with CalOptima.

Employee's Name (Printed): _____

Department: _____

Employee's Signature: _____ Date: _____

1
2
3
4
5
6



CalOptima

Better. Together.

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

*****REPLACE COVER PAGE WITH NEW ONE*****

Employee Handbook

Revised May 3, 2018

[Back to Agenda](#)

1	Welcome Letter	4
2	Required Policies.....	6
3	Welcome to CalOptima.....	7
4	Our Personal Challenge.....	7
5	Mission Statement	7
6	About This Handbook.....	7
7	Right to Revise.....	8
8	The History of CalOptima	8
9	At-Will Employment Status.....	9
10	Equal Employment Opportunity.....	9
11	Unlawful Harassment and Discrimination.....	9
12	Recruitment and Hiring.....	11
13	Job Posting	12
14	Background Checks	12
15	Proof of Right to Work	13
16	Job Duties.....	13
17	Employment Classifications	13
18	Employment of Relatives	14
19	Employee Performance and Responsibilities.....	16
20	Introduction to Employee Performance and Responsibilities	17
21	Performance Evaluations.....	17
22	Initial Performance Review	17
23	Job Performance, Conduct, and Progressive Discipline	17
24	Training.....	18
25	Open Door	18
26	Internal Complaint Review.....	19
27	Attendance, Tardiness, and Reporting Absences.....	20
28	Drug-Free and Alcohol-Free Workplace	21
29	Employee Access to Personnel Records.....	22
30	Change of Employee Personal Information	22
31	Confidential Information	22
32	Compliance Program	23
33	Code of Conduct	24
34	Dress Code	24
35	Conflict of Interest.....	25
36	Guests	26
37	Benefits	27
38	Introduction	28
39	Workers' Compensation	28
40	Paid Time Off and Workers' Compensation	28
41	Core Health Benefits.....	28
42	Retirement Benefits	30
43	Paid Time Off (PTO)	31
44	Paid Sick Leave.....	32
45	Holidays	32
46	Education Reimbursement.....	33
47	Unemployment Insurance.....	34
48	COBRA.....	34
49	CalOptima Property	35
50	Employer Property.....	36
51	Housekeeping	36
52	Off-Duty Use of Facilities	37
53	Cell Phones.....	37
54	Restrictions on Smoking and Unregulated Nicotine Products	37

1	Computer, Email, and Internet Usage	37
2	Solicitation, Distribution, and Bulletin Boards	39
3	Photo-Identification Badges	39
4	Wages and Work Schedules	40
5	Work Schedules	41
6	Time-keeping Requirements	41
7	Workweek and Workday	41
8	Payment and Wages	41
9	Payment on Resignation or Termination	42
10	Overtime	42
11	Meal and Rest Periods	42
12	Holiday Pay	42
13	Make Up Time	42
14	Supplemental Compensation	43
15	Severance Pay	44
16	Merit Pay	44
17	Unemployment Compensation	44
18	Short-Term Disability	44
19	Long-Term Disability	44
20	Alternative Work Schedules (9/80)	45
21	Telecommuting	45
22	Leaves of Absence	47
23	Leaves of Absence Overview	48
24	Pregnancy Disability Leave	48
25	Family Medical Leave Act and California Family Rights Act Leave	49
26	Coordination of PDL with FMLA and/or CFRA	49
27	Military Service Leave	50
28	Military Spouse Leave	50
29	Workers' Compensation Leave	51
30	Jury or Witness Duty Leave	51
31	Parental School Attendance	51
32	Bereavement Leave	51
33	Time Off for Voting	52
34	Victims of Domestic Violence, Sexual Assault, or Stalking Leave	52
35	Victims of Crime Leave	52
36	Volunteer Civil Service Leave	52
37	Civil Air Patrol Leave	53
38	Extended Disability Leave	53
39	Personal Leave	53
40	Kin Care	54
41	Safety and Security	55
42	Safety	56
43	Security	56
44	Security Cameras	56
45	Workplace Violence	57
46	Ergonomics	57
47	Inspections, Searches, and Monitoring of CalOptima Premises	57
48	Termination	59
49	Employee References	60
50	Exit Interviews	60
51	Termination	60
52	Confirmation of Receipt	61
53	Confirmation of Receipt	62

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Welcome Letter

1
2 Thank you for choosing CalOptima as your employer. The dedication of our employees is critical to
3 CalOptima's ability to fulfill its mission and deliver access to quality, compassionate care to all
4 members. Although we have evolved into a multi-faceted organization, we are grateful that our
5 employees remain fully committed to ensuring that all programs, initiatives and services are centered on
6 meeting the health care needs of our members.
7

8 We at CalOptima understand that excellence in service to our members could not happen without our
9 most valued resource, our dedicated and caring employees. Our diverse and mission-driven staff works
10 tirelessly to meet our members' health care needs. I am exceptionally proud of our employees and am
11 fully committed to maintaining the employee-focused culture in which our employees thrive.
12

13 With the support of CalOptima's Board of Directors and the Member and Provider Advisory
14 Committees, our strong network of physicians and hospitals, and the dedication and drive of our
15 employees, CalOptima looks forward to fully engaging in new opportunities that will improve the
16 delivery of health care services to our members and the Orange County community.
17

18 On behalf of the administrative staff and the Board of Directors, welcome to CalOptima.
19

20 Sincerely,
21

22 Michael Schrader
23 Chief Executive Officer
24

25 Paul Yost
26 Chairman, CalOptima Board of Directors
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

Required Policies

1 **Welcome to CalOptima**

2
3 Welcome to CalOptima, a public agency and health plan that serves Orange County members of Medi-Cal,
4 OneCare (Medicare Advantage Special Needs Plan), OneCare Connect, Cal MediConnect Plan (Medicare-
5 Medicaid Plan) and PACE (Program of All-Inclusive Care for the Elderly). We believe you will find CalOptima
6 an exciting organization with an important mission that is fulfilled through the collective efforts of our employees.
7 You are joining our staff of dedicated and talented professionals, and we are confident that your skills and
8 experience will assist us in achieving our mission.
9

10 **Our Personal Challenge**

11
12 CalOptima's success is a direct result of the important contributions our employees make every day. We
13 challenge all employees to keep our members front and center in all that they do. Our commitment to our
14 members goes beyond the Customer Service Department, and we recognize that we would be unable to
15 implement our important mission without our providers. We also recognize we need to serve all of our customers
16 which include members, health networks, pharmacies, ancillary providers, physicians and their staff, and
17 CalOptima employees.
18

19 But more than just meeting our members' needs, we strive to anticipate what they need and recommend it before
20 they ask. We strive to be good stewards of public funds and honor our accountability to the community by
21 working together to keep administrative costs as low as possible while improving the quality of care for our
22 members and the effectiveness of our providers.
23

24 To do this, we must continually evaluate and reinvent the way we do business. Identifying opportunities for
25 improving efficiency and effectiveness is the responsibility of all CalOptima team members. With your help, we
26 will continue to build a team-oriented environment where innovation and flexibility are the standards for
27 achieving our mission.
28

29 **Mission Statement**

30
31 The Mission of CalOptima is to provide members with access to quality health care services delivered in a cost-
32 effective and compassionate manner.
33

34 **About This Handbook**

35
36 This handbook is provided for your use as a reference and as a summary of CalOptima's mission, history,
37 employment practices, key employee policies, procedures and benefits. Because CalOptima is a dynamic and
38 changing organization, at times it may be necessary to change or improve the policies and practices presented in
39 this handbook. As CalOptima deems appropriate in its sole and absolute discretion, CalOptima reserves the right
40 to amend, supplement or rescind this handbook, or any portion(s) herein, other than CalOptima's employment-at-
41 will provisions. This handbook is not a contract, either express or implied, of continued employment.
42

43 Employees are encouraged and expected to read and familiarize themselves with the contents of this handbook
44 and should consult with their manager and/or Human Resources to obtain clarification or detailed information
45 regarding any policy, procedure or practice outlined in this handbook.
46

47 CalOptima is constantly striving to improve its policies, procedures, and services. We encourage employees to
48 bring suggestions for improvements to their managers. By working together, we hope to share with all of our
49 employees a sincere pride in our workplace and the services we are all here to provide.

This handbook supersedes all previously issued handbooks but does not supersede applicable federal, state or local laws. Your manager or the Human Resources Department will be happy to answer any questions you may have.

Right to Revise

This employee handbook summarizes some of the employment policies and practices of CalOptima in effect at the time of publication. A full list of policies may be found on the CalOptima InfoNet. All previously issued handbooks and any inconsistent policy statements or memoranda in effect prior to the effective date of publication are hereby superseded to the extent it conflicts with this handbook.

CalOptima reserves the rights to revise, modify, delete, or add to any and/or all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment.

Any written changes to this handbook will be made available to all employees via CalOptima's InfoNet and/or via email communication so that employees will be aware of the new policies or procedures. No oral statements, or representations, can in any way alter the provisions of this handbook.

Nothing in this employee handbook, or in any other personnel document, including benefit plan descriptions, creates, or is intended to create, a promise or representation of continued employment for any employee.

The History of CalOptima

CalOptima was established as part of a community effort to improve access to health care services for Orange County's low-income residents. The Orange County Board of Supervisors created CalOptima in 1993 as a county organized health system (COHS), which is a public agency. CalOptima is one of six COHS authorized by federal and state law to administer Medi-Cal benefits in California. This health care model allows local decision-making and ensures the plan is community-driven. CalOptima's mission is to provide access to quality health care services delivered in a cost-effective and compassionate manner.

In October 1995, CalOptima launched our Medi-Cal program with 180,000 members. That program remains our flagship today, with 2018 membership approaching 800,000 members. In the years since Medi-Cal was established, CalOptima went on to launch other programs for important segments of Orange County's low-income population.

In 1998, CalOptima launched the Healthy Families Program (HFP) to provide health care coverage for children up to the age of 19 who met eligibility requirements based on family income. In 2013, HFP members were transitioned into CalOptima Medi-Cal at the direction of state legislation.

In 2005, CalOptima launched OneCare, our Medicare Advantage Special Needs Plan (HMO SNP). OneCare was created through a contract with the Centers for Medicare & Medicaid Services to offer enhanced care coordination and streamlined health care delivery by combining the Medicare and Medi-Cal benefits into a single plan.

In 2013, CalOptima launched a Program of All-Inclusive Care for the Elderly (PACE), which is a community-based Medicare and Medi-Cal program that provides coordinated and integrated health care services to frail elderly participants to help them continue living independently in the community.

In 2015, CalOptima launched OneCare Connect, a new health plan designed to simplify and improve health care for seniors and people with disabilities who have Medicare and Medi-Cal coverage. The plan combines Medicare

1 and Medi-Cal benefits, adds supplemental benefits and offers personalized support.

2
3 In the past four years, CalOptima has maintained an outstanding record of quality for our members. Since 2014,
4 we have been California's top-rated health plan, according to the National Committee for Quality Assurance. It is
5 an honor we strive to uphold as we aim to fulfill our mission, but we cannot accomplish this alone. As a
6 community health plan, we rely on private health care networks, including nearly 1,600 primary care providers
7 and more than 6,000 specialists to deliver the services our members need. Further, CalOptima is proud to
8 administer our programs in a cost-effective manner and is consistently recognized as having one of the lowest
9 administrative cost ratios among all Medi-Cal managed care plans in California.

10 11 **At-Will Employment Status**

12
13 CalOptima employees are at-will employees with no guarantee of employment for any specified term. CalOptima
14 recognizes that relationships are not always mutually satisfactory. To protect both parties' rights, the employment
15 relationship at CalOptima is terminable at-will, at the option of the employee, or CalOptima. An employee, or
16 CalOptima, may terminate employment at any time, with or without cause, and with or without notice. As a
17 professional courtesy, Employees are encouraged to provide no less than two weeks' notice of termination to
18 ensure adequate time to transition job responsibilities.

19
20 CalOptima reserves the right to change the conditions of an employee's employment including, but not limited to,
21 compensation, duties, assignments, responsibilities, and location at any time, with or without cause. There are no
22 written, oral, or implied promises of permanent, or continuing, employment. This policy supersedes any such
23 agreements to the extent that any may exist.

24 25 26 **Equal Employment Opportunity**

27
28 CalOptima is an equal employment opportunity employer and makes all employment decisions on the basis of
29 merit. CalOptima wants to have qualified employees in every job position. CalOptima prohibits unlawful
30 discrimination against any employee, or applicant for employment, based on race, religion/religious creed, color,
31 national origin, ancestry, mental or physical disability/, medical condition, genetic information, marital status,
32 sex, sex stereotype, gender, gender identity, gender expression, age, sexual orientation, military status as a
33 disabled veteran, or veteran of the Vietnam era, or any other consideration made unlawful by federal, state, or
34 local laws. CalOptima also prohibits unlawful discrimination based on the perception that anyone has any of those
35 characteristics or is associated with a person who has, or is perceived as having, any of those characteristics.

36
37 Equal employment opportunity will be extended to all persons in all aspects of the employer-employee
38 relationship, including recruitment or recruitment advertising, hiring, training, promotion, rates of pay or other
39 forms of compensation, benefits, transfer, discipline, layoff or termination, career development opportunities, and
40 social and recreational programs.

41
42 It is the responsibility of every manager and employee to conscientiously adhere to this policy.

43
44 See Human Resources Policy GA.8025: Equal Employment Opportunity

45 46 **Unlawful Harassment and Discrimination**

47
48 CalOptima is committed to providing a work environment that is free of harassment, discrimination, and
49 retaliation. CalOptima prohibits unlawful harassment and/or discrimination against any employee, or applicant
50 for employment, based on race, sex, sex stereotype, gender, gender identity, gender expression, age, color,

1 national origin, ancestry, mental or physical disability, sexual orientation, religion, religious creed, exercise of
2 rights under Family and Medical Leave Act (FMLA), marital status, military and veteran status, medical
3 condition, genetic information or any other protected characteristic is a violation of state and federal law and is
4 strictly prohibited by CalOptima. Any person who commits such a violation may be subject to personal liability as
5 well as disciplinary action, up to and including termination of employment.
6

7 CalOptima encourages reporting of all perceived or actual incidents of discrimination or harassment. An
8 employee who believes he or she is being, or has been, harassed in any way, should report the facts of the incident
9 or incidents immediately to his or her supervisor, manager or, if he or she prefers, to the Human Resources
10 Department. Supervisors and managers must report incidents or claims of harassment immediately to the Human
11 Resources Department. A Human Resources representative will investigate any and all complaints of unlawful
12 harassment or discrimination and take appropriate preventive and/or corrective action, including disciplinary
13 action, when it is warranted. Every reported complaint of unlawful harassment or discrimination will be
14 investigated thoroughly, promptly, and in a confidential manner.
15

16 CalOptima will not tolerate retaliation against an employee for reporting harassment and/or discrimination, for
17 cooperating in an investigation, for making compliance complaints or for making any other complaint to the
18 Human Resources Department. Employees engaging in any actions which are retaliatory against another
19 employee will be subjected to disciplinary action, up to and including termination of employment
20

21 See Human Resources Policy GA.8027: Unlawful Harassment
22
23
24

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Recruitment and Hiring

Job Posting

CalOptima supports the development and advancement of employees from within the organization, and that belief is supported by CalOptima's job posting process. Employees are responsible for taking ownership of their own career and checking new and current job postings for growth and advancement opportunities. CalOptima encourages employees to apply for promotions, or transfers, to open positions for which they meet the qualifications and minimum requirements.

Upon completion of the Request To Fill (RTF) process, positions will normally be posted internally and/or externally. Open positions must be posted internally for five (5) full business days before an offer can be made. On rare occasions, there may be situations where a position is not posted due to a sensitive business need. The exceptions from posting must be approved by the Chief Executive Officer.

Employees are not eligible to apply for posted jobs until they have completed at least six (6) months' service in their current position. Employees must possess the necessary education, skills and experience for the job position, complete an internal job application (including an updated résumé) and be in good standing to apply for open positions. As a courtesy, it is recommended that employees notify their managers upon applying.

See Human Resources Policy GA.8019: Promotions and Transfers

Background Checks

CalOptima believes that hiring qualified individuals to fill positions contributes to our overall strategic success. Background checks serve as an important part of the selection process. CalOptima employees have access to confidential, private, and protected health information. Through comprehensive background checks, CalOptima can obtain additional applicant-related information that helps determine the applicant's overall employability and ensures the protection of the people, property, and information of the organization.

CalOptima uses a third-party agency to conduct the background checks. The type of information that can be collected by this agency includes, but is not limited to, information pertaining to an individual's past employment, criminal background, education, character, credit record (where applicable), Department of Motor Vehicles (DMV) record, and reputation. Background checks are held confidentially in compliance with all federal and state statutes, such as the California Investigative Consumer Reporting Act and the Fair Credit Reporting Act.

CalOptima conducts background checks on job applicants prior to commencement of employment. For promotions, or transfers, of employees to certain positions, a post-employment background check may also be required. Falsification of information on the employment application or providing false information or incomplete information for the purpose of hiring may result in disciplinary action up to and including termination of employment. Employees shall timely notify HR of any licenses or certifications that they hold in California or other states that have been revoked, suspended, or restricted due to misconduct or disciplinary action.

CalOptima also conducts exclusion monitoring through the Office of Inspector General (OIG) List of Excluded Individuals/Entities (LEIE), the General Services Administration's (GSA) System for Award Management (SAM) Website, and the Medi-Cal Suspended and Ineligible (S&I) Website. Any applicant found on the LEIE, SAM Website and/or Medi-Cal S&I Website and verified according to the Human Resources procedures cannot be hired with CalOptima. Similarly, any existing CalOptima employee found on the LEIE, SAM Website, and/or Medi-Cal S&I Website and verified according to the Human Resources procedures will be immediately terminated. Employees shall notify the Human Resources Department upon hire, or immediately any time thereafter, if the employee knows or has reason to know that the employee is excluded from a federally funded health care program and/or may be listed on the LEIE, SAM and/or Medi-Cal S&I Websites.

See Human Resources Policy GA.8030: Background Checks

Proof of Right to Work

In accordance with federal law, all new hires will need to produce original documentation establishing their identity and authorization to be legally employed in the United States. In addition, each new hire is required to complete an INS Form I-9 swearing that they are legally employable in the United States. This verification must be completed as soon as possible after an offer of employment is made and in no event more than three (3) business days after an individual is hired. All offers of employment and continued employment for positions in the United States are conditioned on furnishing satisfactory evidence of identity and legal authority to work in the United States.

Job Duties

In order to run a cost-effective program at CalOptima, it's important that employees are flexible and do what needs to be done to best serve the needs of our members and customers. During the employee's initial orientation and during the initial performance review, management will explain job responsibilities and the performance standards expected of their employees. Be aware that job responsibilities may evolve and/or change at any time during the employment relationship. From time to time, employees may be asked to work on special projects, and/or to assist with other work necessary or important to the operation of their department or CalOptima. Cooperation and assistance in performing such additional work is expected. Employees may be exposed to disagreeable conditions typical of working with individuals in distress, as well as encounter normal stress and pressure associated with a fast-paced environment, including various deadlines and interactions with regulators and/or member of the public. Work volume may be consistent or vary at different times of the year.

CalOptima reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

Employment Classifications

CalOptima uses the following specific classifications to describe the responsibilities and benefits of employment:

Full-Time: Employees who are regularly scheduled to work sixty (60) to eighty (80) hours a pay period and are eligible for all employer-provided health care and retirement benefits.

Part-Time: Employees who are regularly scheduled to work less than fifty-nine (59) hours per pay period. Regular part-time employees are eligible for benefits and must pay an additional premium for health care benefits. PTO and flex holiday hours accrue on a prorated basis according to an employee's scheduled work hours (Full-Time Equivalent (FTE) Status).

- a. **As-Needed:** Employees called to work on an as-needed basis. As-needed employees are employed for an indefinite duration and must work less than one-thousand (1,000) hours per fiscal year. These employees may not have regularly scheduled hours and do not earn any benefits, unless otherwise required by law, but may become eligible for paid sick leave. In certain circumstances, CalOptima may provide additional benefits to "As-Needed"

employees averaging thirty (30) or more hours per week and working beyond the ninetieth (90) calendar day of employment. If this occurs, the employee may be converted to either full-time or part-time, depending on the circumstances, for the duration of the “As Needed” period, not to exceed one-thousand (1,000) hours per fiscal year, with an offer of associated benefits to comply with applicable laws, including, but not limited to, the Affordable Care Act (ACA).

Temporary Agency Workers: Workers who have been hired by and are paid by a temporary agency for an assignment generally not expected to last more than one-thousand (1,000) hours per fiscal year. Temporary agency workers are not eligible for CalOptima benefits, with the exception of CalPERS retirement benefits, where applicable.

Salaried (Exempt): These employees are exempt from the overtime provisions of the federal Fair Labor Standards Act (FLSA) and state regulations governing wages and salaries, where applicable. Exempt status is determined by the duties and responsibilities of the position and is defined by Human Resources for each position.

Hourly (Non-Exempt): Includes all employees who are not identified as exempt. Non-exempt employees are paid on an hourly basis and are eligible for overtime compensation as required by federal wage and hour laws.

Interns: Paid interns are considered as-needed employees and must be enrolled in a college, or university, two (2) or four (4)-year degree program, an accredited vocational institution, or a graduate program, and may receive school credit for the internship. Unpaid interns shall not be deemed employees of CalOptima and must be enrolled in a college, or university, two (2) or four (4)-year degree program, an accredited vocational institution, or a graduate program, and will receive school credit for the internship.

CalOptima may change the employment classification/category of any employee at any time based on the nature of the employment assignment and to ensure compliance with applicable state and federal laws.

Licenses and Certifications

When a required licensure and/or certification is/are mandated as part of a job position, or in the performance of an employee’s job duties, or where an employee receives supplemental pay for having a particular license and/or certification, the applicant/employee shall have, maintain, and provide proof of the applicable active and current license(s) and/or certification(s). Employees shall notify HR immediately any time the employee knows, or has reason to know, of any action to be taken on the employee’s required licensure and/or certification, or an event that occurs that could lead to such actions, including, but not limited to, pending, active, or resolved licensing board investigations, restrictions, allegations, revocations, suspensions, probation disciplinary actions, accidents, DUIs, etc.

See Human Resources Policy GA.8033: License and Certification Tracking

Employment of Relatives

Management will exercise appropriate discretion in each case in the hiring and employment of relatives of current employees. “Relatives” are defined as any persons related by birth, marriage, domestic partner status, or legal guardianship including, but not limited to, the following relationships: spouse, child, step-child, parent, step-parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, niece, nephew, parent-in-law,

1 daughter-in-law, son-in-law, brother-in-law and sister-in-law, or non-relatives of the same residence (housemate).
2 If an employee knows or has reason to know that CalOptima is considering a relative of the employee for
3 employment, that employee should make that fact known to the Human Resources Department.

4
5 Relatives of present employees may be hired by CalOptima only if:

- 6
- 7 • The applicant will not work directly for or directly supervising an existing employee; and
- 8 • A determination can be made that a potential for adverse impact on supervision, security, safety or
- 9 employee morale does not exist.

10
11 If the relationship is established after the employee's employment with CalOptima, i.e. two (2) existing
12 employees marry, become related by marriage, or become housemates, and a determination has been made that
13 the potential for adverse impact does exist, the department head in conjunction with the Human Resources
14 Director, shall make reasonable efforts to minimize problems of supervision, or safety, security, or morale,
15 through reassignment of duties, relocation, or transfer to another position for which he or she is qualified, if such
16 position is available. If CalOptima is unable to make an acceptable accommodation, then the employee and his or
17 her relative and/or housemate shall be given an opportunity to decide which one (1) person shall be transferred, if
18 possible, or terminated from employment. If the employees do not make a decision within thirty (30) business
19 days, CalOptima shall automatically reassign one (1) of the employees, if possible, or terminate one (1) of the
20 employees from employment. The decision as to which employee will leave will be at the discretion of
21 CalOptima with consideration of CalOptima's business needs.

22
23 See Human Resources Policy GA.8051: Hiring of Relatives

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Employee Performance and Responsibilities

Introduction to Employee Performance and Responsibilities

CalOptima strives to create an environment and culture where our employees can bring their skills and talents to the forefront. We will treat our employees with respect and provide opportunities to be successful. CalOptima expects that each employee will strive to do his or her best as a CalOptima employee and that each employee will hold him or herself accountable for excellent performance, service, and results.

Performance Evaluations

Evaluation of employees is a continuing process that takes place both formally and informally. Formal evaluations of performance and competence of regular employees shall take place following ninety (90) calendar days of employment, based on the date of hire, transfer, or promotion, and one (1) time per year thereafter as part of the annual review process.

Initial Performance Review

CalOptima strives to hire qualified employees for the job. In order to ensure both the employee and CalOptima are meeting their respective expectations, an initial performance review is conducted following ninety (90) calendar days of employment, based on the date of hire, transfer, or promotion, assuming the employee's employment has not otherwise been terminated. The manager will evaluate the employee's capabilities, work habits, compatibility with the job, interest in the job, and will discuss individual, department, and organizational expectations and performance. As an at-will employee, either party may terminate the employee's employment at any time, with or without cause, and with or without notice.

Job Performance, Conduct and Progressive Discipline

CalOptima employees are bound to one another and our organization by the following shared values: integrity, teamwork, mutual respect, and personal responsibility. Our reputation is fundamental to our continued success. Each of us has a personal responsibility to ensure that our conduct is true to that objective.

Employees are expected to abide by CalOptima's Code of Conduct and conduct themselves in an intelligent, mature, and responsible manner and in accordance with applicable laws, regulations, policies, and generally accepted work behaviors. Appropriate conduct is expected at all times while employees are on duty and/or on CalOptima property. Any violation of CalOptima policies, or any act or incident of improper behavior or conduct, may warrant disciplinary action, up to and including termination. In this regard, CalOptima has outlined some examples of undesirable behavior and/or performance issues that may result in disciplinary action, up to and including termination, which include, but are not limited to:

- Unsatisfactory work quality, or quantity;
- Failure to meet performance standards;
- Behavioral-based problems that impact productivity, quality, service, or teamwork;
- Excessive absenteeism, tardiness, or abuse of break and lunch privileges;
- Failure to follow instructions, policies, regulations, laws, or CalOptima policies and procedures; and/or
- Failure to follow established safety regulations.

CalOptima strives to assist employees in understanding their performance expectations and in improving and preventing recurrence of undesirable behavior and/or performance issues. Employees are responsible for taking ownership in correcting their performance/behavior and in meeting their performance expectations.

CalOptima may, at its sole and complete discretion, apply a progressive discipline process, where appropriate, in an effort to correct undesirable behavior and/or performance issues. Progressive discipline does not apply to all performance issues or undesirable behaviors and will be employed on a case by case basis. The severity of the discipline will depend on the nature of the offense, taking into consideration an employee's past performance and disciplinary record, where applicable. Discipline should be assessed in a fair and consistent manner.

As an at-will employee, CalOptima employees may be disciplined, up to and including termination, at any time, without advance notice. Employees are not guaranteed a right to progressive discipline prior to termination. CalOptima may skip one (1) or more steps, repeat certain steps, or skip the entire progressive discipline process altogether at CalOptima's sole and complete discretion. An employee may be terminated immediately within his or her initial ninety (90) calendar days of employment, transfer, or promotion without applying progressive discipline. Serious performance, or behavioral, problems may result in immediate termination without resorting to any of these progressive disciplinary actions.

The progressive discipline process, when applied, is intended to give employees advance notice of problems with their conduct, or performance, in order to provide the employee with an opportunity to correct these problems. When used, the progressive actions may include:

- Documented Counseling Memo;
- Written Warning;
- Final Warning with a Written Action Plan; and/or
- Termination.

Management may also place an employee on administrative leave pending an HR investigation. CalOptima may also suspend an employee without pay after an initial HR investigation. The Human Resources Department shall work with management to address disciplinary issues and management actions.

See Human Resources Policy GA.8022: Progressive Discipline

Training

CalOptima values the talent of its employees and encourages employees to continually develop their skills to enhance their job responsibilities and prepare for future opportunities within the organization. CalOptima provides mandatory trainings, as designated by CalOptima leadership, Human Resources, the Office of Compliance, and departmental staff, as well as other optional training and personal development opportunities.

All mandatory trainings must be completed within a specified time frame and may require documentation that the employee passed the associated exam in order to be deemed completed. Mandatory trainings include, but are not limited to, compliance and regulatory requirements and information, which may be administered in person, online and/or through other means of communication. Employees failing to complete the mandatory training and/or pass the associated exam within the stated time frame may be disciplined, up to and including termination of employment.

Open Door

CalOptima has an open-door approach that encourages employee participation in decisions affecting them and their daily responsibilities at CalOptima and/or the organizational operations. Employees who have work-related concerns, or complaints, or have suggestions to improve operations, are encouraged to discuss these matters in an informal and professional manner with their immediate supervisor and/or any other management representative with responsibility for their department. If such concern, or complaint, arises from any particular incident,

employees should report these issues to their immediate supervisor, or another management representative, with responsibility for their department as soon as possible after the event, or incident, that caused the concern.

If the employee feels he or she cannot resolve his or her concern, or complaint, with management within his or her department, then the employee should contact Human Resources. CalOptima believes that employee concerns are best addressed through open communication and that the majority of misunderstandings can be resolved through open dialogue. Employees are encouraged to pursue discussion of their work-related concerns until the matter is fully resolved.

Although CalOptima cannot guarantee that employees will be satisfied with the result, CalOptima will attempt in each instance to explain the result or resolution to the employee if the employee is not satisfied. CalOptima will also attempt to keep all such expressions of concern, the results of the investigation and the terms of the resolution confidential. However, in the course of investigating and resolving the matter, some dissemination of information to others may be appropriate and/or necessary. No employee will be disciplined, or otherwise penalized, for raising a good-faith work-related concern in keeping with the open-door approach.

Employees who conclude their work-related concerns should be brought to the attention of CalOptima by written complaint and formal review may refer to the Internal Complaint Review process set forth in this handbook.

Internal Complaint Review

CalOptima strives to maintain a safe, positive and pleasant environment for our employees. Employees who encounter work-related problems are encouraged to follow the steps outlined below to resolve their issues.

Step One: Immediate Supervisor

Should an employee have a problem, or complaint, he or she should try to resolve this issue with his or her immediate supervisor. In most instances, a friendly talk with a supervisor can quickly resolve a problem. The supervisor will evaluate the matter and work to provide a timely solution.

Step Two: Department Head

If the problem is not resolved in Step One, an employee can refer the problem in writing to his or her department head. The department head should schedule a meeting to discuss the issue with the employee and, in turn, provide a timely solution, where applicable.

Step Three: Human Resources Department

If, for any reason, an employee is dissatisfied with the decision of the department head, the employee can file a written complaint with the Human Resources Department. A representative from the Human Resources Department will investigate the complaint, meeting separately with the employee and with others who are either named in the complaint, or who may have knowledge of the facts set forth in the complaint. CalOptima will attempt to treat all internal complaints and their investigation as confidential, recognizing, however, that in the course of investigating and resolving internal complaints, some dissemination of information to others may be necessary. On completion of the investigation, the Human Resources Department will discuss any actions, or resolutions with the employee.

Step Four: Appeal

If the complaint is not resolved to the employee's satisfaction, the employee may submit a written request for review of the complaint to CalOptima's executive director of Human Resources. On completion of the appeal review, the employee should receive an oral, or written, explanation of the conclusion reached and the reasons for that conclusion. Decisions resulting from appeal reviews by CalOptima's Executive Director of Human Resources will be final.

No employee will be retaliated, or discriminated, against in any way because he or she made a complaint in compliance with this process. Nothing in this Internal Complaint Review is intended to alter the at-will nature of employment.

Attendance, Tardiness, and Reporting Absences

CalOptima counts on each employee's attendance and punctuality to provide efficient and consistent service to our members. We expect employees to report to work on time, observe the time limits for break and meal periods, and not leave work earlier without prior approval from their immediate supervisor. Regular and consistent attendance is an essential function of all job positions at CalOptima.

If an employee is going to be absent or tardy, he or she must provide timely notice to his or her supervisor *before* his or her scheduled shift time. If the supervisor cannot be reached, the employee is expected to leave a message on the supervisor's voicemail and notify the department head or other designated department contact. Employees must provide the reason for the absence and the expected date of return. Employees must call in each day they will be absent, or tardy, unless they are on a lengthier, pre-approved medical leave. Frequent tardiness, or absenteeism, will result in disciplinary action, up to and including termination. If an employee is absent for four (4) consecutive days, or more, of personal and unprotected sick time, a doctor's note is required on the first day back.

Authorized Absence

An authorized absence occurs when all four (4) of the following conditions are met:

1. The employee provides sufficient notice to his or her supervisor (employee personally contacts his or her immediate supervisor prior the commencement of his or her shift).
2. The employee provides an acceptable reason to his or her supervisor.
3. Such absence request is approved by his or her supervisor.
4. The employee has sufficient accrued PTO to cover such absence or the supervisor waives this requirement because the employee has not yet accrued sufficient PTO.

The employee's immediate supervisor may waive the notice requirement when it is warranted by the particular circumstances involved; for example, when an employee is unexpectedly taken ill and cannot call. Failure to meet these requirements may result in discipline up to and including termination, depending on the surrounding circumstances.

Unauthorized Absence

An employee is considered to be on an unauthorized absence when one (1), or more, of the four (4) conditions mentioned above are not met.

Unauthorized absences may result in disciplinary action, up to and including termination, depending on the surrounding circumstances. In addition, an employee is considered to have resigned when the employee fails to report to work without giving notice to and/or receiving authorization from his or her immediate supervisor for three (3) consecutive days. In rare circumstances, the employee will be reinstated when it is warranted by the particular circumstances involved.

Frequent or Prolonged Absenteeism or Tardiness

Frequent, or prolonged, absenteeism, or repeated tardiness, even when authorized, may result in disciplinary action, up to and including termination. Absences from work that qualify and are approved under CalOptima's leave of absence policy will not count toward excessive absenteeism.

Drug-Free and Alcohol-Free Workplace

CalOptima strives to maintain a workplace that is free of drugs and alcohol and discourages drug and alcohol abuse by its employees. CalOptima has a vital interest in maintaining a safe and productive work environment for its employees, members, and those who come into contact with CalOptima. Substance abuse is incompatible with the mission and interest of CalOptima. Employees who are under the influence of drugs and/or alcohol in the workplace can compromise CalOptima's interests, endanger their own health and safety and the health and safety of others, and can cause a loss of efficiency, productivity, or a disruptive working environment.

The following rules and standards of conduct apply to all employees either on CalOptima's property, or on CalOptima business. Behavior that violates CalOptima policy includes:

- The unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance;
- Possession, or use, of an illegal, or controlled, substance, or being under the influence of an illegal, or controlled, substance while on the job, except where the controlled substance is lawfully prescribed and used consistent with a doctor's authorization;
- Abuse of a legal drug or the purchase, sale, manufacture, distribution, dispensation, or any legal prescription drug in a manner inconsistent with law;
- Driving a CalOptima owned, or leased, vehicle while under the influence of alcohol, illegal drugs, or controlled substance(s); and/or
- Distribution, sale, or purchase of an illegal, or controlled, substance while on the job.

Violation of these rules and standards of conduct will not be tolerated, and CalOptima shall take appropriate actions including, but not limited to, employee discipline, up to and including termination. CalOptima also may bring the matter to the attention of appropriate law enforcement authorities and/or professional licensing authority.

CalOptima reserves the right to conduct searches of CalOptima property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy. CalOptima asserts its legal right and prerogative to test certain employees for substance abuse. These employees may be asked to submit a medical examination and/or to submit to urine testing for illegal drugs, controlled substances, or alcohol under the following circumstances:

- Employees in certain positions are required to pass a pre-employment urine drug test.
- Employees in certain positions may be subject to random drug testing.
- If the CalOptima employee is involved in a traffic accident and there is reasonable suspicion of the involvement of drugs and/or alcohol.
- If an employee's supervisor suspects an employee is under the influence of drugs and/or alcohol and observes one or more symptoms.

Employee acceptance of medical examinations and testing, when requested by CalOptima for one (1) of the reasons set forth above, is a mandatory condition of employment. Refusal to submit to such medical examinations and tests constitutes a violation of CalOptima's policy and is grounds for disciplinary action, up to and including immediate termination of employment.

Any employee who is using prescription, or over-the-counter drugs, that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting, or resuming, work. Any prescription medication, which must be taken while at work, should be kept in the original prescription container and used in accordance with the prescribing physician's

1 instructions. CalOptima reserves the right to require written medical certification of the employee's ability to
2 perform his or her duties while taking any prescribed medication.

3
4 All CalOptima employees who provide health care services and personal care services to CalOptima members
5 may be subject to random drug testing. This shall include any employee who operates a CalOptima owned, or
6 leased, motor vehicle.

7
8 All CalOptima employees that have face-to-face interaction in the residence of a member, or prospective member,
9 and provide health care services, or personal care services, such as nurses in the field, may be subject to random
10 drug testing.

11
12 Employees are required to report any drug and/or alcohol related convictions occurring outside of the workplace
13 to CalOptima within five (5) calendar days of such conviction. This information may subject the employee to
14 disciplinary action, random testing requirements, referral to the EAP, and/or may be reported to the appropriate
15 licensing authority.

16
17 See Human Resources Policy GA.8052: Drug-Free and Alcohol-Free Workplace

18 19 **Employee Access to Personnel Records**

20
21 Employees of CalOptima, in certain instances, are given permission to have access to information in their own
22 personnel files. Employees may request access to this information at a reasonable time and place by appointment,
23 usually during business hours in the Human Resources Department, unless another time or place is mutually
24 agreed upon. CalOptima reserves the right to monitor the inspection of the file to ensure that nothing is removed,
25 destroyed or altered, and that it is returned to its proper location. The right to inspection does not include certain
26 records including, but not limited to, records relating to investigations, letters of reference, and/or records
27 obtained prior to the employee's employment, or were obtained in connection with a promotion, or transfer.
28 Employees requesting access to his or her own personnel record may review such records during his or her own
29 personal time, either during scheduled break times, lunch, prior to or at the end of the employee's work day, or on
30 the employee's scheduled day off, depending on the availability of the Human Resources Department.

31 32 **Change of Employee Personal Information**

33
34 Each employee is required to report promptly any change in his/her status and/or personal information to the
35 Human Resources Department as soon as it occurs, but in no event beyond thirty (30) days. Such changes include
36 name, address, marital status, telephone number, number of dependents, person(s) to be notified in case of
37 emergency, physical limitations, beneficiary, etc. This information may affect deductions, health coverage, and
38 many other aspects of employment. Status changes may be made through the Employee Self-Service module on
39 the CalOptima InfoNet.

40
41 It is vitally important to notify the Human Resources Department within thirty (30) days of a status change such
42 as marriage, divorce, birth or adoption of a child. Notification and requests to add/delete dependents must be
43 submitted in writing to the Human Resources Department. Failure to notify Human Resources of these qualifying
44 events may preclude, or delay, changes in eligibility for insurance.

45 46 **Confidential Information**

47
48 CalOptima property includes not only tangible property, like desks, file cabinets and computers, but also
49 intangible property such as information. CalOptima has a particular interest in protecting its proprietary, private,

1 and/or confidential information. Proprietary information includes all information obtained by CalOptima
2 employees during the course of their work including, but not limited to, intellectual property, computer software,
3 and provider identification numbers. Private information includes, but is not limited to, any information related to
4 a person's health, employment application, residence address, testing scores, personnel review, or social security
5 number. Confidential information is any CalOptima information that is not known generally to the public
6 including, but not limited to, Protected Health Information (PHI), personnel files, provider rates, DHCS
7 reimbursements, and any other information that may exist in contracts, administrative files, personnel records,
8 computer records, computer programs, and financial data.

9
10 CalOptima employees, or agents, may not reveal, or disclose, divulge, or make accessible, proprietary, private,
11 and/or confidential information belonging to, or obtained through, the employee's affiliation with CalOptima to
12 any person, including relatives, friends, and business and professional associates, other than persons who have a
13 legitimate business need for such information and to whom CalOptima has authorized disclosure. Employees
14 may not disclose or use proprietary, or confidential, information, except as their jobs require. Inappropriate use,
15 unauthorized copy and transfer, attempted destruction, the destruction or disclosure of confidential, private, or
16 proprietary information obtained through the employee's affiliation with CalOptima will subject an employee to
17 discipline, up to and including termination and possible legal recourse.

18 *Confidentiality and the Health Insurance Portability and Accountability Act (HIPAA)*

19 CalOptima is committed to protecting the confidential, sensitive, and proprietary health information of our
20 members. HIPAA addresses our need to protect and safeguard our members' information. This includes making
21 sure electronic health information is secure, taking precautions to safeguard member files, and following all other
22 HIPAA regulations regarding Protected Health Information (PHI).

23
24 An employee should not store PHI on CDs, DVDs, external electronic storage devices, mobile phones, external
25 email accounts and cloud storage without proper authorization from the Information Services (IS) department.
26 Also, *sensitive data such as PHI should not be stored on nor sent to, from or through any employee's personal*
27 *consumer email service. Examples include Yahoo!, live.com, Gmail, Hotmail, AOL, or any other non-CalOptima*
28 *email system.*

29
30
31 Please contact our HIPAA Officer for more information. Failure to follow HIPAA regulations and CalOptima
32 policies concerning protection of member files and information may subject an employee to discipline, up to and
33 including termination and possible legal recourse.

34
35 See Human Resources Policy GA.8050: Confidentiality and Disclosure; IS Policy GA.5005a: Use of Technology
36 Resources; and IS Policy IS.112: Electronic Media, Electronic Storage Device and Hardware Controls.

37 **Compliance Program**

38
39 CalOptima maintains a comprehensive Compliance Program, part of which is a plan to detect, investigate and
40 report fraud, waste, and abuse in any and all of the CalOptima programs. CalOptima employees are required to
41 report any and all suspected, or actual, cases of fraud, waste, and abuse to the CalOptima Office of Compliance.
42 An employee can file a report anonymously by contacting the CalOptima Compliance and Ethics Hotline at 1-
43 877-837-4417. Employees can also file a Suspected Fraud or Abuse Referral Form with the Office of
44 Compliance, which is available on the CalOptima InfoNet. In addition, employees are always welcome to speak
45 with their supervisor or the Compliance Officer at any time with any concerns they may have. CalOptima
46 maintains a strict policy of non-retaliation and non-retribution toward employees who make such reports in good
47 faith. Employees are protected from retaliation under 31 U.S.C. § 3730(h) for False Claims Act complaints, as
48 well as any other anti-retaliation protections.

The CalOptima Code of Conduct provides that CalOptima employees are expected and required to promptly report suspected violations of any statute, regulation, or guideline applicable to any CalOptima program, its policies and procedures and its Compliance program. Failure to comply with the Compliance program, including CalOptima's Code of Conduct, may lead to disciplinary action. Discipline, at CalOptima's discretion, may include progressive discipline or may lead to direct termination in accordance with CalOptima policies. In addition, failure to comply with CalOptima's Compliance program and Code of Conduct may result in the imposition of civil, criminal, or administrative fines on the employee and/or CalOptima, which may include exclusion from participation in federal and/or state health care programs.

See Office of Compliance Policy HH.2014A: Compliance Program

Code of Conduct

CalOptima maintains a strict Code of Conduct governing employee conduct, as well as ethical behavior related to and/or concerning work-related decisions. CalOptima expects all employees to follow this code and to report situations in which they become aware of circumstances and/or behaviors which do not live up to CalOptima's standard. In order to discourage inappropriate conduct and/or illegal activities and to protect member confidentiality, CalOptima maintains the CalOptima Compliance and Ethics Hotline at 1-877-837-4417 to provide an opportunity for all employees to report unethical conduct. CalOptima maintains a strict policy of non-retaliation and non-retribution toward employees who make such reports in good faith. Employees are protected from retaliation under 31 U.S.C. § 3730(h) for False Claims Act complaints, as well as any other anti-retaliation protections.

The CalOptima Code of Conduct provides that CalOptima employees are encouraged to speak up and report any instance in which unethical behavior occurs as outlined in the Code of Conduct policy. Failure to comply with the Code of Conduct may lead to disciplinary action, up to and including termination.

See CalOptima's Code of Conduct

Dress Code

CalOptima has adopted a Business Casual Attire Dress policy as the standard attire from Monday through Thursday. Employees must choose business casual clothing that communicates professionalism. Business casual includes CalOptima logo attire.

There may be times that management may require employees to dress in customary business professional attire including, but not limited to, when presenting to the Board of Directors, meeting with members of the business community or representing the organization at an outside community function.

The following dress guideline outlines the general workplace standard that must be followed by CalOptima employees. Management within each department shall have the discretion to determine appropriate attire and grooming requirements for employees based upon job duties.

Business Casual: Business casual attire includes suits, dress pants, dress shirts, dress sandals, sweaters, dresses and skirts. Ties may be worn but are not required. All clothing should be clean, pressed and in good repair. The height of heels should be suitable to the individual to prevent safety hazards. In all cases, management within each respective department will define "appropriate" business casual attire. We ask that employees not wear jeans (or any type of denim or any color jeans), spaghetti strap shirts, see-through clothing, short skirts, any type of shorts (at or above the knee), casual sandals (such as flip flops or beach attire), tennis shoes, capri pants (unless

part of a professional dress suit or two-piece business outfit), leggings or stretch pants, clothing displaying any written words or symbols (with the exception of CalOptima logo attire, or brand names or symbols), clothing that reveals undergarments or parts of the body incompatible with a professional setting, or any type of hat, unless the employee obtains prior approval from Human Resources.

CalOptima Logo Attire (Monday–Friday): CalOptima logo attire includes dress shirts, polo shirts, or other shirts purchased through the Human Resources Department with CalOptima’s logo displayed. Logo attire from any CalOptima program is allowed. These shirts must be partnered with dress pants, or khaki pants, in good condition. Logo attire is allowed Monday through Friday. CalOptima logo attire may not be worn with jeans, shorts, or capri pants from Monday through Thursday.

Casual Attire (Friday): Casual attire is a benefit permitted only on Fridays, unless otherwise specified. As with business casual attire, casual attire should be neat in appearance and in good repair, with no tears, or holes. Casual attire includes jeans, capri pants (loose and below the knee), casual sandals (no flip flops), tennis shoes, or other casual clothing in good condition. Leggings, or lycra slacks, are acceptable only when worn with a dress, or long shirt that falls at least below the mid-thigh level. In all cases, management within each respective department will define “appropriate” casual attire. Casual attire does not include: any type of jogging or sweat suits/sweatpants, halter tops, spaghetti strap shirts, see-through clothing, ripped jeans, shorts (at or above the knee), clothing that exposes the stomach area, or other parts of the body incompatible with a professional environment, clothing displaying any written words or symbols, with the exception of CalOptima logo attire, brand names or symbols, sports teams, or university/school/club names or logos, or hats, unless prior approval from Human Resources is given.

As a benefit, employees may dress in casual attire every Friday and every year during the following times, unless otherwise specified:

- The week of Thanksgiving;
- The period between Christmas and New Year’s Day;
- The period between Memorial Day and Labor Day; and
- National Customer Service Week (First week of October).

Employees may be subject to disciplinary action, up to and including termination, for violations of CalOptima’s dress code policy.

See Human Resources Policy GA.8032: Employee Dress Code

Conflict of Interest

Employees are expected to devote their best efforts and attention to the full-time performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict or the appearance of a conflict between the employee's personal interests and the interests of CalOptima. It is CalOptima’s view that both the actual and appearance of a conflict of interest must be avoided.

Employees unsure as to whether a certain personal or non-CalOptima transaction, activity, or relationship constitutes a conflict of interest should discuss it with their immediate supervisor, or the Human Resources Department for clarification. Any exceptions to this guideline must be approved, in writing, by CalOptima's Chief Executive Officer (CEO).

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common

actual, or potential, conflicts, which employees should avoid, include the following:

1. Accepting personal gifts or entertainment from current or potential providers, members or suppliers that is more than twenty-five dollars (\$25) in a calendar year from any single source;
2. Working for a current or potential provider, contractor, vendor, member or supplier, association of contractors, vendors, providers, or other organizations with which CalOptima does business or which seek to do business with CalOptima, except when it is determined that the nature of the job does not create a conflict;
3. Engaging in self-employment in competition with CalOptima;
4. Using proprietary or confidential CalOptima information for personal gain, or the gain of others, or CalOptima's detriment;
5. Having a direct or indirect financial interest in or relationship with a current or potential provider, supplier or member; except when it is determined that the nature or financial interest does not create a conflict
6. Using CalOptima assets or labor for personal use;
7. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to CalOptima; and/or
8. Committing CalOptima to give its financial, or other, support to any outside activity, or organization.

If an employee, or someone with whom an employee has a close relationship (a family member or close companion), has a financial, or employment, relationship with a current, or potential, provider, contractor, vendor, supplier, or member, the employee must disclose this fact in writing to the Human Resources Department. Employees should be aware that if they enter into a personal relationship with an employee of a current, or potential provider, supplier or member, a conflict of interest might exist, which requires full disclosure to CalOptima.

All CalOptima employees are required to promptly report any and all non-CalOptima job positions, positions held on non-profit/charitable organizations, and/or their affiliations or interests in job-related businesses, or organizations to the Human Resources Department.

In addition to these provisions, designated employees are also subject to the provisions of the Conflict of Interest Code adopted by the CalOptima Board of Directors in compliance with the California Government Code. Designated employees must complete a Form 700 Statement of Economic Interests and a CalOptima Supplement to Form 700 upon hire, annually, and upon termination of employment. The Human Resources Department coordinates this activity with the Clerk of the CalOptima Board.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment and/or criminal, civil or administrative action.

See Human Resources Policy GA.8012: Conflicts of Interest

Guests

Due to the confidential nature of CalOptima's operations, employees are discouraged from having visitors at work, unless necessary, or related to performance of job duties. Children of employees are not allowed on the premises during working hours unless attending a formal CalOptima sponsored function. All guests must register at the reception desk in the lobby and obtain a guest badge. Guests shall not be permitted to walk around CalOptima's secured areas unaccompanied.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Benefits

1 Introduction

2
3 CalOptima is proud of the comprehensive benefits package we provide to our employees. This section of the
4 handbook is designed to acquaint employees with some of the more significant features of CalOptima's employee
5 benefits. It is important to remember that more detailed information is set forth in the official plan documents,
6 summary plans descriptions and/or group policy contracts that govern the plans. Accordingly, if there is any real
7 or apparent conflict between the brief summaries contained in this manual and the terms, conditions, limitations
8 or exclusions of the official plan documents, the provisions of the official plan documents will control over these
9 brief summaries. Employees are welcome and encouraged to review the official plan documents, available in the
10 Human Resources Department, for further information.

11 Workers' Compensation

12
13 CalOptima, in accordance with state law, provides insurance coverage for employees in case of work-related
14 injuries. The cost of this insurance is completely paid for by CalOptima. The Workers' Compensation benefits
15 provided to injured employees may include:
16

- 17 • Medical, surgical and hospital treatment;
- 18 • Partial payment for lost earnings that result from work-related injuries; and/or
- 19 • Rehabilitation services to help injured employees return to a suitable employment.

20
21 Employees are required to report all on-the-job injuries to their supervisor and Human Resources immediately,
22 regardless of how minor the injury may be. CalOptima is legally required to report serious injuries, or illnesses,
23 including the death of an employee, within eight (8) hours of the incident and/or accident.

24 See Human Resources Policy GA.8041: Workers' Compensation Leave of Absence
25

26 Paid Time Off and Workers' Compensation

27
28 Workers' Compensation does not usually cover absences for medical treatment, follow-up doctor's appointments,
29 physical therapy appointments, and/or other appointments related to a Workers' Compensation claim, or injury.
30 When an employee reports a work-related illness, or injury, he or she will be sent to CalOptima's designated
31 clinic if medical treatment is necessary. Employees may have the option of seeing their own doctor if their doctor
32 has previously been designated as the treating physician and this authorization has been submitted to Human
33 Resources. CalOptima generally participates in a Medical Provider Network (MPN), through which all treatments
34 are provided to the employee. All appointments related to treatment must be coordinated through the Workers'
35 Compensation insurance company and the Human Resources Department.
36

37 Any further medical treatment will be under the direction of the employee's primary treating physician.
38 Employees returning to work, or who are still working after a work-related injury or illness under the Workers'
39 Compensation Act, are required to coordinate with their supervisor to use accrued PTO, or make up time away
40 from work, consistent with CalOptima's time-keeping requirements, for follow-up medical appointments.
41 Employees who do not have sufficient PTO accruals may take unpaid time off for follow-up medical
42 appointments. Appointments should be scheduled in a manner that provides the least disruption to the employee's
43 normal work schedule.
44

45 Core Health Benefits

1 The benefits CalOptima offers its employees are an important part of a total compensation package. Such
2 benefits, like health and life insurance, would be significantly more expensive if employees had to purchase them
3 privately. CalOptima's benefits are regularly reviewed to ensure that they are competitive with those offered by
4 other public agencies and organizations in Southern California.

5
6 All regular full-time, regular part-time and qualifying as-needed employees and, if elected, their eligible family
7 members, are eligible for health insurance benefits beginning the first day of the month following the employee's
8 date of hire. However, if the date of hire is on the first of the month, health insurance benefits begin effective on
9 the hire date. Eligible family members include: spouses, registered domestic partners, and dependent children
10 under the age of 26 or disabled dependent. Documentation certifying eligibility is required. Coverage will
11 commence on the first (1st) of the month following the employee's date of hire unless the date of hire is the first
12 (1st) of the month.

13
14 Employment eligibility requirements and enrollment change information is available in the individual Summary
15 of Benefits and Coverage (SBC), Summary Plan Descriptions (SPD) and other benefits booklets. Questions
16 regarding any of CalOptima's benefits should be directed to the Human Resources Department.

17
18 Once enrolled, the employee's elections will remain in effect for the entire, or remaining, plan year (January 1
19 through December 31) unless the employee has a qualifying event. Many of the deductions taken on CalOptima
20 employee health benefits are taken on a pre-tax basis since CalOptima participates in a Flexible Benefits Plan
21 (Cafeteria Section 125 Plan). Unless the employee has a qualifying event, no changes can be made to the
22 employee's elections after the open enrollment period has ended. Employees are solely responsible for making
23 sure the employee's elections are accurate. For this reason, changes to medical, dental, vision, health, or
24 dependent care flexible spending accounts (FSA) may only be made with the submission of supporting
25 documentation that provides substantiation of the qualifying event. Some examples of qualifying events include,
26 but are not limited to: marriage, divorce, birth/adoption of child, over-age dependent and change of spouse's
27 employment. If one of these events occurs, the Human Resources Department must be contacted within thirty (30)
28 days to make a change. Otherwise, employees are required to wait until the next annual open enrollment period,
29 usually held in October of each year, to make any changes to their elections. The effective date for qualifying
30 event changes can only be made prospectively, not retroactively.

31
32 When health benefits coverage terminates due to an extended personal leave of absence, or termination of
33 employment with CalOptima, employees may be eligible under COBRA (Consolidated Omnibus Budget
34 Reconciliation Act of 1985) to continue enrollment for a period of time. Additional information is mailed to
35 terminated employees from a third-party COBRA administrator following the last day of employment.

36
37 Upon an employee's separation from CalOptima, health insurance benefits continue through the end of the month
38 that he or she terminates in. The employee is responsible for his or her share of the costs for health insurance
39 benefits for the entire month, and appropriate deductions will be included in the employee's final paycheck.

40
41 Below is list of core benefits available to eligible full-time and part-time regular employees. The employee
42 premiums, deductions from payroll for these benefits, vary depending on the employee's employment
43 classification and annual modifications based on changes in premiums from our carriers. CalOptima reserves the
44 rights to modify, change, eliminate or add to the following list of benefits at its sole discretion:

45
46 **Health** — CalOptima provides different options for affordable HMO and PPO health plans that include a broad
47 network of medical groups and hospital access with a very reasonable co-pay structure for office visits and
48 pharmacy benefits. A High Deduction Health Plan (HDHP), inclusive of employer contributions, and a Health
49 Savings Account (HSA) are available at the employee's election.

50
51 **Dental** — Comprehensive dental plans that include preventive dental care visits at no charge, as well as

1 orthodontia benefits, are available to CalOptima employees.

2
3 **Vision** — CalOptima’s vision plan design allows for eye examinations, glasses and contact lenses.

4
5 **Life and AD&D** — Full-time regular employees receive a \$50,000 life and accidental death and dismemberment
6 (AD&D) insurance policy, or one (1) times the employee’s basic annual earnings, whichever is higher, with a
7 maximum amount of \$325,000. Part-time regular employees receive a \$25,000 life and AD&D insurance policy,
8 or one (1) times their basic annual earnings, whichever is higher.

9
10 **Short-Term Disability** — An employee with a qualifying disability/condition may receive short-term disability
11 benefits, which pays sixty percent (60%) of an employee’s regular wages for a period of time following a waiting
12 period. This benefit is a substitute for state disability benefits as CalOptima does not participate with the State
13 Disability Insurance (SDI) program. CalOptima provides this benefit free to eligible employees.

14
15 **Long-Term Disability** — An eligible employee with a qualifying disability/condition may receive long-term
16 disability benefits, which pays sixty percent (60%) of regular wages until normal retirement age, as long as the
17 employee meets the definition of disability. This benefit is used in lieu of state disability benefits since CalOptima
18 does not participate with the State Disability Insurance (SDI) program. CalOptima provides this benefit free to
19 eligible employees.

20
21 **Employee Assistance Program (EAP)** — This free and confidential resource provides easy and accessible
22 services to employees (and some extended family members) for behavioral health issues such as: counseling for
23 relationship issues, emotional well-being, legal and financial assistance, substance abuse, as well as workplace
24 challenges.

25
26 CalOptima also offers additional voluntary benefits to eligible employees. These voluntary optional benefits may
27 include benefits such as: additional voluntary life and AD&D insurance, whole life and critical illness insurance
28 plans, legal plans and flexible spending accounts (FSA). All voluntary benefit premiums are one hundred percent
29 (100%) paid for by the employee.

30 31 **Retirement Benefits**

32
33 **CalPERS (California Public Employees Retirement System) Defined Benefit Plan** — CalOptima has
34 contracted with CalPERS instead of participating in Social Security. Regular full-time and regular part-time
35 employees are automatically enrolled into the CalPERS plan upon date of eligibility, which is usually the
36 employee’s date of hire. In particular cases, qualifying as-needed and temporary employees, who were previously
37 enrolled in CalPERS may also be enrolled into CalPERS upon date of eligibility. To be eligible for service
38 retirement with CalPERS, employees considered classic CalPERS members must be at least age fifty (50) and
39 have a minimum of five (5) years credited service. For new employees hired on, or after, December 1, 2013, who
40 do not have reciprocal rights, the minimum retirement age for new hires has been increased to fifty-two (52);
41 however, the years of credited service remains five (5). Classic CalPERS members (those that established
42 membership prior to January 1, 2013) are enrolled in the 2 percent @ 60 benefit formula. New members (those
43 that established membership on or after January 1, 2013) are enrolled in the 2 percent @ 62 formula. Basic
44 CalPERS plan information is provided to employees during their first month of employment.

45
46 **PARS (Public Agency Retirement Services) Defined Contribution Plan** — This supplemental retirement plan
47 is a 401(a) tax-qualified multiple employer trust. All regular full-time and regular part-time employees are
48 automatically enrolled, and a contribution is made by CalOptima. There is a vesting requirement based on
49 quarters of service. Contributions are automatically invested into a life-cycle mutual fund and professionally
50 managed; however, employees have the option to self-direct fund investments in their account. Basic plan
51 information is provided to employees during their first month of employment.

457b Deferred Compensation Plan — A 457b voluntary plan is also offered as a way to save for retirement. All deposits to this plan are made by the employee. The annual IRS regulated contribution limit generally increases each year and catch-up contribution provisions are available for those who are age fifty (50) and above. The employee determines his or her contribution amount as well as his or her investment allocation. A licensed financial advisor will provide plan related information, usually within the first month of employment.

Social Security Retirement — CalOptima does not participate in Social Security. All regular full-time and regular part-time employees are considered Social Security tax exempt and pay into CalPERS instead of Social Security. Upon hire, Human Resources will explain how CalPERS and Social Security work together. The Human Resources Department will inform employees about two (2) important Social Security provisions: Government Pension Offset and Windfall Elimination Provision. As-needed employees are not eligible for CalPERS membership, unless certain conditions apply, therefore, by default, unless they are eligible for enrollment in CalPERS, they are the exception to this rule and will see a FICA/Social Security deduction taken from their payroll, and subsequently are only authorized to work up to one thousand (1,000) hours per fiscal year on a general basis.

Medicare — The employee and CalOptima each contribute their proportionate share to Medicare.

Paid Time Off (PTO)

CalOptima provides paid time off (PTO) benefits to all eligible employees to enable them to take time off for rest and recreation and to recover from illness. CalOptima believes this time is valuable for employees in order to enhance productivity and to make the work experience more personally satisfying. CalOptima provides long-service employees with additional PTO benefits as years of service are accumulated.

Full-time, part-time, and limited-term employees who are regularly scheduled to work more than twenty (20) hours per week are eligible to accrue PTO. An eligible employee may use PTO hours for vacation, preventive health or dental care, or care of an existing health condition of the employee, or the employee's family member, short-term illness, family illness, emergencies, religious observances, personal business, Child-Related Activities, or for specified purposes if the employee is a victim of domestic violence, sexual assault, or stalking. CalOptima encourages all employees to maintain a work-life balance by utilizing PTO benefits for rest and recreation throughout the year.

The maximum amount permitted in an employee's PTO account is equal to two (2) times the employee's annual PTO accrual rate. When an employee reaches his or her maximum PTO accrual amount, the employee will stop accruing PTO. PTO accruals will only accrue in conjunction with CalOptima payroll and will be prorated based on hours earned.

Eligible employees accrue PTO based on their classification as exempt, or non-exempt, hours paid (excluding overtime) each pay period (non-exempt employees), and years of continuous services in accordance with the following accrual schedule below. PTO begins accruing from the date of hire.

Annual Paid Time Off Benefits Accrual Schedule

Non-Exempt Employees:

Years of Continuous Service	Hours of PTO Earned (Biweekly pay period)	Hours Accrued per Year	Days Accrued per Year
0–3	5.54	144	18

4–10	7.08	184	23
11 +	8.62	224	28

Exempt Employees:

Years of Continuous Service	Hours of PTO Earned (Biweekly pay period)	Hours Accrued per Year	Days Accrued per Year
0–3	7.08	184	23
4–10	8.62	224	28
11 +	10.15	264	33

See Human Resources Policy GA.8018: Paid Time Off (PTO)

Paid Sick Leave

CalOptima provides employees who are eligible to accrue PTO a sufficient amount of PTO that can be used for sick leave that satisfies the accrual, carryover, and use requirements under the Healthy Workplaces, Healthy Families Act of 2014 (Act). For all other employees who are not eligible to accrue PTO, effective July 1, 2015, as-needed, per diem, or temporary employees may become eligible for paid sick leave if the employee works thirty (30), or more, days within one (1) year from the start of their date of employment. Twenty-four (24) hours, or three (3) days, whichever is greater, of paid sick leave is provided only to eligible employees who do not accrue PTO.

Upon satisfying a ninety (90)-day employment period, employees may use accrued sick leave for preventative care or diagnosis, care, or treatment of an existing health condition of the employee, or the employee's family member, or for specified purposes if the employee is a victim of domestic violence, sexual assault, or stalking.

Upon termination, resignation, retirement, or other separation from employment, CalOptima will not pay out employees for unused paid sick leave time accrued under the Act. If an employee separates and is then rehired by CalOptima within one (1) year from the date of separation, the previously accrued and unused paid sick leave time will be reinstated. An employee rehired within one (1) year from the date of separation may not be subject to the Act's ninety (90)-day waiting period, if such condition was previously satisfied, and may use their paid sick leave time immediately upon rehire, if eligible.

See Human Resources Policy GA. 8018: Paid Time Off (PTO)

Holidays

CalOptima generally observes the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day and the Friday after Thanksgiving
- Christmas Day

- One (1) Flex Day (accrues on January 1st)

A holiday that falls on a Saturday or Sunday is usually observed on the preceding Friday, or the following Monday. Holiday observances will be announced in advance. CalOptima may, in its discretion, require an employee to work on scheduled holidays. If a non-exempt employee is required to work a scheduled holiday, he or she will receive his or her regular rate of pay for the holiday pay in addition to his or her regular compensation for the hours of actual work performed. From time to time, at the discretion of the CEO, the CEO, or his/her Designee, may authorize managers, at their discretion, to release employees early, up to a maximum of two (2) hours, with pay, on the work day immediately preceding a holiday, as long as departments ensure critical areas are covered for the entire business day. The release of employees early is intended to benefit only those employees who are working on the work day immediately preceding a holiday. Employees who are on PTO on the day employees are permitted to leave early are not entitled to any credit or future early release.

Flex Holidays

Employees will receive a maximum of one (1) flex holiday (maximum of eight (8) hours, prorated based on scheduled work hours) on January 1st of each year; however, CalOptima reserves the right to assign a specific date for the flex holiday for business reasons and/or needs. Limits are imposed on the number of flex holiday hours that can be maintained in the employee's flex holiday account. A maximum of twelve (12) hours, prorated based on scheduled work hours, may be maintained in an employee's flex holiday account as of January 1st of each year. In the event that available flex holiday hours are not used by the last pay period of the calendar year, employees may carry unused flex holiday hours into subsequent years and may accrue additional hours up to the maximum of eight (8) hours, prorated based on the scheduled work hours. If an employee reaches the maximum amount of twelve (12) hours on January 1st, prorated based on the scheduled work hours, the employee will stop accruing flex holiday hours. Flex holiday hours are not eligible for annual cash out applicable to PTO hours. However, if an employee separates from CalOptima and has unused flex holiday hours, the unused flex holiday hours for that calendar year will be paid out at the same time and in the same manner as unused PTO hours upon termination.

Eligibility

Regular full-time and regular part-time employees who are regularly scheduled to work twenty (20), or more, hours per week are eligible for holiday benefits and flex holiday accrual hours, but will be prorated based on their full-time or part-time status at the time of the holiday. To receive holiday pay, employees must work, or be paid for the regularly scheduled workdays preceding and following the CalOptima holiday. If a paid holiday occurs during the period an employee is on a LOA, the employee may be eligible for the holiday pay if PTO is being used for the LOA the day before and the day after the holiday, and the holiday pay will be prorated based on the employee's full-time or part-time status as it was in effect prior to the LOA. If a holiday falls on a day in which the employee would have been regularly scheduled to work, the holiday will count against the employee's LOA entitlement.

Education Reimbursement

CalOptima believes in the development and growth of its employees. In order to encourage developmental progression, CalOptima provides an Education Reimbursement Program to offer repayment of reasonable educational and professional development expenses for work-related courses and/or programs, including professional licensure requirements, to all eligible regular full-time, or part-time, employees who have completed their initial one hundred eighty (180) days of employment.

Courses eligible for tuition reimbursement must be either part of an accredited college degree program, certifications awarded by state, or national, professional organizations, or individual local courses provided by

1 credible institutions that meet one (1) the following conditions:

- 2
- 3 1. Educate the employee in new concepts and methods in their present assignment.
- 4 2. Help prepare the employee for advancement to positions of greater responsibility available within
- 5 CalOptima.
- 6

7 Attendance at outside education courses and/or programs, whether required by CalOptima, or requested by
8 individual employees, requires prior written management and Human Resources approval. Details of the program
9 and how to apply for reimbursement are available in the Human Resources Department. The Human Resources
10 Department shall be responsible for developing, administering, and maintaining the program. In order to be
11 reimbursed, eligible employees must satisfactorily complete a work-related course or program, or complete a
12 professional certification offered by an accredited school, community college, college, university, or other
13 recognized professional organization, or learning institution. Miscellaneous expenses such as parking, books, and
14 supplies are not covered and shall not be reimbursed.

15
16 Seminars, conferences, or business meetings that do not result in certification are not covered under Education
17 Reimbursement.

18
19 See Human Resources Policy GA.8036: Education Reimbursement
20

21 **Unemployment Insurance**

22
23 CalOptima contributes to the California Unemployment Insurance Fund on behalf of its employees in the event
24 employees become unemployed through no fault of their own. Eligibility for Unemployment Insurance is
25 determined solely by the Employment Development Department (EDD) of the State of California.
26

27 **COBRA**

28
29 CalOptima complies with the provisions and requirements of both the Consolidated Omnibus Budget
30 Reconciliation Act of 1985 (COBRA) and the Health Insurance Portability and Accountability Act of 1996
31 (HIPAA). Both Acts provide for continued coverage of an employee's, his or her spouse's, and his or her
32 dependents' health benefit coverage in the event that the employee is no longer eligible for CalOptima's group
33 health coverage. Please see the Human Resources Department for additional information.
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

CalOptima Property

Employer Property

Cubicles, desks, computers, vehicles, and other CalOptima owned, or leased, items are considered CalOptima property and must be maintained according to CalOptima's policies, rules, and regulations. CalOptima property must be kept clean and in good condition. Decorations in an employee's work space should fit with the overall professional business atmosphere CalOptima projects and should take into consideration the needs and sensitivities of our members, providers, fellow employees and the public.

Data maintained on CalOptima's systems, including employee work-product, are CalOptima property, and Employees should refrain from downloading any CalOptima work product, particularly confidential and proprietary information, including but not limited to, documents the employee may have developed or prepared that contain PHI, during the course of employment and/or upon termination. Potential civil and criminal liability may result from such conduct.

Posters, calendars, personal affects, etc. are not allowed to be taped, or tacked, to shared areas such as filing cabinets, corridors, walls or doors. In addition, the placing of items outside of a work station panel is prohibited. If an employee has any items that need to be mounted on a wall within his or her workstation or office, he or she should request assistance from the Facilities Department. CalOptima reserves the right to inspect all CalOptima property to ensure compliance with its policies, rules, and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

Employees are asked to minimize personal phone calls and messages from personal callers to avoid interruption of work. CalOptima understands that, from time-to-time, personal, or family calls or messages, are necessary; however, employees are expected to use good judgment and, whenever possible, to limit these calls to meal and break times. CalOptima reserves the right to monitor voice mail messages and email messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence. Employees should be aware that as a public agency, all documents, including email messages and instant messages, are public records and may be subject to disclosure. Employees should not have any expectation of privacy concerning email messages sent and received from CalOptima email or instant messages sent and received through CalOptima's network.

Prior authorization must be obtained before any CalOptima property may be removed from the premises. For security reasons, employees should not leave personal belongings of value in the workplace or in plain view. Employees are solely responsible for their own personal belongings, and CalOptima shall not be liable for any lost, stolen or misplaced personal belongings. Personal items in and on CalOptima property are subject to reasonable inspection and search.

Terminated employees must remove any personal items at the time they leave CalOptima or make arrangements with Human Resources to remove these items. Personal items left in the workplace are subject to disposal if arrangements are not made at the time of an employee's termination. CalOptima shall not be responsible for any lost, or discarded, personal items left behind. Terminated employees who have CalOptima property at their home must make arrangements with Human Resources to have these items picked up within a week of their termination date.

Housekeeping

All employees are expected to keep their work areas clean and organized. The use of personal floor, or desktop heaters, coffee makers, and mini-refrigerators is not permitted in the cubicles.

People using common areas such as lunch rooms, locker rooms, conference rooms, and restrooms are expected to

1 use appropriate and courteous etiquette including keeping the common areas sanitary and in a clean state for the
2 next person to use. Employees should clean up immediately after meals and dispose of trash properly. CalOptima
3 encourages good health habits to prevent the spread of germs, colds, the flu, and other illnesses.
4
5

6 **Off-Duty Use of Facilities**

7

8 Employees are prohibited from remaining on CalOptima premises or making personal use of CalOptima facilities
9 while not on duty without prior permission from the Human Resources Department.
10

11 **Cell Phones**

12

13 **Driving with Cell Phones:**

14 In the interest of the safety of our employees and other drivers, and in compliance with state laws, CalOptima
15 employees are prohibited from using cell phones without a hands-free device and prohibited from text messaging
16 and/or searching the internet while driving on CalOptima business and/or driving during CalOptima time. If an
17 employee's job requires that he or she keep his or her cell phone turned on while he or she is driving, he or she
18 must use a hands-free device and operate the vehicle safely. Cell phones may not be used under any
19 circumstances or in any manner that would distract an employee from the duty to drive in a safe and non-
20 negligent manner.
21

22 **Cell Phone Etiquette:**

23 We ask that employees be considerate of others when using a cell phone during work hours and while on duty.
24 Appropriate phone etiquette includes putting phones on silent, or vibrate, mode to minimize disruptions, and
25 minimizing text messaging and internet surfing during meetings. Employees should refrain from excessive use of
26 personal hand-held devices during work hours and while on duty for non-job-related duties. Employees are asked
27 to minimize personal cell phone calls and text messages or personal emails unrelated to CalOptima business on
28 hand-held devices to avoid interruption of work. Employees are asked to refrain from using cell phones in
29 restrooms. Employees are expected to use good judgment and, whenever possible, to limit these personal cell
30 phone calls or use of hand-held devices to meal and break times.
31

32 **Restrictions on Smoking and Unregulated Nicotine Products**

33

34 As a public agency providing access to quality health care services, CalOptima endeavors to maintain a safe and
35 healthful environment for its employees, members, and visitors to CalOptima property. In keeping with this
36 philosophy, it is important that the workplace and office environment reflect CalOptima's concern for good health.
37 Therefore, smoking, inclusive of electronic smoking devices, and the use of unregulated nicotine products is strictly
38 prohibited inside the building and is allowed only in designated outside smoking areas at least twenty-five (25) feet
39 away from any CalOptima owned, or leased, building. Employees who wish to smoke, inclusive of electronic
40 smoking devices, or use unregulated nicotine products, must limit their smoking or use of unregulated nicotine
41 products to break and meal periods in areas outside of work premises and only in designated smoking areas.
42

43 See CalOptima Policy GA.8048: Restrictions on Smoking and Unregulated Nicotine Products
44

45 **Computer, Email, and Internet Usage**

46

47 CalOptima recognizes that use of the Internet has many benefits for CalOptima and its employees. The Internet
48 and email make communication more efficient and effective. Therefore, employees are encouraged to use and
49 access the Internet appropriately. Unacceptable use of the Internet and email can place CalOptima and others at

1 risk. As a public agency, we must be mindful that our written communications, stored data and internet searches
2 could constitute a public record. Therefore, all communications, including emails, and internet usage should be
3 business appropriate.

4
5 The following guidelines have been established for using the Internet and email in an appropriate, ethical, and
6 professional manner:

- 8 • CalOptima's Internet and email access may not be used for transmitting, retrieving, or storing of any
9 communications of a defamatory, discriminatory or harassing nature, or materials that are obscene,
10 sexually suggestive, or explicit.
- 11 • No messages with derogatory, or inflammatory, remarks about an individual's race, age, disability,
12 religion, national origin, physical attributes, or sexual preference shall be transmitted. Harassment and
13 discrimination of any kind or form is strictly prohibited.
- 14 • Disparaging, abusive, profane, discriminatory, or offensive language and any illegal activities are
15 forbidden. The posting, uploading, or downloading of pornographic or vulgar messages, photos, images,
16 sound files, text files, video files, newsletters, or related materials is strictly prohibited.
- 17 • Each employee is responsible for the content of all text, audio, or images that he/she places or sends over
18 CalOptima's Internet and email system. No email, or other electronic communications, may be sent that
19 hides the identity of the sender or represents the sender as someone else.
- 20 • All CalOptima business should be conducted using CalOptima equipment and systems. CalOptima
21 employees do not have access to personal email accounts over the internet. Access from work computers
22 to consumer email services such as Google Gmail, Yahoo! Mail, AOL, Hotmail, live.com, EarthLink,
23 university email systems, cable provider email systems, etc. is not available. Emails that are received
24 from these services from members, providers or others are permitted
- 25 • Users shall have no expectation or assumption of confidentiality, or privacy, of any kind related to the use
26 of emails and the Internet. CalOptima has the right, with or without cause or notice, to access, examine,
27 monitor, and regulate all electronic communications, including email messages, directories and files, as
28 well as Internet usage. Also, the Internet is not secure, so employees should not assume that others cannot
29 read, or possibly alter messages.
- 30 • Internal and external email messages are considered business records and may be subject to discovery in
31 the event of litigation, or disclosure, in the event of a public records request. Be aware of this possibility
32 when sending email within and outside CalOptima.
- 33 • Users shall ensure the security of Protected Health Information (PHI) in accordance with CalOptima's
34 HIPAA policies. Sensitive data (PHI) should not be stored on nor sent to through any employee's
35 personal consumer email services. Examples include Yahoo!, live.com, Gmail, Hotmail, AOL, or any
36 other non-CalOptima email system.
- 37 • Users shall be responsible for using the Internet, email, InfoNet, and internal office communicator in an
38 appropriate manner. CalOptima shall block access to categories of websites deemed inappropriate (illegal,
39 pornographic, etc.) or unnecessary (entertainment, games, etc.).

40
41 All CalOptima-supplied technology, including computer systems and CalOptima-related work records, belong to
42 CalOptima and not the employee. CalOptima may routinely monitor usage patterns for its email and Internet
43 communications. Since all the computer systems and software, as well as the email and Internet connection, are
44 CalOptima owned, all CalOptima policies are in effect at all times during usage. Any employee who abuses the
45 privilege of access to email and/or the Internet may be denied access to the Internet and, if appropriate, be subject
46 to disciplinary action up to and including termination.

47
48 CalOptima may periodically need to assign and/or change passwords and personal codes for voice mail, email or
49 computer login. CalOptima reserves the right to keep a record of all passwords and codes used for CalOptima
50 business and/or may be able to override any such password system.

CalOptima has separate agreements with wireless providers. As a result, CalOptima employees may be eligible for discounts with these providers. Please check with Human Resources for more information.

See Administrative Policies GA.5005a: Use of Technology Resources and GA.5005b: E-mail and Internet Use

Solicitation, Distribution, and Bulletin Boards

CalOptima is an employer that values families and nonprofit organizations, and we want to support our employees with their fundraising activities. Employees should reserve fundraising activities for non-work time (breaks and lunch, or after hours) and in non-work areas (break rooms). Solicitations should be discrete, courteous, and carried out in a manner that does not interfere with CalOptima's operations. Please make sure that any solicitation involves requests that are professional and in good taste.

An employee may distribute, or circulate, non-CalOptima written materials to other employees only during non-working time and only in non-work areas. If an employee is unclear whether an area is a work, or non-work, area, he or she should consult his or her immediate supervisor or the Human Resources Department for clarification.

Solicitation, or distribution, in any way connected with the sale of any goods or services for profit is strictly prohibited anywhere on CalOptima property at any time, unless otherwise approved by management. Similarly, solicitation, or distribution, of literature for any purpose by non-employees is strictly prohibited on CalOptima's property at any time.

CalOptima has a bulletin board located on each floor for the purpose of communicating with its employees. Postings on these boards are limited to CalOptima related material including statutory and legal notices, safety and work-related rules, CalOptima policies, memos of general interest relating to CalOptima and other items. All postings require the prior approval of the Human Resources Director, or designee.

Unauthorized posting of literature on CalOptima property (including bulletin boards, walls and the outside of cubicles) is strictly prohibited.

Photo-Identification Badges

Employees of CalOptima are required to wear their photo-identification badges while at CalOptima and, when appropriate, while conducting CalOptima business. Photo identification badges must be visible at all times while working on site. In addition, an employee's photo-identification badge also serves as a key to allow an employee access to his or her department, restrooms, break/lunch room, and other permitted areas within the building.

Photo-identification badges and/or key cards are not transferable to other CalOptima employees, vendors, or family members.

The employee's photo-identification badge is the property of CalOptima and must be returned when employment is terminated for any reason.

We also encourage employees to be aware of people in our work areas to make sure they are wearing a badge and are either CalOptima employees or escorted by CalOptima employees. If an employee notices someone who is not wearing a badge they are expected to report them to the Facilities Department.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

Wages and Work Schedules

1 **Work Schedules**

2
3 CalOptima's normal hours of operation are between the hours of 8 a.m. and 5 p.m., Monday through Friday, and
4 our reception area is open during these hours. You and your supervisor will work out your individual work
5 schedule, meal period, and break times. All employees are expected to be at their desks, or work stations, at the
6 start of their scheduled shifts, ready to work. CalOptima reserves the right to modify employees' starting and
7 ending times and the number of hours worked.
8

9 **Time-keeping Requirements**

10
11 All hourly (non-exempt) employees are required to accurately record time worked for payroll purposes.
12 Employees must record their own time at the start and at the end of each work day, including before and after
13 unpaid lunch breaks. Except for scheduled break times, non-exempt employees also must record their time away
14 from CalOptima premises whenever they leave the building for any reason other than CalOptima business. At the
15 end of each pay period, each hourly (non-exempt) employee shall verify and approve this schedule through
16 CalOptima's time-keeping system and submit it to his or her supervisor for approval. Any errors on an
17 employee's timecard should be reported immediately to his or her immediate supervisor.
18

19 Supervisors will determine and notify employees of their regular work schedule/shift. Due to possible changes in
20 work force and CalOptima's needs, CalOptima retains the right to change an employee's work schedule, or the
21 number of hours worked in a day, subject to all applicable wage and hour laws.
22

23 Exempt employees are not required to complete timecards and are not eligible for overtime. However, as a public
24 agency employer, CalOptima has expectations of employees that are established pursuant to principles of public
25 accountability. Exempt employees are expected to work a regular work schedule based on CalOptima's core
26 business hours and should notify their supervisors in advance of any deviations from their normal work schedule
27 and accurately record any exceptions to their regular work schedule including, but not limited to, hours used for
28 PTO, jury duty, bereavement leave, etc. CalOptima looks to exempt employees to demonstrate the level of
29 commitment and conscientiousness that is appropriate to their status. Exempt employees work a minimum of
30 forty (40) hours per week (for full-time employees) and may need to work additional hours to complete projects
31 and tasks. It is common for exempt employees to work more than a forty (40) hour work week. As a result,
32 subject to prior supervisor approval, occasional short-term absences (for example, two (2) hours for a doctor's
33 appointment) would not require the use of PTO accruals if the employee otherwise makes up the time away from
34 work in the same pay period. Exempt employees are still required to be respectful and request this time off in
35 advance from their supervisor. Supervisors will monitor an employee's time away from work and make up time to
36 ensure accountability. Should an exempt employee work less than a full work day, and the employee does not
37 otherwise make up the time off within the same pay period, the employee must request approval for PTO because
38 this is lost time to the organization.
39

40 **Workweek and Workday**

41
42 The workweek on which weekly overtime calculations will be based begins each Sunday at midnight (12:01 a.m.)
43 and ends the following Sunday at midnight. The work week will differ for employees working an alternative
44 schedule such as 9/80 (see section regarding Alternative Work Schedules).
45

46 **Payment and Wages**

47
48 Normal paydays are every other Friday. Please consult CalOptima's pay schedule available through the Human
49 Resources Department.

Each paycheck will include base earnings for all reported hours performed through the end of the payroll period. The payroll period ends the Sunday prior to pay day at 12 a.m. In the event that a regularly scheduled payday falls on a holiday, employees will receive their pay on the last day of the workweek preceding the day off. All employees will receive an itemized statement of wages each payday.

Payment on Resignation or Termination

According to California Labor Code Section 220 (b), as a public agency, CalOptima is not required to pay wages immediately upon termination. If an employee resigns, or is terminated, his or her final paycheck will be available on CalOptima's next regularly scheduled payday. The employee's final paycheck will include payment for all wages due and not previously paid and for accrued but unused PTO, minus authorized deductions.

Overtime

Hourly (Non-Exempt) Employees

Periodically, a need for overtime arises, either before or after the regular workday or on weekends. As a public agency, we follow federal wage and hour laws. Overtime will be provided for all **hours worked** in excess of forty (40) hours in any one (1) work week at the rate of 1½ times the non-exempt employee's regular rate of pay. Overtime must be approved in advance by management.

Salaried (Exempt) Employees

Exempt employees are not covered by the overtime provisions and do not receive overtime pay.

Meal and Rest Periods

CalOptima recognizes how important it is to have a break during the work day. As a result, CalOptima encourages employees who work for a period of more than five (5) hours to take an unpaid meal period of at least thirty (30) minutes. CalOptima also recommends a paid rest period of no more than fifteen (15) minutes to be taken approximately halfway through any work period of three and one-half (3.5) hours, or more. For example, employees should receive one (1) fifteen (15)-minute rest period in the first half of an eight (8)-hour shift, and one (1) fifteen (15)-minute rest period in the second half of an eight (8)-hour shift. Employees may not combine their breaks and lunch to alter their normal work hours.

Lactation

Employees may take a reasonable amount of break time, subject to certain limitations, in order to express milk for the employee's child. The break shall run concurrently with rest breaks or lunch periods already provided to the employee but shall otherwise be unpaid.

Holiday Pay

Employees are paid their regular straight-time wages for CalOptima paid holidays as set forth in the Holidays section under Benefits in this handbook.

Make Up Time

CalOptima allows the use of makeup time when employees need time off to tend to personal obligations. For

example, an employee might request makeup time in advance for the following situations:

- An employee needs to leave one (1) hour early for a doctor's appointment on Monday and asks to make up that time on Tuesday by working an hour later.
- An employee on a 9/80 workweek will receive eight (8) hours of holiday pay on a nine (9) hour day and he or she asks in advance to make up the additional hour rather than take it from his or her PTO accruals.

Make up time worked will not be paid at an overtime rate and the work week in which the makeup time occurs cannot exceed forty (40) hours. Employees may take time off and then make up the time later in the same work week or may work extra hours earlier in the work week to make up for time that will be taken off later in the work week.

Non-exempt employees should submit make up time requests **in advance** to their supervisor through CalOptima's time-keeping system and document their revised schedule into their timecard. Requests will be considered for approval based on the legitimate business needs of the department at the time the request is submitted. A separate written request is required for each occasion the employee requests make up time.

An employee's use of make-up time is completely voluntary. CalOptima does not encourage, discourage, or solicit the use of make-up time.

Supplemental Compensation

In certain instances, CalOptima offers supplemental compensation, in addition to an employee's regular base pay, to compensate for business needs. Supplemental compensation includes, but is not limited to, compensation for:

- **Overtime Pay:** Non-exempt employees will be paid overtime pay at a rate of one and one-half (1.5) times the employee's base hourly rate of pay for all hours worked in excess of forty (40) hours in any one (1) workweek. Exempt employees are not covered by the overtime provisions and do not receive overtime pay.
- **Night Shift Pay:** A non-exempt employee who works an assigned night shift shall, in addition to his or her regular base pay, be paid a supplemental night shift pay for each hour actually worked on the assigned night shift.
- **Bilingual Pay:** A supplemental bilingual pay may be paid to qualified exempt and non-exempt employees who are fluent in at least one (1) of CalOptima's Threshold Languages and bilingual usage is required or preferred in the job description.
- **Call Back Pay:** In certain departments, non-exempt employees are eligible for call back pay should they be asked to physically return to work within one (1) hour by their supervisor.
- **On Call Pay:** On occasion, employees may be asked to be on call. On call pay is compensation provided to employees who must remain accessible after hours and/or on the weekends via pager, or mobile phone, and be available to work via phone, fix problems or report to work, if necessary.
- **Certified Case Manager (CCM) Pay:** Supplemental pay may be paid to an RN who holds an active CCM certification when such certification is required or preferred in the job description and used regularly in performance of the employee's job duties.
- **Sales Incentive Program:** Eligible employees in the OneCare Sales and Marketing Department may be eligible to receive a sales incentive that corresponds to the number of eligible members the employee enrolls in the OneCare and OneCare Connect Programs each month.
- **Translation Pay:** The Cultural and Linguistic Services Program may compensate CalOptima employees outside of their department for translation work.
- **Executive Incentive Program:** The Chief Executive Officer may recognize executive staff, including

interim appointments, using incentive compensation as described in CalOptima Policy GA.8042: Supplemental Compensation. For executive staff who achieve superior performance, the executive incentive compensation is considered bonus pay pursuant to 2 CCR Section 571(a) and is to be reported to CalPERS as special compensation for classic Members.

See Human Resources Policy GA.8042: Supplemental Compensation

Severance Pay

The Chief Executive Officer (CEO), in his sole and complete discretion, may authorize severance pay upon an employee's separation from service when it is deemed appropriate due to special circumstances; e.g., separations due to changing needs of CalOptima, a reorganization of functions or staffing, lack of work, changes in the technology or methods used for a specific position, and/or resolution of a potential dispute.

See Human Resources Policy GA.8047: Reduction in Force

Merit Pay

The annual performance review period established by the Chief Executive Officer is typically April 1–March 31, with the annual salary review date occurring in July. In the event a performance review date is delayed for an employee and a positive performance review is given for the covered period that results in a recommended salary increase, CalOptima may make salary adjustments retroactive to the original performance review date with the approval of the Human Resources Department and subject to the guidelines set by the Human Resources Department.

Unemployment Compensation

CalOptima pays into Unemployment Compensation on behalf of the employee. This insurance provides income in the event an employee loses his or her job through no fault of his or her own. Qualified employees should register at their nearest Employment Development Department in order to receive benefits. The amount of unemployment insurance payments varies according to income level.

Short-Term Disability

CalOptima does not participate in the State of California Disability Insurance Plan. Instead, CalOptima operates under an approved private plan of disability insurance. This plan provides for loss of income resulting from non-work-related illness or injury, paying sixty percent (60%) of regular income for up to a maximum of twelve (12) weeks for all benefit-eligible employees. There is a fourteen (14) calendar day waiting/elimination period on illness-related and accident-related disabilities. CalOptima provides this benefit free of charge to employees.

Long-Term Disability

CalOptima provides a rich long-term disability program. Regular full-time and part-time employees are eligible to receive long-term disability coverage, following a ninety (90) calendar day waiting period, during which short-term disability is provided the first month following ninety (90) calendar days of employment. Regular Part-Time/Benefit, Regular Part-Time/Non-Benefit, Per Diem, and Temporary employees are not eligible for long-term disability benefits. All benefit eligible employees are automatically enrolled into this benefit.

Alternative Work Schedules (9/80)

CalOptima has established an alternative workweek schedule as another way for employees to manage work/life balance and provide CalOptima the opportunity to maintain productivity through different work schedules. Employees will be considered for alternative workweek scheduling on a case-by-case basis. The department director/manager is responsible for identifying if an alternative work week is practical and effective for their department by evaluating both the productivity and quality impacts of the schedule to the department and the needs of the department to ensure service goals can be consistently achieved.

The 9/80 alternate work schedule consists of eight (8) business days of nine (9) work hours per day and one (1) business day of eight (8) work hours for a total of eighty (80) hours during two (2) consecutive workweeks. The eight (8)-hour work day must be on the same day of the week as the employee's regularly scheduled day off. Therefore, under the 9/80 schedule, one calendar week will consist of forty-four (44) hours (four (4) nine (9)-hour days and one (1) eight (8)-hour day) and the alternating calendar week will consist of thirty-six (36) hours (four (4) nine (9)-hour days and one (1) day off). However, each work week will only consist of forty (40) hours, in accordance with the 9/80 Federal Labor Standards Act (FLSA) workweek.

Not every position at CalOptima is eligible for alternative work scheduling. Employees who are interested should discuss this with their supervisor. Employees must receive approval from their supervisor and Human Resources to participate in the 9/80 work schedule. Employees not meeting job standards or expectations and/or who are on a performance improvement plan may not participate in the compressed work schedule until performance standards are met. Managers will review such exceptions with Human Resources before denying the option. Transitioning to the new work week can result in either fewer, or more, than eighty (80) hours in a pay period. Human Resources will work with management to minimize incurring overtime during the transitional period.

Paid time off (PTO) accrual will remain the same for participating employees. When an employee takes a day off under the PTO policy, the accrual will be depleted by the number of scheduled hours for that day. For example, if an employee takes a PTO day on one (1) of their nine (9)-hour days, nine (9) hours of PTO time will be removed from their total available PTO hours. Holiday pay shall remain at eight (8) hours. When a holiday falls on a regular nine (9)-hour workday, the employee has the option of using one (1) hour of accrued PTO or working one (1) hour of make-up time. Should a holiday fall on an employee's scheduled day off, the employee will be permitted to take another day off in the same work week.

Employees are expected to continue to provide the same level of excellent service expected of them. Department managers, at their discretion, may discontinue an individual's, group's, or department's participation in the 9/80 work schedule based on business needs. As a condition of participating in the 9/80 work schedule, employees must agree to work on a scheduled day off for an urgent situation, or as compelled by business needs as determined by the employee's manager.

The 9/80 alternate work schedule is an optional program. CalOptima reserves the right to discontinue the entire program, or an individual employee's participation in the program at any time, for any reason, at management discretion. Employees will not be eligible to participate in both the telework program and the 9/80 Work Schedule during the same period. Employees eligible for both may only request one (1) alternative at a time.

See Human Resources Policy GA.8020: 9/80 Work Schedule

Telecommuting

1 CalOptima is committed to providing a work environment that assists employees to achieve a proper balance
2 between their work, home and family obligations. In some cases, this balance can best be achieved by allowing
3 employees to perform some or all of their work from their homes when they can do so without compromising
4 their work quality, efficiency, or productivity. Telework is not a universal employee benefit, or entitlement, but an
5 alternative method of meeting the work needs of the organization through a flexible work structure.
6 Telecommuting must be pre-approved by an employee's supervisor, director, Environmental Health & Safety
7 Manager, and Human Resources. A Telecommuting Agreement must be completed before an employee may
8 begin telecommuting.

9
10 CalOptima retains the right, in its sole discretion, to designate positions that are appropriate for telecommuting
11 and approve employees for telecommuting. Telecommuting does not change the conditions of employment or
12 required compliance with all CalOptima policies and procedures. CalOptima reserves the right to change, or
13 terminate, the Telecommuting Agreement at any time, with or without cause, or advance notice. An employee's
14 ability to work under a Telecommuting Agreement rests in the sole discretion of CalOptima and requires that the
15 employee be and remain in good standing. Telecommuting is a privilege and may not be appropriate for all
16 employees and/or all positions. Any employee wishing to telework must first discuss this option with his or her
17 supervisor and Human Resources.

18
19 When special circumstances require it, an employee's manager has the discretion to allow an employee, to work
20 from a remote work location on an occasional basis. Occasional is defined as rare, infrequent and not regularly
21 scheduled for brief periods (usually a day or part of a day); with no specific or implied expectation from an
22 employee that he or she will be allowed to work from a remote work location routinely. This is not considered or
23 counted as a telework position.

24
25 Employees who occasionally work from a remote work location must abide by the same requirements as
26 employees who telework. An employee who occasionally works off-site must execute the CalOptima Occasional
27 Off-site Work Agreement and submit the signed document to the Human Resources Department.

28
29
30 Employees will not be eligible to participate in both the telework program and the 9/80 Work Schedule during the
31 same period. Employees eligible for both may only request one (1) alternative at a time.

32
33
34 See Human Resources Policy GA.8044: Telework Program
35
36
37
38
39
40
41
42
43
44
45

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

Leaves of Absence

Leaves of Absence Overview

CalOptima will grant a leave of absence (LOA) to eligible employees in accordance with CalOptima's respective policies and procedures and all applicable laws. An employee's manager may approve up to five (5) business days of excused absences for an illness, or pre-planned surgery; however, absences of more than five (5) scheduled work days for illnesses, or pre-planned surgery must be submitted to and approved by HR. Use of PTO time for pre-planned vacations does not require HR approval.

If the LOA is granted, the start date of the LOA will be the first day of the requested, substantiated, and approved LOA. Requests for an LOA must be made through the Human Resources Department. To be eligible, employees are required to submit all applicable forms, including, but not limited to sufficient medical documentation, to the Human Resources Department in a timely manner, unless in special circumstances where timely submission may not be feasible.

Employees who satisfy the eligibility requirements set out in CalOptima's respective policies and applicable laws may be granted one or more of the following types of LOAs. These leaves include:

- a. Pregnancy Disability Leave
- b. Family Medical Leave
- c. California Family Rights Leave
- d. Military Family Leave
- e. Military Service Leave
- f. Military Spouse Leave
- g. Workers' Compensation Leave
- h. Jury or Witness Duty Leave
- i. Parental School Attendance
- j. Voting Leave
- k. Victims of Domestic Violence, Sexual Assault or Stalking Leave
- l. Victims of Crime Leave
- m. Volunteer Civil Service Leave
- n. Civil Air Patrol Leave
- o. Bereavement Leave
- p. Personal Leave

Employees taking any LOA must use their full balance of PTO before moving to unpaid leave, unless deemed otherwise by law (e.g., Pregnancy Disability Leave, etc.).

See Human Resource Policy GA.8037: Leave of Absence, GA.8038: Personal Leave of Absence, GA.8039: Pregnancy Disability Leave, GA.8040: Family and Medical Leave Act and California Family Rights Act Leave, GA.8041: Workers' Compensation Leave

Types of Leaves:

Pregnancy Disability Leave

Pursuant to the California Fair Employment and Housing Act (FEHA), Pregnancy Disability Leave (PDL) is available to eligible female employees who are temporarily disabled by pregnancy, childbirth, or a related medical condition. PDL is available for up to four (4) months, including intermittent periods.

1 An employee may request to use accumulated PTO during the PDL and is eligible for disability benefits. If PDL
2 is foreseeable, and when practicable, a thirty (30) calendar day advance notice is required. Health benefits and
3 other insurances will continue during the PDL period, and the employee is required to pay her portion of coverage
4 at the active employee rate, either by the usual payroll deduction if the employee is still receiving a paycheck, or
5 by making other payment arrangements with the CalOptima Human Resources Department.

6 See Human Resources Policy GA.8039: Pregnancy Disability Leave of Absence
7

8 **Family Medical Leave Act and California Family Rights Act Leave** 9

10 State and federal family and medical leave laws provide up to twelve (12) workweeks of unpaid family/medical
11 leave within a twelve (12)-month period. Full-time and part-time employees must meet the following conditions:

- 12 • The employee must have a total of at least twelve (12) months of service at CalOptima.
- 13 • The employee must have worked at least one thousand two hundred fifty (1,250) hours during the
14 previous twelve (12)-month period before the need for leave.

15 An eligible employee may take an unpaid leave of absence under the federal Family and Medical Leave Act
16 (FMLA) and the California Family Rights Act (CFRA) for the following reasons:
17

- 18 • To care for the employee's newborn child, or placement of a child with an employee for adoption, or
19 foster care.
- 20 • To care for the employee's spouse, registered domestic partner, child or parent who has a serious health
21 condition.
- 22 • For the employee's own serious health condition that makes the employee unable to work at all, or unable
23 to perform the functions of his or her job (While an employee disabled by pregnancy, childbirth or related
24 medical condition may qualify for a LOA under FMLA, such conditions do not qualify the employee for a
25 LOA under CFRA.).
- 26 • To care for a spouse, child, or parent who is a covered military service member on active duty, or has
27 been notified of an impending call, or order, to active duty.
- 28 • To care for a covered military service member with a qualifying serious injury or illness if the employee
29 is the spouse, child, parent or next of kin of the military service member. Under FMLA, an eligible
30 employee may take up to twenty-six (26) weeks, during a single twelve (12)-month period, of unpaid
31 leave to care for a covered service member with a qualifying serious injury, or illness.
32
33

34 An employee is required to use accumulated PTO during FMLA and/or CFRA LOA, unless deemed otherwise by
35 law and may be eligible for disability benefits if the LOA is due to his or her own illness. If FMLA/CFRA is
36 foreseeable, and when practicable, a thirty (30) calendar day advance notice is required. Health benefits and other
37 insurances will continue during the FMLA/CFRA leave period and the employee is required to pay his or her
38 portion of coverage at the active employee rate.
39

40 See Human Resources Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights
41 Act (CFRA) Leave of Absence
42

43 **Coordination of PDL with FMLA and/or CFRA** 44

45 If an employee takes PDL and is eligible for a LOA under FMLA and/or CFRA, CalOptima will continue to make
46 payments towards group health insurance coverage during the period of the PDL, FMLA and/or CFRA, subject to

the employee's timely payment of his or her portion of coverage at the active employee rate. For any leave taken under PDL, FMLA runs concurrently with PDL, and may run concurrently with CFRA if less than twelve (12) weeks of PDL are taken.

If an employee is ineligible under FMLA and CFRA for a LOA, CalOptima will continue to pay the employer's portion of payments to group health insurance coverage during the period of the PDL, subject to the employee's timely payment of his or her portion of coverage at the active employee rate. In some instances, CalOptima may recover premiums it paid to maintain health coverage for an employee if the employee fails to return to work following PDL.

If an employee exhausts her PDL and any other protected leave, and the employee is granted a Personal LOA, CalOptima will not pay for group health insurance premiums during any remaining portion of a Personal LOA. The employee is fully responsible for the employer share and the employee share of health insurance premiums during the remaining portion of the Personal LOA. Failure to pay premiums in a timely manner will result in immediate termination of coverage through the remainder of the Personal LOA.

See Human Resources Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leaves of Absence

Military Service Leave

CalOptima employees who are members of "uniformed services" (e.g., Army, Navy, Air Force, Marine Corps, Coast Guard, and the reserves of each of those branches: Army National Guard, Air National Guard or similar branches) will be granted, upon request, a cumulative of five years of leave of absence (with certain exceptions) without pay for both inactive and active duty (e.g., military training, drills, encampments, cruises, special exercises, or similar activities). All regular full-time and part-time employees are eligible for Military Service Leave.

In certain circumstances employees on a Military Service Leave may be entitled to up to thirty (30) calendar days' salary and benefits continuation in any one (1) fiscal year.

Upon the exhaustion of pay and benefits for the first thirty (30) calendar days, an employee called to active duty, or active training duty, with the U.S. Armed Forces, or National Guard, as a result of the National Emergency arising from the War on Terror, may receive supplemental compensation and continuation of benefits during the Military Service Leave.

Employees will be required to complete a Leave of Absence Request form and provide a copy of all military orders to the Human Resources Department.

An employee who returns from a Military Service Leave will be reinstated to the same position, or a position of like seniority, status, and pay in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and Section 395.1 of the California Military and Veteran's Code.

See Human Resources Policy GA.8037: Leave of Absence

Military Spouse Leave

In addition, employees who are regularly scheduled to work an average of twenty (20), or more, hours per week and who are spouses of qualified military service members, are eligible to take up to ten (10) scheduled work days of unpaid leave when their spouses are on leave from active duty in the U.S. armed forces, reserves, or National

Guard. Employees may use accrued PTO if sufficient PTO is accrued or may take this time as unpaid. Employees must give a minimum of two (2) business days' notice of their need for leave and provide appropriate written documentation to the Human Resources Department.

See Human Resources Policy GA.8037: Leave of Absence

Workers' Compensation Leave

Employees who sustain a work-related injury may be granted a leave of absence as required by law. Subject to any limitations permitted by law, time off for work-related injuries may be extended to the employee for the duration of the injury, depending on business necessity.

See Human Resources Policy GA.8041: Workers' Compensation Leave of Absence

Jury or Witness Duty Leave

CalOptima will grant a LOA with regular pay for those hours that coincide with the employee's regularly-scheduled working hours for the purpose of jury service, appearance as a witness in court (other than as a litigant, or to respond to an official order from another governmental jurisdiction for reasons not brought about through the connivance or misconduct of the employee.) Employees are required to provide reasonable advance notice of any need for such leave. On days employees are not required to report to court, or on days when the court either dismisses the employee early or requests that the employee report at a later time, whenever practical, the employee must report to work to perform regular duties prior to or after completing jury duty or appearing as a witness, unless the employee's manager approves that the remaining work time is less than reasonable travel time to court and work location. Employees are expected to work with and coordinate with their manager to ensure that their time away from work does not adversely impact business needs, their coworkers, or CalOptima's members. Employees seeking an official Jury Duty Leave should submit to their immediate supervisor a memo for absence accompanied by a copy of the official order not less than ten (10) calendar days prior to the beginning of the date of the leave. The employee must submit to the Human Resources Department the payment received for the jury service, excluding payments for mileage.

See Human Resources Policy GA.8037: Leave of Absence

Parental School Attendance

Pursuant to Labor Code Section 230.8, employees can take time off up to eight (8) hours in one (1) month, or forty (40) hours each year to participate in school activities of their children, subject to limitations under applicable laws. Pursuant to Labor Code Section 230.7, employees can take time off to appear in the school pursuant to a request made under Education Code Section 48900.1 (suspension of pupil), subject to conditions. Employee may use accrued paid time off (PTO) if sufficient PTO is accrued or may take this time as unpaid.

Bereavement Leave

With approval of an employee's manager, an employee may take up to three scheduled workdays off with pay (maximum of twenty four (24) hours) in the event of a death of an employee's: current spouse; registered domestic partner; biological, adopted, step or foster child; biological, adopted, step or foster parent; legal guardian; siblings, including step brother and step sister; grandparent; grandchild; parents-in-law; siblings-in-law; or child-in-law. Supporting documents for bereavement leave must be submitted to Payroll within thirty (30) calendar days of leave. The employee's manager may approve additional time off of up to five (5) scheduled work

days to be taken as either PTO or unpaid time off. An employee must submit an LOA request form to HR and request a Personal LOA pursuant to Human Resources Policy GA.8038: Personal Leave of Absence, if the employee plans to take additional unpaid time off exceeding five (5) scheduled work days.

Time Off for Voting

CalOptima encourages employees to fulfill their civic responsibilities by voting. Employees who are unable to vote before or after work should request time off to vote from their supervisor at least two (2) working days prior to election day so that the necessary time off can be scheduled at the beginning or end of the work day, whichever provides the least disruption to the normal work schedule.

See California Elections Code 14000

Victims of Domestic Violence, Sexual Assault or Stalking Leave

Subject to the requirements under Labor Code Sections 230 and 230.1, an employee who is a victim of domestic violence, sexual assault, or stalking may, with reasonable advance notice, unless the advance notice is not feasible, request an LOA. Employees may elect to use accrued PTO, if available, when an LOA is granted; however, the PTO cannot be used to adjust the start date and will count as part of the LOA. This LOA is limited to twelve (12) weeks in a twelve (12)-month period. After an employee exhausts his or her PTO accruals, if elected, the remaining time off will be unpaid.

See Human Resources Policy GA.8037: Leave of Absence

Victims of Crime Leave

An employee who is a victim of a crime or whose immediate family member(s) is/are a crime victim may take time off to attend judicial proceedings related to that crime, subject to the procedural conditions imposed pursuant to Labor Code Section 230.2.

The absence from work must be in order to attend judicial proceedings related to a crime. To the extent feasible, before an employee is absent from work for such a reason, the employee must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court, or government agency, setting the hearing, an attorney related to the case, or victim/witness office. Any absence from work to attend judicial proceedings will be unpaid unless employee chooses to use PTO.

See Human Resources Policy GA.8037: Leave of Absence

Volunteer Civil Service Leave

A Civil Service LOA may be granted for employees who are required to perform emergency duty (reserve peace officers, volunteer firefighter, and emergency rescue personnel). There are no limitations to the amount of time an employee can use for volunteer civil service leave.

An employee who performs duty as a volunteer firefighter, a reserve peace officer, or as emergency rescue personnel is also permitted to take an LOA not to exceed an aggregate of fourteen (14) scheduled work days per calendar year, for the purpose of fire, law enforcement, or emergency rescue training.

Any Volunteer Civil Service Leave can be taken unpaid unless employee chooses to use accrued PTO. However, an employee cannot use PTO to adjust the start date of the required leave period and the time covered by PTO will still count as part of this leave.

Certification from emergency personnel office, or civil air authority, will be required to verify the employee's eligibility for leave requested.

See Human Resources Policy GA.8037: Leave of Absence

Civil Air Patrol Leave

Employees who have been employed for at least ninety (90) calendar days may request a maximum total of ten (10) scheduled work days per calendar year (three days maximum for a single emergency operational mission, unless otherwise authorized by HR) for Civil Air Patrol duty.

See Human Resources Policy GA.8037: Leave of Absence

Extended Disability Leave

Reasonable accommodations for a leave of absence may be granted for a recognized disability, including pregnancy disability and other serious medical conditions that prevent the employee from working, unless such extended leave causes CalOptima undue hardship and/or is indefinite in duration. Human Resources will engage in the "interactive process" with the employee and his or her manager to help determine whether a reasonable accommodation is available in order to grant such leave request.

Employees are required to use PTO during the leave of absence. Group health insurance plans (health, dental and vision) will generally be made available via COBRA after all PTO and protected LOAs have been exhausted.

Personal Leave

All full-time and part-time employees are eligible to request a Personal Leave of Absence.

A Personal Leave of Absence, without pay, may be granted, in CalOptima's sole discretion, for a reasonable period of time of up to a total of ninety (90) calendar days per twelve (12)-month period. Personal LOAs are entirely dependent on CalOptima's discretion and are only approved when it is determined that granting the LOA will not unduly interfere with CalOptima's operations.

Any accumulated PTO must be used during Personal LOA. However, the use of such PTO will not adjust the start date of the leave; i.e., time covered by PTO will still count as part of the Personal Leave.

CalOptima does not guarantee that an employee's position will remain vacant while the employee is on an approved Personal LOA. CalOptima may fill the employee's position for business reasons.

If an employee's position is filled while he or she is off on an approved Personal LOA, the employee may, at the conclusion of his or her scheduled leave, apply for any open position for which he or she is qualified at CalOptima. However, if no such position is available, the employee's employment will be terminated. If the employee fails to return to work at the agreed date, the employee will be treated as having voluntarily resigned his or her employment.

See Human Resources Policy GA.8038: Personal Leave of Absence

Kin Care

Employees may use up to half of their annual accrued PTO for preventative care or care of an existing health condition for the employee or a family member as permitted under Labor Code, Sections 233 (generally known as “Kin Care,” but also referred to as “Protected Sick Leave”) and 246.5(a). Accrued PTO shall also be automatically used for time-off for Child-Related Activities, subject to the limitations under Labor Code Section 230.8.

For purposes of PTO use, a “child” is defined as a biological, foster, or adopted child; stepchild; or a legal ward. A “child” also may be someone for whom an employee has accepted the duties and responsibilities of raising, even if he or she is not their legal child.

A “parent” is an employee’s biological, foster, or adoptive parent; stepparent; or legal guardian.

A “spouse” is an employee’s legal spouse according to the laws of California, which do not recognize “common law” spouses (a union that has not been certified by a civil or religious ceremony). All conditions and restrictions placed on an employee’s use of PTO apply also to PTO used for care of a child, parent or spouse.

A “registered domestic partner” is another adult with whom an employee has chosen to share his or her life in an intimate and committed relationship of mutual caring, and with whom they have filed a Declaration of Domestic Partnership with the Secretary of State of California (or another state that allows for such).

A “registered domestic partner’s child” is the biological, foster or adopted child, stepchild or legal ward of an employee’s domestic partner. A “domestic partner’s child” also may be someone for whom an employee’s domestic partner has accepted the duties and responsibilities of raising, even if he or she is not the domestic partner’s legal child.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

19
20
21
22

Safety and Security

Safety

CalOptima is committed to providing and maintaining a healthy and safe work environment for all employees. CalOptima believes that the establishment and maintenance of a safe work environment is the shared responsibility of CalOptima and employees at all levels of the organization. CalOptima will attempt to establish a safe environment in compliance with federal, state and local safety regulations.

Accordingly, CalOptima has instituted an Injury and Illness Prevention Program designed to protect the health and safety of all personnel. A complete copy of the Injury and Illness Prevention Program is kept in the Facilities Department and is available for employees' review.

Every employee is required to know and comply with CalOptima's general safety rules and to follow safe and healthy work practices at all times. Employees may be subject to discipline, up to and including termination, for engaging in any unsafe or unhealthy work practice or for violation of established safety rules. Each employee is also required to report to his or her supervisor any potential health or safety hazards and all injuries or accidents.

First aid supplies are located in each lunch/copy room. Please report any work-related injuries, or illnesses, immediately to the Environmental Health and Safety Manager and/or Human Resources Department. If an employee witnesses, or discovers an accident in which a CalOptima visitor, or employee, is injured, they are expected to assist the visitor or employee as much as possible, and if the situation is an emergency, to call 911. If the situation is not an emergency, employees should contact the Environmental Health and Safety Manager and/or Human Resources Department for further direction.

See Human Resources Policy GA.8016: Unusual Occurrence, Threats and Danger

Security

The security of employees, employee property, and CalOptima property is of vital importance. All employees share responsibility to ensure that proper security is maintained. Any breach of security should be reported promptly to the CalOptima security guard, manager or director of Facilities, and the Human Resources Department. Employees may call upon the CalOptima security guard for assistance by dialing zero (0) and having the receptionist page him/her. For immediate emergencies, dial 911.

The building security guard is stationed in the main lobby of the building. The building security guard hours are twenty-four (24) hours daily, Monday through Friday and all Friday night until 6 a.m. Saturday morning. If an employee is working late and requires an escort to his or her vehicle, the employee may call the building guard, number located on the InfoNet. If an employee experiences a problem while working on the weekend, or after regular working hours, he or she should call the building after hours emergency number located on the InfoNet.

Security Cameras

CalOptima takes the safety and security of its employees, members, and CalOptima guests very seriously. Proper video surveillance, where deemed appropriate and necessary, is one of the most effective means of helping to keep CalOptima facilities and properties operating in a safe and secure manner. Therefore, please be aware CalOptima has and monitors video surveillance cameras in common areas throughout its buildings and surrounding property for safety and security reasons. The use of video surveillance is solely for the purpose of controlling theft, ensuring the safety of CalOptima employees and members, and facilitating the identification of individuals who behave in a disruptive manner, cause damage to CalOptima property, or are otherwise in contravention of CalOptima's policies, procedures, and Code of Conduct.

Workplace Violence

CalOptima has a strong commitment to its employees and its members to provide a safe, healthy, and secure work environment. CalOptima has zero tolerance for acts of violence, threats, intimidation, or harassment, whether occurring on CalOptima property, occurring off CalOptima property but while conducting CalOptima business or occurring off or on CalOptima property but directed towards another or other CalOptima employees. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to disciplinary action, up to and including termination.

It is every employee's responsibility to assist in establishing and maintaining a violence-free and safe work environment. Therefore, employees are expected and encouraged to report any incident which may be threatening to them or their co-workers or any event which they reasonably believe is suspicious activity, threatening, intimidating, or violent. Employees may report an incident to any supervisor, or manager.

A threat includes, but is not limited to, a statement (verbal, written, or physical) which is intended to intimidate by expressing the intent to either harass, hurt, take the life of another person, or damage, or destroy, property. This includes threats made in jest or as a joke, but which others could perceive as serious.

See CalOptima Policy GA.8053: Workplace Violence

Ergonomics

CalOptima is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. CalOptima will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. CalOptima encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines.

CalOptima believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being and is essential to our business. We intend to provide appropriate resources to create a risk-free environment. For more information, contact the Facilities Department.

Inspections, Searches, and Monitoring of CalOptima Premises

CalOptima believes that it is important to the efficient and safe conduct of its business to assure access at all times to any property, equipment, records, documents, and/or files, etc. on its premises. CalOptima also believes that maintaining a workplace that is free of drugs, alcohol, firearms, explosives, and other harmful and improper materials is vital to the health and safety of its employees and to the success of the organization. CalOptima also intends to protect against the unauthorized removal of its property from the premises. Accordingly, CalOptima reserves the right to access, inspect, and search CalOptima property and premises at any time according to this policy.

Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs, or medications, may not be placed or stored in employees' work spaces or desks. If such prohibited items are found, they will be confiscated by CalOptima and delivered to the proper authorities. In addition, CalOptima reserves the right to inspect personal belongings including, but not limited to, any package, container, bag, briefcase, etc. carried in or out of CalOptima by any employee, volunteer, or visitor when deemed appropriate by management and/or CalOptima's security guards. Employees who fail to cooperate in any inspection will be subject to disciplinary action, up to and including termination.

CalOptima is not responsible for any personal belongings or items placed, or stored, in a work space or desk that

1 is lost, damaged, destroyed, or stolen. Employees have an obligation to cooperate fully with all inspections,
2 investigations, and searches conducted in accordance with this Section; failure to do so may result in disciplinary
3 action, up to and including termination.
4
5

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Termination

Employee References

All requests for references must be directed to the Human Resources Department. No other manager, supervisor, or employee is authorized to release references for current, or former, employees. By policy, CalOptima discloses only the dates of employment and the title of the last position held of former employees. If an employee authorizes the disclosure in writing, CalOptima will also inform prospective employers of the amount of salary, or wage the employee last earned.

Employees may also participate in The Work Number® service from Equifax to provide automated income and employment verifications. Information about the service can be found on the InfoNet.

Exit Interviews

At time of separation, employees will be scheduled for an exit interview with the Human Resources Department. This interview allows employees to communicate their views on their work with CalOptima, as well as provide input regarding the requirements, operations and training needs of their former position. It also provides employees an opportunity to discuss issues concerning benefits and insurance. At the time of the interview, employees must return all CalOptima-furnished property, e.g., uniforms, tools, equipment, I.D. cards, keys (electronic and regular), laptops, cell phones, and CalOptima-related documents. Arrangements for clearing any outstanding debts with CalOptima and for receiving final pay will also be made at this time.

Termination

We hope employees will enjoy a long and mutually rewarding employment relationship with CalOptima. Sometimes, however, an employee may find it desirable, or necessary, to resign and take employment elsewhere, or CalOptima may need to discharge an employee. In either case, it is important that employees who resign, or are terminated, are treated with mutual respect to achieve a professional, orderly transition.

An employee is considered to have voluntarily terminated his or her employment with CalOptima when the employee:

- Resigns from CalOptima.
- Fails to return from vacation or from an approved leave of absence at the scheduled time.
- Fails to report to work without notice or authorization for three (3) consecutive days.

Employees who elect to resign are asked to provide CalOptima with at least two (2) weeks' notice prior to their final day of work.

From time-to-time, CalOptima may reduce the size of the work force by terminating employees for business, operational, or economic, reasons (such as lack of work, restructuring the workforce, reorganizing a department, or job elimination). Should CalOptima consider such terminations necessary, CalOptima will attempt to provide all affected employees with advance notice when practical. Employees affected by such reductions in force are considered to have been laid-off.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Confirmation of Receipt

Confirmation of Receipt

I have received my copy of CalOptima's Employee Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by CalOptima, and it is my own personal responsibility to stay up-to-date with, be familiar with, and abide by any and all changes in policies or practices. CalOptima reserves the right to change my hours, wages, benefits and/or working conditions at any time. I understand and agree that other than the Board and CEO of CalOptima, no manager, supervisor or representative of CalOptima has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will. I understand that if there is a conflict between a relevant law and this handbook, the law will supersede the handbook.

I understand and agree that nothing in the Employee Handbook creates or is intended to create a promise or representation of continued employment and that employment at CalOptima is employment at-will; employment may be terminated at the will of either CalOptima or me. My signature certifies that I understand that the foregoing agreement on my at-will status is the sole and entire agreement between CalOptima and me concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings and representations concerning my employment with CalOptima.

Employee's Name (Printed): _____

Department: _____

Employee's Signature: _____ Date: _____

Summary of Market Adjustments

For May 2018 Board Meeting:

Title	Old Wage Grade	New Job Code / Wage Grade	Notes / Reason	Salary Adjustment (% Increase)	Month Added/Changed
Systems Network Administrator, Sr.	N	N/A	A market adjustment is requested to correctly align salary with peers and the market based on the employee's knowledge, scope of responsibility and positive impact to organization. Employee is under market and retention risk exists.	1 Systems Network Administrator, Sr. will receive a 10% adjustment. The total impact for the current fiscal year is \$1,736. The annual cost impact is \$12,893.	May 2018
Director, Network Management	P	N/A	A market adjustment is requested to correctly align salary with peers and the market based on the employee's knowledge, scope of responsibility and positive impact to the organization. Employee is under market and retention risk exists.	1 Director, Network Management will receive a 6% adjustment. The total impact for the current fiscal year is \$1,461. The annual cost impact is \$10,854.	May 2018

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 3, 2018

Regular Meeting of the CalOptima Board of Directors

Report Item

4. Consider Authorizing Allocations/Reallocations of Spending Rate Year 2011–12 Intergovernmental Transfer (IGT 2) Funds

Contact

Greg Hamblin, Chief Financial Officer, (714) 246-8400

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, (714) 246-8400

Recommended Actions

1. Authorize extension of the timeline for previously-approved spending of Rate Year 2011–12 Intergovernmental Transfer (IGT 2) funds for OneCare Connect (OCC) Personal Care Coordinators (PCCs) until the funds have been exhausted; and
2. Authorize using the remaining approximate \$2.3 million in IGT 2 funds for PCCs for CalOptima members assigned to health networks and or CalOptima Care Network in all CalOptima lines of business.

Background

In 2011, CalOptima began participating in the IGT program to secure additional Medicaid dollars for Orange County. IGT transactions have generated funds to provide enhanced services for CalOptima Medi-Cal members. To date, there have been seven IGT transactions, generating approximately \$74.5 million in net proceeds to CalOptima, which has been allocated by the Board for a variety of initiatives.

The recommended actions involve IGT 2 funds and are a follow up to the Board's October 1, 2015 approval of a recommended allocation of \$2.4 million to fund PCCs for OneCare Connect members (for both health network and CalOptima Care Network (CCN)) through FY 2016–17 to ensure that CalOptima members received additional support and care coordination. To date approximately, \$100,000 of the \$2.4 million allocation has been expended.

Discussion

The October 1, 2015 Board action authorizing funding for the OCC PCC project via IGT 2 ended June 30, 2017. However, during that timeframe, other IGT funding (IGT 3 and 4) became available and was utilized for the OCC PCC project. Consequently, nearly all of the OCC PCC IGT 2 funds (approximately \$2.3 million) remain unspent. In addition, IGT 2 had an expenditure deadline of June 30, 2017. Since that deadline has passed, in order to make IGT 2 funds available to continue to fund the OCC PCC project, staff is recommending an extension of this date so CalOptima may utilize these remaining IGT 2 funds until they are exhausted.

Staff is also requesting authority to use the remaining IGT 2 funds for PCCs for all CalOptima member populations, including, in addition to the OneCare and OCC members, CalOptima Seniors and Persons with Disabilities (SPD) members, and other vulnerable CalOptima populations (including, for example,

homeless members, members with serious and persistent mental illness, and members receiving Regional Center services).

The current PCC program is being funded using IGT 4 dollars. However, these funds are expected to be exhausted in May 2018. Use of the remaining IGT 2 balance would cover the cost of PCCs through approximately September 2018. Subject to Board approval, funding to cover PCCs for the remainder of FY 18–19 (from exhaustion of IGT funds through June 2019) will be included in the FY 2018-19 CalOptima operating budget.

The PCC program is an integral component of the Model of Care for members. The program is valuable to CalOptima and the Health Networks as the PCCs assist members with navigating the health care system. The program supports significant and critical aspects of ensuring members access preventative care and treatment in a timely manner. In addition, and to improve clinical outcomes, the PCCs ensure our members have access to and coordination of Interdisciplinary Care Team (ICT) meetings and ensure an Individual Care Plan (ICP) is developed and provided to the member and health care team. The PCCs facilitate access to care and service for our members and help CalOptima and Health Networks apply best practices in care coordination.

Fiscal Impact

The recommended action has no fiscal impact on CalOptima's operating budget. Expenditure of IGT funds is for restricted, one-time purposes for the benefit of CalOptima members and does not commit CalOptima to future budget allocations.

Rationale for Recommendation

Staff recommends approval for use of remaining IGT 2 funding until they are exhausted for PCCs to assist CalOptima's most vulnerable members.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/25/2018
Date

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action to Be Taken May 3, 2018 **Regular Meeting of the CalOptima Board of Directors**

Report Item

5. Consider Authorization of Expenditures in Support of CalOptima's Participation in Community Events

Contact

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, (714) 246-8400

Recommended Actions

1. Authorize expenditures for CalOptima's participation in the following community event:
 - a. Up to \$2,500 and staff participation in the Orange County Iranian American Chamber of Commerce and Alzheimer's Orange County's OC Iranian Health Expo on Saturday, June 2, 2018 at Alzheimer's Orange County in Irvine;
2. Make a finding that such expenditures are for a public purpose and in furtherance of CalOptima's mission and statutory purpose; and
3. Authorize the Chief Executive Officer to execute agreements as necessary for the events and expenditures.

Background

CalOptima has a long history of participating in community events, health and resource fairs, town halls, workshops, and other public activities in furtherance of the organization's statutory purpose. Consistent with these activities, CalOptima has offered financial participation in public activities from time to time when such participation is in the public good, in furtherance of CalOptima's mission and statutory purpose, and encourages broader participation in CalOptima's programs and services, or promotes health and wellness among the populations CalOptima serves. As a result, CalOptima has developed and cultivated a strong reputation in Orange County with community partners and key stakeholders.

Requests for participation are considered based on several factors, including: the number of current and potential CalOptima members and others the activity/event will reach, the marketing benefits accrued to CalOptima, the strength of the partnership or level of involvement with the requesting entity in serving CalOptima members, past participation, staff availability, and available budget.

Discussion

Staff recommends the authorization of expenditures for participation in this community event due in part to highlight the PACE expansion and OneCare Connect program in the community, potentially increasing enrollment for these programs and increasing access to health care services for older adults in the Iranian community. Staff will have an opportunity to provide outreach and education to this community and serve members speaking CalOptima's threshold languages of Farsi and Arabic. The event will provide education about the Alzheimer's disease and feature a panel of experts in the fields of neurology, psychology, and cardiology. Attendees will have access to free memory screenings in Farsi and English, health information and resources to support their health care needs. This event is free to the public and is designed to meet the needs of seniors in the Iranian community and their

caregivers. CalOptima has been invited to participate in this inaugural event and support this underserved and hard to reach population.

- a. For the OC Iranian Health Expo in Irvine, a \$2,500 financial commitment includes a speaking opportunity for CalOptima leadership, recognition at the event, one exhibit table, CalOptima's logo displayed on the all printed advertisements and social media campaigns for the event, OC Iranian Community Chamber of Commerce's website and social media, and 60 second video about CalOptima. Employee time will be used to participate in this event. Employees will have an opportunity to interact with current and potential CalOptima members and highlight the PACE expansion and OneCare Connect programs with senior members in the Iranian community, potentially increasing enrollment. Nearly 600 guests are expected to attend the event. Participation in this event will provide an opportunity to establish and build a relationship with the Iranian community and serve our Farsi and Arabic-speaking members.

CalOptima staff has reviewed this request and determined that they meet the considerations for participation including the following:

1. The number of current and potential CalOptima members and others the activity/event will reach;
2. The marketing benefits accrued to CalOptima;
3. The strength of the partnership or level of involvement with the requesting entity in serving CalOptima members;
4. Past participation;
5. Staff availability; and
6. Available budget.

As part of its consideration of the recommended actions, approval of this item would be based on the Board making a finding that the proposed activities and expenditures are in the public interest and in furtherance of CalOptima's statutory purpose.

Fiscal Impact

Funding for the recommended action of up to \$2,500 is included as part of the Community Events budget under the CalOptima Fiscal Year 2017-18 Operating Budget approved by the CalOptima Board of Directors on June 1, 2017.

Rationale for Recommendation

Staff recommends approval of the recommended actions in order to support community and provider activities that offer opportunities that reflect CalOptima's mission, encourage broader participation in CalOptima's programs and services, or promote health and wellness to seniors in the Iranian community and serving our threshold languages of Farsi and Arabic.

Concurrence

Gary Crockett, Chief Counsel

CalOptima Board Action Agenda Referral
Consider Authorizing Expenditures in Support of CalOptima's
Participation in Community Events
Page 3

Attachments

Event Informational Packet

/s/ Michael Schrader
Authorized Signature

4/25/2018
Date

Free goodie bags for the first 100 pre-registered guests. Register at www.ociacc.com



اگر می خواهید درباره بیماری های آلزایمر و دمانس (زوال عقل) بیشتر بدانید و تست حافظه رایگان به زبان فارسی و یا انگلیسی را انجام دهید، در نمایشگاه سلامتی (Health Expo) حضور یابید. بازدید از نمایشگاه و شرکت در سخنرانی های متعدد آن برای عموم آزاد است. برای سخنرانی ها، خواهشمندیم که در صورت تمایل در وبسایت ociacc.com ثبت نام فرمایید.

Guest speakers:

- Dr. Pedram Navab, DO, JD, FAASM
Sleep Medicine Physician
- Dr. A Elahi, MD
Brain Rejuvenation Centers, Inc
- Ismail Yassai, Ph.D., QME
Clinical /Forensic Psychologist
- Dr. Sherie (Naheed) Olsen, MD. FACC
Healthy Heart

OC Iranian Health Expo

Orange County Iranian American Chamber of Commerce
in partnership with Alzheimer's Orange County

Saturday, June 2nd

11:00 am - 3:00 pm

Location: Alzheimer's Orange County
3515 McCabe Way, Irvine, 92614

To showcase your business email: inquiry@ociacc.com

مجله سیب اسپانسر رسانه ای این رویداد، شما عزیزان را به شرکت در این نمایشگاه دعوت می نماید.

OC Iranian Health Expo 060218 Sponsorship Packages	☐ Silver Sponsor \$400	☐ Gold Sponsor \$1600	☐ Platinum Sponsor \$3200
Your logo on all print advertisements	x	x	x
Recognition as a sponsor at the event	x	x	x
Free exhibit table at the event	x	x	x
Company logo on e-blasts (pre- & post-event)	x	x	x
Blog post on OCIACC website (up to 500 words)	x	x	x
Banner advertisement on OCIACC website Home page		x	x
Chamber Credit toward Annual Membership or renewal		\$750 Value	\$1500 Value
Spotlight on OCIACC Facebook page		x	x
60 seconds video about you to be shared online			x
Speaking Opportunity (45 mins. during breakout sessions)			x
Your logo with your message will be printed on giveaway gift bags			

OC Iranian Health Expo 060218 Sponsorship Packages	<input type="checkbox"/> Platinum Sponsor \$5000	<input type="checkbox"/> Diamond Sponsor \$7500
Your logo on all print advertisements	x	x
Recognition as a sponsor at the event	x	x
Free exhibit table at the event	x	x
Company logo on e-blasts (pre- & post-event)	x	x
Blog post on OCIACC website (up to 500 words)	x	x
Banner advertisement on OCIACC website Home page	x	x
Chamber Credit toward Annual Membership or renewal	\$1500 Value	\$1500 Value
Spotlight on OCIACC Facebook page	x	x
60 seconds video about you to be shared online	x	x
Speaking Opportunity (45 mins. during breakout sessions)	x	x
Your logo with your message will be printed on giveaway gift bags		x

[Back to Agenda](#)

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 3, 2018

Regular Meeting of the CalOptima Board of Directors

Report Item

6. Consider Authorizing Memorandum of Understanding with the Regional Center of Orange County for the Coordination of Behavioral Health Treatment Services

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Donald Sharps, M.D., Behavioral Health Medical Director, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO), with the assistance of legal counsel, to enter into a Memorandum of Understanding (MOU) with the Regional Center of Orange County (RCOC) to coordinate Behavioral Health Treatment (BHT) services and information exchange activities.

Background

Effective July 1, 2018, the provision of medically necessary BHT services is transitioning from the California Department of Developmental Services (DDS) Regional Centers to Medi-Cal fee-for-service and Medi-Cal Managed Care, regardless of diagnosis. BHT is the design, implementation, and evaluation of environmental modifications, using behavioral stimuli and consequences, to produce socially significant improvement in human behavior. BHT services include a variety of behavioral interventions such as Applied Behavior Analysis (ABA) that have been identified as evidenced-based treatments and are designed to be delivered primarily in the home and in other community settings.

On September 30, 2014, the Department of Health Care Services (DHCS) included BHT services as a Medi-Cal covered benefit under Early and Periodic Screening, Diagnostic and Treatment Services (EPSDT) for members under 21 years of age when medically necessary based upon recommendation of a licensed physician and surgeon or a licensed psychologist after a diagnosis of Autism Spectrum Disorder (ASD). By the end of 2016, the transition of BHT services for members with an ASD diagnosis from the RCOC to CalOptima was effectively completed.

On March 2, 2018, DHCS released All Plan Letters (APL) 18-006: Responsibilities for Behavioral Health Treatment Coverage for Members Under the Age of 21. The purpose of this APL is to provide guidance to Medi-Cal managed care health plans (MCPs) about the provision of medically necessary BHT services. The APL noted the Centers for Medicare & Medicaid Services (CMS) has determined Medi-Cal must cover medically necessary BHT services for all members under 21 years of age. Specifically, an ASD diagnosis is no longer a requirement for eligibility for covered BHT services. Beginning on July 1, 2018, DHCS will transition the provision of BHT services for members without an ASD diagnosis from RCOC to CalOptima.

Discussion

CalOptima currently has a RCOC MOU for BHT that was put in place December 9, 2015 for the coordination and information exchange activities between the two agencies when Medi-Cal beneficiaries under 21 with ASD are accessing medically necessary BHT services. DHCS recently developed protocols for the coordination of BHT services between Medi-Cal managed care health plans and the DDS Regional Centers for beneficiaries under age 21, regardless of diagnosis. These protocols are specified in DHCS' All Plan Letter 18-009, Memorandum of Understanding Requirements for Medi-Cal Managed Health Plans and Regional Centers, which includes DHCS's BHT MOU template. The new BHT MOU between CalOptima and RCOC will replace the 2015 BHT MOU between the two parties. The new fully executed BHT MOU must be provided to DHCS by May 1, 2018. However, should that deadline not be possible, DHCS is allowing Managed Care Plans to submit documentation to DHCS that demonstrates their good faith efforts to enter into the required MOU with the Regional Center. Upon receipt of the documentation, DHCS will review and determine if a good faith effort has been made.

CalOptima is responsible for the provision of BHT as a managed care benefit, including the coordination of the client/beneficiary's care with RCOC and BHT provider, as applicable. RCOC supports CalOptima's care coordination by providing necessary client/beneficiary information to CalOptima and/or its subcontracted providers and vendors in accordance with all applicable state federal privacy laws and regulations. The BHT MOU sets forth the structure for the sharing of client/beneficiary information to and from CalOptima and RCOC to promote shared understanding of the client's/beneficiary's medically necessary BHT services and ensure appropriate access to medically necessary BHT services.

Fiscal Impact

The recommended action to execute the MOU for the coordination of BHT services with RCOC is budget neutral to CalOptima.

Rationale for Recommendation

The recommendation to execute the MOU for the coordination of BHT services with the RCOC will ensure that CalOptima is compliant with DHCS' MOU requirements for BHT services.

Concurrence

Gary Crockett, Chief Counsel

Attachments

1. DHCS All Plan Letter 18-009
2. Board Action dated December 3, 2015, Consent Calendar 3, Authorize Execution of Memorandum of Understanding with the Regional Center of Orange County for the Coordination of Behavioral Health Treatment (BHT) Services.

/s/ Michael Schrader
Authorized Signature

4/25/2018
Date



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: March 2, 2018

ALL PLAN LETTER 18-009
SUPERSEDES ALL PLAN LETTER 15-022

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: MEMORANDUM OF UNDERSTANDING REQUIREMENTS FOR
MEDI-CAL MANAGED CARE HEALTH PLANS AND REGIONAL
CENTERS

PURPOSE:

The purpose of this All Plan Letter (APL) is to clarify the responsibilities of Medi-Cal managed care health plans (MCPs) when entering into a Memorandum of Understanding (MOU) with a Regional Center (RC) to cover all members receiving Behavioral Health Treatment (BHT) services, regardless of diagnosis.

BACKGROUND:

MCP contracts with the Department of Health Care Services (DHCS) require MCPs to execute an MOU with local RCs (Exhibit A, Attachment 11, Services for Persons with Developmental Disabilities).¹ DHCS provided guidance to MCPs about their responsibility to cover BHT services for eligible members via APL 18-006.² To ensure effective coordination of services between MCPs and RCs, these entities must work together to update their MOUs.

POLICY:

MCPs are responsible for providing medically necessary BHT services as a managed care benefit as required by the Early and Periodic Screening, Diagnostic and Treatment mandate,³ including the coordination of a member's health care with his or her RC and BHT providers, as applicable. The MOU between the MCP and RC should serve as the primary vehicle for ensuring coordination of medically necessary services, including BHT services, for members accessing services through both systems.

¹ The MCP boilerplate contracts are available at:

<http://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx>

² DHCS All Plan Letters available at:

<http://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>

³ See Title 42 of the United States Code (USC), Section 1396d(a)(4)(B). 42 USC is available at:

<http://uscode.house.gov/browse/prelim@title42&edition=prelim>

The MOU must include, at a minimum, all of the provisions specified in the attached MOU template. MCPs and RCs must identify contacts for managing the MOU and its components. The fully executed MCP/RC MOUs must be sent to your DHCS Managed Care Operations Division (MCOD) contract manager for review and approval by May 1, 2018.

MCPs must demonstrate a good faith effort to meet the requirements of this APL. MCPs that are unable to update their MOUs accordingly must submit documentation demonstrating their good faith effort to enter into an MOU with RCs that provide services to their Medi-Cal members to DHCS by May 1, 2018. Upon receipt, DHCS will review and determine if a good faith effort was made.

MCPs are responsible for ensuring that their delegates comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including applicable APLs, Policy Letters, and Dual Plan Letters. These requirements must be communicated by each MCP to all delegated entities and subcontractors.

If you have any questions regarding this APL, please contact your Managed Care Operations Division contract manager.

Sincerely,

Original signed by Nathan Nau

Nathan Nau, Chief
Managed Care Quality and Monitoring Division
Department of Health Care Services

**TEMPLATE FOR MEMORANDUM OF UNDERSTANDING
BETWEEN
[PLAN]
AND
[REGIONAL CENTER]
FOR BEHAVIORAL HEALTH TREATMENT SERVICES**

I. BACKGROUND

Medi-Cal managed care health plans (MCPs) are required to cover and coordinate all medically necessary Behavioral Health Treatment (BHT) services for members under the age 21 as an Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit. The Department of Health Care Services (DHCS) provided All Plan Letters¹ (APLs) as guidance to MCPs about their responsibility to cover BHT services for eligible members.

BHT services are scientifically established, evidence-based treatments that prevent or minimize the adverse effects of behaviors that interfere with learning and social interaction, and promote, to the maximum extent practicable, the functioning of a member with social, communication and behavioral challenges.

Effective July 1, 2018, the provision of medically necessary BHT services is transitioning from the Department of Developmental Services' Regional Centers (RC) system to MCPs.

II. PURPOSE

This Memorandum of Understanding (MOU) is entered into by and between [PLAN] and [REGIONAL CENTER] for the County/Counties of [COUNTY/COUNTIES] to perform care coordination and information exchange activities when Medi-Cal members/clients are accessing medically necessary BHT services. This MOU addresses both new referrals and clients/members receiving BHT services when funding for this service is transitioning from [REGIONAL CENTER] to [PLAN].

III. SCOPE OF WORK

[PLAN] is responsible for the provision of BHT as a managed care benefit, including the coordination of the client's/member's care with the client's/member's RC and BHT provider, as applicable. [REGIONAL CENTER] will support MCP's care coordination by providing necessary client/member information to [PLAN] and/or its subcontracted providers and vendors in accordance with any and all state and federal privacy laws and regulations. This MOU sets forth the structure for the sharing of client/member information to and from MCPs and the RCs to promote shared understanding of the

¹ DHCS All Plan Letters are available at:
<http://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>

client's/member's medically necessary BHT services and ensure appropriate access to medically necessary BHT services.

IV. [REGIONAL CENTER] RESPONSIBILITIES

COORDINATION:

- A. [REGIONAL CENTER] shall provide client/member information, including but not limited to: comprehensive diagnostic evaluation, assessment/report, treatment plan(s), utilization data, and behavioral-analytic assessment(s) information, to [PLAN] regarding BHT and other services provided at [REGIONAL CENTER] to ensure appropriate care coordination, in accordance with all applicable privacy laws.
- B. [REGIONAL CENTER] shall refer clients/members under age 21 regardless of diagnosis to [PLAN] for evaluation for medically necessary BHT services upon client/member request for BHT services.
- C. [REGIONAL CENTER] shall provide case management and care coordination services related to the RC's Early Start Program clients/members to [PLAN] for medically necessary BHT services.
- D. [REGIONAL CENTER] shall provide case management and care coordination services to eligible clients/members and assist those clients/members in maintaining an ongoing relationship with their MCP's primary care provider when medical needs arise.
- E. [REGIONAL CENTER] will identify an RC staff person to be the primary liaison to [PLAN]. The liaison will meet not less than quarterly with [PLAN] to ensure continuous communication and to make efforts to resolve operational, administrative, and policy complications.
- F. [REGIONAL CENTER] shall share information (as available) on community resources with the [PLAN] and/or its subcontracted providers and vendors.
- G. [REGIONAL CENTER] shall provide Targeted Case Management (TCM) services to eligible clients/members and their families to assure timely access to health, developmental, social, educational, and vocational services. TCM includes, but are not limited to:
 - Coordination of health related services with [PLAN] to avoid providing duplicative health care services to clients/members; and
 - Provision of referrals to specialty centers and follow-up with schools, social workers, and other agencies involved in the client's/member's care pursuant to the Individual Program Plan (IPP) and Individualized Family Service Plan (IFSP).

- H. [REGIONAL CENTER] agrees to provide periodic training as requested by [PLAN] for [PLAN's] staff concerning [REGIONAL CENTER's] services and requirements.
- I. [REGIONAL CENTER] shall work collaboratively with [PLAN] and/or its subcontracted providers and vendors to resolve timely access and coordination of care issues.

INFORMATION EXCHANGE:

- A. [REGIONAL CENTER] shall, in collaboration with [PLAN] and/or its subcontracted providers and vendors, develop and agree to policies and procedures on sharing information, including but not limited to, establishing secure methods of exchanging data identified below electronically. These policies and procedures will be attached and incorporated into this MOU within 90 days of execution of the MOU.
- B. [REGIONAL CENTER] shall share the following minimally necessary client/member information, when generated by [REGIONAL CENTER] or one of its vendors, for clients/members who have an active/open case at the RC with [PLAN] and/or its subcontracted providers and vendors within 15 business days of receipt of request from the MCP (contingent on receipt of a signed authorization for release of information) to facilitate the MCP's coordination of care for clients/members identified to potentially need BHT services:
- Client's/member's qualifying condition under which the client/member is eligible for RC services;
 - Client's/member's assessment/report evaluation;
 - Client's/member's current BHT plan, including the plans for the last six months;
 - Client's/member's Functional Behavior Assessment, including prior assessments;
 - Client's/member's development assessment for the Early Start Program;
 - IFSP;
 - IPP;
 - Confirmation that the client/member is currently receiving BHT;
 - Treatment information to include: vendor, number of hours, duration of treatment, associated reports and recommendations;
 - Progress notes from current client/member treatment, including goals and progress towards those goals;
 - Length of treatment – from start date to current with current provider;
 - Client's/member's current/past providers of BHT including length of treatment;
 - Client's/member's signed authorization for release of information to exchange information (obtained by the provider conducting assessment and treatment); and
 - Current RC Annual Review Report and most recent RC psychological evaluation.

- C. [REGIONAL CENTER] shall share all necessary information generated by the RC and/or its vendors with [PLAN] and/or its subcontracted providers and vendors to enable timely access to BHT services through [PLAN].
- D. [REGIONAL CENTER] shall make medical information available to [PLAN] and/or its subcontracted providers and vendors to assure continuity of medically necessary medical services to the client/member.
- E. [REGIONAL CENTER] shall work collaboratively with [PLAN] and/or its subcontracted providers and vendors to resolve access and coordination of care issues.

V. [PLAN] RESPONSIBILITIES

COORDINATION:

- A. [PLAN] and/or its subcontracted providers and vendors shall provide or arrange for primary care and other medically necessary services as provided in the applicable DHCS contract and/or coordinate services provided by the [PLAN] and carve-out programs, i.e., California Children's Services, Specialty Mental Health Services covered by the county/counties Mental Health Plans, etc.
- B. [PLAN] and/or its subcontracted providers and vendors shall arrange and pay for comprehensive diagnostic evaluations for clients/members who are suspected of needing BHT services.
- C. [PLAN] and/or its subcontracted providers and vendors shall arrange and pay for BHT services for members who meet the criteria as outlined in APL XX-XXX or any revised version of these APLs.
- D. [PLAN] and/or its subcontracted providers and vendors shall provide all necessary client/member information to [REGIONAL CENTER] to ensure appropriate care coordination, in compliance with all privacy laws.
- E. [PLAN] and/or its subcontracted providers and vendors shall be available to assist, when necessary and appropriate, the [REGIONAL CENTER] in the development of the IFSP or IPP required for all persons served by RCs, which includes identification of all medically necessary services, including medical care services and medically necessary outpatient mental health services, that should be provided to members.
- F. [PLAN] and/or its subcontracted providers and vendors shall work collaboratively with [REGIONAL CENTER] to resolve timely access and coordination of care issues.

INFORMATION EXCHANGE:

- A. [PLAN] and/or its subcontracted providers and vendors shall, in collaboration with [REGIONAL CENTER]), develop and agree to policies and procedures on sharing information (including diagnostic evaluations, assessments, reports, etc). These policies and procedures will be attached and incorporated into this MOU within 90 days of execution of the MOU.
- B. [PLAN] and/or its subcontracted providers and vendors shall share information generated by the MCP or its vendors with [REGIONAL CENTER] to enable members to timely access services through [REGIONAL CENTER].
- C. [PLAN] and/or its subcontracted providers and vendors shall facilitate exchange of medical information between the client's/member's primary care physician and the RC's/Early Start Program's providers. [PLAN] shall notify [REGIONAL CENTER] of all clients/members identified as potentially eligible for RC services.
- D. [PLAN] and/or its subcontracted providers and vendors shall share the following client/member information with [REGIONAL CENTER] within 15 business days of receipt of request from the RC:
- Client's/member's California Department of Education screening;
 - Client's/member's current treatment plan, including the treatment plans for the last six months;
 - Client's/member's assessment/report, or comprehensive diagnostic evaluation;
 - Client's/member's behavioral-analytic assessment;
 - IFSP/Individualized Education Plan;
 - Whether the client/member is currently in treatment;
 - Length of treatment --start date to current;
 - Current/past providers of BHT;
 - Current medical records; and
 - Client's/member's signed release of information to exchange information.

VI. GENERAL PROVISIONS

- A. Notwithstanding any provision to the contrary herein, [PLAN] and/or its subcontracted providers and vendors and [REGIONAL CENTER] agree to maintain confidentiality of medical records in accordance with all applicable federal and state laws and regulation and contract requirements.
- B. This MOU may be amended at any time by written, mutual consent of all parties. Amended MOUs must be submitted to DHCS for review and approval.
- C. Termination without cause: This MOU may be terminated by either party without cause following 30 days written notice to the other party.

Attachment A

- D. Termination with cause: This MOU may be terminated immediately by either party if the terms of this MOU are violated.

[REGIONAL CENTER]

By: _____

Date: _____

[PLAN]

By: _____

Date: _____

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken December 3, 2015 **Regular Meeting of the CalOptima Board of Directors**

Consent Calendar

3. Authorize Execution of Memorandum of Understanding with the Regional Center of Orange County for the Coordination of Behavioral Health Treatment (BHT) Services

Contact

Javier Sanchez, Chief Network Officer, (714) 246-8400

Terri Stanley, Executive Director, Clinical Operations, (714) 246-8400

Recommended Actions

1. Authorize the Chief Executive Officer (CEO), with the assistance of legal counsel, to execute a Memorandum of Understanding (MOU) with the Regional Center of Orange County (RCOC) to coordinate Behavioral Health Treatment (BHT) services and information exchange activities when funding for this service is transitioned from RCOC to CalOptima; and
2. Authorize amendments to CalOptima Policies and Procedures, as necessary for implementation.

Background

As of September 15, 2014, Medi-Cal managed care health plans were required to cover and coordinate all medically necessary BHT services for beneficiaries up to age 21 with an Autism Spectrum Disorder (ASD) diagnosis as an Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit. BHT is defined as “including applied behavioral analysis (ABA) and other evidence based behavioral intervention services that develop or restore to the maximum extent practicable, the functioning of a beneficiary with ASD.

Behavioral intervention services, including but not limited to BHT, and other Medicaid services are currently provided under Medicaid 1915 (c) and (i) waivers through a system of Department of Developmental Services (DDS) Regional Centers to individuals that meet eligibility criteria for Regional Center services. The Department of Health Care Services (DHCS) is transitioning responsibility for BHT services from the DDS Regional Center system to Medi-Cal fee-for-service and Medi-Cal managed care in February 2016.

Discussion

CalOptima currently has an RCOC MOU that was put in place in November 2011. It is for the general coordination of services between the two agencies and includes special provisions that dealt with the closure of the Lanterman Developmental Center in Pomona at that time. DHCS recently developed protocols for the coordination of BHT services between Medi-Cal managed care plans and the DDS Regional Centers for beneficiaries that are accessing services through both agencies. These protocols are specified in DHCS’ All Plan Letter 15-022 (see attachment), which includes their BHT MOU template that may not be modified. DHCS has specified to CalOptima Regulatory Affairs that the BHT MOU must be a stand-alone document that is separate from the 2011 RCOC MOU, and that it shall not supersede the 2011 RCOC MOU. The fully executed BHT MOU must be provided to DHCS by December 31, 2015.

CalOptima is responsible for the provision of BHT as a managed care benefit, including the coordination of the client/beneficiary's care with RCOC and BHT provider, as applicable. RCOC will support CalOptima's care coordination by providing necessary client/beneficiary information to CalOptima and/or its subcontracted providers and vendors in accordance with any and all state and federal privacy laws and regulations. The MOU sets forth the structure for the sharing of client/beneficiary information to and from CalOptima and RCOC to promote shared understanding of the client's/beneficiary's medically necessary BHT services and ensure appropriate access to medically necessary BHT services.

Fiscal Impact

The recommended action to execute the MOU for the coordination of BHT services with the Regional Center of Orange County is budget neutral to CalOptima. CalOptima received draft rates for the BHT benefit on July 31, 2015. The proposed capitation rates are expected to fully fund anticipated costs for the benefit.

Rationale for Recommendation

The recommendation to execute the MOU for the coordination of BHT services with the Regional Center of Orange County will ensure that CalOptima is compliant with DHCS's requirements for BHT services.

Concurrence

Gary Crockett, Chief Counsel

Attachments

DHCS All Plan Letter 15-022

/s/ Michael Schrader
Authorized Signature

11/25/2015
Date



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: October 2, 2015

ALL PLAN LETTER 15-022

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: MEMORANDUM OF UNDERSTANDING REQUIREMENTS FOR
MEDI-CAL MANAGED CARE HEALTH PLANS AND REGIONAL
CENTERS

PURPOSE:

The purpose of this All Plan Letter (APL) is to describe the responsibilities of Medi-Cal managed care health plans (MCPs) when entering into a Memorandum of Understanding (MOU) with a Regional Center (RC), to cover beneficiaries receiving Behavioral Health Treatment (BHT) services.

BACKGROUND:

MCP contracts with the Department of Health Care Services (DHCS) require MCPs to execute an MOU with local RCs (Exhibit A, Attachment 11, Services for Persons with Developmental Disabilities).¹ APL 14-011 clarifies an MCP's responsibility to cover BHT services.² To ensure effective coordination of services between MCPs and RCs, these entities must work together to update their MOUs.

MCPs are responsible for ensuring that their delegates comply with all applicable state and federal laws and regulations and other contract requirements as well as DHCS's guidance, including APLs.

POLICY:

MCPs are responsible for providing medically necessary BHT services as a managed care benefit, including the coordination of a beneficiary's health care with his or her RC and BHT providers, as applicable. The MOU between the MCP and RC should serve as the primary vehicle for ensuring coordination of medically necessary services, including BHT services, for beneficiaries accessing services through both systems.

The MOU must include all applicable requirements as specified in the attached MOU template. The MOU template format may not be modified. MCPs and RCs must

¹ The MCP boilerplate contracts are available at:

<http://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx>

² APL 14-011 is available at:

<http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2014/APL14-011.pdf>.

identify contacts for managing the MOU and its components. The fully executed MCP/RC MOUs must be sent to your DHCS Managed Care Operations Division (MCOD) contract manager for review and approval by December 31, 2015.

MCPs must demonstrate a good faith effort to meet the requirements of this APL. MCPs that are unable to update their MOUs accordingly must submit documentation demonstrating their good faith effort to enter into an MOU with RCs that provide services to their Medi-Cal beneficiaries to DHCS for review and approval by December 31, 2015. DHCS will review and determine if a good faith effort was made.

If you have any questions regarding this APL, please contact your MCOD contract manager.

Sincerely,

Original Signed by Sarah C. Brooks

Sarah Brooks, Deputy Director
Health Care Delivery Systems
Department of Health Care Services

**TEMPLATE FOR MEMORANDUM OF UNDERSTANDING
BETWEEN
[PLAN]
AND
[REGIONAL CENTER]
FOR BEHAVIORAL HEALTH TREATMENT SERVICES**

I. BACKGROUND

Effective September 15, 2014, Medi-Cal managed care health plans (MCPs) are required to cover and coordinate all medically necessary Behavioral Health Treatment (BHT) services for beneficiaries up to age 21 with an Autism Spectrum Disorder (ASD) diagnosis as an Early and Periodic Screening, Diagnostic, and Treatment benefit. BHT is defined as “including applied behavioral analysis (ABA) and other evidence-based behavioral intervention services that develop or restore, to the maximum extent practicable, the functioning of a beneficiary with ASD.”¹

Behavioral intervention services, including but not limited to BHT, and other Medicaid services are currently provided under Medicaid 1915 (c) and (i) waivers through a system of Department of Developmental Services (DDS) Regional Centers (RCs) to individuals that meet eligibility criteria for RC services. The Department of Health Care Services (DHCS) is transitioning responsibility for BHT services from the DDS RC system to Medi-Cal fee-for-service and Medi-Cal managed care in February 2016.

II. PURPOSE

This Memorandum of Understanding (MOU) is entered into by and between [PLAN] and [REGIONAL CENTER] for the County of [COUNTY] to perform care coordination and information exchange activities when Medi-Cal beneficiaries are accessing medically necessary BHT services. This MOU addresses both new referrals for BHT and clients/beneficiaries receiving BHT when funding for this service is transitioning from [REGIONAL CENTER] to [PLAN].

III. SCOPE OF WORK

[PLAN] is responsible for the provision of BHT as a managed care benefit, including the coordination of the client's/beneficiary's care with the client's/beneficiary's RC and BHT provider, as applicable. [REGIONAL CENTER] will support MCP's care coordination by providing necessary client/beneficiary information to [PLAN] and/or its subcontracted providers and vendors in accordance with any and all state and federal privacy laws and regulations. This MOU sets forth the structure for the sharing of client/beneficiary information to and from MCPs and the RCs to promote shared understanding of the

¹ See Department of Health Care Services, All Plan Letter 14-011, available at: <http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2014/APL14-011.pdf>

client's/beneficiary's medically necessary BHT services and ensure appropriate access to medically necessary BHT services.

IV. [REGIONAL CENTER] RESPONSIBILITIES

COORDINATION:

- A. [REGIONAL CENTER] shall provide client/beneficiary information, including but not limited to: comprehensive diagnostic evaluation, treatment plan(s), utilization data, and behavioral-analytic assessment(s) information, to [PLAN] regarding BHT and other services provided at [REGIONAL CENTER] to ensure appropriate care coordination, in compliance with all privacy laws.
- B. [REGIONAL CENTER] shall refer clients/beneficiaries under age 21 who are diagnosed with ASD to [PLAN] for evaluation for medically necessary BHT services upon either diagnosis of ASD or client/beneficiary request.
- C. [REGIONAL CENTER] shall provide case management and care coordination services related to the RC's Early Start Program clients/beneficiaries who are diagnosed with ASD to [PLAN] for medically necessary BHT services.
- D. [REGIONAL CENTER] shall provide case management and care coordination services to eligible clients/beneficiaries and assist those clients/beneficiaries in maintaining an ongoing relationship with their MCP's primary care provider when medical needs arise.
- E. [REGIONAL CENTER] will identify an RC staff person to be the primary liaison to [PLAN]. The liaison will meet not less than quarterly with [PLAN] to ensure continuous communication and to make efforts to resolve operational, administrative, and policy complications.
- F. [REGIONAL CENTER] shall share information (as available) on community resources with the [PLAN] and/or its subcontracted providers and vendors.
- G. [REGIONAL CENTER] shall provide Targeted Case Management (TCM) services to eligible clients/beneficiaries and their families to assure timely access to health, developmental, social, educational, and vocational services. TCM includes, but are not limited to:
 - Coordination of health related services with [PLAN] to avoid providing duplicative health care services to clients/beneficiaries; and
 - Provision of referrals to specialty centers and follow-up with schools, social workers, and other agencies involved in the client's/beneficiary's care pursuant to the Individual Program Plan (IPP) and Individualized Family Service Plan (IFSP).

- H. [REGIONAL CENTER] agrees to provide periodic training as requested by [PLAN] for [PLAN's] staff concerning [REGIONAL CENTER's] services and requirements.
- I. [REGIONAL CENTER] shall work collaboratively with [PLAN] and/or its subcontracted providers and vendors to resolve timely access and coordination of care issues.

INFORMATION EXCHANGE:

- A. [REGIONAL CENTER] shall, in collaboration with [PLAN] and/or its subcontracted providers and vendors, develop and agree to policies and procedures on sharing information, including but not limited to, establishing secure methods of exchanging data identified below electronically. These policies and procedures will be attached and incorporated into this MOU within 90 days of execution of the MOU.
- B. [REGIONAL CENTER] shall share the following minimally necessary client/beneficiary information, when generated by [REGIONAL CENTER] or one of its vendors, for clients/beneficiaries who have an active/open case at the RC with [PLAN] and/or its subcontracted providers and vendors within 15 business days of receipt of request from the MCP (contingent on receipt of a signed authorization for release of information) to facilitate the MCP's coordination of care for clients/beneficiaries identified to potentially need BHT services:
- Client's/beneficiary's qualifying condition under which the client/beneficiary is eligible for RC services;
 - Client's/beneficiary's diagnostic evaluation;
 - Client's/beneficiary's current BHT plan, including the plans for the last six months;
 - Client's/beneficiary's Functional Behavior Assessment, including prior assessments;
 - Client's/beneficiary's development assessment for the Early Start Program;
 - IFSP;
 - IPP;
 - Confirmation that the client/beneficiary is currently receiving BHT;
 - Treatment information to include: vendor, number of hours, duration of treatment, associated reports and recommendations;
 - Progress notes from current client/beneficiary treatment, including goals and progress towards those goals;
 - Length of treatment – from start date to current with current provider;
 - Client's/beneficiary's current/past providers of BHT including length of treatment;
 - Client's/beneficiary's signed authorization for release of information to exchange information (obtained by the provider conducting assessment and treatment); and

- Current RC Annual Review Report and most recent RC psychological evaluation.
- C. [REGIONAL CENTER] shall share all necessary information generated by the RC and/or its vendors with [PLAN] and/or its subcontracted providers and vendors to enable timely access to BHT services through [PLAN].
- D. [REGIONAL CENTER] shall make medical information available to [PLAN] and/or its subcontracted providers and vendors to assure continuity of medically necessary medical services to the client/beneficiary.
- E. [REGIONAL CENTER] shall work collaboratively with [PLAN] and/or its subcontracted providers and vendors to resolve access and coordination of care issues.

V. [PLAN] RESPONSIBILITIES

COORDINATION:

- A. [PLAN] and/or its subcontracted providers and vendors shall provide or arrange for primary care and other medically necessary services as provided in the applicable DHCS contract and/or coordinate services provided by the [PLAN] and carve-out programs, i.e., California Children's Services, Specialty Mental Health Services covered by the county Mental Health Plans, etc.
- B. [PLAN] and/or its subcontracted providers and vendors shall arrange and pay for comprehensive diagnostic evaluations for clients/beneficiaries who are suspected of having ASD and may require BHT services.
- C. [PLAN] and/or its subcontracted providers and vendors shall arrange and pay for BHT services for beneficiaries who meet the criteria as outlined in DHCS All Plan Letter (APL) 14-011, or any revised version of this APL.
- D. [PLAN] and/or its subcontracted providers and vendors shall provide all necessary client/beneficiary information to [REGIONAL CENTER] to ensure appropriate care coordination, in compliance with all privacy laws.
- E. [PLAN] and/or its subcontracted providers and vendors shall be available to assist, when necessary and appropriate, the [REGIONAL CENTER] in the development of the IFSP or IPP required for all persons served by RCs, which includes identification of all medically necessary services, including medical care services and medically necessary outpatient mental health services, that should be provided to beneficiaries.
- F. [PLAN] and/or its subcontracted providers and vendors shall work collaboratively with [REGIONAL CENTER] to resolve timely access and coordination of care issues.

INFORMATION EXCHANGE:

- A. [PLAN] and/or its subcontracted providers and vendors shall, in collaboration with [REGIONAL CENTER]), develop and agree to policies and procedures on sharing information (including diagnostic evaluations). These policies and procedures will be attached and incorporated into this MOU within 90 days of execution of the MOU.
- B. [PLAN] and/or its subcontracted providers and vendors shall share information generated by the MCP or its vendors with [REGIONAL CENTER] to enable beneficiaries to timely access services through [REGIONAL CENTER].
- C. [PLAN] and/or its subcontracted providers and vendors shall facilitate exchange of medical information between the client's/beneficiary's primary care physician and the RC's/Early Start Program's providers. [PLAN] shall notify [REGIONAL CENTER] of all clients/beneficiaries identified as potentially eligible for RC services.
- D. [PLAN] and/or its subcontracted providers and vendors shall share the following client/beneficiary information with [REGIONAL CENTER] within 15 business days of receipt of request from the RC:
 - Client's/beneficiary's California Department of Education screening;
 - Client's/beneficiary's current treatment plan, including the treatment plans for the last six months;
 - Client's/beneficiary's comprehensive diagnostic evaluation;
 - Client's/beneficiary's behavioral-analytic assessment;
 - IFSP/Individualized Education Plan;
 - Whether the client/beneficiary is currently in treatment;
 - Length of treatment --start date to current;
 - Current/past providers of BHT;
 - Current medical records; and
 - Client's/beneficiary's signed release of information to exchange information.

VI. GENERAL PROVISIONS

- A. Notwithstanding any provision to the contrary herein, [PLAN] and/or its subcontracted providers and vendors and [REGIONAL CENTER] agree to maintain confidentiality of medical records in accordance with all applicable federal and state laws and regulation and contract requirements.
- B. This MOU may be amended at any time by written, mutual consent of all parties. Amended MOUs must be submitted to DHCS for review and approval.
- C. Termination without cause: This MOU may be terminated by either party without cause following 30 days written notice.

Attachment A

D. Termination with cause: This MOU may be terminated immediately by either party if the terms of this MOU are violated.

[REGIONAL CENTER]

By: _____

Date: _____

[PLAN]

By: _____

Date: _____

AGENDA ITEM 7 TO FOLLOW CLOSED SESSION

Consider Authorizing the Chief Executive Officer (CEO) to Submit OneCare Bid for Calendar Year 2019 and Execute Contract with the Centers for Medicare & Medicaid Services; Authorize the CEO to Amend/Execute OneCare Health Network Contracts and Take Other Actions as Necessary to Implement

Board of Directors Meeting May 3, 2018

Provider Advisory Committee (PAC) Update

April 12, 2018 PAC Meeting

Twelve (12) PAC members were in attendance at the February PAC meeting.

Ladan Khamseh, Chief Operations Officer, provided status updates to the PAC on the following programs:

- Behavioral Health Treatment Services transferring from the Regional Center of Orange County effective July 1, 2018;
- The transition of the Whole Child Model (CCS) timeline;
- The transition of the Child Health and Disability Prevention Program (CHDP) claims form and delegation of payment to the health networks;
- The anticipated additional Proposition 56 funds to CalOptima;
- The new start date for the Health Homes Program effective July 1, 2019; and
- Medicare is now issuing new Medicare BIC cards which removes the member's social security number and replaces it with a new identification number.

Nancy Huang, Controller reviewed the February 2018 financials and gave a budget briefing to the PAC.

Michelle Laughlin, Executive Director, Network Operations introduced Jennifer Bamberg as the new Director, Provider Relations, and also provided updates to the following:

- Medicaid enrollment flyer (included in the PAC meeting information packet) is being sent to all providers who are not registered in the State's Medi-Cal program. The flyer informs the provider about the rule imposed by CMS and the deadline of December 31, 2018; and
- The Whole Child Model (CCS) transition to CalOptima which generated discussion amongst the PAC members. CalOptima informed the PAC they are still in dialogue with the State on rates and getting good data.

Michael Schrader, Chief Executive Officer, presented an updated on CalOptima's Strategic Plan. Discussion centered on the Intergovernmental Transfer (IGT) funds and the programs that are attributed to the various IGTs (including IGT 5, and IGTs 6 & 7). Mr. Schrader noted that a Request for Information (RFI) would be sent out next week for the best use of IGT 5 funds for mental health purposes.

Once again, the PAC appreciates and thanks the CalOptima Board for the opportunity to present input and updates on the PAC's current activities.

**Board of Directors Meeting
May 3, 2018**

**OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan)
Member Advisory Committee (OCC MAC) Update**

The OCC MAC Goals and Objectives (G&O) Ad Hoc Subcommittee, including members Christine Chow, Sandy Finestone and Sara Lee, proposed activities on March 29, 2018 for FY 2018-19 G&O. Upon consideration of the proposed G&O at the April 26, 2018 OCC MAC meeting, OCC MAC members plan to submit them as an information item to the Board of Directors at the June 7, 2018 meeting.

The OCC MAC Nominations Ad Hoc Subcommittee, consisting of members Jyothi Atluri, Sandy Finestone and Kristin Trom, convened on April 12, 2018 to recommend a slate of candidates for the OCC MAC members to consider at the April 26, 2018 OCC MAC meeting. The OCC MAC will then forward the list of all applicants and recommended candidates to the Board of Directors for consideration at its June 7, 2018 meeting.

The OCC MAC appreciates the opportunity to provide the CalOptima Board with input and updates on OCC MAC activities.

Board of Directors Meeting May 3, 2018

Member Advisory Committee Update

The Member Advisory Committee (MAC) did not have a scheduled meeting in April, as the committee meets on a bi-monthly basis. The next scheduled MAC meeting is on May 10, 2018. The MAC will provide an update on that meeting at the June 7, 2018 Board of Directors meeting.

The MAC Goals and Objectives Ad Hoc Subcommittee, composed of members Sally Molnar, Patty Mouton and Ilia Rolon, proposed goals and objectives for MAC for FY 2018-19. The MAC will consider the proposed goals and objectives and will forward them to the Board of Directors as an information item.

The MAC Nominations Ad Hoc Subcommittee, including members Suzanne Butler, Sandy Finestone and Mallory Vega, convened on April 19, 2018 to review applications and make recommendations on a slate of candidates. MAC will consider the proposed candidates and subsequently, forward its recommendations to the Board of Directors for consideration at the June 7, 2018 meeting.

The Whole-Child Model Family Advisory Committee (WCM FAC) Ad Hoc Subcommittee, composed of MAC members Connie Gonzalez, Jaime Munoz and Christine Tolbert, met on April 19, 2018 to review the proposed slate of candidates for the 11 voting seats that will establish the new WCM FAC. The MAC will consider recommending approval of the proposed slate of candidates at the May 10, 2018 MAC meeting before forwarding the candidates to the CalOptima Board for consideration at its June 7, 2018 meeting.

The MAC appreciates the opportunity to provide the CalOptima Board with input and updates on the MAC's activities.



CalOptima
Better. Together.

Introduction to the FY 2018-19 CalOptima Budget: Part 2

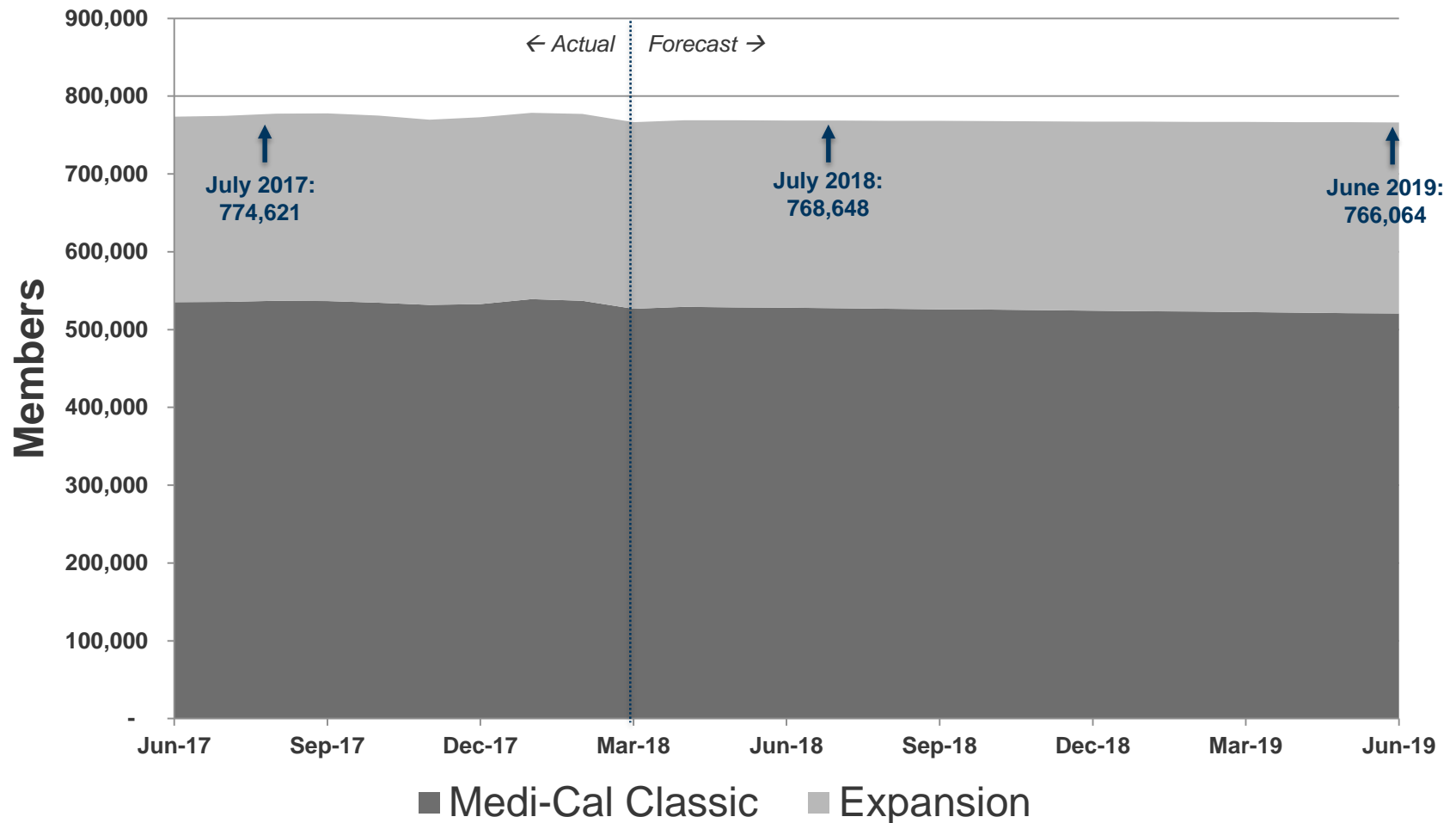
**Board of Directors Meeting
May 3, 2018**

**Greg Hamblin
Chief Financial Officer**

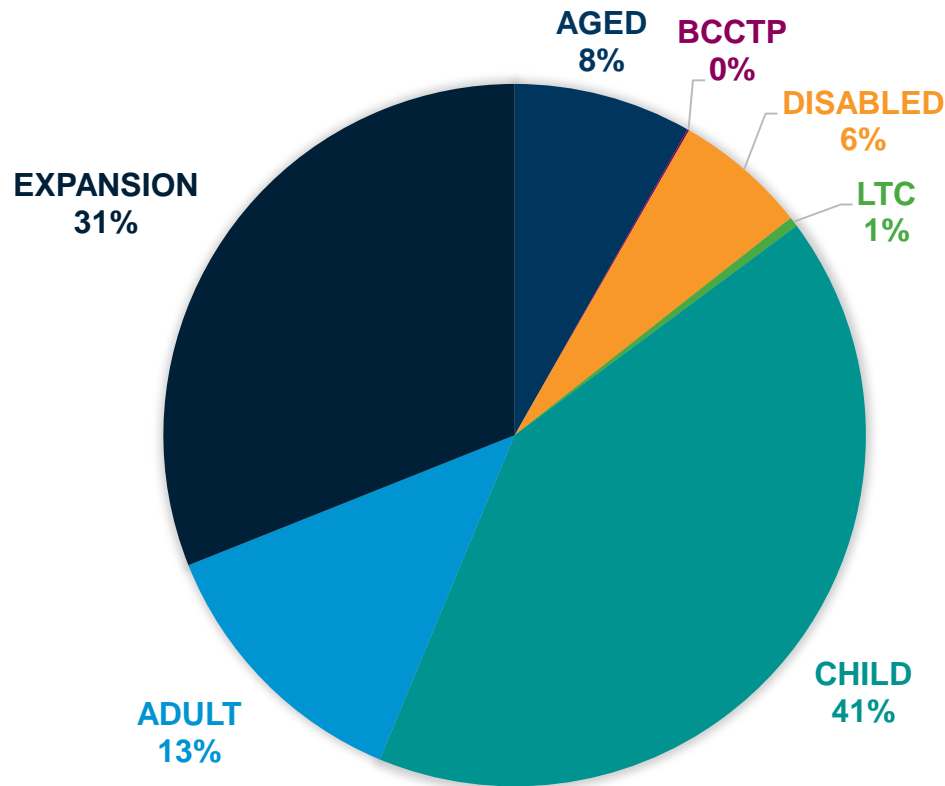
Overview

- Enrollment
 - Medi-Cal Classic & Expansion
 - OneCare & OneCare Connect
 - PACE
- Public Plan Comparison
 - Medical Loss Ratio (MLR)
 - Administrative Loss Ratio (ALR)
 - NCQA Rankings
- Revenue and Medical Expense Trends
- Rate Development Process
- Areas of Funding
- Board Deliverables
- Budget Timeline

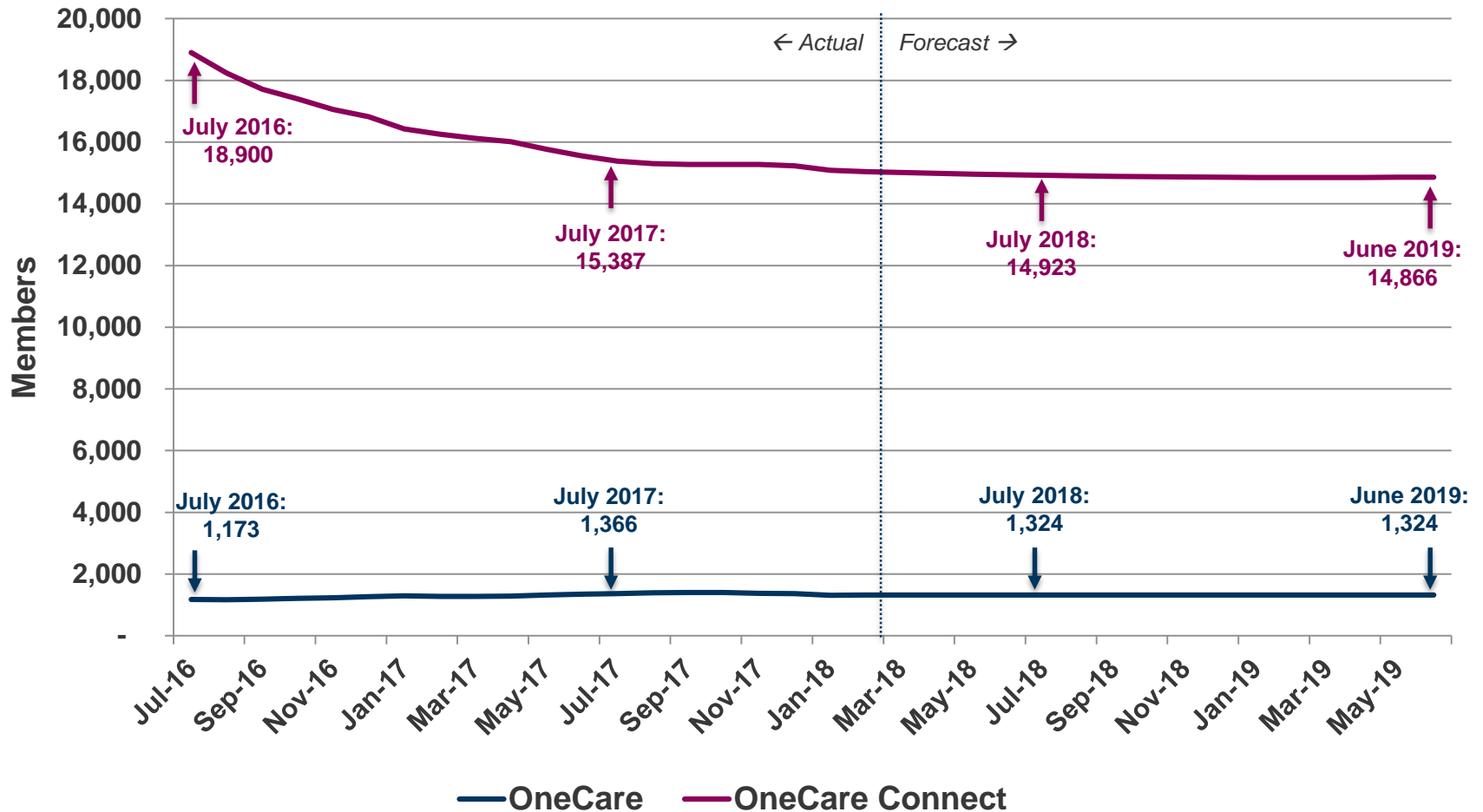
Enrollment: Medi-Cal Classic & Expansion



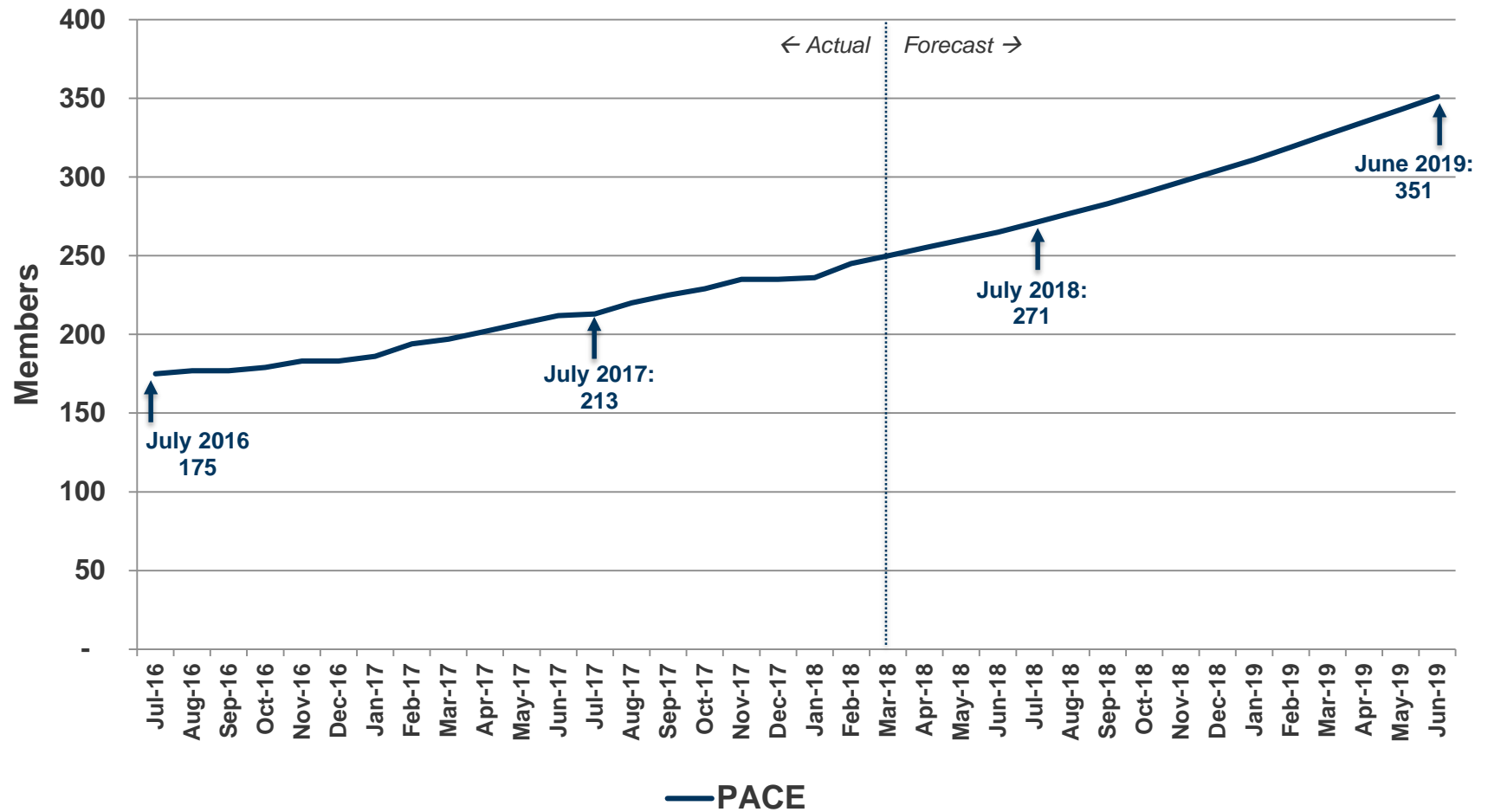
Medi-Cal Enrollment by Aid Category



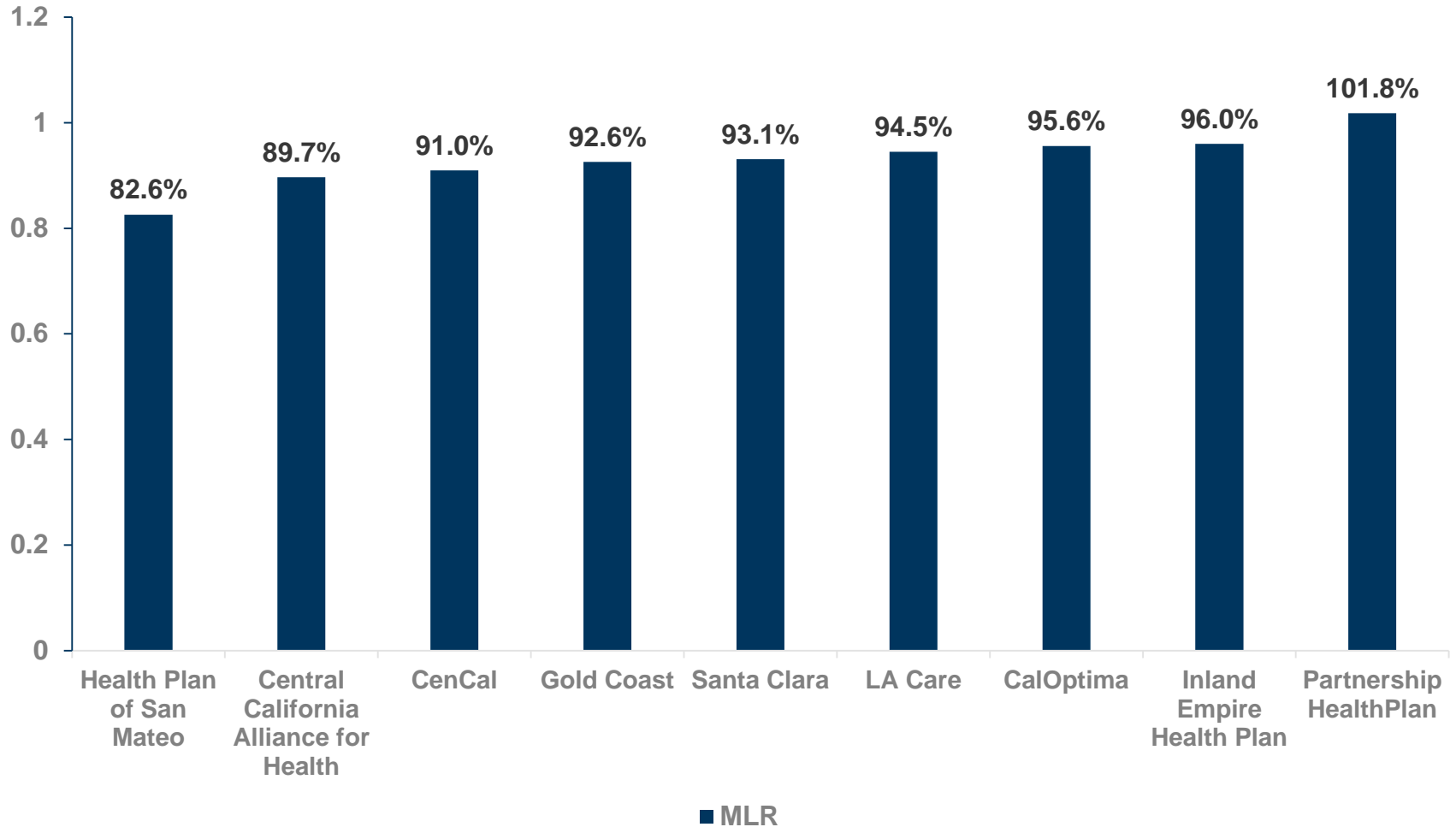
Enrollment: OneCare & OneCare Connect



Enrollment: PACE



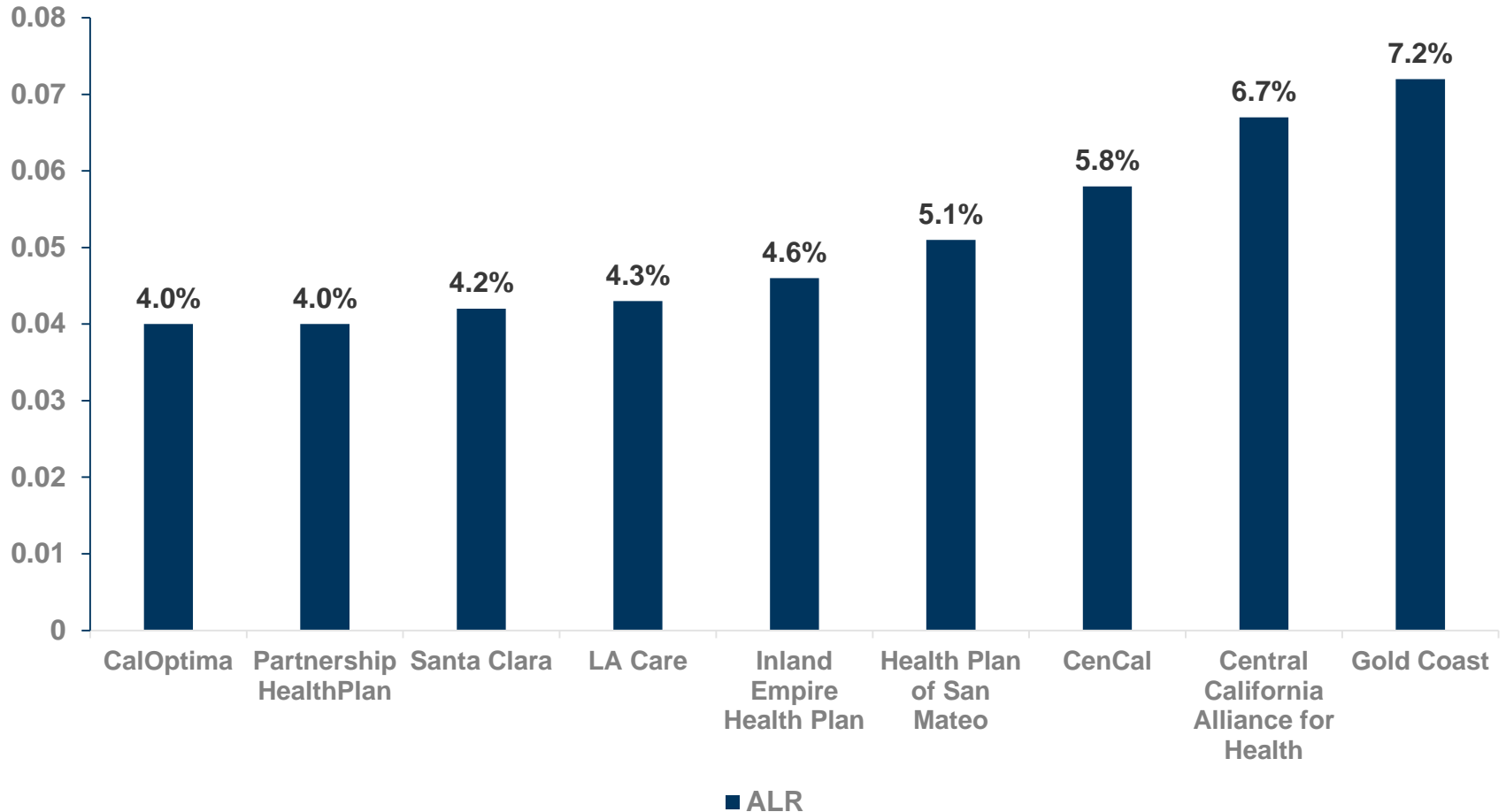
Public Plan Comparison: MLR



Source: Board materials posted on plan websites between Nov 2017 – Feb 2018

[Back to Agenda](#)

Public Plan Comparison: ALR



Source: Board materials posted on plan websites between Nov 2017 and Feb 2018
CalOptima ALR: March 2018 Actual

[Back to Agenda](#)

NCQA Rankings (2016-17 Data)

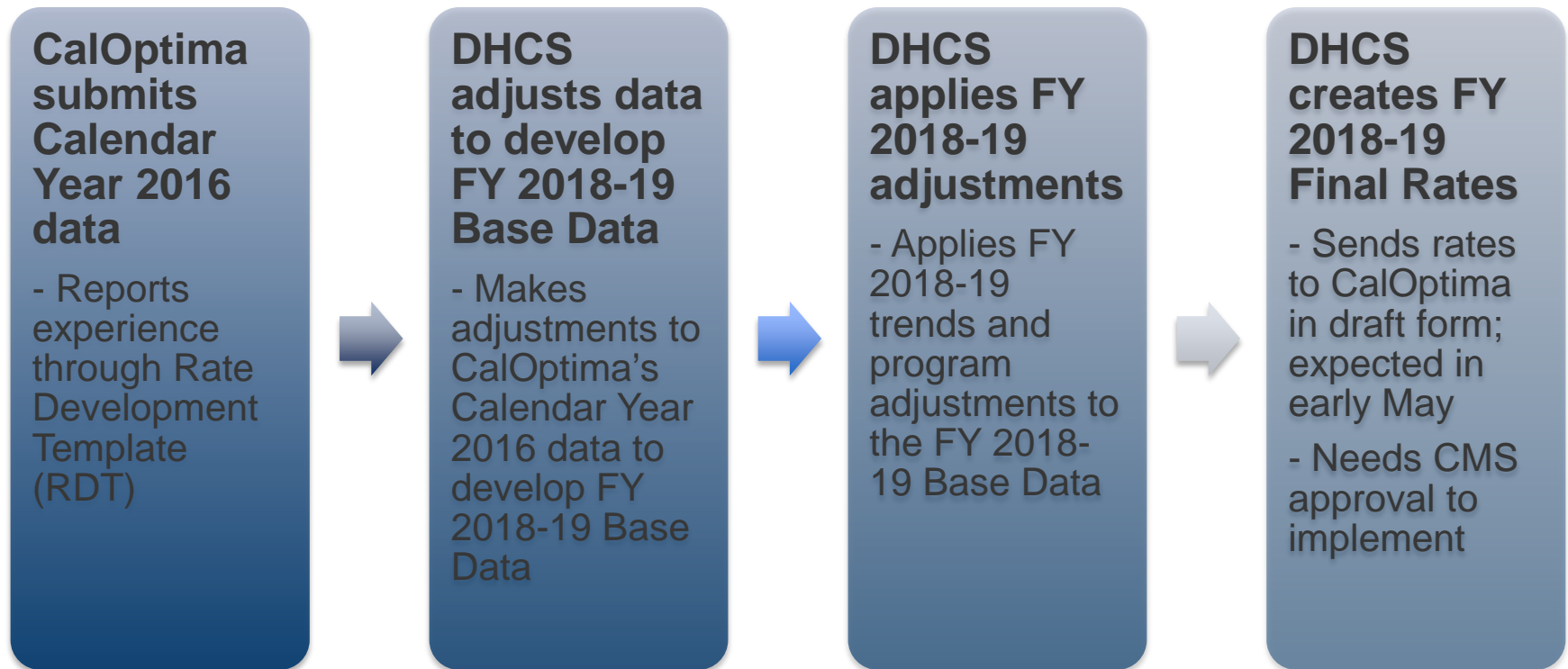
California Medicaid Plan	Rating	Consumer Satisfaction	Prevention	Treatment
CalOptima	4.0	2.5	4.0	3.5
Community Health Group	3.5	3.5	3.0	2.5
Alameda Alliance for Health	3.0	1.5	2.5	2.5
Blue Cross of California Partnership Plan	3.0	1.0	2.5	2.5
Contra Costa Health Plan	3.0	2.5	3.0	2.5
Inland Empire Health Plan	3.0	2.0	3.0	2.0
LA Care Health Plan	3.0	1.5	2.5	2.5
Molina Healthcare of California	3.0	2.0	2.5	3.0
Care 1 st Health Plan – LA	2.5	1.5	3.0	2.0
Care 1 st Health Plan – SD	2.5	1.5	2.5	2.5
Santa Clara County Health Authority	1.5	2.5	1.0	1.5

Revenue and Medical Expense Trends

Average Annual Trend (FY17 – FY 19)				
	Medi-Cal	OneCare Connect	OneCare	PACE
Revenue PMPM	-8.1%	-4.7%	-3.6%	3.8%
Medical Expense PMPM	-6.7%	-3.7%	2.5%	3.2%
% of Revenue	89%	10%	0.5%	0.5%

- Medi-Cal heavily impacted by Medi-Cal Expansion and IHSS with rate/expense reductions over this period of time

Rate Development Process (Example for FY 2018-19 rates)



- Expense data has 2.5 years trending
- Takes a prolonged period for DHCS to account for operational changes (e.g., 4% provider rate increase implemented by CalOptima in July 2016 will not be reflected in rate until FY 2018-19)

Areas of Funding: Operations

- Medi-Cal Classic rate

- New FY 18-19 rates effective 7/1/18
 - As of 4/23/18, CalOptima has not received new rates for FY 18-19
- Expectation for FY 18-19 based on rate development submissions
 - Revenue: +1% or \$14.5 million
- In FY 17-18, rates decreased 4.3% from previous year

- Medi-Cal Expansion rate

- New FY 18-19 rates effective 7/1/18
 - As of 4/23/18, CalOptima has not received new rates for FY 18-19
- Expectation of FY 18-19 rate change
 - Revenue: -25% or -\$314 million
 - Equivalent of Adult Rate: +15%
- In FY 17-18, rates decreased 4.7% from previous year

Areas of Funding: Operations (cont.)

- California Children's Services (CCS) transition to Whole Child Model (WCM) program
 - Program effective date: 1/1/19
 - Estimated 12,500 current members who are CCS-eligible
 - Budget based on DHCS rate estimates
 - CalOptima to receive PMPM payment for all CCS services
- Hepatitis C
 - Per member per week supplemental payments based on CalOptima's data submission
 - Rate decrease due to new lower cost Hep C drugs
- Behavioral Health Treatment (BHT)
 - Supplemental payments based on eligible members and utilization

Areas of Funding

- Directed Payments

- Effective date: 7/1/17
- Requires DHCS to revise current hospital funding methods due to changes in federal regulations
 - Will impact both revenue and expense

- 4 Directed Payment Programs

- Prop 56: At Risk directed payment
- Public Hospital Enhanced Payment Program (EPP)
 - Based on actual encounter/utilization
- Public Hospital Quality Incentive Pool (QIP)
 - Incentive-based
- Private Hospital Directed Payment (PHDP)
 - Based on actual encounter/utilization

Board Deliverables

- FY 2018-19 Operating Budget
 - Board Report
 - Attachment A: FY 2018-19 Budget for all Lines of Business
 - Attachment B: Administrative Budget Details
 - Medi-Cal
 - OneCare Connect
 - OneCare
 - PACE
 - Facilities (505 Building)
- FY 2018-19 Capital Budget
 - Board Report
 - Attachment A: FY 2018-19 Capital Budget by Project

Budget Timeline

Budget Preparation

- Late Feb – Early Mar: Departments prepare budgets
- Mid-Mar – End Mar: Finance meets with Departments on budget proposals
- Early Apr: CFO reviews proposed budget
- 4/5: Board Information Item on Budget: Part 1



Budget Review

- Early Apr – Mid-Apr: Executives review proposed budget; Hold additional department meetings, if needed
- 4/30: Finalize budget and sign-off from Executives



Budget Approval

- End Apr – Mid-May: Prepare May FAC and June BOD materials
- 5/3: Board Information Item on Budget: Part 2
- 5/17: FAC meeting
- 6/7: Board meeting



CalOptima
Better. Together.

Financial Summary

March 2018

Board of Directors Meeting
May 3, 2018

Greg Hamblin
Chief Financial Officer

FY 2017-18: Consolidated Enrollment

- March 2018 MTD:

- Overall enrollment was 788,700 member months
 - Actual lower than budget by 15,595 or 1.9%
 - Medi-Cal: unfavorable variance of 14,715 members
 - TANF unfavorable variance of 15,794 members
 - SPD unfavorable variance of 3,191 members
 - Medi-Cal Expansion (MCE) favorable variance of 4,082 members
 - Long-Term Care (LTC) favorable variance of 188 members
 - OneCare Connect: unfavorable variance of 819 members
 - 5,878 decrease from prior month
 - Medi-Cal: decrease of 5,742 from February
 - OneCare Connect: decrease of 143 from February
 - OneCare: increase of 1 from February
 - PACE: increase of 6 from February

FY 2017-18: Consolidated Enrollment

- March 2018 YTD:

- Overall enrollment was 7,117,159 member months
 - Actual lower than budget by 110,003 or 1.5%
 - Medi-Cal: unfavorable variance of 106,465 members or 1.5%
 - TANF unfavorable variance of 118,062 members
 - SPD unfavorable variance of 13,830 members
 - MCE favorable variance of 23,849 members
 - LTC favorable variance of 1,578 members
 - OneCare Connect: unfavorable variance of 3,628 members or 2.6%
 - OneCare: favorable variance of 123 members or 1.0%
 - PACE: unfavorable variance of 33 members or 1.6%

FY 2017-18: Consolidated Revenues

- March 2018 MTD:

- Actual higher than budget by \$2.5 million or 1.0%
 - Medi-Cal: unfavorable to budget by \$2.2 million or 1.0%
 - Unfavorable volume variance of \$4.3 million
 - Favorable price variance of \$2.1 million due to:
 - \$2.8 million of FY18 Applied Behavior Analysis (ABA) revenue
 - \$3.5 million of FY18 non-LTC revenue
 - (\$1.7) million of FY18 Hepatitis C revenue
 - (\$1.5) million of FY18 Coordinated Care Initiative (CCI) revenue
 - (\$1.3) million of prior year CCI and non-LTC revenue

FY 2017-18: Consolidated Revenues (cont.)

- March 2018 MTD:
 - OneCare Connect: favorable to budget by \$4.5 million or 17.7%
 - Unfavorable volume variance of \$1.3 million due to lower enrollment
 - Favorable price variance of \$5.8 million due to FY18 and prior year rate adjustment
 - OneCare: favorable to budget by \$127.9 thousand or 8.6%
 - Unfavorable volume variance of \$59.9 thousand
 - Favorable price variance of \$187.8 thousand due to rate increase
 - PACE: favorable to budget by \$88.5 thousand or 5.1%
 - Unfavorable volume variance of \$33.8 thousand
 - Favorable price variance of \$122.3 thousand

FY 2017-18: Consolidated Revenues (cont.)

- March 2018 YTD:

- Actual higher than budget by \$75.4 million or 3.1%
 - Medi-Cal: favorable to budget by \$59.7 million or 2.8%
 - Unfavorable volume variance of \$32.4 million
 - Favorable price variance of \$92.1 million due to:
 - \$32.2 million of FY18 In-Home Supportive Services (IHSS) Dual and Non-Dual revenue
 - \$27.2 million of LTC revenue from Non-LTC
 - \$27.1 million of ABA revenue
 - \$17.2 million of prior year CCI and IHSS revenue
 - \$6.2 million due to release of prior year reserve offset by:
 - (\$12.0) million of Hepatitis C revenue
 - (\$5.3) million due to true up of prior year rates

FY 2017-18: Consolidated Revenues (cont.)

- March 2018 YTD:

- OneCare Connect: favorable to budget by \$15.9 million or 6.6%
 - Unfavorable volume variance of \$6.2 million
 - Favorable price variance of \$22.1 million due to 15% rate increase
- OneCare: Unfavorable to budget by \$1.0 million or 8.3%
 - Favorable volume variance of \$0.1 million
 - Unfavorable price variance of \$1.2 million
 - Due to Part D and Hierarchical Condition Category (HCC) reconciliation
- PACE: favorable to budget by \$0.8 million or 5.7%
 - Unfavorable volume variance of \$0.2 million
 - Favorable price variance of \$1.0 million due to Part D true-up

FY 2017-18: Consolidated Medical Expenses

- March 2018 MTD:

- Actual higher than budget by \$4.7 million or 1.9%
 - Medi-Cal: favorable variance of \$0.8 million
 - Favorable volume variance of \$4.2 million
 - Unfavorable price variance of \$3.3 million
 - Professional Claims unfavorable variance of \$9.6 million due to Behavioral Health Treatment (BHT) expenses of \$5.6 million, crossover expenses of \$1.7 million and claim expenses of \$2.0 million
 - Managed Long-Term Services and Support (MLTSS) unfavorable variance of \$4.0 million due to LTC expenses
 - Facilities favorable variance of \$8.4 million due Shared Risk release
 - OneCare Connect: unfavorable variance of \$5.3 million
 - Favorable volume variance of \$1.3 million
 - Unfavorable price variance of \$6.6 million

FY 2017-18: Consolidated Medical Expenses (cont.)

- March 2018 YTD:

- Actual higher than budget by \$95.7 million or 4.1%
 - Medi-Cal: unfavorable variance of \$86.0 million
 - Favorable volume variance of \$31.0 million
 - Unfavorable price variance of \$117.0 million
 - MLTSS expenses unfavorable variance of \$53.6 million
 - Professional Claims expenses unfavorable variance of \$39.6 million
 - Provider Capitation expenses unfavorable variance of \$21.8 million
 - OneCare Connect: unfavorable variance of \$11.6 million
 - Favorable volume variance of \$5.8 million
 - Unfavorable price variance of \$17.4 million

- Medical Loss Ratio (MLR):

- March 2018 MTD: Actual: 98.4% Budget: 97.5%
- March 2018 YTD: Actual: 96.4% Budget: 95.5%

FY 2017-18: Consolidated Administrative Expenses

- March 2018 MTD:

- Actual lower than budget by \$1.8 million or 14.6%
 - Salaries, wages and benefits: favorable variance of \$0.9 million
 - Purchased Services: favorable variance of \$0.5 million
 - Other categories: favorable variance of \$0.4 million

- March 2018 YTD:

- Actual lower than budget by \$22.1 million or 20.1%
 - Purchased Services: favorable variance of \$8.9 million
 - Salaries, wages and benefits: favorable variance of \$6.9 million
 - Other categories: favorable variance of \$6.2 million

- Administrative Loss Ratio (ALR):

- March 2018 MTD: Actual: 4.0% Budget: 4.7%
- March 2018 YTD: Actual: 3.5% Budget: 4.5%

FY 2017-18: Change in Net Assets

- March 2018 MTD:

- \$3.8 million deficit
- \$1.7 million favorable to budget
 - Higher than budgeted revenue of \$2.5 million
 - Higher than budgeted medical expenses of \$4.7 million
 - Lower than budgeted administrative expenses of \$1.8 million
 - Higher than budgeted investment and other income of \$2.1 million

- March 2018 YTD:

- \$15.5 million surplus
- \$13.2 million favorable to budget
 - Higher than budgeted revenue of \$75.4 million
 - Higher than budgeted medical expenses of \$95.7 million
 - Lower than budgeted administrative expenses of \$22.1 million
 - Higher than budgeted investment and other income of \$11.4 million

Enrollment Summary:

March 2018

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
63,303	64,963	(1,660)	(2.6%)	Aged	569,198	570,666	(1,468)	(0.3%)
621	618	3	0.5%	BCCTP	5,513	5,562	(49)	(0.9%)
47,281	48,815	(1,534)	(3.1%)	Disabled	426,732	439,045	(12,313)	(2.8%)
320,242	328,966	(8,724)	(2.7%)	TANF Child	2,893,897	2,965,581	(71,684)	(2.4%)
96,404	103,474	(7,070)	(6.8%)	TANF Adult	887,533	933,911	(46,378)	(5.0%)
3,456	3,268	188	5.8%	LTC	30,990	29,412	1,578	5.4%
241,014	236,932	4,082	1.7%	MCE	2,152,615	2,128,766	23,849	1.1%
772,321	787,036	(14,715)	(1.9%)	Medi-Cal	6,966,478	7,072,943	(106,465)	(1.5%)
14,793	15,612	(819)	(5.2%)	OneCare Connect	136,288	139,916	(3,628)	(2.6%)
251	256	(5)	(2.0%)	PACE	2,091	2,124	(33)	(1.6%)
1,335	1,391	(56)	(4.0%)	OneCare	12,302	12,179	123	1.0%
788,700	804,295	(15,595)	(1.9%)	CalOptima Total	7,117,159	7,227,162	(110,003)	(1.5%)

Financial Highlights:

March 2018

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
788,700	804,295	(15,595)	(1.9%)	Member Months	7,117,159	7,227,162	(110,003)	(1.5%)
258,436,980	255,949,681	2,487,299	1.0%	Revenues	2,494,742,075	2,419,345,071	75,397,004	3.1%
254,187,988	249,492,168	(4,695,820)	(1.9%)	Medical Expenses	2,404,937,520	2,309,268,775	(95,668,745)	(4.1%)
10,375,773	12,148,518	1,772,744	14.6%	Administrative Expenses	87,843,067	109,956,622	22,113,554	20.1%
(6,126,782)	(5,691,005)	(435,777)	(7.7%)	Operating Margin	1,961,488	119,674	1,841,813	1539.0%
2,327,893	231,157	2,096,736	907.1%	Non Operating Income (Loss)	13,523,465	2,123,187	11,400,278	536.9%
(3,798,889)	(5,459,848)	1,660,958	30.4%	Change in Net Assets	15,484,952	2,242,861	13,242,091	590.4%
98.4%	97.5%	(0.9%)		Medical Loss Ratio	96.4%	95.5%	(1.0%)	
4.0%	4.7%	0.7%		Administrative Loss Ratio	3.5%	4.5%	1.0%	
<u>(2.4%)</u>	<u>(2.2%)</u>	(0.1%)		Operating Margin Ratio	<u>0.1%</u>	<u>0.0%</u>	0.1%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

Consolidated Performance Actual vs. Budget: March (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
(4.6)	(4.5)	(0.1)	Medi-Cal	(3.3)	3.3	(6.5)
(1.6)	(1.2)	(0.4)	OCC	4.3	(1.9)	6.2
(0.1)	(0.1)	0.0	OneCare	(0.2)	(1.1)	0.9
<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	PACE	<u>1.0</u>	<u>(0.1)</u>	<u>1.1</u>
(6.1)	(5.7)	(0.4)	Operating	1.8	0.1	1.7
<u>2.3</u>	<u>0.2</u>	<u>2.1</u>	Inv./Rental Inc, MCO tax	<u>13.6</u>	<u>2.1</u>	<u>11.5</u>
2.3	0.2	2.1	Non-Operating	13.6	2.1	11.5
(3.8)	(5.5)	1.7	TOTAL	15.5	2.2	13.2

Consolidated Revenue & Expense:

March 2018 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	531,307	241,014	772,321	14,793	1,335	251	788,700
REVENUES							
Capitation Revenue	\$ 119,616,647	\$ 105,699,362	\$ 225,316,009	\$ 29,685,229	\$ 1,616,439	\$ 1,819,302	\$ 258,436,980
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>119,616,647</u>	<u>105,699,362</u>	<u>225,316,009</u>	<u>29,685,229</u>	<u>1,616,439</u>	<u>1,819,302</u>	<u>258,436,980</u>
MEDICAL EXPENSES							
Provider Capitation	34,185,039	49,898,134	84,083,173	11,825,883	440,125	-	96,349,181
Facilities	26,801,600	8,723,099	35,524,699	3,390,132	520,975	329,309	39,765,115
Ancillary	-	-	-	742,594	80,817	-	823,411
Skilled Nursing	-	-	-	-	74,724	-	74,724
Professional Claims	14,822,966	9,508,653	24,331,619	-	-	439,705	24,771,324
Prescription Drugs	18,082,024	18,910,768	36,992,792	4,861,780	440,387	172,379	42,467,337
Quality Incentives	-	-	-	-	-	-	-
MLTSS Facility Payments	34,221,857	2,450,523	36,672,380	7,788,316	-	-	44,460,697
Medical Management	1,981,919	801,719	2,783,638	991,726	75,014	563,753	4,414,130
Reinsurance & Other	515,820	306,421	822,241	130,000	2,861	106,967	1,062,069
Total Medical Expenses	<u>130,611,224</u>	<u>90,599,318</u>	<u>221,210,542</u>	<u>29,730,430</u>	<u>1,634,903</u>	<u>1,612,113</u>	<u>254,187,988</u>
Medical Loss Ratio	109.2%	85.7%	98.2%	100.2%	101.1%	88.6%	98.4%
GROSS MARGIN	(10,994,577)	15,100,044	4,105,467	(45,201)	(18,464)	207,189	4,248,991
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,690,413	724,688	21,591	70,585	6,507,277
Professional fees			169,955	29,898	13,333	0	213,186
Purchased services			774,394	221,332	20,985	21,110	1,037,820
Printing and Postage			398,215	39,465	2,084	0	439,763
Depreciation and Amortization			462,547	-	-	2,074	464,622
Other expenses			1,308,802	40,069	119	8,865	1,357,855
Indirect cost allocation, Occupancy expense			(132,762)	452,803	28,291	6,918	355,251
Total Administrative Expenses			<u>8,671,563</u>	<u>1,508,255</u>	<u>86,403</u>	<u>109,552</u>	<u>10,375,773</u>
Admin Loss Ratio			3.8%	5.1%	5.3%	6.0%	4.0%
INCOME (LOSS) FROM OPERATIONS			(4,566,096)	(1,553,457)	(104,867)	97,638	(6,126,782)
INVESTMENT INCOME			-	-	-	-	2,348,961
NET GRANT INCOME			(21,262)	-	-	-	(21,262)
OTHER INCOME			194	-	-	-	194
CHANGE IN NET ASSETS			<u>\$ (4,587,164)</u>	<u>\$ (1,553,457)</u>	<u>\$ (104,867)</u>	<u>\$ 97,638</u>	<u>\$ (3,798,889)</u>
BUDGETED CHANGE IN ASSETS			(4,453,559)	(1,167,143)	(109,119)	38,816	(5,459,848)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(133,606)</u>	<u>(386,314)</u>	<u>4,252</u>	<u>58,822</u>	<u>1,660,958</u>

Consolidated Revenue & Expense:

March 2018 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
Member Months	4,813,863	2,152,615	6,966,478	136,288	12,302	2,091	7,117,159
REVENUES							
Capitation Revenue	\$ 1,245,464,394	\$ 967,268,154	\$ 2,212,732,547	\$ 255,452,873	11,641,094	\$ 14,915,561	\$ 2,494,742,075
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>1,245,464,394</u>	<u>967,268,154</u>	<u>2,212,732,547</u>	<u>255,452,873</u>	<u>11,641,094</u>	<u>14,915,561</u>	<u>2,494,742,075</u>
MEDICAL EXPENSES							
Provider Capitation	341,465,901	451,310,896	792,776,797	102,072,163	1,314,137	-	896,163,097
Facilities	230,079,270	153,363,950	383,443,220	28,036,280	4,375,734	2,717,454	418,572,689
Ancillary	-	-	-	5,726,908	496,557	-	6,223,465
Skilled Nursing	-	-	-	-	225,663	-	225,663
Professional Claims	88,402,352	77,157,676	165,560,028	-	-	3,282,454	168,842,481
Prescription Drugs	165,671,502	163,163,842	328,835,344	46,398,913	4,031,273	1,168,420	380,433,950
MLTSS Facility Payments	420,596,630	22,787,195	443,383,825	42,961,015	-	17,988	486,362,828
Medical Management	17,353,445	6,510,203	23,863,648	8,990,755	488,836	4,790,642	38,133,881
Reinsurance & Other	4,929,352	2,707,042	7,636,394	1,383,587	61,146	898,338	9,979,465
Total Medical Expenses	<u>1,268,498,454</u>	<u>877,000,802</u>	<u>2,145,499,256</u>	<u>235,569,621</u>	<u>10,993,347</u>	<u>12,875,296</u>	<u>2,404,937,520</u>
Medical Loss Ratio	101.8%	90.7%	97.0%	92.2%	94.4%	86.3%	96.4%
GROSS MARGIN	(23,034,060)	90,267,351	67,233,291	19,883,252	647,747	2,040,265	89,804,555
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			49,290,768	6,899,295	212,972	695,976	57,099,011
Professional fees			1,305,048	254,622	132,682	38,508	1,730,860
Purchased services			5,910,516	1,537,177	172,115	80,088	7,699,895
Printing and Postage			2,847,183	582,829	62,261	24,969	3,517,241
Depreciation and Amortization			3,708,076	-	-	19,252	3,727,328
Other expenses			10,430,155	393,526	(578)	116,525	10,939,627
Indirect cost allocation, Occupancy expense			(3,105,471)	5,908,119	269,236	57,221	3,129,104
Total Administrative Expenses			<u>70,386,273</u>	<u>15,575,568</u>	<u>848,688</u>	<u>1,032,538</u>	<u>87,843,067</u>
Admin Loss Ratio			3.2%	6.1%	7.3%	6.9%	3.5%
INCOME (LOSS) FROM OPERATIONS			(3,152,982)	4,307,684	(200,941)	1,007,727	1,961,488
INVESTMENT INCOME			-	-	-	-	13,588,656
NET RENTAL INCOME			-	-	-	-	54,103
NET GRANT INCOME			(120,287)	-	-	-	(120,287)
OTHER INCOME			993	-	-	-	993
CHANGE IN NET ASSETS			<u>\$ (3,272,276)</u>	<u>\$ 4,307,684</u>	<u>\$ (200,941)</u>	<u>\$ 1,007,727</u>	<u>\$ 15,484,952</u>

Balance Sheet:

As of March 2018

ASSETS

Current Assets

Operating Cash	\$872,620,409
Investments	629,313,354
Capitation receivable	203,828,866
Receivables - Other	22,387,573
Prepaid Expenses	5,297,330
Total Current Assets	<u>1,733,447,533</u>

Capital Assets	
Furniture and equipment	35,380,257
Building/Leasehold improvements	5,885,793
505 City Parkway West	49,743,943
	<u>91,009,992</u>
Less: accumulated depreciation	(40,078,904)
Capital assets, net	<u>50,931,088</u>

Other Assets	
Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	24,257,976
Long term investments	511,926,899
Total Board-designated Assets	<u>536,184,876</u>
Total Other Assets	<u>536,484,876</u>

Deferred outflows of Resources - Pension Contributions	5,234,198
Deferred outflows of Resources - Difference in Experience	1,072,771
Deferred outflows of Resources - Excess Earnings	<u>5,270,171</u>

TOTAL ASSETS & OUTFLOWS	<u>2,332,440,636</u>
------------------------------------	-----------------------------

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$11,465,633
Medical claims liability	1,434,348,789
Accrued payroll liabilities	11,402,098
Deferred revenue	14,565,884
Deferred lease obligations	139,894
Capitation and withholds	<u>84,000,478</u>
Total Current Liabilities	<u>1,555,922,777</u>

Other employment benefits liability	30,142,475
Net Pension Liabilities	15,992,029
Long Term Liabilities	100,000

TOTAL LIABILITIES	<u>1,602,157,282</u>
--------------------------	-----------------------------

Deferred inflows of Resources - Excess Earnings	-
Deferred inflows of Resources - Changes in Assumptions	1,340,010
Tangible net equity (TNE)	86,464,983
Funds in excess of TNE	<u>642,478,362</u>

Net Assets	<u>728,943,345</u>
-------------------	---------------------------

TOTAL LIABILITIES, INFLOWS & FUND BALANCES	<u>2,332,440,636</u>
---	-----------------------------

Board Designated Reserve and TNE Analysis As of March 2018

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
Board-designated Reserve	Tier 1 - Payden & Rygel	146,625,181				
	Tier 1 - Logan Circle	146,594,365				
	Tier 1 - Wells Capital	146,066,476				
		439,286,022	293,288,561	456,040,079	145,997,461	(16,754,057)
TNE Requirement	Tier 2 - Logan Circle	96,898,854	86,464,983	86,464,983	10,433,871	10,433,871
Consolidated:		536,184,876	379,753,543	542,505,062	156,431,332	(6,320,186)
<i>Current reserve level</i>		1.98	1.40	2.00		



UNAUDITED FINANCIAL STATEMENTS

March 2018

Table of Contents

Financial Highlights.....	3
Financial Dashboard.....	4
Statement of Revenues and Expenses – Consolidated Month to Date.....	5
Statement of Revenues and Expenses – Consolidated Year to Date.....	6
Statement of Revenues and Expenses – Consolidated LOB Month to Date.....	7
Statement of Revenues and Expenses – Consolidated LOB Year to Date.....	8
Highlights – Overall.....	9
Enrollment Summary.....	10
Enrollment Trended by Network Type.....	11
Highlights – Enrollment.....	12
Statement of Revenues and Expenses – Medi-Cal.....	13
Highlights – Medi-Cal.....	14
Statement of Revenues and Expenses – OneCare Connect.....	15
Highlights – OneCare Connect.....	16
Statement of Revenues and Expenses – OneCare.....	17
Statement of Revenues and Expenses – PACE.....	18
Statement of Revenues and Expenses – Building: 505 City Parkway.....	19
Highlights – OneCare, PACE & 505 City Parkway.....	20
Balance Sheet.....	21
Board Designated Reserve & TNE Analysis.....	22
Statement of Cash Flow.....	23
Highlights – Balance Sheet & Statement of Cash Flow.....	24
Statement of Revenues and Expenses – CalOptima Foundation.....	25
Balance Sheet – CalOptima Foundation.....	26
Highlights – CalOptima Foundation.....	27
Budget Allocation Changes.....	28

**CalOptima - Consolidated
Financial Highlights
For the Nine Months Ended March 31, 2018**

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
788,700	804,295	(15,595)	(1.9%)	Member Months	7,117,159	7,227,162	(110,003)	(1.5%)
258,436,980	255,949,681	2,487,299	1.0%	Revenues	2,494,742,075	2,419,345,071	75,397,004	3.1%
254,187,988	249,492,168	(4,695,820)	(1.9%)	Medical Expenses	2,404,937,520	2,309,268,775	(95,668,745)	(4.1%)
10,375,773	12,148,518	1,772,744	14.6%	Administrative Expenses	87,843,067	109,956,622	22,113,554	20.1%
(6,126,782)	(5,691,005)	(435,777)	(7.7%)	Operating Margin	1,961,488	119,674	1,841,813	1539.0%
2,327,893	231,157	2,096,736	907.1%	Non Operating Income (Loss)	13,523,465	2,123,187	11,400,278	536.9%
(3,798,889)	(5,459,848)	1,660,958	30.4%	Change in Net Assets	15,484,952	2,242,861	13,242,091	590.4%
98.4%	97.5%	(0.9%)		Medical Loss Ratio	96.4%	95.5%	(1.0%)	
4.0%	4.7%	0.7%		Administrative Loss Ratio	3.5%	4.5%	1.0%	
<u>(2.4%)</u>	<u>(2.2%)</u>	(0.1%)		Operating Margin Ratio	<u>0.1%</u>	<u>0.0%</u>	0.1%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Nine Months Ended March 31, 2018

MONTH - TO - DATE

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	772,321	787,036	↓	(14,715) (1.9%)
OneCare Connect	14,793	15,612	↓	(819) (5.2%)
OneCare	1,335	1,391	↓	(56) (4.0%)
PACE	251	256	↓	(5) (2.0%)
Total	788,700	804,295	↓	(15,595) (1.9%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ (4,587)	\$ (4,454)	↓	\$ (134) (3.0%)
OneCare Connect	(1,553)	(1,167)	↓	(386) (33.1%)
OneCare	(105)	(109)	↑	4 3.9%
PACE	98	39	↑	59 151.5%
505 Bldg.	-	(19)	↑	19 100.0%
Investment Income & Other	2,349	250	↑	2,099 839.6%
Total	\$ (3,799)	\$ (5,460)	↑	\$ 1,661 30.4%

MLR

	Actual	Budget	% Point Var	
Medi-Cal	98.2%	97.6%	↓	(0.6)
OneCare Connect	100.2%	96.8%	↓	(3.3)
OneCare	101.1%	100.8%	↓	(0.4)

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 8,672	\$ 9,928	↑	\$ 1,256 12.7%
OneCare Connect	1,508	1,969	↑	461 23.4%
OneCare	86	98	↑	11 11.6%
PACE	110	154	↑	44 28.8%
Total	\$ 10,376	\$ 12,149	↑	\$ 1,773 14.6%

Total FTE's Month

	Actual	Budget	Fav / (Unfav)
Medi-Cal	912	900	(12)
OneCare Connect	212	237	25
OneCare	3	3	0
PACE	58	65	7
Total	1,185	1,205	20

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	846	874	(28)
OneCare Connect	70	66	4
OneCare	448	464	(16)
PACE	4	4	0
Total	1,368	1,408	(39)

YEAR - TO - DATE

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	6,966,478	7,072,943	↓	(106,465) (1.5%)
OneCare Connect	136,288	139,916	↓	(3,628) (2.6%)
OneCare	12,302	12,179	↑	123 1.0%
PACE	2,091	2,124	↓	(33) (1.6%)
Total	7,117,159	7,227,162	↓	(110,003) (1.5%)

Change in Net Assets (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ (3,272)	\$ 3,254	↓	\$ (6,527) (200.5%)
OneCare Connect	4,308	(1,917)	↑	6,224 324.7%
OneCare	(201)	(1,093)	↑	892 81.6%
PACE	1,008	(125)	↑	1,133 904.0%
505 Bldg.	54	(127)	↑	181 142.7%
Investment Income & Other	13,589	2,250	↑	11,339 503.9%
Total	\$ 15,485	\$ 2,243	↑	\$ 13,242 590.4%

MLR

	Actual	Budget	% Point Var	
Medi-Cal	97.0%	95.7%	↓	(1.3)
OneCare Connect	92.2%	93.5%	↑	1.3
OneCare	94.4%	101.7%	↑	7.2

Administrative Cost (000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	\$ 70,386	\$ 90,267	↑	\$ 19,881 22.0%
OneCare Connect	15,576	17,451	↑	1,876 10.7%
OneCare	849	883	↑	34 3.9%
PACE	1,033	1,355	↑	323 23.8%
Total	\$ 87,843	\$ 109,957	↑	\$ 22,114 20.1%

Total FTE's YTD

	Actual	Budget	Fav / (Unfav)
Medi-Cal	8,028	8,104	76
OneCare Connect	1,976	2,133	158
OneCare	27	27	(0)
PACE	491	574	83
Total	10,522	10,838	316

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	868	873	(5)
OneCare Connect	69	66	3
OneCare	448	451	(3)
PACE	4	4	1
Total	1,389	1,393	(4)

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended March 31, 2018**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	788,700		804,295		(15,595)	
Revenues						
Medi-Cal	\$ 225,316,009	\$ 291.74	\$ 227,498,968	\$ 289.06	\$ (2,182,959)	\$ 2.68
OneCare Connect	29,685,229	2,006.71	25,231,318	1,616.15	4,453,911	390.56
OneCare	1,616,439	1,210.82	1,488,583	1,070.15	127,856	140.66
PACE	1,819,302	7,248.22	1,730,812	6,760.98	88,490	487.23
Total Operating Revenue	<u>258,436,980</u>	<u>327.67</u>	<u>255,949,681</u>	<u>318.23</u>	<u>2,487,299</u>	<u>9.45</u>
Medical Expenses						
Medi-Cal	221,210,542	286.42	222,024,807	282.10	814,265	(4.32)
OneCare Connect	29,730,430	2,009.76	24,429,341	1,564.78	(5,301,089)	(444.98)
OneCare	1,634,903	1,224.65	1,499,916	1,078.30	(134,987)	(146.35)
PACE	1,612,113	6,422.76	1,538,104	6,008.22	(74,009)	(414.54)
Total Medical Expenses	<u>254,187,988</u>	<u>322.29</u>	<u>249,492,168</u>	<u>310.20</u>	<u>(4,695,820)</u>	<u>(12.09)</u>
Gross Margin	4,248,991	5.39	6,457,513	8.03	(2,208,522)	(2.64)
Administrative Expenses						
Salaries and Benefits	6,507,277	8.25	7,393,428	9.19	886,151	0.94
Professional fees	213,186	0.27	376,189	0.47	163,003	0.20
Purchased services	1,037,820	1.32	1,495,525	1.86	457,704	0.54
Printing and Postage	439,763	0.56	529,870	0.66	90,107	0.10
Depreciation and Amortization	464,622	0.59	463,298	0.58	(1,324)	(0.01)
Other	1,357,855	1.72	1,549,792	1.93	191,937	0.21
Indirect cost allocation, Occupancy expense	355,251	0.45	340,416	0.42	(14,835)	(0.03)
Total Administrative Expenses	<u>10,375,773</u>	<u>13.16</u>	<u>12,148,518</u>	<u>15.10</u>	<u>1,772,744</u>	<u>1.95</u>
Income (Loss) From Operations	(6,126,782)	(7.77)	(5,691,005)	(7.08)	(435,777)	(0.69)
Investment income						
Interest income	2,506,617	3.18	250,000	0.31	2,256,617	2.87
Realized gain/(loss) on investments	(367,763)	(0.47)	-	-	(367,763)	(0.47)
Unrealized gain/(loss) on investments	210,106	0.27	-	-	210,106	0.27
Total Investment Income	<u>2,348,961</u>	<u>2.98</u>	<u>250,000</u>	<u>0.31</u>	<u>2,098,961</u>	<u>2.67</u>
Net Rental Income	-	-	(18,843)	(0.02)	18,843	0.02
Total Net Grant Income	(21,262)	(0.03)	-	-	(21,262)	(0.03)
Other Income	194	0.00	-	-	194	0.00
Change In Net Assets	<u>(3,798,889)</u>	<u>(4.82)</u>	<u>(5,459,848)</u>	<u>(6.79)</u>	<u>1,660,959</u>	<u>1.97</u>
Medical Loss Ratio	98.4%		97.5%		(0.9%)	
Administrative Loss Ratio	4.0%		4.7%		0.7%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

**CalOptima - Consolidated
Statement of Revenue and Expenses
For the Nine Months Ended March 31, 2018**

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	7,117,159		7,227,162		(110,003)	
Revenues						
Medi-Cal	\$ 2,212,732,547	\$ 317.63	\$ 2,153,001,322	\$ 304.40	\$ 59,731,225	\$ 13.23
OneCare Connect	255,452,873	1,874.36	239,545,083	1,712.06	15,907,790	162.30
OneCare	11,641,094	946.28	12,690,399	1,041.99	(1,049,305)	(95.71)
PACE	14,915,561	7,133.22	14,108,267	6,642.31	807,294	490.91
Total Operating Revenue	2,494,742,075	350.52	2,419,345,071	334.76	75,397,004	15.77
Medical Expenses						
Medi-Cal	2,145,499,256	307.97	2,059,480,023	291.18	(86,019,233)	(16.80)
OneCare Connect	235,569,621	1,728.47	224,010,604	1,601.04	(11,559,017)	(127.43)
OneCare	10,993,347	893.62	12,899,999	1,059.20	1,906,652	165.58
PACE	12,875,296	6,157.48	12,878,149	6,063.16	2,853	(94.32)
Total Medical Expenses	2,404,937,520	337.91	2,309,268,775	319.53	(95,668,745)	(18.38)
Gross Margin	89,804,555	12.62	110,076,296	15.23	(20,271,741)	(2.61)
Administrative Expenses						
Salaries and Benefits	57,099,011	8.02	64,039,887	8.86	6,940,876	0.84
Professional fees	1,730,860	0.24	3,452,708	0.48	1,721,848	0.23
Purchased services	7,699,895	1.08	16,631,872	2.30	8,931,977	1.22
Printing and Postage	3,517,241	0.49	4,788,354	0.66	1,271,113	0.17
Depreciation and Amortization	3,727,328	0.52	4,169,682	0.58	442,354	0.05
Other	10,939,627	1.54	13,810,368	1.91	2,870,740	0.37
Indirect cost allocation, Occupancy expense	3,129,104	0.44	3,063,751	0.42	(65,353)	(0.02)
Total Administrative Expenses	87,843,067	12.34	109,956,622	15.21	22,113,554	2.87
Income (Loss) From Operations	1,961,488	0.28	119,674	0.02	1,841,813	0.26
Investment income						
Interest income	19,927,483	2.80	2,250,000	0.31	17,677,483	2.49
Realized gain/(loss) on investments	(1,633,180)	(0.23)	-	-	(1,633,180)	(0.23)
Unrealized gain/(loss) on investments	(4,705,647)	(0.66)	-	-	(4,705,647)	(0.66)
Total Investment Income	13,588,656	1.91	2,250,000	0.31	11,338,656	1.60
Net Rental Income	54,103	0.01	(126,813)	(0.02)	180,916	0.03
Total Net Grant Income	(120,287)	(0.02)	-	-	(120,287)	(0.02)
Other Income	993	0.00	-	-	993	0.00
Change In Net Assets	15,484,953	2.18	2,242,861	0.31	13,242,092	1.87
Medical Loss Ratio	96.4%		95.5%		(1.0%)	
Administrative Loss Ratio	3.5%		4.5%		1.0%	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment

** Includes MSSP

CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended March 31, 2018

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	531,307	241,014	772,321	14,793	1,335	251	788,700
REVENUES							
Capitation Revenue	\$ 119,616,647	\$ 105,699,362	\$ 225,316,009	\$ 29,685,229	\$ 1,616,439	\$ 1,819,302	\$ 258,436,980
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>119,616,647</u>	<u>105,699,362</u>	<u>225,316,009</u>	<u>29,685,229</u>	<u>1,616,439</u>	<u>1,819,302</u>	<u>258,436,980</u>
MEDICAL EXPENSES							
Provider Capitation	34,185,039	49,898,134	84,083,173	11,825,883	440,125	-	96,349,181
Facilities	26,801,600	8,723,099	35,524,699	3,390,132	520,975	329,309	39,765,115
Ancillary	-	-	-	742,594	80,817	-	823,411
Skilled Nursing	-	-	-	-	74,724	-	74,724
Professional Claims	14,822,966	9,508,653	24,331,619	-	-	439,705	24,771,324
Prescription Drugs	18,082,024	18,910,768	36,992,792	4,861,780	440,387	172,379	42,467,337
Quality Incentives	-	-	-	-	-	-	-
MLTSS Facility Payments	34,221,857	2,450,523	36,672,380	7,788,316	-	-	44,460,697
Medical Management	1,981,919	801,719	2,783,638	991,726	75,014	563,753	4,414,130
Reinsurance & Other	515,820	306,421	822,241	130,000	2,861	106,967	1,062,069
Total Medical Expenses	<u>130,611,224</u>	<u>90,599,318</u>	<u>221,210,542</u>	<u>29,730,430</u>	<u>1,634,903</u>	<u>1,612,113</u>	<u>254,187,988</u>
Medical Loss Ratio	109.2%	85.7%	98.2%	100.2%	101.1%	88.6%	98.4%
GROSS MARGIN	(10,994,577)	15,100,044	4,105,467	(45,201)	(18,464)	207,189	4,248,991
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,690,413	724,688	21,591	70,585	6,507,277
Professional fees			169,955	29,898	13,333	0	213,186
Purchased services			774,394	221,332	20,985	21,110	1,037,820
Printing and Postage			398,215	39,465	2,084	0	439,763
Depreciation and Amortization			462,547	-	-	2,074	464,622
Other expenses			1,308,802	40,069	119	8,865	1,357,855
Indirect cost allocation, Occupancy expense			(132,762)	452,803	28,291	6,918	355,251
Total Administrative Expenses			<u>8,671,563</u>	<u>1,508,255</u>	<u>86,403</u>	<u>109,552</u>	<u>10,375,773</u>
Admin Loss Ratio			3.8%	5.1%	5.3%	6.0%	4.0%
INCOME (LOSS) FROM OPERATIONS			(4,566,096)	(1,553,457)	(104,867)	97,638	(6,126,782)
INVESTMENT INCOME			-	-	-	-	2,348,961
NET GRANT INCOME			(21,262)	-	-	-	(21,262)
OTHER INCOME			194	-	-	-	194
CHANGE IN NET ASSETS			<u>\$ (4,587,164)</u>	<u>\$ (1,553,457)</u>	<u>\$ (104,867)</u>	<u>\$ 97,638</u>	<u>\$ (3,798,889)</u>
BUDGETED CHANGE IN ASSETS			(4,453,559)	(1,167,143)	(109,119)	38,816	(5,459,848)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(133,606)</u>	<u>(386,314)</u>	<u>4,252</u>	<u>58,822</u>	<u>1,660,958</u>

CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Nine Months Ended March 31, 2018

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare Connect</u>	<u>OneCare</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	4,813,863	2,152,615	6,966,478	136,288	12,302	2,091	7,117,159
REVENUES							
Capitation Revenue	\$ 1,245,464,394	\$ 967,268,154	\$ 2,212,732,547	\$ 255,452,873	11,641,094	\$ 14,915,561	\$ 2,494,742,075
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>1,245,464,394</u>	<u>967,268,154</u>	<u>2,212,732,547</u>	<u>255,452,873</u>	<u>11,641,094</u>	<u>14,915,561</u>	<u>2,494,742,075</u>
MEDICAL EXPENSES							
Provider Capitation	341,465,901	451,310,896	792,776,797	102,072,163	1,314,137	-	896,163,097
Facilities	230,079,270	153,363,950	383,443,220	28,036,280	4,375,734	2,717,454	418,572,689
Ancillary	-	-	-	5,726,908	496,557	-	6,223,465
Skilled Nursing	-	-	-	-	225,663	-	225,663
Professional Claims	88,402,352	77,157,676	165,560,028	-	-	3,282,454	168,842,481
Prescription Drugs	165,671,502	163,163,842	328,835,344	46,398,913	4,031,273	1,168,420	380,433,950
MLTSS Facility Payments	420,596,630	22,787,195	443,383,825	42,961,015	-	17,988	486,362,828
Medical Management	17,353,445	6,510,203	23,863,648	8,990,755	488,836	4,790,642	38,133,881
Reinsurance & Other	4,929,352	2,707,042	7,636,394	1,383,587	61,146	898,338	9,979,465
Total Medical Expenses	<u>1,268,498,454</u>	<u>877,000,802</u>	<u>2,145,499,256</u>	<u>235,569,621</u>	<u>10,993,347</u>	<u>12,875,296</u>	<u>2,404,937,520</u>
Medical Loss Ratio	101.8%	90.7%	97.0%	92.2%	94.4%	86.3%	96.4%
GROSS MARGIN	(23,034,060)	90,267,351	67,233,291	19,883,252	647,747	2,040,265	89,804,555
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			49,290,768	6,899,295	212,972	695,976	57,099,011
Professional fees			1,305,048	254,622	132,682	38,508	1,730,860
Purchased services			5,910,516	1,537,177	172,115	80,088	7,699,895
Printing and Postage			2,847,183	582,829	62,261	24,969	3,517,241
Depreciation and Amortization			3,708,076	-	-	19,252	3,727,328
Other expenses			10,430,155	393,526	(578)	116,525	10,939,627
Indirect cost allocation, Occupancy expense			(3,105,471)	5,908,119	269,236	57,221	3,129,104
Total Administrative Expenses			<u>70,386,273</u>	<u>15,575,568</u>	<u>848,688</u>	<u>1,032,538</u>	<u>87,843,067</u>
Admin Loss Ratio			3.2%	6.1%	7.3%	6.9%	3.5%
INCOME (LOSS) FROM OPERATIONS			(3,152,982)	4,307,684	(200,941)	1,007,727	1,961,488
INVESTMENT INCOME			-	-	-	-	13,588,656
NET RENTAL INCOME			-	-	-	-	54,103
NET GRANT INCOME			(120,287)	-	-	-	(120,287)
OTHER INCOME			993	-	-	-	993
CHANGE IN NET ASSETS			<u>\$ (3,272,276)</u>	<u>\$ 4,307,684</u>	<u>\$ (200,941)</u>	<u>\$ 1,007,727</u>	<u>\$ 15,484,952</u>
BUDGETED CHANGE IN ASSETS			3,254,386	(1,916,791)	(1,092,576)	(125,345)	2,242,861
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(6,526,662)</u>	<u>6,224,475</u>	<u>891,635</u>	<u>1,133,072</u>	<u>13,242,091</u>

March 31, 2018 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is (\$3.8) million, \$1.7 million favorable to budget
- Operating deficit is \$6.1 million with a surplus in non-operating of \$2.3 million

YEAR TO DATE RESULTS:

- Change in Net Assets is \$15.5 million, \$13.2 million favorable to budget
- Operating surplus is \$1.8 million, \$1.7 million favorable to budget

Change in Net Assets by LOB (\$millions)

MONTH-TO-DATE				YEAR-TO-DATE			
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	
(4.6)	(4.5)	(0.1)	Medi-Cal	(3.3)	3.3	(6.5)	
(1.6)	(1.2)	(0.4)	OCC	4.3	(1.9)	6.2	
(0.1)	(0.1)	0.0	OneCare	(0.2)	(1.1)	0.9	
<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	PACE	<u>1.0</u>	<u>(0.1)</u>	<u>1.1</u>	
(6.1)	(5.7)	(0.4)	Operating	1.8	0.1	1.7	
<u>2.3</u>	<u>0.2</u>	<u>2.1</u>	Inv./Rental Inc, MCO tax	<u>13.6</u>	<u>2.1</u>	<u>11.5</u>	
2.3	0.2	2.1	Non-Operating	13.6	2.1	11.5	
(3.8)	(5.5)	1.7	TOTAL	15.5	2.2	13.2	

CalOptima
Enrollment Summary
For the Nine Months Ended March 31, 2018

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
63,303	64,963	(1,660)	(2.6%)	Aged	569,198	570,666	(1,468)	(0.3%)
621	618	3	0.5%	BCCTP	5,513	5,562	(49)	(0.9%)
47,281	48,815	(1,534)	(3.1%)	Disabled	426,732	439,045	(12,313)	(2.8%)
320,242	328,966	(8,724)	(2.7%)	TANF Child	2,893,897	2,965,581	(71,684)	(2.4%)
96,404	103,474	(7,070)	(6.8%)	TANF Adult	887,533	933,911	(46,378)	(5.0%)
3,456	3,268	188	5.8%	LTC	30,990	29,412	1,578	5.4%
241,014	236,932	4,082	1.7%	MCE	2,152,615	2,128,766	23,849	1.1%
772,321	787,036	(14,715)	(1.9%)	Medi-Cal	6,966,478	7,072,943	(106,465)	(1.5%)
14,793	15,612	(819)	(5.2%)	OneCare Connect	136,288	139,916	(3,628)	(2.6%)
251	256	(5)	(2.0%)	PACE	2,091	2,124	(33)	(1.6%)
1,335	1,391	(56)	(4.0%)	OneCare	12,302	12,179	123	1.0%
788,700	804,295	(15,595)	(1.9%)	CalOptima Total	7,117,159	7,227,162	(110,003)	(1.5%)

Enrollment (By Network)								
169,214	174,673	(5,459)	(3.1%)	HMO	1,532,976	1,568,783	(35,807)	(2.3%)
222,573	225,049	(2,476)	(1.1%)	PHC	2,004,968	2,035,130	(30,162)	(1.5%)
197,464	208,296	(10,832)	(5.2%)	Shared Risk Group	1,797,760	1,884,737	(86,977)	(4.6%)
183,070	179,018	4,052	2.3%	Fee for Service	1,630,774	1,584,293	46,481	2.9%
772,321	787,036	(14,715)	(1.9%)	Medi-Cal	6,966,478	7,072,943	(106,465)	(1.5%)
14,793	15,612	(819)	(5.2%)	OneCare Connect	136,288	139,916	(3,628)	(2.6%)
251	256	(5)	(2.0%)	PACE	2,091	2,124	(33)	(1.6%)
1,335	1,391	(56)	(4.0%)	OneCare	12,302	12,179	123	1.0%
788,700	804,295	(15,595)	(1.9%)	CalOptima Total	7,117,159	7,227,162	(110,003)	(1.5%)

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2018

Network Type	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	MMs
HMO													
Aged	4,058	4,045	4,051	3,864	4,020	3,980	3,982	3,958	3,941	-	-	-	35,899
BCCTP	1	1	1	5	1	5	1	1	1	-	-	-	17
Disabled	6,749	6,740	6,729	6,703	6,733	6,743	6,743	6,777	6,780	-	-	-	60,697
TANF Child	61,492	61,733	61,361	61,023	60,598	60,595	53,730	59,508	59,394	-	-	-	539,434
TANF Adult	30,429	30,420	30,313	30,127	29,905	30,059	36,236	30,408	30,207	-	-	-	278,104
LTC	3	4	6	4	4	3	2	3	4	-	-	-	33
MCE	68,020	68,792	69,169	68,294	68,764	69,313	68,665	68,888	68,887	-	-	-	618,792
	170,752	171,735	171,630	170,020	170,025	170,698	169,359	169,543	169,214	-	-	-	1,532,976
PHC													
Aged	1,480	1,493	1,530	1,401	1,561	1,581	1,603	1,608	1,615	-	-	-	13,872
BCCTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled	7,318	7,264	7,258	7,236	7,229	7,221	7,264	7,256	7,298	-	-	-	65,344
TANF Child	162,801	163,976	163,202	162,046	162,030	162,046	154,874	160,957	160,820	-	-	-	1,452,752
TANF Adult	12,604	12,571	12,410	12,356	12,311	12,312	19,241	13,212	13,146	-	-	-	120,163
LTC	-	-	1	1	-	-	1	1	-	-	-	-	4
MCE	38,398	38,821	39,088	38,681	39,261	39,620	39,555	39,715	39,694	-	-	-	352,833
	222,601	224,125	223,489	221,721	222,392	222,780	222,538	222,749	222,573	-	-	-	2,004,968
Shared Risk Group													
Aged	3,809	3,756	3,831	3,029	3,765	3,641	3,706	3,680	3,687	-	-	-	32,904
BCCTP	-	-	-	1	-	-	-	-	-	-	-	-	1
Disabled	8,108	8,058	8,035	7,951	7,978	7,887	7,873	7,810	7,756	-	-	-	71,456
TANF Child	72,723	72,861	72,102	71,427	71,139	70,753	63,054	69,468	69,054	-	-	-	632,581
TANF Adult	32,775	32,737	32,316	31,441	31,785	31,475	39,189	32,293	31,899	-	-	-	295,910
LTC	-	1	2	-	-	2	-	3	3	-	-	-	11
MCE	85,799	86,330	86,191	81,677	85,025	84,995	84,574	85,241	85,065	-	-	-	764,897
	203,214	203,743	202,477	195,526	199,692	198,753	198,396	198,495	197,464	-	-	-	1,797,760
Fee for Service (Dual)													
Aged	48,036	48,599	48,846	48,863	49,108	49,578	53,851	53,491	49,628	-	-	-	450,000
BCCTP	25	22	25	23	22	23	21	24	18	-	-	-	203
Disabled	20,343	20,528	20,516	20,448	20,494	20,691	22,065	22,052	20,849	-	-	-	187,986
TANF Child	3	3	2	2	1	1	1	2	2	-	-	-	17
TANF Adult	1,205	1,226	1,184	1,156	1,118	1,165	1,160	1,093	1,095	-	-	-	10,402
LTC	3,002	3,124	3,126	3,068	3,137	3,112	3,106	3,068	3,108	-	-	-	27,851
MCE	2,816	2,848	2,758	2,831	2,113	1,660	1,713	1,774	1,888	-	-	-	20,401
	75,430	76,350	76,457	76,391	75,993	76,230	81,917	81,504	76,588	-	-	-	696,860
Fee for Service (Non-Dual)													
Aged	3,580	3,855	4,031	3,714	4,250	4,117	4,197	4,347	4,432	-	-	-	36,523
BCCTP	601	602	599	523	598	589	588	590	602	-	-	-	5,292
Disabled	4,466	4,559	4,578	4,364	4,703	4,604	4,721	4,656	4,598	-	-	-	41,249
TANF Child	27,513	31,414	31,119	30,822	28,520	31,545	27,514	29,694	30,972	-	-	-	269,113
TANF Adult	18,753	19,744	20,087	19,517	19,142	20,210	23,898	21,546	20,057	-	-	-	182,954
LTC	372	364	379	194	363	353	366	359	341	-	-	-	3,091
MCE	43,457	44,664	44,438	40,886	42,402	44,767	44,918	44,580	45,480	-	-	-	395,692
	98,742	105,202	105,231	100,120	99,978	106,185	106,202	105,772	106,482	-	-	-	933,914
MEDI-CAL TOTAL													
Aged	60,963	61,748	62,289	60,871	62,704	62,897	67,339	67,084	63,303	-	-	-	569,198
BCCTP	627	625	625	552	621	617	610	615	621	-	-	-	5,513
Disabled	46,984	47,149	47,116	46,702	47,137	47,146	48,666	48,551	47,281	-	-	-	426,732
TANF Child	324,532	329,987	327,786	325,320	322,288	324,940	299,173	319,629	320,242	-	-	-	2,893,897
TANF Adult	95,766	96,698	96,310	94,597	94,261	95,221	119,724	98,552	96,404	-	-	-	887,533
LTC	3,377	3,493	3,514	3,267	3,504	3,470	3,475	3,434	3,456	-	-	-	30,990
MCE	238,490	241,455	241,644	232,469	237,565	240,355	239,425	240,198	241,014	-	-	-	2,152,615
	770,739	781,155	779,284	763,778	768,080	774,646	778,412	778,063	772,321	-	-	-	6,966,478
PACE	215	221	228	227	233	235	236	245	251	-	-	-	2,091
OneCare	1,367	1,386	1,404	1,406	1,378	1,372	1,320	1,334	1,335	-	-	-	12,302
OneCare Connect	15,365	15,229	15,265	15,234	15,254	15,223	14,989	14,936	14,793	-	-	-	136,288
TOTAL	787,686	797,991	796,181	780,645	784,945	791,476	794,957	794,578	788,700	-	-	-	7,117,159

ENROLLMENT:

Overall MTD enrollment was 788,700

- Unfavorable to budget by 15,595 or 1.9%
- Decreased 5,878 from prior month (February 2018)
- Decreased 4,742 from prior year (March 2017)

Medi-Cal enrollment was 772,321

- Unfavorable to budget by 14,715
 - TANF unfavorable by 15,794
 - SPD unfavorable by 3,191
 - Expansion favorable by 4,082
 - LTC favorable by 188
- Decreased 5,742 from prior month

OneCare Connect enrollment was 14,793

- Unfavorable to budget by 819
- Decreased 143 from prior month

OneCare enrollment was 1,335

- Unfavorable to budget by 56
- Increased 1 from prior month

PACE enrollment was 251

- Unfavorable to budget by 5
- Increased 6 from prior month

**CalOptima - Medi-Cal Total
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
772,321	787,036	(14,715)	(1 9%)	Member Months	6,966,478	7,072,943	(106,465)	(1 5%)
225,316,009	227,498,968	(2,182,959)	(1 0%)	Revenues				
				Capitation revenue	2,212,732,547	2,153,001,322	59,731,225	2 8%
225,316,009	227,498,968	(2,182,959)	(1 0%)	Total Operating Revenues	2,212,732,547	2,153,001,322	59,731,225	2 8%
84,083,173	86,844,970	2,761,797	3 2%	Medical Expenses				
35,524,699	44,747,311	9,222,612	20 6%	Provider capitation	792,776,797	782,780,348	(9,996,449)	(1 3%)
24,331,619	15,025,255	(9,306,364)	(61 9%)	Facilities	383,443,220	393,989,495	10,546,275	2 7%
36,992,792	38,462,113	1,469,321	3 8%	Professional Claims	165,560,028	127,910,951	(37,649,077)	(29.4%)
36,672,380	33,243,310	(3,429,070)	(10 3%)	Prescription drugs	328,835,344	326,836,427	(1,998,917)	(0 6%)
2,783,638	3,386,831	603,193	17 8%	MLTSS	443,383,825	395,781,685	(47,602,140)	(12 0%)
822,241	315,017	(507,224)	(161 0%)	Medical Management	23,863,648	29,345,964	5,482,316	18.7%
				Reinsurance & other	7,636,394	2,835,153	(4,801,241)	(169 3%)
221,210,542	222,024,807	814,265	0.4%	Total Medical Expenses	2,145,499,256	2,059,480,023	(86,019,233)	(4 2%)
4,105,467	5,474,161	(1,368,694)	(25 0%)	Gross Margin	67,233,291	93,521,299	(26,288,008)	(28.1%)
5,690,413	6,321,273	630,860	10 0%	Administrative Expenses				
169,955	319,522	149,567	46 8%	Salaries, wages & employee benefits	49,290,768	54,695,063	5,404,295	9 9%
774,394	1,222,530	448,136	36.7%	Professional fees	1,305,048	2,942,708	1,637,660	55.7%
398,215	401,236	3,021	0 8%	Purchased services	5,910,516	14,174,775	8,264,259	58 3%
462,547	461,246	(1,301)	(0 3%)	Printing and postage	2,847,183	3,623,134	775,951	21.4%
1,308,802	1,480,698	171,896	11 6%	Depreciation & amortization	3,708,076	4,151,214	443,138	10.7%
(132,762)	(278,785)	(146,023)	(52.4%)	Other operating expenses	10,430,155	13,189,084	2,758,929	20 9%
				Indirect cost allocation	(3,105,471)	(2,509,065)	596,406	23 8%
8,671,563	9,927,720	1,256,157	12.7%	Total Administrative Expenses	70,386,273	90,266,913	19,880,640	22 0%
10,540,079	0	(10,540,079)	0 0%	Operating Tax				
10,156,021	0	(10,156,021)	0 0%	Tax Revenue	105,540,563	0	(105,540,563)	0 0%
384,058	0	(384,058)	0 0%	Premium tax expense	91,877,167	0	(91,877,167)	0 0%
				Sales tax expense	13,663,396	0	(13,663,396)	0 0%
(0)	0	(0)	0 0%	Total Net Operating Tax	(0)	0	(0)	0 0%
9,678	291,249	(281,571)	(96.7%)	Grant Income				
0	258,276	258,276	100 0%	Grant Revenue	249,540	2,621,241	(2,371,701)	(90 5%)
30,940	32,973	2,033	6 2%	Grant expense - Service Partner	156,825	2,324,484	2,167,659	93 3%
				Grant expense - Administrative	213,002	296,757	83,755	28 2%
(21,262)	0	(21,262)	0 0%	Total Net Grant Income	(120,287)	0	(120,287)	0 0%
194	0	194	0 0%	Other income	993	0	993	0 0%
(4,587,164)	(4,453,559)	(133,605)	(3 0%)	Change in Net Assets	(3,272,275)	3,254,386	(6,526,661)	(200 5%)
=====	=====	=====	=====					
98.2%	97.6%	(0.6%)	(0 6%)	Medical Loss Ratio	97 0%	95.7%	(1.3%)	(1.4%)
3.8%	4.4%	0.5%	11 8%	Admin Loss Ratio	3 2%	4 2%	1.0%	24.1%

MEDI-CAL INCOME STATEMENT – MARCH MONTH:

REVENUES of \$225.3 million are unfavorable to budget by \$2.2 million, driven by:

- Unfavorable volume related variance of \$4.3 million
- Favorable price related variance of \$2.1 million due to:
 - \$2.8 million of fiscal year 2018 revenue for Applied Behavior Analysis (ABA)
 - \$3.5 million of fiscal year 2018 non-LTC (Long-Term Care), offset by:
 - (\$1.7) million fiscal year 2018 Hepatitis C, (\$1.5) million of fiscal year 2018 Coordinated Care Initiative (CCI) and (\$1.3) million of prior year CCI and non-LTC revenue

MEDICAL EXPENSES: Overall \$221.2 million, favorable to budget by \$0.8 million due to:

- **Facility** expense is favorable to budget \$9.2 million due to release of Shared Risk accrual of \$9.9 million and crossover claims
- **Provider Capitation** is favorable to budget by \$2.8 million due to Behavioral Health Treatment's (BHT) transition in-house
- **Professional Claims** expense is unfavorable to budget \$9.3 million due to BHT, professional, and crossover claims
- **Managed Long-Term Services and Support (MLTSS)** is unfavorable to budget \$3.4 million due to In Home Health Services (IHHS) claims
- **Prescription Drug** expense is favorable to budget \$1.5 million due to over accrual in February

ADMINISTRATIVE EXPENSES are \$8.7 million, favorable to budget \$1.3 million, driven by:

- **Salary & Benefits:** \$0.6 million favorable to budget
- **Purchased Services:** \$0.4 million favorable to budget due to lower outside claims processing fees, mostly from mental health claims processing being brought in-house
- **Other Non-Salary:** \$0.2 million favorable to budget

CHANGE IN NET ASSETS is (\$4.6) million for the month, unfavorable to budget by \$0.1 million

**CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018**

Month			
Actual	Budget	\$ Variance	% Variance
14,793	15,612	(819)	(5.2%)
8,288,726	4,051,382	4,237,344	104.6%
16,893,890	15,799,021	1,094,869	6.9%
4,502,612	5,380,915	(878,303)	(16.3%)
29,685,229	25,231,318	4,453,911	17.7%
11,825,883	9,044,404	(2,781,479)	(30.8%)
3,390,132	5,256,761	1,866,629	35.5%
742,594	644,001	(98,593)	(15.3%)
7,788,316	2,439,232	(5,349,084)	(219.3%)
4,861,780	5,692,843	831,063	14.6%
991,726	1,225,298	233,572	19.1%
130,000	126,802	(3,198)	(2.5%)
29,730,430	24,429,341	(5,301,089)	(21.7%)
(45,201)	801,977	(847,178)	(105.6%)
724,688	952,271	227,583	23.9%
29,898	38,333	8,435	22.0%
221,332	239,869	18,537	7.7%
39,465	103,800	64,335	62.0%
40,069	50,419	10,350	20.5%
452,803	584,428	131,625	22.5%
1,508,255	1,969,120	460,865	23.4%
0	0	0	0.0%
(1,553,457)	(1,167,143)	(386,314)	(33.1%)
100.2%	96.8%	(3.3%)	(3.4%)
5.1%	7.8%	2.7%	34.9%

	Year - To - Date			
	Actual	Budget	\$ Variance	% Variance
Member Months	136,288	139,916	(3,628)	(2.6%)
Revenues				
Medi-Cal Capitation revenue	59,167,736	57,184,576	1,983,160	3.5%
Medicare Capitation revenue part C	147,713,955	135,207,286	12,506,669	9.2%
Medicare Capitation revenue part D	48,571,183	47,153,221	1,417,962	3.0%
Total Operating Revenue	255,452,873	239,545,083	15,907,790	6.6%
Medical Expenses				
Provider capitation	102,072,163	78,086,448	(23,985,715)	(30.7%)
Facilities	28,036,280	45,864,511	17,828,231	38.9%
Ancillary	5,726,908	5,603,453	(123,455)	(2.2%)
Long Term Care	42,961,015	32,485,387	(10,475,628)	(32.2%)
Prescription drugs	46,398,913	50,002,496	3,603,583	7.2%
Medical management	8,990,755	10,909,677	1,918,922	17.6%
Other medical expenses	1,383,587	1,058,632	(324,955)	(30.7%)
Total Medical Expenses	235,569,621	224,010,604	(11,559,017)	(5.2%)
Gross Margin	19,883,252	15,534,479	4,348,773	28.0%
Administrative Expenses				
Salaries, wages & employee benefits	6,899,295	8,300,145	1,400,850	16.9%
Professional fees	254,622	345,002	90,379	26.2%
Purchased services	1,537,177	2,158,914	621,737	28.8%
Printing and postage	582,829	934,206	351,377	37.6%
Other operating expenses	393,526	453,152	59,626	13.2%
Indirect cost allocation, Occupancy Expense	5,908,119	5,259,852	(648,267)	(12.3%)
Total Administrative Expenses	15,575,568	17,451,270	1,875,702	10.7%
Operating Tax				
Total Net Operating Tax	0	0	0	0.0%
Change in Net Assets	4,307,684	(1,916,791)	6,224,475	324.7%
Medical Loss Ratio	92.2%	93.5%	1.3%	1.4%
Admin Loss Ratio	6.1%	7.3%	1.2%	16.3%

ONECARE CONNECT INCOME STATEMENT – MARCH MONTH:

REVENUES of \$29.7 million are favorable to budget by \$4.5 million driven by:

- Unfavorable volume related variance of \$1.3 million due to lower enrollment
- Favorable price related variance of \$5.8 million due to fiscal year 2018 rate adjustment and CCI

MEDICAL EXPENSES of \$29.8 million are unfavorable to budget \$5.3 million due to:

- Favorable volume related variance of \$1.3 million due to lower enrollment
- Unfavorable price related variance of \$6.6 million due to provider capitation and CCI

ADMINISTRATIVE EXPENSES of \$1.5 million are favorable to budget \$0.5

CHANGE IN NET ASSETS is (\$1.6) million, \$0.4 million unfavorable to budget

**CalOptima - OneCare
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018**

Month					Year - To - Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,335	1,391	(56)	(4.0%)	Member Months	12,302	12,179	123	1.0%
				Revenues				
52,172	48,337	3,835	7.9%	Medi-Cal Capitation revenue	576,777	423,150	153,627	36.3%
954,079	939,770	14,309	1.5%	Medicare Part C Revenue	7,192,826	7,977,582	(784,756)	(9.8%)
610,188	500,476	109,712	21.9%	Medicare Part D Revenue	3,871,491	4,289,667	(418,176)	(9.7%)
1,616,439	1,488,583	127,856	8.6%	Total Operating Revenue	11,641,094	12,690,399	(1,049,305)	(8.3%)
				Medical Expenses				
440,125	411,537	(28,588)	(6.9%)	Provider capitation	1,314,137	3,506,436	2,192,299	62.5%
520,975	459,682	(61,293)	(13.3%)	Inpatient	4,375,734	3,988,631	(387,103)	(9.7%)
80,817	50,378	(30,439)	(60.4%)	Ancillary	496,557	433,728	(62,829)	(14.5%)
74,724	44,111	(30,613)	(69.4%)	Skilled nursing facilities	225,663	376,237	150,574	40.0%
440,387	503,405	63,018	12.5%	Prescription drugs	4,031,273	4,327,384	296,111	6.8%
75,014	21,911	(53,103)	(242.4%)	Medical management	488,836	200,153	(288,683)	(144.2%)
2,861	8,892	6,031	67.8%	Other medical expenses	61,146	67,430	6,284	9.3%
1,634,903	1,499,916	(134,987)	(9.0%)	Total Medical Expenses	10,993,347	12,899,999	1,906,652	14.8%
(18,464)	(11,333)	(7,131)	(62.9%)	Gross Margin	647,747	(209,600)	857,347	409.0%
				Administrative Expenses				
21,591	21,095	(496)	(2.4%)	Salaries, wages & employee benefits	212,972	185,146	(27,826)	(15.0%)
13,333	13,334	1	0.0%	Professional fees	132,682	119,998	(12,684)	(10.6%)
20,985	11,990	(8,995)	(75.0%)	Purchased services	172,115	107,960	(64,155)	(59.4%)
2,084	19,287	17,203	89.2%	Printing and postage	62,261	181,091	118,830	65.6%
119	171	52	30.5%	Other operating expenses	(578)	1,593	2,171	136.3%
28,291	31,909	3,618	11.3%	Indirect cost allocation, Occupancy Expense	269,236	287,188	17,952	6.3%
86,403	97,786	11,383	11.6%	Total Administrative Expenses	848,688	882,976	34,288	3.9%
(104,867)	(109,119)	4,252	3.9%	Change in Net Assets	(200,941)	(1,092,576)	891,635	81.6%
=====	=====	=====	=====		=====	=====	=====	=====
101.1%	100.8%	(0.4%)	(0.4%)	Medical Loss Ratio	94.4%	101.7%	7.2%	7.1%

CalOptima - PACE
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018

Month			
Actual	Budget	\$ Variance	% Variance
251	256	(5)	(2.0%)
1,368,561	1,336,519	32,042	2.4%
319,191	313,061	6,130	2.0%
131,550	81,232	50,318	61.9%
1,819,302	1,730,812	88,490	5.1%
563,753	608,385	44,632	7.3%
329,309	369,833	40,524	11.0%
439,705	304,945	(134,760)	(44.2%)
172,379	128,164	(44,215)	(34.5%)
0	11,019	11,019	100.0%
106,967	105,758	(1,209)	(1.1%)
0	0	0	0.0%
0	10,000	10,000	100.0%
1,612,113	1,538,104	(74,009)	(4.8%)
207,189	192,708	14,481	7.5%
70,585	98,789	28,204	28.6%
0	5,000	5,000	100.0%
21,110	21,136	26	0.1%
0	5,547	5,547	100.0%
2,074	2,052	(22)	(1.1%)
8,865	18,504	9,639	52.1%
6,918	2,864	(4,054)	(141.5%)
109,552	153,892	44,340	28.8%
3,504	0	3,504	0.0%
3,504	0	(3,504)	0.0%
0	0	0	0.0%
97,638	38,816	58,822	151.5%
88.6%	88.9%	0.3%	0.3%
6.0%	8.9%	2.9%	32.3%

Year - To - Date			
Actual	Budget	\$ Variance	% Variance
2,091	2,124	(33)	(1.6%)
11,127,017	10,865,104	261,913	2.4%
2,989,494	2,564,192	425,302	16.6%
799,050	678,971	120,079	17.7%
14,915,561	14,108,267	807,294	5.7%
4,790,642	5,318,182	527,540	9.9%
2,717,454	3,013,735	296,281	9.8%
3,282,454	2,485,504	(796,950)	(32.1%)
1,168,420	1,045,452	(122,968)	(11.8%)
17,988	104,008	86,020	82.7%
842,338	861,268	18,930	2.2%
0	0	0	0.0%
56,000	50,000	(6,000)	(12.0%)
12,875,296	12,878,149	2,853	0.0%
2,040,265	1,230,118	810,147	65.9%
695,976	859,533	163,557	19.0%
38,508	45,000	6,492	14.4%
80,088	190,224	110,136	57.9%
24,969	49,923	24,954	50.0%
19,252	18,468	(784)	(4.2%)
116,525	166,539	50,014	30.0%
57,221	25,776	(31,445)	(122.0%)
1,032,538	1,355,463	322,925	23.8%
44,878	0	44,878	0.0%
44,878	0	(44,878)	0.0%
0	0	0	0.0%
1,007,727	(125,345)	1,133,072	904.0%
86.3%	91.3%	5.0%	5.4%
6.9%	9.6%	2.7%	27.9%

**CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018**

Actual	Month		
	Budget	\$ Variance	% Variance
0	0	0	0.0%
-----	-----	-----	-----
0	0	0	0.0%
-----	-----	-----	-----
42,179	23,186	(18,994)	(81.9%)
170,582	161,474	(9,108)	(5.6%)
14,913	9,117	(5,797)	(63.6%)
108,911	158,122	49,211	31.1%
30,611	0	(30,611)	0.0%
(367,197)	(333,055)	34,142	10.3%
-----	-----	-----	-----
0	18,843	18,843	100.0%
-----	-----	-----	-----
0	(18,843)	18,843	100.0%
=====	=====	=====	=====

Revenues

Rental income

Total Operating Revenue

Administrative Expenses

Purchase services

Depreciation & amortization

Insurance expense

Repair and maintenance

Other Operating Expense

Indirect allocation, Occupancy Expense

Total Administrative Expenses

Change in Net Assets

Actual	Year - To - Date		
	Budget	\$ Variance	% Variance
155,426	42,774	112,652	263.4%
-----	-----	-----	-----
155,426	42,774	112,652	263.4%
-----	-----	-----	-----
302,258	208,673	(93,585)	(44.8%)
1,447,600	1,453,263	5,664	0.4%
134,220	82,050	(52,169)	(63.6%)
989,984	1,423,094	433,111	30.4%
380,744	0	(380,744)	0.0%
(3,153,481)	(2,997,494)	155,987	5.2%
-----	-----	-----	-----
101,324	169,587	68,263	40.3%
-----	-----	-----	-----
54,103	(126,813)	180,916	142.7%
=====	=====	=====	=====

OTHER STATEMENTS – MARCH MONTH:

ONECARE INCOME STATEMENT

CHANGE IN NET ASSETS is (\$104.9) thousand, \$4.3 thousand favorable to budget

PACE INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$97.6 thousand, \$58.8 thousand favorable to budget

505 CITY PARKWAY BUILDING INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$0.0 thousand, \$18.8 thousand favorable to budget

**CalOptima
BALANCE SHEET
March 31, 2018**

ASSETS

Current Assets

Operating Cash	\$872,620,409
Investments	629,313,354
Capitation receivable	203,828,866
Receivables - Other	22,387,573
Prepaid Expenses	5,297,330

Total Current Assets

1,733,447,533

Capital Assets Furniture and equipment
Building/Leasehold improvements
505 City Parkway West

35,380,257
5,885,793
49,743,943

Less: accumulated depreciation
Capital assets, net

91,009,992
(40,078,904)
50,931,088

Other Assets Restricted deposit & Other

300,000

Board-designated assets

Cash and cash equivalents
Long term investments

24,257,976
511,926,899

Total Board-designated Assets

536,184,876

Total Other Assets

536,484,876

Deferred outflows of Resources - Pension Contributions
Deferred outflows of Resources - Difference in Experience
Deferred outflows of Resources - Excess Earnings

5,234,198
1,072,771
5,270,171

TOTAL ASSETS & OUTFLOWS

2,332,440,636

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$11,465,633
Medical claims liability	1,434,348,789
Accrued payroll liabilities	11,402,098
Deferred revenue	14,565,884
Deferred lease obligations	139,894
Capitation and withholds	84,000,478

Total Current Liabilities

1,555,922,777

Other employment benefits liability

30,142,475

Net Pension Liabilities

15,992,029

Long Term Liabilities

100,000

TOTAL LIABILITIES

1,602,157,282

Deferred inflows of Resources - Excess Earnings

-

Deferred inflows of Resources - Changes in Assumptions

1,340,010

Tangible net equity (TNE)

86,464,983

Funds in excess of TNE

642,478,362

Net Assets

728,943,345

TOTAL LIABILITIES, INFLOWS & FUND BALANCES

2,332,440,636

CalOptima
Board Designated Reserve and TNE Analysis
as of March 31, 2018

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,625,181				
	Tier 1 - Logan Circle	146,594,365				
	Tier 1 - Wells Capital	146,066,476				
Board-designated Reserve						
		439,286,022	293,288,561	456,040,079	145,997,461	(16,754,057)
TNE Requirement	Tier 2 - Logan Circle	96,898,854	86,464,983	86,464,983	10,433,871	10,433,871
Consolidated:		536,184,876	379,753,543	542,505,062	156,431,332	(6,320,186)
<i>Current reserve level</i>		1.98	1.40	2.00		

CalOptima
Statement of Cash Flows
March 31, 2018

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	(3,798,889)	15,484,953
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	506,801	4,029,586
Changes in assets and liabilities:		
Prepaid expenses and other	55,899	357,316
Catastrophic reserves		
Capitation receivable	154,741,124	317,332,296
Medical claims liability	559,752,125	187,922,769
Deferred revenue	(102,480,786)	(89,407,240)
Payable to providers	(3,425,556)	(496,839,232)
Accounts payable	(20,290,740)	(26,896,643)
Other accrued liabilities	227,038	2,060,512
Net cash provided by/(used in) operating activities	<u>585,287,015</u>	<u>(85,955,683)</u>
 GASB 68 CalPERS Adjustments	 -	 -
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in Investments	5,468,206	453,112,398
Change in property and equipment	(423,433)	(659,647)
Change in Board designated reserves	(912,161)	(1,046,502)
Net cash provided by/(used in) investing activities	<u>4,132,611</u>	<u>451,406,249</u>
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	 589,419,626	 365,450,564
 CASH AND CASH EQUIVALENTS, beginning of period	 <u>\$283,200,783</u>	 <u>507,169,844</u>
 CASH AND CASH EQUIVALENTS, end of period	 <u>\$ 872,620,410</u>	 <u>\$ 872,620,410</u>

BALANCE SHEET:

ASSETS increased \$430.0 million from February

- **Cash and Cash Equivalents** increased by \$589.4 million due to capitation received of \$665.0 million offset by quarterly tax payment of \$32.5 million, \$31.0 million shared risk payment and higher claim payments
- **Investments** decreased \$5.5 million based upon month end cut-off and the timing of transfers for daily payments
- **Net Capitation Receivables** decreased \$155.2 million due transfer of balance to Deferred Revenue

LIABILITIES increased \$433.8 million from February

- **Medical Claims Liability** by line of business increased \$559.8 million due to DHCS payment discussed above and transfer of balance from Deferred Revenue
- **Deferred Revenue** decreased \$102.5 million due recognition of deferred revenue and transfer of balance to Receivables
- **Accrued Expenses** decreased \$21.2 million due to timing of payments

NET ASSETS are \$728.9 million, a decrease of \$3.8 million from February

CalOptima Foundation
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2018
Consolidated

Actual	Month			% Variance
	Budget	\$ Variance		
-----	-----	-----	-----	-----
0	0	0		0.0%
-----	-----	-----	-----	-----
0	6,184	6,184		100.0%
0	2,985	2,985		100.0%
0	0	0		0.0%
0	0	0		0.0%
0	0	0		0.0%
2,083	231,923	229,840		99.1%
-----	-----	-----	-----	-----
2,083	241,092	239,009		99.1%
0	0	0		0.0%
-----	-----	-----	-----	-----
(2,083)	(241,092)	(239,009)		(99.1%)
=====	=====	=====	=====	=====

Revenues

Total Operating Revenue

Operating Expenditures

Personnel

Taxes and Benefits

Travel

Supplies

Contractual

Other

Total Operating Expenditures

Investment Income

Program Income

Actual	Year - To - Date			% Variance
	Budget	\$ Variance		
-----	-----	-----	-----	-----
0	0	0		0.0%
-----	-----	-----	-----	-----
0	55,658	55,658		100.0%
0	26,863	26,863		100.0%
0	0	0		0.0%
0	0	0		0.0%
0	0	0		0.0%
18,747	2,087,307	2,068,560		99.1%
-----	-----	-----	-----	-----
18,747	2,169,828	2,151,081		99.1%
0	0	0		0.0%
-----	-----	-----	-----	-----
(18,747)	(2,169,828)	(2,151,081)		(99.1%)
=====	=====	=====	=====	=====

**CalOptima Foundation
Balance Sheet
March 31, 2018**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,868,139	Accounts payable-Current	18,747
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	<u>2,868,139</u>	Grants-Foundation	0
		Total Current Liabilities	<u>18,747</u>
		Total Liabilities	<u>18,747</u>
		Net Assets	<u>2,849,392</u>
TOTAL ASSETS	<u>2,868,139</u>	TOTAL LIABILITIES & NET ASSETS	<u>2,868,139</u>

CALOPTIMA FOUNDATION - MARCH MONTH

INCOME STATEMENT:

OPERATING REVENUE

- No activity

OPERATING EXPENSES

- Audit Fees \$2.1 thousand

BALANCE SHEET:

ASSETS

- Cash--\$2.9 million remains from the FY14 \$3.0 million transferred by CalOptima for grants and programs in support of providers and community

LIABILITIES

- Accrued Payables--\$18.7 thousand for Audit fees

NET INCOME is (\$2.1) thousand, (\$18.7) thousand YTD

**Budget Allocation Changes
Reporting Changes for March 2018**

Transfer Month	Line of Business	From	To	Amount	Expense Description
July	Medi-Cal	IS - Infrastructure - Professional Fee (Virtualization Architecture Assessment)	IS - Infrastructure - Professional Fee (On-Site Staff for the Phone System)	\$48,600	Re-Purpose \$48,600 from Professional Fees (Virtualization Architecture Assessment) to pay for an on-site staff for the phone system
July	Medi-Cal	Facilities - Purchased Services (Restacking Services)	Facilities - Purchased Services (Reconfiguration Services)	\$15,000	Re-Purpose \$15,000 from Purchased Services (Restacking Services) to reconfiguration and breakdown of furniture for the mail room and the Rover Rock Offices and other related expenses
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Adult Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Ansafoe)	\$30,000	Re-Purpose \$30,000 from Purchased Services (Adult Weight Management Vendor) to pay for Ansafoe services
August	Medi-Cal	Health Education & Disease Mgmt. - Purchased Services (Pediatric Weight Management Vendor)	Health Education & Disease Mgmt. - Purchased Services (Captivate contract and other initiatives)	\$25,000	Re-Purpose \$25,000 from Purchased Services (Pediatric Weight Management Vendor) to pay for Captivate contract and other initiatives
August	PACE	PACE Administrative - Purchased Services (Encounter Reporting & Translation Services)	PACE Administrative - Purchased Services (Satisfaction Survey)	\$12,208	Re-Purpose \$12,208 from Purchased Services (Encounter Reporting & Translation Services) to pay for Satisfaction Survey
August	Medi-Cal	Facilities - Capital Project (Upgrade CalOptima and Building Access System)	Facilities - Capital Project (Mail Room/Basement/Property Management Office)	\$15,000	Reallocate \$15,000 from Capital Project (Upgrade CalOptima and Building Access System) to Capital Project (Mail Room/Basement/Property Management Office)
September	Medi-Cal	Other G&A - Other Operating Expenses	Facilities - Building Repair and Maintenance	\$65,000	Reallocate \$65,000 from Other G&A (other operating expenses) to cover cost to conduct a review/study from soil engineer and the necessary repairs of the east entry sinkhole.
September	OCC	Health Education & Disease Management - Member Communications	Health Education & Disease Management - Purchased Services	\$12,000	Reallocate \$12,000 within medical management activities budget for additional funding needed on CareNet in OneCare Connect.
November	Medi-Cal	Human Resources - Purchased Services -Temporary Outsource Service	Human Resources - Purchased Services - General	\$10,000	Re-Purpose \$10,000 from Purchased Services (Temporary Outsource Service) to fund for training module design and other department initiatives in Purchased Services
November	Medi-Cal	IS - Application Development capital project - Disaster Recovery	IS - Application Development capital project - Fraud, Waste and Abuse	\$27,500	Reallocate \$65,000 from Disaster Recovery project to cover additional funds needed for Fraud, Waste and Abuse project.
January	Medi-Cal	10th Floor Building Improvement Project	Budget Planning Software Project	\$70,000	Reallocate \$70,000 from 10th Floor Building Improvement project for upgrade to BI 360 Budget Planning Tool
January	PACE	PACE Clinic - Professional Claims - Emergent Transpiration	PACE Clinic - Professional Claims - Interpreters	\$15,000	Reallocate \$15,000 from Emergent Transportation medical expenses to cover for interpreting services
March	Medi-Cal	Facilities - Replace Lights in Passenger Elevator Project	Facilities - Fire Proofing Project	\$40,000	Reallocate \$40,000 capital from Replace Lights in Passenger Elevator project to Fire Proofing project
March	Medi-Cal	Facilities - Convert Pneumatic Controls Project	Facilities - Fire Proofing Project	\$10,000	Reallocate \$10,000 capital from Convert Pneumatic Controls project to Fire Proofing project
March	Medi-Cal	Cultural & Linguistic Services - Member Communications - Mailings	Cultural & Linguistic Services - Member Communications - Newsletter	\$45,000	Reallocate \$45,000 from member communication mailings to member communication newsletters

This report summarizes budget transfers between general ledger classes that are greater than \$10,000 and less than \$100,000.
This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

Board of Directors Meeting May 3, 2018

Monthly Compliance Report

The purpose of this report is to provide compliance updates to CalOptima's Board of Directors, including but may not be limited to, updates on internal and health network audits conducted by CalOptima's Audit & Oversight department, regulatory audits, privacy updates, fraud, waste, and abuse (FWA) updates, and any notices of non-compliance or enforcement action issued by regulators.

A. Updates on Regulatory Audits

1. OneCare

- **2016 CMS Financial Audit:**

On August 24, 2017, the Centers for Medicare & Medicaid Services (CMS) notified CalOptima that its OneCare program has been selected for a 2016 financial audit. By way of background, at least one-third of Medicare Advantage Organizations (MAOs) are selected for CMS' annual audit of financial records, which will include data relating to Medicare utilization, costs, and computation of the bid. CMS contracted with Bland & Associates to conduct the review of claims data, solvency, enrollment, base year entries on the bids, medical and/or drug expenses, related party transactions, general administrative expenses, and direct and indirect remuneration (DIR). The onsite audit date took place from February 28, 2018 through March 1, 2018. On March 1, 2018, Bland & Associates concluded their onsite visit and discussed the pending action items and deadlines. The official exit conference will occur on April 25, 2018. CalOptima expects to receive the final report sixty (60) days after the exit conference.

- **CMS Timeliness Monitoring Project:**

On December 12, 2017, CMS announced its efforts to collect data for organization determinations, appeals and grievances (ODAG) and coverage determinations, appeals and grievances (CDAG) for the requested review period of March 1, 2017 through May 31, 2017. On February 5, 2018, CMS' contractor, Conrad LLP (Conrad), notified CalOptima of its requirement to submit data, also known as universes, as part of the CMS Timeliness Monitoring Project for its OneCare program. Conrad conducted the data integrity webinars for CDAG on March 12, 2018 and ODAG on March 13, 2018. A follow up webinar session for ODAG was completed on March 20, 2018. On March 27, 2018, Conrad reviewed and accepted the updated universes. CalOptima is awaiting final results from Conrad.

- Medicare Data Validation Audit (OneCare and OneCare Connect):

In preparation for the annual CMS Medicare Data Validation Audit, CalOptima completed validation of all the required Parts C and D reporting requirements through the self-audit tools and submitted to CMS prior to the regulatory deadline. The audit review period is from January 1, 2017 through December 31, 2017. The virtual onsite audit has been scheduled for April 18, 2018.

- CY 2016 OneCare Medical Loss Ratio (MLR) Desk Review:

On February 22, 2018, CalOptima received notification from CMS regarding the CY 2016 Desk Review for the MLR reporting for OneCare. CMS has engaged Actuarial Research Corporation (ARC) to facilitate the review to ensure that the data entries in the MLR reporting:

- Contain all required data entries for all entities (e.g., plans, contracts).
- Comply with all relevant guidance (CY2016 MLR Report Filing Instructions, Final Rule, etc.).
- Are comprised of values that are logical, consistent and supportable.
- Use values that are comparable (i.e., reasonably close or reconcilable) to CMS data.

CalOptima has submitted all requested documents and is awaiting final results from ARC.

2. Medi-Cal

- 2018 Medi-Cal Audit:

The Department of Health Care Services (DHCS) conducted its annual audit of CalOptima's Medi-Cal program from February 26, 2018 through March 9, 2018. The audit covered the period from February 1, 2017 through January 31, 2018. The audit consisted of an evaluation of CalOptima's compliance with its contract and regulations in the areas of utilization management, case management and care coordination, access and availability, member rights and responsibilities, quality improvement system, organization and administration of CalOptima, facility site reviews, and medical records review. DHCS has informed CalOptima that it may tentatively expect a draft audit report and formal exit conference in April 2018.

3. PACE

- 2018 PACE Audit:

On March 7, 2018, CMS notified CalOptima of its intent to conduct a focused audit of CalOptima's PACE program in the following areas --- Service Delivery Requests, Appeals and Grievances (SDAG), Clinical Appropriateness and Care Planning, Personnel Records, Onsite Review, and Quality Assessment. CalOptima submitted the universes and other requested audit documents on 4/5/18. The audit entrance conference is scheduled for April

23, 2018, and the onsite review will be conducted from April 30, 2018 through May 4, 2018. The exit conference is scheduled to be on or about May 4, 2018.

B. Regulatory Notices of Non-Compliance

1. CalOptima did not receive any notices of non-compliance from its regulators for the month of March 2018.

C. Updates on Internal and Health Network Audits

1. Internal Audits: Medi-Cal ^{a\}

- Medi-Cal Utilization Management (UM): Prior Authorization (PA) Requests

Month	Timeliness for Urgents	Clinical Decision Making (CDM) for Urgents	Letter Score for Urgents	Timeliness for Routine	Timeliness for Denials	CDM for Denials	Letter Score for Denials	Timeliness for Modified	CDM for Modified	Letter Score for Modified	Timeliness for Deferrals	CDM for Deferrals	Letter Score for Deferrals
November 2017	100%	100%	93%	10%	80%	80%	81%	70%	93%	92%	0%	30%	26%
December 2017	67%	89%	94%	0%	70%	97%	98%	80%	100%	100%	0%	17%	45%
January 2018	0%	N/A	N/A	0%	90%	93%	99%	70%	100%	90%	0%	0%	0%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for decision (Urgent – 72 hours; Routine – 5 business days; Deferral – 14 business days)
 - Failure to meet timeframe for member notification (2 business days)
 - Failure to meet timeframe for provider written notification (2 business days)
 - Failure to meet timeframe for provider initial notification to the requesting provider (24 hours)
- The lower scores for clinical decision making were due to the following reasons:
 - Failure to obtain adequate clinical information
 - Failure to use criteria for decision
- The lower letter scores were due to the following reasons:
 - Failure to provide information on how to file a grievance
 - Failure to provide letter in member preferred language
 - Failure to provide language assistance program (LAP) insert with approved threshold languages
 - Failure to describe why the request did not meet criteria in lay language
 - Failure to provide description of services in lay language

- Failure to provide alternative direction back to primary care physician (PCP) on denial
- Failure to provide name and contact information for health care professional responsible for decision to requesting provider
- Failure to provide peer-to-peer discussion with medical reviewer

- Medi-Cal Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	88%	100%	90%

- The compliance rate for paid claims accuracy decreased from 100% in December 2017 to 88% in January 2018 due to one claim being underpaid.
- The compliance rate for denied claims accuracy decreased from 100% in December 2017 to 90% in January 2018 due to one claim processed as a denial in error.

- Medi-Cal Claims: Provider Dispute Resolutions (PDRs)

Month	Letter Accuracy	Determination Timeliness	Acknowledgement Timeliness
November 2017	100%	100%	100%
December 2017	100%	100%	100%
January 2018	100%	100%	100%

- No significant trends to report.

- Medi-Cal Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	Medi-Cal Call Center	Member Liaison Call Center
November 2017	100%	100%
December 2017	100%	88%
January 2018	100%	100%

- No significant trends to report.

- Medi-Cal GARS: Exempt Grievances

Month	Classification/ Categorization	Document Score	Complete Resolution	Universe Submission
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- Medi-Cal GARS: Standard Grievances

Month	Universe Submission	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	100%	100%	100%	100%	100%	100%
December 2017	100%	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%	100%

➤ No significant trends to report.

- Medi-Cal GARS: Appeals (Approvals)

Month	Universe Submission	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	100%	100%	100%	100%	100%	100%
December 2017	100%	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%	100%

➤ No significant trends to report.

- Medi-Cal GARS: Appeals (Denials)

Month	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	100%	100%	100%	100%	100%
December 2017	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%

➤ No significant trends to report.

- Medi-Cal Pharmacy: Pharmacy Appeals

Month	Timeliness
November 2017	N/A
December 2017	0%
January 2018	100%

➤ No significant trends to report.

- Medi-Cal Pharmacy: Pharmacy Decision Timeliness Review

Month	Timeliness	Clinical Decision Making	Categorization/ Classification	Language Preference	Member Notice	Provider Notice	Authorization
November 2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%	100%	100%

➤ No significant trends to report.

- Medi-Cal Pharmacy: Pharmacy Denials

Month	Timeliness
November 2017	N/A
December 2017	100%
January 2018	99%

➤ No significant trends to report.

2. Internal Audits: OneCare ^{a\}

- OneCare Utilization Management

➤ Due to low membership for the months of November 2017 through January 2018, there were no prior authorization requests reported for this time period.

- OneCare Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Timeliness	Payment Accuracy	Letter Accuracy	Check Lag
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	N/A

➤ No significant trends to report.

- OneCare Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	OneCare Customer Service
November 2017	100%
December 2017	100%
January 2018	100%

➤ No significant trends to report.

- OneCare Grievance and Appeal Resolution Services (GARS): Part C Oral Grievances

Month	Timeliness	Categorization/Classification	Documentation of Oral Notification	Complete Resolution Score
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Grievance and Appeal Resolution Services (GARS): Part C Grievances

Month	Timeliness	Categorization/Classification	Language Preference	Complete Resolution Score	Member Notice Content
November 2017	100%	100%	100%	100%	100%
December 2017	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Grievance and Appeal Resolution Services (GARS): Part C Appeals – Effectuation Timeliness (ET) Approvals
 - Due to low membership for the months of November 2017 through January 2018, there were no Part C Appeals – ET approvals reported for this time period.
- OneCare Grievance and Appeal Resolution Services (GARS): Part C Appeals – Clinical Decision Making (CDM) Denials

Month	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	100%	100%	100%	100%	100%
December 2017	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Grievance and Appeal Resolution Services (GARS): Part C Appeals - Dismissals
 - Due to low membership for the months of November 2017 through January 2018, there were no Part C Appeals – Dismissals reported for this time period.
- OneCare Pharmacy: Pharmacy Decision Timeliness Review

Month	Standard Coverage Determinations	Standard Coverage Determination Exception Requests	Expedited Coverage Determinations	Expedited Coverage Determination Exception Requests	Standard Redeterminations	Expedited Redeterminations
November 2017	N/A	N/A	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%	100%	N/A
January 2018	100%	100%	100%	100%	N/A	100%

➤ No significant trends to report.

3. Internal Audits: OneCare Connect ^{a\}

- OneCare Connect Utilization Management: Prior Authorization (PA) Requests

Month	Timeliness for Urgents	Clinical Decision Making (CDM) for Urgents	Letter Score for Urgents	Timeliness for Routine	Letter Score for Routine	Timeliness for Denials	CDM for Denials	Letter Score for Denials
November 2017	90%	N/A	40%	70%	45%	100%	100%	84%
December 2017	100%	67%	88%	0%	50%	89%	89%	86%
January 2018	0%	N/A	0%	0%	33%	100%	100%	100%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for decision (Urgent – 72 hours; Routine – 5 business days; Deferral – 14 business days)
 - Failure to meet timeframe for provider written notification (2 business days)
 - Failure to meet timeframe for provider initial notification to the requesting provider (24 hours)
- The lower letter scores were due to the following reasons:
 - Failure to provide information on how to file a grievance
 - Failure to provide letter in member preferred language

- OneCare Connect Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	90%	90%	100%	100%

- No significant trends to report.

- OneCare Connect Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Timeliness	Payment Accuracy	Letter Accuracy	Check Lag
November 2017	95%	100%	100%	N/A
December 2017	75%	93%	100%	N/A
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Connect Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	OneCare Connect Customer Service
November 2017	100%
December 2017	100%
January 2018	100%

➤ No significant trends to report.

- OneCare Connect Grievance and Appeal Resolution Services (GARS): Part C Oral Grievances

Month	Timeliness	Categorization/ Classification	Documentation of Oral Notification	Complete Resolution	Universe Submission
November 2017	N/A	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Connect Grievance and Appeal Resolution Services (GARS): Part C Grievances

Month	Universe Submission	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	N/A	N/A	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%	100%	100%
January 2018	100%	100%	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Connect Grievance and Appeal Resolution Services (GARS): Part C Appeals – Effectuation Timeliness (ET) Approvals

➤ Due to low membership for the months of November 2017 through January 2018, there were no Part C Appeals - ET approvals reported for this time period.

- OneCare Connect Grievance and Appeal Resolution Services (GARS): Part C Appeals – Clinical Decision Making (CDM) Denials

Month	Timeliness	Categorization/ Classification	Language Preference	Complete Resolution	Member Notice Content
November 2017	N/A	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%	100%
January 2018	64%	100%	100%	80%	80%

- The compliance rate for timeliness decreased from 100% in December 2017 to 64% in January 2018 due to failure to meet timeliness requirements for member acknowledgment.
- The compliance rate for complete resolution decreased from 100% in December 2017 to 80% in January 2018 due to failure to meet timeliness requirements for resolution.
- The compliance rate for member notice content decreased from 100% in December 2017 to 80% in January 2018 due to lack of evidence that cases are being sent to the independent review entity (IRE).

- OneCare Connect Grievance and Appeal Resolution Services (GARS): Part C Appeals – Dismissals
 - Due to low membership for the months of November 2017 through January 2018, there were no dismissals for Part C Appeals reported for this time period.
- OneCare Connect Grievance and Appeal Resolution Services (GARS): Oral Grievances

Month	Timeliness	Categorization/ Classification	Documentation of Oral Notification	Complete Resolution
November 2017	N/A	N/A	N/A	N/A
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	100%

- No significant trends to report.

- OneCare Connect Pharmacy: Pharmacy Decision Timeliness Review

Month	Standard Coverage Determinations	Standard Coverage Determination Exception Requests	Expedited Coverage Determinations	Expedited Coverage Determination Exception Requests	Standard Redeterminations	Expedited Redeterminations
November 2017	100%	87%	100%	100%	94%	100%
December 2017	100%	100%	100%	100%	100%	100%
January 2018	100%	100%	98%	100%	54%	100%

- The compliance rate for expedited coverage determinations decreased from 100% December 2017 to 98% in January 2018 due to untimely oral notifications.
- The compliance rate for standard redeterminations decreased from 100% in December 2017 to 54% in January 2018 due to untimely member oral and written notifications.

4. Internal Audits: PACE ^{a\}

- PACE Claims: Professional Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	100%
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- PACE Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Accuracy	Letter Accuracy	Acknowledgement Timeliness	Check LAG
November 2017	100%	100%	100%	100%
December 2017	100%	100%	100%	N/A
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

5. Health Network Audits: Medi-Cal, OneCare, OneCare Connect ^{a\}

- Utilization Management (UM): Prior Authorization (PA) Requests

For the months of November through December 2017, CalOptima's Audit & Oversight department suspended its monthly file reviews for health networks' UM files due to the 2017 delegation oversight annual audits in progress. As a less resource intensive alternative, CalOptima's Audit & Oversight department conducted webinars for each health network to assess the processing of the networks' UM files from their medical management system. CalOptima's auditors reviewed UM files for timeliness, clinical decision making, and appropriate use of letter templates. Only results for the month of January 2018 are presented below as trends in issues of non-compliance for the months of November and December 2017 were presented in the previous compliance report to CalOptima's Board of Directors.

- Claims: Professional and Hospital Claims

For the months of November through December 2017, CalOptima's Audit & Oversight department suspended its monthly file reviews for health networks' claims files due to the 2017 delegation oversight annual audits in progress. As a less resource intensive

alternative, CalOptima's Audit & Oversight department conducted webinars for each health network to assess the processing of the networks' files from their claims processing system. CalOptima's auditors reviewed claim files for timeliness, accuracy, and misclassifications. Only results for the month of January 2018 are presented below as trends in issues of non-compliance for the months of November and December 2017 were presented in the previous compliance report to CalOptima's Board of Directors.

- Medi-Cal Utilization Management (UM): Prior Authorization (PA) Requests

Month	Timeliness for Urgent	Clinical Decision Making (CDM) for Urgent	Letter Score for Urgent	Timeliness for Routine	Timeliness for Denials	CDM for Denials	Letter Score for Denials	Timeliness for Modified	CDM for Modified	Letter Score for Modified	Timeliness for Deferrals	CDM for Deferrals	Letter Score for Deferrals
January 2018	71%	90%	85%	64%	69%	86%	85%	62%	78%	77%	62%	69%	80%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for decision (Urgent – 72 hours; Routine – 5 business days; Deferral – 14 business days)
 - Failure to meet timeframe for member notification (2 business days)
 - Failure to meet timeframe for provider written notification (2 business days)
 - Failure to meet timeframe for provider initial notification to the requesting provider (24 hours)
 - Failure to meet timeframe for provider notification in delay decision (14 calendar days)
 - Failure to meet timeframe for member notification in delay decision (14 calendar days)
- The lower scores for clinical decision making were due to the following reason:
 - Failure to cite criteria for decision
 - Failure to obtain adequate clinical information
 - Failure to have appropriate professional make decision

- Medi-Cal Claims: Professional Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
January 2018	92%	92%	95%	92%

- No significant trends to report.

- Medi-Cal Claims: Misclassified Hospital Claims

Month	Misclassified Paid Claims	Misclassified Denied Claims
January 2018	100%	100%

➤ No significant trends to report.

- Medi-Cal Claims: Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
January 2018	100%	100%	100%	100%

➤ No significant trends to report.

- OneCare Utilization Management (UM): Prior Authorization (PA) Requests

Month	Timeliness for Expedited Initial Organization Determination (EIOD)	Clinical Decision Making for EIOD	Letter Score for EIOD	Timeliness for Standard Organization Determination (SOD)	Letter Score for SOD	Timelines for Denials	Clinical Decision Making for Denials	Letter Score for Denials
January 2018	96%	N/A	96%	74%	79%	33%	46%	59%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for member written notification (Routine – 14 Calendar Days)
 - Failure to meet timeframe for provider notification (Routine – 14 Calendar Days)
- The lower scores for clinical decision making were due to the following reasons:
 - Failure to cite criteria for decision
 - Failure to obtain adequate clinical information
- The lower letter scores were due to the following reasons:
 - Failure to use approved CMS letter template
 - Failure to provide description of requested services in lay language
 - Failure to use CalOptima logo
 - Failure to describe why the request did not meet criteria in lay language

- Failure to offer to discuss decision with reviewer

- OneCare Claims: Misclassified Claims

Month	Misclassified Paid Claims	Misclassified Denied Claims
January 2018	100%	99%

- No significant trends to report.

- OneCare Claims: Professional Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
January 2018	97%	97%	98%	100%

- No significant trends to report.

- OneCare Connect Utilization Management (UM): Prior Authorization (PA) Requests

Month	Timeliness for Urgents	Clinical Decision Making (CDM) for Urgents	Letter Score for Urgents	Timeliness For Routine	Letter Score for Routine	Timeliness for Denials	CDM for Denials	Letter Score for Denials	Timeliness for Modifieds	CDM for Modifieds	Letter Score for Modifieds
January 2018	83%	67%	82%	68%	78%	50%	67%	62%	75%	67%	84%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for member notification (Routine - 2 business days)
 - Failure to meet timeframe for provider initial notification (24 hours)
 - Failure to provide proof of successful initial written notification to requesting provider (24 hours)
 - Failure to meet timeframe for decision (Routine – 5 business days)
- The lower scores for clinical decision making were due to the following reasons:
 - Failure to obtain adequate clinical information
 - Failure to use criteria for decision
- The lower letter scores were due to the following reasons:
 - Failure to provide letter in member’s primary language
 - Failure to provide letter with description of services in lay language
 - Failure to use language assistance program (LAP) insert with approved threshold languages

- Failure to provide information on how to file a grievance
- Failure to describe why the request did not meet criteria in lay language
- Failure to provide alternative direction back to PCP on denial

- OneCare Connect Claims: Misclassified Claims

Month	Misclassified Paid Claims	Misclassified Denied Claims
January 2018	100%	90%

➤ No significant trends to report.

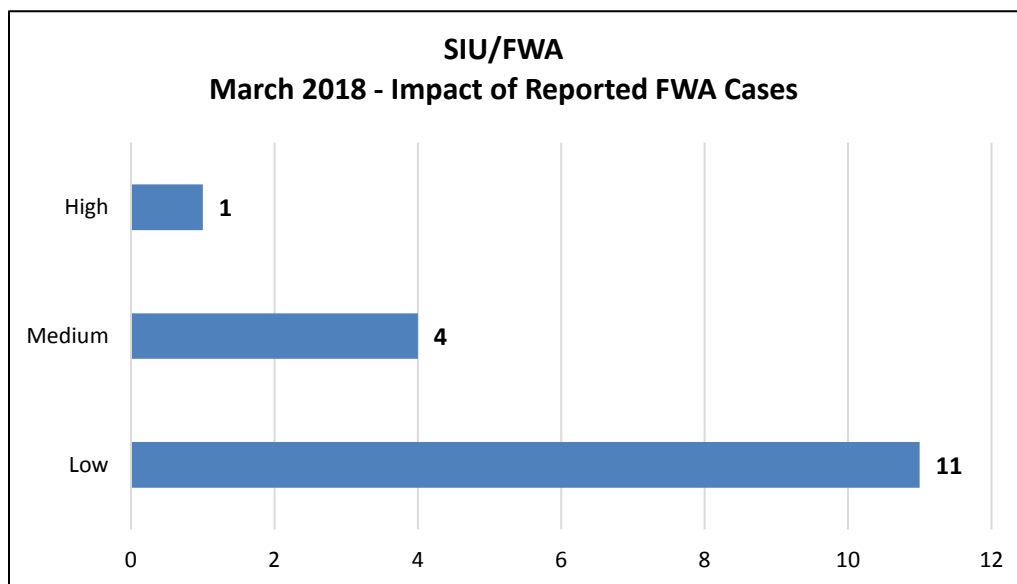
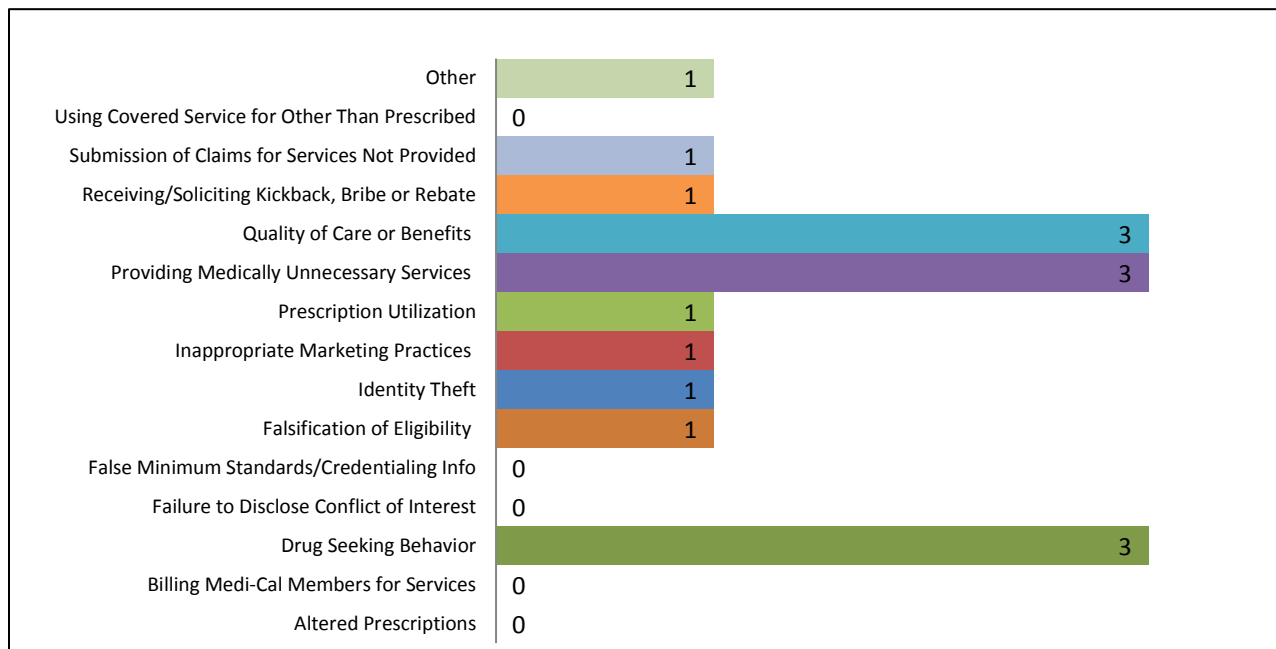
- OneCare Connect Claims: Professional Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
January 2018	87%	85%	95%	96%

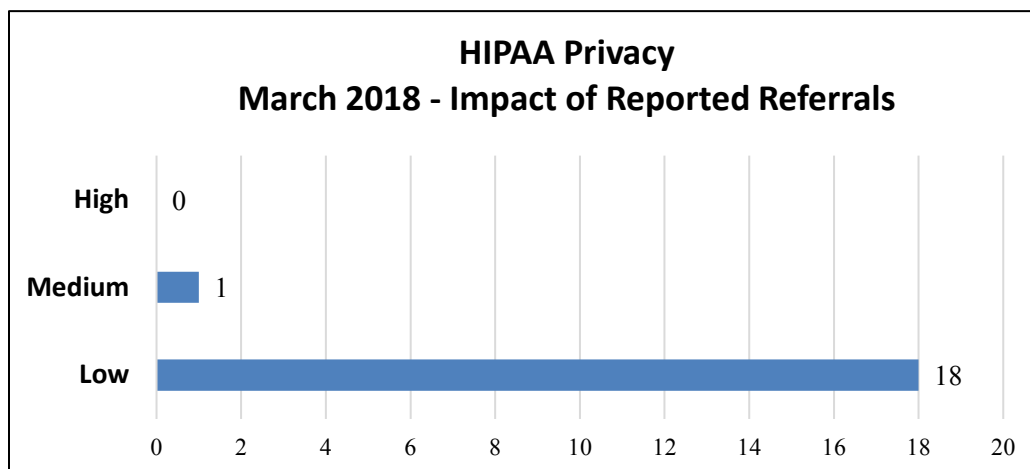
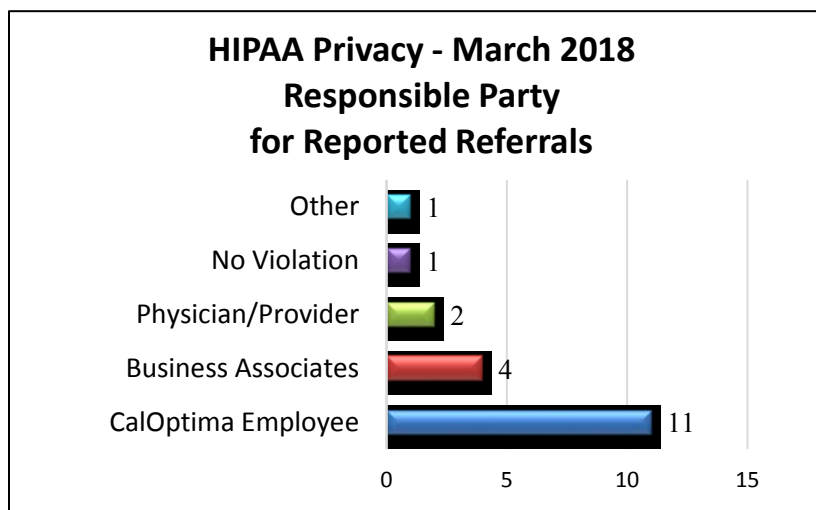
➤ No significant trends to report.

D. Special Investigations Unit (SIU) / Fraud, Waste & Abuse (FWA) Investigations

Types of FWA Cases: (Received in March 2018)



E. Privacy Update (March 2018)



PRIVACY STATISTICS

Total Number of Referrals Reported to DHCS (State)	18
Total Number of Referrals / Breaches Reported to DHCS and Office for Civil Rights (OCR)	1
Total Number of Referrals Reported	19



CalOptima
Better. Together.

Federal & State Legislative Advocate Reports

**Board of Directors Meeting
May 3, 2018**

Akin Gump Strauss Hauer & Feld / Edelstein Gilbert Robson & Smith

M E M O R A N D U M

April 13, 2018

To: CalOptima
From: Akin Gump Strauss Hauer & Feld, LLP
Re: April Board of Directors Report

Congress left for a two-week recess on March 23rd, but not before passing an omnibus spending bill to fund the government through the end of the fiscal year. Intense negotiations over the package saw a number of health care priorities fall off, including market stabilization and drug pricing provisions. These may get picked up later in the year. For now, though, lawmakers have turned their attention to the opioid crisis. Both House and Senate committees have set ambitious timelines for crafting and advancing comprehensive legislation with the goal of sending a bill to the President before the August recess. This report provides an update on legislative activity through April 13th, 2018.

FY2018 Omnibus

On March 23rd, 2018, Congress passed a \$1.3 trillion omnibus spending package to fund the federal government through the end of Fiscal Year 2018 on September 30th. The omnibus appropriated \$694 billion for defense programs and \$591 billion for nondefense spending. Key programmatic funding increases included:

- Infrastructure: \$21 billion
- National Institutes of Health: \$3 billion
- Opioids: \$3.2 billion
- Border Security: \$1.57 billion
- Election Security: \$1.57 billion
- School Safety: \$2.3 billion

In total, the measure appropriated \$4 billion in funding to fight the opioid epidemic, including \$1 billion in grants for states and Indian tribes and about \$500 million for research on opioid addiction.

Notably, the omnibus did not include Affordable Care Act (ACA) market stabilization legislation. On March 19th, Senate Health, Education, Labor and Pensions (HELP) Committee Chairman Lamar Alexander (R-TN), Sen. Susan Collins (R-ME), House Energy and Commerce Committee Chairman Greg Walden (R-OR), and Rep. Ryan Costello (R-PA) introduced the Bipartisan Health Care Stabilization Act, which would fund the ACA's cost-sharing reduction payments and create a \$30 billion reinsurance program. A dispute over abortion coverage sank

CalOptima
April 13, 2018
Page 2

efforts to include the bill in the omnibus, however, and it is unclear whether Congress will take up market stabilization later this year. Insurers say they may have to raise premiums for the 2019 plan year if Congress does not pass such legislation soon.

Additionally, the pharmaceutical industry was unable to secure language in the omnibus that would have reversed an increase in drug makers' share of costs for seniors in the Medicare Part D "donut hole," an increase that was included in the Bipartisan Budget Act of 2018 (BBA) enacted earlier this year. Congress could still address other drug pricing issues this year, however. Sen. Patrick Leahy (D-CT) continues to push for passage of the CREATES Act (S. 974), which aims to promote generic pharmaceutical competition. The bill has bipartisan support and could be a potential vehicle for drug pricing reforms. In addition, Health and Human Services Secretary (HHS) Alex Azar announced that the administration will be rolling out a number of drug pricing proposals in April to better direct discounts to consumers. It is unclear if this will coincide with the much-awaited release of a final executive order on drug pricing. Meanwhile, Chairman Walden has committed to considering legislation to reform the 340B Drug Pricing Program, and the Senate HELP Committee is exploring similar issues.

With the FY2018 omnibus passed, lawmakers now turn to FY2019 appropriations. The BBA provided appropriators with additional flexibility by raising government-wide budget caps, and there are hopes that this will make for a less contentious appropriations process. Nonetheless, with midterm elections around the corner, Congress is likely to rely on a short-term Continuing Resolution to fund the government past September 30th into the post-election "lame duck" session. Congressional hearings are underway, and a final appropriations package is expected by year-end.

Opioid Response

Congress has responded to the opioid epidemic with a flurry of hearings and legislative activity over the past month. The House Energy and Commerce Committee Health Subcommittee wrapped up a series of three legislative hearings on the opioid crisis, during which it considered nearly 70 bills and discussion drafts and heard from dozens of witnesses. The third and final hearing, held on April 11th and 12th, examined the role of Medicare and Medicaid in combating drug addiction. The Committee considered the following bills related to the Medicaid program:

- H.R. __, Improving Medicaid Data Timeliness Act
 - Reduces the filing window for Medicaid claims from two years to one year.
- H.R. 1925, At-Risk Youth Medicaid Protection Act
 - Prohibits state Medicaid programs from terminating a juvenile's medical assistance eligibility because the juvenile is incarcerated.

CalOptima
April 13, 2018
Page 3

- H.R. 4005, Medicaid Reentry Act
 - Allows state Medicaid programs to receive federal matching dollars for medical services furnished to an incarcerated individual during the 30-day period preceding the individual's release.
- H.R. 4998, Health Insurance for Former Foster Youth Act
 - Allows foster youth enrolled in Medicaid to continue to receive benefits even if they move to another state.
- H.R. 3192, CHIP Mental Health Parity Act
 - Requires all Children's Health Insurance Program (CHIP) plans to cover treatment of mental illness and substance use disorders.
- H.R. __, Require State Medicaid Programs to Report on All Core Behavioral Health Measures.
 - Requires state Medicaid programs to report on the 10 behavioral health measures included in the 2018 Core Set of Adult Health Care Quality Measures for Medicaid.
- H.R. __, Medicaid IMD ADDITIONAL INFO Act
 - Directs the Medicaid and CHIP Payment and Access Commission (MACPAC) to conduct a study on IMDs. The study will report on the requirements, standards, and oversight that state Medicaid programs have for IMDs.
- H.R. __, Incentives to Create Medicaid Health Homes to Treat Substance Use Disorder
 - Incentivizes states to create health homes for Medicaid beneficiaries with substance use disorder.
- H.R. __, Protecting NAS Babies Act
 - Requires HHS to establish a strategy to implement the recommendations in a recent Substance Abuse and Mental Health Services Administration (SAMHSA) report that will enhance the treatment and care of newborns suffering from Neonatal Abstinence Syndrome.
- H.R. __, Medicaid PARTNERSHIP Act
 - Requires the Medicaid program in each state to integrate prescription drug monitoring program (PDMP) usage into Medicaid providers' and pharmacists' clinical workflow.
- H.R. __, Limited repeal of the IMD Exclusion for adult Medicaid beneficiaries with substance use disorder
 - Allows states to receive federal Medicaid matching dollars for up to a total of 90 days per year for services in an IMD for Medicaid beneficiaries with a substance use disorder.
- H.R. __, HUMAN CAPITAL in Medicaid Act

CalOptima
April 13, 2018
Page 4

- Provides enhanced federal medical assistance percentage to use toward hiring and retaining senior leadership for Medicaid programs who meet certain quantifiable professional standards.
- H.R. __, Medicaid Graduate Medical Education Transparency Act
 - Improves transparency in the Graduate Medical Education (GME) program by requiring state Medicaid programs to periodically report to CMS data and information on how GME funds are being used to support physician training.
- H.R. __, Medicaid DRUG Improvement Act
 - Requires all state Medicaid programs to use common sense drug utilization review activities to help combat the opioid crisis.
- H.R. __, Medicaid Pharmacy Home Act
 - Requires all states to have a lock-in program that identifies at-risk Medicaid beneficiaries and assigns them to a pharmacy home program that sets reasonable limits on the number of prescribers and dispensers they may utilize.
- H.R. __, To amend title XIX of the Social Security Act to provide for Medicaid coverage protections for pregnant and postpartum women while receiving inpatient treatment for a substance use disorder
 - Allows women who are pregnant and enrolled in Medicaid or who are and post-partum mothers of newborns and enrolled in Medicaid to continue to receive Medicaid benefits when in an IMD (up to first 12 months after delivery).
- H.R. __, To amend title XIX of the Social Security Act to provide for a demonstration project to increase substance use provider capacity under the Medicaid program
 - Creates a demonstration project for five years for up to 10 states that have committed to Medicaid delivery system advancements through substance use disorder demonstration waivers.

During the hearing, several Democrats questioned how the President's proposals to cut Medicaid and roll back the ACA's Medicaid expansion would impact the opioid fight, noting that the program is the nation's biggest payer for behavioral health services. Meanwhile, Chairman Walden (R-OR) reiterated his commitment to bring comprehensive opioid legislation to the House floor by Memorial Day, an ambitious timeline given the scope of the issues. Health Subcommittee Chairman Michael Burgess (R-TX) could not say whether the Subcommittee plans to move bills individually or as part of a combined package.

The HELP Committee has taken the lead on opioids in the Senate, releasing draft of comprehensive legislation on April 4th. During a hearing on the Opioid Crisis Response Act of 2018, Chairman Alexander (R-TN) stated that he expects the Committee will mark up the

CalOptima
April 13, 2018
Page 5

legislation and report it to the full Senate by the end of the month. Among other provisions, the bill:

- reauthorizes the state targeted response grants from the 21st Century Cures Act;
- clarifies FDA regulations for non-addictive and non-opioid pain products;
- requires the Drug Enforcement Administration (DEA) to issue regulations allowing hospices to dispose of unused opioids;
- improves access to medication-assisted treatment (MAT);
- requires HHS to develop best practices for integrating substance use treatment information into electronic health records; and
- reauthorizes grants to support state prescription drug monitoring programs.

In addition to congressional activity, the White House is also taking steps on opioids. On March 19th the President traveled to New Hampshire, one of the states hit hardest by the epidemic, and announced a new initiative to “Stop Opioid Abuse and Reduce Drug Supply and Demand.”

Among other measures, the plan calls for:

- reducing opioid prescriptions by one-third within three years;
- the launch of a public awareness campaign about the dangers of drug use; and
- elimination of the Institutions for Mental Disease (IMD) exclusion, which prohibits the use of federal Medicaid dollars for care provided to most patients in mental health and substance use disorder residential treatment facilities with more than 16 beds.



**CalOptima Legislative Report
By Don Gilbert and Trent Smith
April 9, 2018**

Last year the State Senate passed SB 563 (Lara), which would create a universal healthcare program in California. However, the Assembly refused to set the bill for a hearing in the Assembly Health Committee. Assembly Speaker Rendon pointed to the enormous state costs associated with creating a state sponsored universal healthcare system as the reason to block SB 563. Instead, the Speaker directed Assemblyman Wood, Chairman of the Assembly Health Committee, to host a series of informational hearings to debate universal healthcare. These hearings focused on the benefits of universal healthcare, the costs, and various improvements to our current system of care that could be adopted as alternatives. In late March, the Assembly announced that they were sponsoring a package of bills as an alternative to SB 563. The Assembly package includes some bills that were introduced earlier in the year, as well as several bills that were substantially amended in late March.

The Assembly Health Care Reform Bill Package includes:

AB 2416 (Wood) – Health Care Coverage

Requires a health plan that has a contract with the Department of Health Care Services (DHCS) to offer Medi-Cal managed care plans or prepaid health plans, or a Program of All-inclusive Care for the Elderly (PACE) organization contract, to negotiate with Covered California in regards to offering individual products on the exchange in approved service areas that overlap with counties where there are two or fewer healthcare service plans offering products on the exchange.

AB 2472 (Wood) Health Care Coverage: Medi-Cal: public purchase option

Requires DHCS to apply to the US Department of Health and Human Services for federal waivers to permit individuals whose income is greater than the income eligibility threshold for Medi-Cal benefits to purchase coverage under the Medi-Cal program through a separate public purchase option.

AB 2459 (Friedman) Personal Income taxes: credits: health insurance premiums

Allows, for each taxable year beginning on or after January 1, 2019, a credit under the Personal Income Tax Law in an amount equal to the cost of health insurance premiums for the lowest cost bronze plan for the qualified individual or the qualified individual's dependent that exceeds a yet to be established percentage of the qualified individual's modified adjusted gross income, as specified. If the allowed credit amount exceeds tax liability, the bill would also allow a payment in excess of that credit amount upon appropriation by the Legislature.

AB 2502 (Wood) Health care payments database

States the intent of the Legislature to establish a system to collect information regarding the cost of healthcare. The bill would require the Secretary of California Health and Human Services, no later than January 1, 2020, to establish, implement, and administer the California Health Care Payments Database.

AB 2565 (Chiu) Affordability assistance: cost sharing

Requires Covered California to offer enhanced premium assistance to individuals who enroll in healthcare coverage through Covered California and who, under federal law, would be eligible for premium tax subsidies.

AB 3087 (Kalra) Health facilities: reporting

Sets up a commission to set base rates for providers and the plans.

AB 3148 (Arambula) Health care affordability assistance: cost sharing

Requires the exchange board to ensure that no one below 250 percent of the federal poverty line enrolls in bronze level coverage, as defined, and would require the board to offer additional cost sharing financial assistance to those who are otherwise eligible for premium tax credits and who have incomes determined to be below 400 percent of the federal poverty level, as specified.

AB 2275 (Arambula) Medi-Cal managed care: quality assessment and performance improvement

Requires DHCS to establish a quality assessment and performance improvement program for all Medi-Cal managed care plans, through which the plans would be required to meet annual improvements in quality measures and reduction of health disparities, as specified. The bill would require the department to require the plans to track and trend quality measures by specified demographic categories.

AB 2965 (Arambula) Medi-Cal: immigration status: adults

Extends eligibility for full-scope Medi-Cal benefits to individuals of all ages who are otherwise eligible for those benefits but for their immigration status.

AB 2427 (Wood) Medi-Cal: Anticompetitive conduct

Requires DHCS to terminate or decline to renew or award a contract, in whole or in part, of a for-profit health plan or insurer if the Attorney General determines that the for-profit health plan or insurer engaged or engages in anticompetitive conduct or practices, as defined, or if the department determines that the for-profit health plan or insurer has a pattern or practice of not complying with the medical loss ratio.

AB 2430 (Arambula) Medi-Cal: program for aged and disabled persons

Increases Medi-Cal eligibility for seniors/disabled individuals whose income is between 123 percent of the federal poverty level (FPL) and 138 percent of FPL to create consistency in eligibility and expand coverage to 60,000 seniors/disabled.

AB 2579 (Burke) Medi-Cal: California Special Supplemental Nutrition Program for Women, Infants, Children

Requires DHCS, in collaboration with other entities, to design, promulgate, and implement policies and procedures for an automated enrollment gateway system, operational no later than January 1, 2019, allowing children applying to the WIC Program to obtain express-lane eligibility for, and to facilitate application for enrollment in, the Medi-Cal program, and allowing pregnant women applying to the WIC Program to obtain presumptive eligibility for the Medi-Cal program or the Medi-Cal Access Program, to the extent federal financial participation is available.

AB 2718 (Friedman) Medi-Cal: CalWorks; eligibility

Requires DHCS, commencing January 1, 2019, to implement the option of allowing CalWorks beneficiaries to remain eligible for healthcare services under the Medi-Cal program for an additional period of 6 months and to replace the initial 6-month extension period with a 12-month initial eligibility period, making the federal and state provisions relating to the additional 6-month extension inapplicable.

AB 595 (Wood) Plan Mergers and Acquisitions

Requires prior approval by the Department of Managed Health Care (DMHC) for mergers and other transactions of health plans.

AB 2499 (Arambula) Medical Loss Ratio

Increases plan Medical Loss Ratio (MLR) in individual and group markets.

AB 2517 (Wood) Health care coverage

Establishes the Advisory Panel on Health Care Delivery Systems and Universal Coverage in the California Health and Human Services Agency and would require the advisory panel to develop a plan to achieve universal coverage and a unified publicly financed healthcare system.

AB 2597 (Arambula) Programs in Medical Education

Increases availability of primary care physicians by fully funding and expanding the Public Hospital Redesign and Incentives Program in Medi-Cal (known as PRIME).

Obviously, many of these proposed bills will be controversial and expensive for the state to implement. Furthermore, it is very doubtful that the Governor would sign into law many of these bills. It is more likely that these bills will be heard in policy committees as a means of continuing the debate on healthcare reform, but ultimately the bills could be held in fiscal committees because of costs to the state. At best, it is possible that a few of the bills are passed and signed into law. The two bills that are most interesting for CalOptima are AB 2416 and AB 2472, both by Assemblyman Wood.

AB 2416 was introduced to address the lack of health plans willing to participate in the exchange in certain counties. We were contacted by health committee staff several months ago to explore if certain County Organized Health Systems (COHS) would be willing to participate in the exchange. Furthermore, Covered California staff have also

CalOptima Legislative Report

reached out directly to some COHS to see if they would be willing to participate in the exchange in their specific service area. The exchange is concerned because some counties only have one health plan participating in the program. Covered California would like to have multiple plans participating in every county to provide consumers choice. Because COHS are already providing Medi-Cal services in some of these counties, Covered California has assumed that the COHS could utilize their existing contacts with providers to build a similar care network under the exchange.

The good news for CalOptima is that Orange County has no shortage of plans that are currently participating in the exchange. Therefore, it is doubtful that AB 2416 would directly impact CalOptima. However, AB 2416 does infringe on the fundamental concept of local control that governs the COHS model. Mandating that COHS participate in the exchange, even in limited circumstances, is troubling.

COHS that have been contacted by Covered California have shared other reasons for why a COHS may or may not want to participate in the exchange. Those same arguments will soon be shared with Assemblyman Wood.

AB 2472 could be more concerning for CalOptima. This bill sets into motion a process to create a public purchase option for individuals with certain incomes to enroll in Medi-Cal managed care plans, including CalOptima, as long as they pay a premium to the plan. At this point, we are unsure how many Medi-Cal managed care plans would be willing to participate in a public option model. Most plans would likely face implementation hurdles to participate in a public option plan. Some COHS would be required to obtain a Knox-Keene license and develop a billing department to collect premiums. Again, we will soon be meeting with Assemblyman Wood to discuss AB 2472 further.

We will update you on AB 2416, AB 2472 and the rest of the Assembly Health Care Reform package as the bills move through the Legislative process.

2017–18 Legislative Tracking Matrix

FEDERAL BILLS

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
H.R. 1625 Royce	<p>Spending Bill: Funds the federal government for the remainder of the 2018 budget year, through September 30. The bill includes:</p> <ul style="list-style-type: none"> • \$1.3 trillion in overall spending • \$77.9 billion for HHS (almost 20% increase from what the administration requested) • \$3.6 billion for opioid-addiction and mental health services (an increase of \$2.55 billion or 244%) <p>Of note, the bill did not include any stabilization measures for the individual market, such as the cost-sharing reduction payments or a federal reinsurance program.</p>	03/22/18 Signed into law	Watch
H.R. 1892 Larson	<p>Continuing Resolution (CR):</p> <ul style="list-style-type: none"> • Establishes a two-year budget framework and continues current federal spending levels until March 23, 2018. • Permanently reauthorizes Dual Eligible Special Needs Plans (including CalOptima's OneCare program). • Extends reauthorization for the Children's Health Insurance Program (CHIP) until 2027. • Extends the Community Health Center Fund (CHCF) for two years. 	02/09/2018 Signed into law	Sent letter of support for CHIP, D-SNP and CHCF
H.R. 195 Russell	<p>Continuing Resolution (CR): Extends current federal discretionary spending until February 8, 2018. Also authorizes CHIP funding for six years, until 2023, and gradually phases down the enhanced federal matching rate – 88/12 federal/state, to the regular CHIP rate – 65/35 federal/state in FY 2021.</p>	01/22/2018 Signed into law	Sent letter of support for CHIP
H.R. 1 Brady	<p>Tax Cuts and Jobs Act: Amends portions of the Internal Revenue Code that address corporate and individual tax rates and deductions. It also eliminates the Affordable Care Act's (ACA) individual mandate, effective December 31, 2018.</p>	12/22/2017 Signed into law	Watch
H.R. 3922 Walden	<p>Five Year CHIP Re-authorization: Would extend federal CHIP funding, which expired on September 30, 2017, for five years. Would retain the current ACA mandated state/federal CHIP matching rate (88/12 for California) for two years, reduce it by 11.5 percent for one year (76.5/23.5), and revert to pre-ACA levels for two years (65/35). Also includes spending offsets such as increasing Medicare premiums for beneficiaries who make more than \$500,000 annually, requires Medicaid beneficiaries to report lottery winnings as income, and decreases funding for the ACA-enacted Prevention and Public Health Fund.</p>	<p>11/03/2017 Passed House, referred to Senate</p> <p>02/09/2018 10-year reauthorization of CHIP funding included as part of H.R. 1892 (Larson)</p>	Sent letter of support for CHIP re-authorization
H. Concurrent Resolution 71 Black	<p>FY 18 Budget Resolution: The annual budget resolution sets the budgetary framework for the upcoming fiscal year and allows the majority party to pass reconciliation legislation, which requires 51 votes to pass the Senate rather than the normal 60-vote threshold. While the budget resolution is non-binding and does not appropriate federal dollars, it does outline spending priorities for the remainder of the unfunded fiscal year (December 9, 2017 - September 30, 2018).</p>	10/26/2017 Passed House and Senate (Budget resolutions do not require a Presidential signature)	Watch

2017–18 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
H.R. 601 Lowey	Continuing Resolution (CR): Extends current federal discretionary spending (\$1.24 trillion overall) and raises the debt ceiling through December 8, 2017. Ensures funding for federal agencies such as the U.S. Department of Health and Human Services (HHS) continues at approximately \$65 billion per year. Mandatory spending (\$2.54 trillion overall) for programs such as Medicare (\$646 billion/year) and Medicaid (\$545 billion/year) continues at previous levels, less a small percentage, as required by the terms of the Budget Control Act of 2011.	09/08/2017 Signed into law	Watch
Bipartisan Health Care Stabilization Act of 2017 Alexander/ Murray	Marketplace Stabilization: Would fund cost-sharing reductions (CSRs) – federal payments to marketplace insurers to reduce deductibles and co-pays for consumers earning between 139-250% of the federal poverty level (FPL) who have a “silver” level plan – through 2019. Also, would increase flexibility and streamline the state waiver approval process, among other changes. While this bill does not impact Medicaid directly, it is of interest to CalOptima because of its impact on the health care system, and, because it is common for Medicaid members to “churn” between Medicaid and the individual market.	10/19/2017 Draft bill text released	Watch
H.R. 4957 Sanchez	Alzheimer’s Care: Among other provisions, would establish Alzheimer’s models of care based on a comprehensive continuum of care, similar to care delivery in the Program of All-Inclusive Care for the Elderly (PACE).	02/09/2018 Referred to Subcommittee on Health	Watch
S. 1804 Sanders	Medicare for All: Would replace the current U.S. health care system with a single-payer system, known as “Medicare for All.” This system would provide comprehensive health care services for all U.S. residents, sunset the current Medicare and Medicaid programs, as well as most forms of private insurance, and enroll all eligible individuals into the new universal plan.	09/13/2017 Referred to Senate Committee on Finance	Watch
H.R. 676 Ellison	Medicare for All: Similar to S. 1804, would replace the current U.S. health care system with a single-payer system, known as “Medicare for All.” This system would provide comprehensive health care services for all U.S. residents, sunset the current Medicare and Medicaid programs as well as most forms of private insurance. The program would be funded via existing sources of government revenues for health care and by increasing personal income taxes on the top five percent of income earners, among other measures.	01/24/2018 Referred to House Committee on Energy and Commerce	Watch

2017–18 Legislative Tracking Matrix (continued)

STATE BILLS

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
RN 1802014 Trailer Bill – 340B Drug Program	<p>340B Drug Purchasing Program: Would prohibit the use of 340B discounted drugs in Medi-Cal starting July 1, 2019, pending approval from CMS. Section 340B of the Public Health Service Act allows certain hospitals and clinics to purchase pharmaceuticals at discounted prices.</p> <p>The federal and state governments have found inconsistencies with the program's implementation. According to the Department of Health Care Services (DHCS), these inconsistencies create a substantial administrative burden on the state. As such, the Department's proposed trailer bill language seeks to prohibit the use of 340B drugs in Medi-Cal. In the event that CMS does not grant the state permission to entirely exclude 340B drugs from Medi-Cal, the state will seek CMS approval for limiting the use of 340B drugs in Medi-Cal.</p>	01/16/2018 Trailer bill language published on the Department of Finance Website	Watch
AB 1963 Waldron	<p>Opioid Treatment: Would increase provider reimbursement rates for Medication-Assisted Treatments (MAT). MAT requires that patients receive counseling, behavioral therapies, and recovery support services in combination with prescribed medication, such as buprenorphine/naloxone, methadone, buprenorphine, and naltrexone. These therapies have proven to be very effective in treating opioid addiction. There is a significant shortage of providers certified to administer MAT treatments. Depending on how the reimbursement structure is set up, a rate increase could potentially help CalOptima expand access to MAT services in Orange County.</p>	<p>04/10/18 Passed Assembly Health Committee and referred to Appropriations Committee</p> <p>01/30/2018 Introduced</p>	Watch
AB 2741 Burke	<p>Opioid Treatment: Would prohibit providers from prescribing more than a five-day opioid supply to a minor, except in the case of pain associated with cancer, palliative or hospice care, and chronic pain.</p>	<p>04/10/18 Passed Assembly Business and Professions Committee and referred to Health Committee</p> <p>02/16/2018 Introduced</p>	Watch
AB 2331 Weber	<p>Medi-Cal Eligibility Redetermination: Would allow developmentally disabled individuals receiving services at regional centers to remain continuously eligible for Medi-Cal. Rather than the beneficiary being responsible for ensuring that annual redetermination is performed, counties will use information provided by the California Department of Developmental Services (DDS) and DHCS to ensure that they meet Medi-Cal eligibility criteria.</p>	<p>04/17/18 Scheduled to be heard in Assembly Health Committee</p> <p>02/13/2018 Introduced</p>	Watch
AB 1998 Rodriguez	<p>Opioid Treatment: Would institute stricter prescription controls related to opioids, generally limiting opioid prescriptions to amounts sufficient for not more than three days.</p>	<p>04/17/18 Scheduled to be heard in Assembly Health Committee</p> <p>02/01/2018 Introduced</p>	Watch

2017–18 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
AB 2430 Arambula	Medi-Cal Eligibility for Seniors: Would adjust the income threshold for seniors eligible for Medi-Cal under the Aged and Disabled Federal Poverty Level Program from 123% FPL to 138% FPL, bringing it in line with other Medi-Cal programs for adult beneficiaries. Currently, seniors with income levels above 123% FPL are only eligible for Medi-Cal if they pay an added out of pocket expense known as “share of cost.” Under share of cost, beneficiaries must take full responsibility for health care expenses up to a predetermined amount (share of cost) for the month in which they receive services. Once they meet their share of cost, Medi-Cal pays for any additional covered services for that month. This bill aims to ensure that low-income seniors have access to Medi-Cal at the same income level as most other adult beneficiaries, without incurring extra financial burdens.	04/04/18 Passed Assembly Health Committee and referred to Appropriations 02/14/18 Introduced	Watch
SB 945 Atkins	Breast and Cervical Cancer Treatment Program (BCCTP): Would remove the 18 to 24-month cap on coverage under the state Breast and Cervical Cancer Treatment Program (BCCTP), which would allow members to remain in the program and CalOptima to continue receiving adequate reimbursement for their treatment. Currently, DHCS administers BCCTP, which provides cancer treatment coverage to individuals diagnosed with breast and/or cervical cancer that meet certain screening and income eligibility criteria. Current law limits the treatment coverage for breast cancer to 18 months and to 24 months for cervical cancer for individuals enrolled in the state BCCTP program.	04/25/2018 Scheduled to be heard by the Senate Health Committee 01/29/2018 Introduced	Watch
AB 2275 Arambula	Medi-Cal Oversight: Would create new quality requirements for Medi-Cal managed care plans, which would be a significant departure from the state’s current quality assurance and performance improvement program and could potentially require CalOptima to extensively modify its reporting processes.	04/17/18 Scheduled to be heard in Assembly Health Committee 02/13/2018 Introduced	Watch
SB 974 Lara	Medi-Cal Eligibility: Extends full scope Medi-Cal coverage to eligible individuals of all ages, regardless of immigration status.	04/05/18 Passed Senate Health Committee and referred to Appropriations 02/01/2018 Introduced	Watch
AB 2203 Gray	Medi-Cal Rates: Beginning July 1, 2019, would require DHCS to increase Medi-Cal primary care provider rates to the rate paid for those services under the federal Medicare program.	04/10/18 Passed Assembly Health Committee and referred to Appropriations Committee 02/12/2018 Introduced	Watch

2017–18 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
AB 2416 Wood	Medi-Cal Managed Care Plans and Covered California: Would require Medi-Cal managed care plans to offer products on the California Health Benefit Exchange, also known as Covered California, in counties where only two or fewer plans are available for purchase through the Exchange.	3/23/18 Amended and re-referred to Assembly Health Committee	Watch
AB 2472 Wood	Medi-Cal Public Purchasing Option Waiver: Would require DHCS to apply for a federal waiver that would allow individuals whose income is greater than 138% FPL to purchase Medi-Cal coverage through a public purchasing option.	04/24/18 Scheduled to be heard in Assembly Health Committee 3/23/18 Amended and re-referred to Assembly Health Committee	Watch
AB 3175 Rubio	Child Life Specialist: Would require that services provided by certified child life specialists be covered under the California Children's Services (CCS) program. CCS provides diagnostic and treatment services, medical case management, and physical and occupational therapy services to children under age 21 with specialized health care conditions such as cystic fibrosis, hemophilia, cerebral palsy, heart disease, cancer, traumatic injuries, among others. CCS-eligible children living in select counties, including Orange County, will transition from fee-for-service to Medi-Cal managed care as part of the Whole Child Model (WCM), established as part of SB 586 (Chapter 625, Statutes of 2016). In Orange County, the CCS WCM transition is scheduled to take place in January 2019. Certified child life specialists are allied health care professionals that support children and families coping with the stress and uncertainty of life altering healthcare crises. They provide psychosocial assessment and support to both patients and their families, among other services.	04/17/18 Scheduled to be heard in Assembly Health Committee 02/16/18 Introduced	Watch
SB 906 Beall	Medi-Cal Mental Health Services Peer Certification: Would require DHCS to establish a statewide certification program for peer and family support specialists and to include this as a service to be reimbursed under the Medi-Cal program. Among other responsibilities, a peer and family support specialist would provide individualized support services to members with mental health care needs and substance use disorders.	03/14/28 Passed Senate Health Committee and Referred to Senate Appropriations Committee 01/17/2018 Introduced	
SB 399 Portantino	Behavioral Health: Would make changes to current law related to the treatment of Autism Spectrum Disorder, such that managed care plans would be required to cover certain treatment protocols that are not currently covered, such as the Developmental Individual-difference Relationship (DIR) model and Floortime. These therapies are intended to be spontaneous play sessions between a child with autism and an adult.	01/29/2018 Passed Senate, referred to Assembly	Watch
AB 205 Wood	Mega-Reg: Implements certain provisions of the CMS Medicaid managed care rules (Mega-Reg) by making changes at the state level regarding Medi-Cal managed care plans. Specifically, this bill changes the grievance and appeals process for plans by lengthening the amount of time members have to request a state fair hearing from 90 days to 120 days. It also establishes new time and distance standards for members to access primary and specialty care services.	10/13/2017 Signed into law	Watch

2017–18 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Action/Position
SB 171 Hernandez	Mega-Reg: Implements certain provisions of the CMS Medicaid managed care rules (Mega-Reg) by making changes at the state level regarding Medi-Cal managed care plans. Specifically, this bill changes the way public hospitals receive supplemental payments and creates a new, across-the-board Medical Loss Ratio (MLR) standard for Medi-Cal managed care plans.	10/13/2017 Signed into law	Watch
SB 608 Hernandez	Hospital Quality Assurance Fee (QAF): Would modify the QAF to bring it into compliance with Mega-Reg requirements. The current language of the bill only reflects a portion of the California Hospital Association's proposal to reform the QAF. The bill's language is likely to be substantially amended in the current legislative session.	09/01/2017 Held under submission	Watch

2018 Federal Legislative Dates

January 3	Congress convenes 2nd session
March 26–April 9	Spring recess
July 27–September 3	Summer recess
November 6	General Election

2018 State Legislative Dates

January 3	Legislature reconvenes
February 16	Last day for legislation to be introduced
April 27	Last day for policy committees to hear and report bills to fiscal committees
May 11	Last day for policy committees to hear and report non-fiscal bills to the floor
May 25	Last day for fiscal committees to report fiscal bills to the floor
May 29–June 1	Floor session only
June 1	Last day to pass bills out of their house of origin
June 5	Statewide Primary Election
June 15	Budget bill must be passed by midnight
June 28	Last day for a legislative measure to qualify for the Nov. 6 General Election ballot
July 6–August 5	Summer recess
August 7	Special Election for CA Senate District 32
August 17	Last day for fiscal committees to report bills to the floor
August 20 – 31	Floor session only
August 31	Last day for bills to be passed. Final recess begins upon adjournment
September 30	Last day for Governor to sign or veto bills passed by the Legislature
November 6	General Election
November 30	Adjournment <i>Sine Die</i> at midnight
December 3	Convening of the 2019-20 session

Sources: 2018 State Legislative Deadlines, California State Assembly: <http://assembly.ca.gov/legislativedeadlines>

Board of Directors Meeting May 3, 2018

CalOptima Community Outreach Summary – April 2018

Background

CalOptima is committed to serving our community by sharing information with current and potential members and strengthening relationships with our community partners. One of the ways CalOptima accomplishes this is through our participation in public events. CalOptima participates in public activities that meet at least one of the following criteria:

- Member interaction/enrollment: The event/activity attracts a significant number of CalOptima members and/or potential members who could enroll in a CalOptima program.
- Branding: The event/activity promotes awareness of CalOptima in the community.
- Partnerships: The event/activity has the potential to create positive visibility for CalOptima and create a long-term collaborative partnership between CalOptima and the requesting entity.

We consider requests for sponsorship based on several factors as indicated pursuant to Policy AA. 1223: Participation in Community Events Involving External Entities, including, but not limited to: the number of people the activity/event will reach; the marketing benefits for CalOptima; the strength of the partnership or level of involvement with the requesting entity; past participation; staff availability; and budget availability.

In addition to participating in community events, CalOptima staff actively participates in several community meetings including coalitions/collaboratives, committees and advisory groups focused on community health issues related to improving access to health care, reducing health disparities, strengthening the safety net system and promoting a healthier Orange County.

Community Alliances Forum

On Wednesday, March 21, Community Relations collaborated with the Community Alliances Advisory Committee to host a Community Alliances Forum to share the key findings from CalOptima's Member Health Needs Assessment and to announce community grant opportunities. More than 150 representatives from a variety of community-based organizations were in attendance.

The presentation provided an overview of the methods used to conduct the assessment and the key findings that reinforce what many service providers already know: economic stress and financial insecurity affect health and well-being, social isolation and language barrier negatively impact health, and lack of knowledge and stigma are barriers to accessing mental health services. Information about the eight Requests for Grant Proposal to expand access to mental health, dental and other care, and outreach/education services was also provided.

During the networking, participants were provided an opportunity to learn about existing resources that can help address the key findings from the assessments. Participants were also encouraged to think of

ways community-based organizations can collaborate to successfully apply for the community grants and to create innovative solutions.

The event was well received. More than 95 percent of the evaluations collected indicated that the overall experience and the networking opportunity were excellent or good. Of the evaluations collected, 98 percent indicated that the information provided was very useful to their work.

For additional information or questions, please contact Tiffany Kaaikamanu, Manager of Community Relations, at 657-235-6872 or email tkaaiakamanu@caloptima.org.

Summary of Public Activities

During April 2018, CalOptima participated in 48 community events, coalitions and committee meetings:

TARGET AUDIENCE: HEALTH AND HUMAN SERVICES PROVIDERS

Date	Events/Meetings
4/02/18	<ul style="list-style-type: none">• Orange County Health Care Agency Mental Health Services Act Steering Committee Meeting
4/04/18	<ul style="list-style-type: none">• Orange County Aging Services Collaborative Meeting• Anaheim Human Services Network Meeting• Orange County Healthy Aging Initiative Meeting
4/06/18	<ul style="list-style-type: none">• Covered Orange County General Meeting• Help Me Grow Advisory Meeting
4/09/18	<ul style="list-style-type: none">• Fullerton Collaborative Meeting• Orange County Veterans and Military Families Collaborative Meeting
4/10/18	<ul style="list-style-type: none">• Orange County Strategic Plan for Aging — Social Engagement Committee Meeting• Buena Clinton Neighborhood Coalition Meeting
4/11/18	<ul style="list-style-type: none">• Buena Park Collaborative Meeting• Anaheim Homeless Collaborative Meeting• Community Connection Café• State Council on Developmental Disabilities, Orange County — Health Care Task Force Meeting
4/12/18	<ul style="list-style-type: none">• FOCUS Collaborative Meeting• Senior Citizen Advisory Committee — Housing and Transportation Subcommittee Meeting• Orange County Women’s Health Project Advisory Board Meeting
4/13/18	<ul style="list-style-type: none">• Senior Citizen Advisory Committee Meeting
4/17/18	<ul style="list-style-type: none">• Placentia Community Collaborative Meeting

- | | |
|---------|---|
| 4/18/18 | <ul style="list-style-type: none"> • Covered Orange County Steering Committee Meeting • Minnie Street Family Resource Center Professional Roundtable • Orange County Promotoras Meeting • La Habra Collaborative — Move More, Eat Healthy Campaign Meeting • Orange County Communication Workgroup |
| 4/19/18 | <ul style="list-style-type: none"> • Orange County Children’s Partnership Committee • Surf City Senior Providers Network and Luncheon |
| 4/20/18 | <ul style="list-style-type: none"> • Family Involvement Network and Prevention Coordinators Meeting |
| 4/23/18 | <ul style="list-style-type: none"> • Community Health Research and Exchange Meeting • Stanton Collaborative Meeting |
| 4/24/18 | <ul style="list-style-type: none"> • Orange County Senior Roundtable • Santa Ana Building Healthy Community |
| 4/25/18 | <ul style="list-style-type: none"> • Orange County Human Trafficking Task Force General Meeting |
| 4/26/18 | <ul style="list-style-type: none"> • Disability Coalition of Orange County • Orange County Care Coordination for Kids |

TARGET AUDIENCE: MEMBERS/POTENTIAL MEMBERS

Date	# Staff to Attend	Events/Meetings
4/05/18	1	<ul style="list-style-type: none"> • Annual Internships & Careers in Aging 2018 hosted by Cal State Fullerton
4/07/18	1	<ul style="list-style-type: none"> • Annual Month of the Military Child Celebration
	1	<ul style="list-style-type: none"> • Cambodian New Year Celebration and Resource Fair hosted by the Cambodian Family Community Center (Registration Fee: \$500 included one outreach table)
4/11/18	2	<ul style="list-style-type: none"> • Spring Health Fair hosted by Fullerton College
4/12/18	2	<ul style="list-style-type: none"> • Annual OC Leadership Forum on Aging hosted by Orange County Aging Services Collaborative (Sponsorship Fee: \$1,000 included one table for outreach, logo flyers, social media, e-communications, recognition on presentation slides, event program and mention during welcoming remarks)
4/14/18	2	<ul style="list-style-type: none"> • Addiction Fair hosted by Anaheim Addiction Collaborative
	1	<ul style="list-style-type: none"> • Wellness, Education, Resource and Health Fair hosted by Harbage Consulting
4/20/18	2	<ul style="list-style-type: none"> • South County Senior Summit hosted by Age Well Senior Services, Inc., Laguna Woods, Office on Aging, and the Office of Supervisor Lisa Bartlett (Sponsorship Fee: \$10,000 included a 5-minute speaking role at the event. Our

logo featured on event advertising as a “Diamond Sponsor.” We will receive verbal recognition and be presented a special award from Supervisor Bartlett at the Summit; half-page advertising in event program; one large banner displayed at Summit; premium booth location; product/service information in the event bag, recognition about diamond sponsorship in the Supervisor’s newsletter; and a certificate of recognition from Supervisor Bartlett.

4/21/18	1	<ul style="list-style-type: none"> High-5 Carnival hosted by CHOC Children’s Hospital and the Extraordinary Lives Foundation (Registration Fee: \$10 included one outreach table)
4/22/18	1	<ul style="list-style-type: none"> Spring 2018 Health Fair hosted by Vietnamese Community Health UCLA
4/23/18	1	<ul style="list-style-type: none"> Annual Health Fair hosted by Wellness Center South
4/28/18	1	<ul style="list-style-type: none"> Vietnamese Families Wellness Conference hosted by Boat People SOS CA, Boys & Girls Club of Garden Grove, Garden Grove Police Department, Orange County Department of Education, Project MotiVATE, Wayfinders (Sponsorship Fee: \$900 included organization’s logo flyer, program and banner, and one table for outreach)
	1	<ul style="list-style-type: none"> Annual Special Needs Resource Fair hosted by the City of Lake Forest
	1	<ul style="list-style-type: none"> Annual Community Resource Fair hosted by Families Forward

CalOptima organized or convened the following three community stakeholder events, meetings and presentations:

TARGET AUDIENCE: MEMBERS/POTENTIAL MEMBERS

Date	Events/Meetings/Presentations
4/12/18	<ul style="list-style-type: none"> Community-based Organization Health Seminar for Thomas House Family Shelter — Topic: Stress Management
4/13/18	<ul style="list-style-type: none"> CalOptima Overview Presentation for McKinney Vento/Community Liaisons at Tustin Unified School District
4/21/18	<ul style="list-style-type: none"> County Community Service Center Health Seminar — Topic: Autism 101 (Vietnamese)

CalOptima provided zero endorsements for events during this reporting period (e.g., letters of support, program/public activity event with support, or use of name/logo).

CalOptima Board of Directors Community Activities

For more information on the listed items, contact Tiffany Kaaiakamanu, Manager of Community Relations, at 657-235-6872 or by email at tkaaiakamanu@caloptima.org.

May				
Date and Time	Event Title	Event Type/Audience	Staff/Financial Participation	Location
Tuesday, 5/1 9:30-11am	++Collaborative to Assist Motel Families	Steering Committee Meeting: Open to Collaborative Members	N/A	Anaheim Downtown Community Center 250 E. Center St. Anaheim
Thursday, 5/3 9-10:30am	++Refugee Forum on Orange County	Steering Committee Meeting: Open to Collaborative Members	N/A	Access California Services 631 S. Brookhurst St. Anaheim
Thursday, 5/3 4:30-7pm	+Child Abuse Prevention Center Annual Mental Health Awareness Month Event	Health/Resource Fair Open to the Public	2 Staff	Bowers Museum 2002 N. Main St. Santa Ana
Saturday, 5/5 8am-12pm	+OCAPICA, Western Youth Services and Child Abuse Prevention Center Wellness Resource Fair	Health/Resource Fair Open to the Public	2 Staff	Anaheim Union High School District Office 501 N. Crescent Way Anaheim
Monday, 5/7 1-4pm	++OCHCA Mental Health Services Act Steering Committee	Steering Committee Meeting: Open to Collaborative Members	N/A	Delhi Center 505 E. Central Ave. Santa Ana
Tuesday, 5/8 9-10:30am	++Orange County Strategic Plan for Aging-Social Engagement Committee	Steering Committee Meeting: Open to Collaborative Members	N/A	Alzheimer's OC 2515 McCabe Way Irvine

* CalOptima Hosted

1 – Updated 2018-04-06

+ Exhibitor/Attendee

++ Meeting Attendee

[Back to Agenda](#)

Tuesday, 5/8 12-1pm	++Buena Clinton Neighborhood Coalition	Steering Committee Meeting: Open to Collaborative Members	N/A	Buena Clinton Youth and Family Center 12661 Sunswept Ave. Garden Grove
Tuesday, 5/8 2-4pm	++Susan G. Komen OC- Unidos Contra el Cancer del Seno Coalition	Steering Committee Meeting: Open to Collaborative Members	N/A	Susan G. Komen OC 2817 McGaw Ave. Irvine
Wednesday, 5/9 10-11:30am	++Buena Park Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Buena Park Library 7150 La Palma Ave. Buena Park
Wednesday, 5/9 12-1:30pm	++Anaheim Homeless Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Anaheim Central Library 500 W. Broadway Anaheim
Thursday, 5/10 11:30am-12:30pm	++FOCUS Collaborative Meeting	Steering Committee Meeting: Open to Collaborative Members	N/A	Magnolia Park Family Resource Center 11402 Magnolia St. Garden Grove
Thursday, 5/10 11:30am-12:30pm	++State Council on Developmental Disabilities Regional Advisory Committee	Steering Committee Meeting: Open to Collaborative Members	N/A	State Council on Developmental Disabilities 2000 East Fourth St. Santa Ana
Friday, 5/11 9:30-11:30am	++Senior Citizens Advisory Council Meeting	Steering Committee Meeting: Open to Collaborative Members	N/A	Location varies.
Monday, 5/14 1-2:30pm	+OC Veterans and Military Families Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Child Guidance Center 525 N. Cabrillo Park Dr. Santa Ana
Monday, 5/14 2:30-3:30pm	++Fullerton Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Fullerton Library 353 W. Commonwealth Ave. Fullerton

* CalOptima Hosted

2 – Updated 2018-04-06

+ Exhibitor/Attendee

++ Meeting Attendee

[Back to Agenda](#)

Tuesday, 5/15 8:30-10am	++North OC Senior Collaborative Meeting	Steering Committee Meeting: Open to Collaborative Members	N/A	St. Jude Community Services 130 W. Bastanchury Rd. Fullerton
Tuesday, 5/15 10-11:30am	++Placentia Community Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Trinity Center Placentia Presbyterian Church 849 Bradford Ave. Placentia
Tuesday, 5/15 10-11:30am	++Orange County Cancer Coalition	Steering Committee Meeting: Open to Collaborative Members	N/A	American Cancer Society 1940 E. Deere Ave. Santa Ana
Wednesday, 5/16 11am-1pm	++Minnie Street Family Resource Center Professional Roundtable	Steering Committee Meeting: Open to Collaborative Members	N/A	Minnie Street Family Resource Center 1300 McFadden Ave. Santa Ana
Wednesday, 5/16 1-4pm	++Orange County Promotoras	Steering Committee Meeting: Open to Collaborative Members	N/A	Location Varies
Wednesday, 5/16 1:30-3pm	++La Habra Move More, Eat Health Campaign	Steering Committee Meeting: Open to Collaborative Members	N/A	Friends of Family Community Clinic 501 S. Idaho St. La Habra
Wednesday, 5/16 3:30-4:30pm	++Orange County Communications Workgroup	Steering Committee Meeting: Open to Collaborative Members	N/A	Location Varies
Thursday, 5/17 8:30-10am	++OC Children's Partnership Committee	Steering Committee Meeting: Open to Collaborative Members	N/A	Orange County Hall of Administration 10 Civic Center Plaza Santa Ana
Thursday, 5/17 2:30-4:30pm	++OC Women's Health Project Advisory Board Meeting	Steering Committee Meeting: Open to Collaborative Members	N/A	The Village 1505 E. 17 th St. Santa Ana

* CalOptima Hosted

3 – Updated 2018-04-06

+ Exhibitor/Attendee

++ Meeting Attendee

[Back to Agenda](#)

Tuesday, 5/22 7:30-9am	++OC Senior Roundtable	Steering Committee Meeting: Open to Collaborative Members	N/A	Orange Senior Center 170 S. Olive Orange
Tuesday, 5/22 3:30-4:30pm	++Santa Ana Building Healthy Communities	Steering Committee Meeting: Open to Collaborative Members	N/A	KidWorks 1902 W. Chestnut Ave. Santa Ana
Thursday, 5/24 8:30-10am	++Disability Coalition of Orange County	Steering Committee Meeting: Open to Collaborative Members	N/A	Dayle McIntosh Center 501 N. Brookhurst St. Anaheim
Thursday, 5/24 1-3pm	++Orange County Care Coordination for Kids	Steering Committee Meeting: Open to Collaborative Members	N/A	Help Me Grow 2500 Red Hill Ave. Santa Ana
Monday, 5/28 12:30-1:10pm	++Stanton Collaborative	Steering Committee Meeting: Open to Collaborative Members	N/A	Stanton Civic Center 7800 Katella Ave. Stanton
Wednesday, 5/30 8am-4:30pm	+Mental Health Association of Orange County Meeting of the Minds- Without Mental Health, There IS No Health Conference	Community Conference Health/Resource Fair Open to the Public <i>Registration recommended</i>	\$1,000 Sponsorship 2 Staff	Anaheim Marriott Hotel 700 Convention Way Anaheim
Wednesday, 5/30 10:30-11:30am	++OC Human Trafficking Task Force	Steering Committee Meeting: Open to Collaborative Members	N/A	Community Service Program 1221 E. Dyer Rd. Santa Ana

* CalOptima Hosted

4 – Updated 2018-04-06

+ Exhibitor/Attendee

++ Meeting Attendee

[Back to Agenda](#)