NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
ONECARE CONNECT CAL MEDICONNECT PLAN (MEDICARE-MEDICAID PLAN)
MEMBER ADVISORY COMMITTEE

THURSDAY, FEBRUARY 23, 2017
3:00 P.M.

CALOPTIMA
505 CITY PARKWAY WEST, SUITE 109-N
ORANGE, CALIFORNIA 92868

AGENDA

This agenda contains a brief, general description of each item to be considered. The Committee may take any action on all items listed. Except as otherwise provided by law, no action shall be taken on any item not appearing in the following agenda.

Information related to this agenda may be obtained by contacting the CalOptima Clerk of the Board at 714.246.8806 or by visiting our website at www.caloptima.org. In compliance with the Americans with Disabilities Act, those requiring special accommodations for this meeting should notify the Clerk of the Board's office at 714.246.8806. Notification at least 72 hours prior to the meeting will allow time to make reasonable arrangements for accessibility to this meeting.

I. CALL TO ORDER
Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES
A. Approve Minutes of the December 22, 2016 Meeting of the OneCare Connect Member Advisory Committee (OCC MAC)

IV. PUBLIC COMMENT
At this time, members of the public may address the Committee on general topics. Public Comment on posted item(s) will follow staff presentation of the item(s) to the Committee. If you wish to speak on an item contained in the agenda, please complete a Public Comment Request Form(s) identifying the item(s) and submit the form to the assistant to the OneCare Connect MAC. When addressing the Committee, it is requested that you state your name for the record. Please address the Committee as a whole through the Chair. Comments to individual Committee members or staff are not permitted. Speakers will be limited to three (3) minutes.

V. CEO AND MANAGEMENT REPORTS
A. Chief Executive Officer (CEO) Update
B. Chief Medical Officer Update

VI. INFORMATION ITEMS

A. OneCare Connect MAC Member Updates
B. OCC MAC Member Presentation on Quarterly Ombudsman Update
C. Pay for Value Update
D. Federal and State Legislative Update

VII. COMMITTEE MEMBER COMMENTS

VIII. ADJOURNMENT

MINUTES

REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
ONECARE CONNECT
CALMEDICONNECT PLAN (MEDICARE-MEDICAID PLAN)
MEMBER ADVISORY COMMITTEE

December 22, 2016

The Regular Meeting of the CalOptima Board of Directors' OneCare Connect Member Advisory Committee (OCC MAC) was held on December 22, 2016, at CalOptima, 505 City Parkway West, Orange, California.

CALL TO ORDER
Chair Patty Mouton called the meeting to order at 3:05 p.m., and led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Ted Chigaros, Christine Chow, Josefina Diaz, Sandy Finestone, Donta Harrison, Susie Gordee, Sara Lee, Patty Mouton, Lena Berlove (non-voting), Jorge Sole (non-voting)

Members Absent: Gio Corzo, John Dupies, Adam Crits (non-voting), Erin Ulibarri (non-voting)

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Candice Gomez, Executive Director, Program Implementation; Caryn Ireland, Executive Director, Quality Analytics; Belinda Abeyta, Director, Customer Service; Dr. Richard Bock, Deputy Chief Medical Officer; Tracy Hitzeman, Interim Executive Director, Clinical Operations; Phil Tsunoda, Executive Director, Government Affairs; Becki Melli, Staff to OCC MAC

MINUTES

Approve the Minutes of the November 17, 2016 Regular Meeting of the CalOptima Board of Directors' OneCare Connect Member Advisory Committee
The minutes were corrected to reflect the attendance of Member Christine Chow at the November 17, 2016 Board of Directors' OneCare Connect Member Advisory Committee Meeting.

Action: ***On motion of Member Sandy Finestone, seconded and carried, the OCC MAC approved the November 17, 2016 minutes as corrected.***

PUBLIC COMMENT
There were no requests for public comment.

CEO AND MANAGEMENT TEAM DISCUSSION

Chief Executive Officer (CEO) Update
Michael Schrader, Chief Executive Officer, provided an update on the uncertainty of the future of OneCare Connect. He reminded the committee that Cal MediConnect (OneCare Connect in Orange

County) comprises eleven health plans in six counties in California. As part of the statute that established Cal MediConnect, the Department of Finance has the authority to eliminate the program if it does not result in cost-savings for the state. Last year, there was concern amongst the health plans that Cal MediConnect would be eliminated, since the program had not met enrollment goals. While Cal MediConnect was given another year to continue, there is yet again a possibility of elimination in 2017. CalOptima has worked closely with the California Association of Health Plans (CAHP) to advocate with key state officials to continue the program for another year. With the release of the governor's 2017-18 State Budget proposals in January, CalOptima will learn if the program will be continued or eliminated. If the program is eliminated, it will likely wind down during the 2017 calendar year, and CalOptima will explore options with the Centers for Medicare & Medicaid Services (CMS) and the Department of Health Care Services (DHCS) to ensure that OCC members continue to receive coordinated benefits through other programs.

Chief Medical Officer (CMO) Update

Dr. Richard Bock, Deputy Chief Medical Officer, reported that Magellan Health, Inc. would transition as scheduled on January 1, 2017, as the new Managed Behavioral Health Organization.

Dr. Bock reported that the health networks would receive Pay for Value payments for 2016, based on their results from 2015. Pay for Value payments consider the members' quality of care as measured by the Healthcare Effectiveness Data and Information Set (HEDIS), and member satisfaction as measured by the Consumer Assessment of Healthcare Providers & Systems (CAHPS). The Board of Directors recently approved an additional $1.1 million for existing and on-going quality improvement programs.

INFORMATION ITEMS

OCC MAC Member Updates

Chair Patty Mouton announced that an OCC MAC Goals and Objectives Ad Hoc Subcommittee would convene in the next couple of months to develop the goals and objectives for FY 2017-18. The goals and objectives will be based on CalOptima's 2017-2019 Strategic Plan approved by the Board of Directors. Chair Mouton reported that Member Susie Gordee is scheduled to present on Silverado Senior Care at the January 26, 2017 meeting, and Member Sara Lee is scheduled to present the Quarterly Ombudsman update in February 2017. Member Lena Berlove will present on In-Home Supportive Services at the March 2017 meeting. Member Gordee requested that CalOptima staff present information on the Assisted Living Waiver at a future meeting.

OCC MAC Member Presentation

Chair Mouton reported on the Orange County Advance Care Planning Partners (OCACPP), which is a program that provides advance care planning information and advises on the appropriate use of the Physician's Orders for Life Sustaining Treatment (POLST) document. Formed in 2009, OCACPP is a community collaboration of stakeholders that provides leadership and education on issues related to end of life care and planning. Community awareness events about OCACPP are held at various venues throughout Orange County, including senior centers, worship centers, skilled nursing facilities (SNFs), hospitals and community-based organizations.

Multipurpose Senior Services Program (MSSP) Overview

Jim Pijloo, MSSP Site Director, Long-Term Services and Supports, provided an overview on the Multipurpose Senior Services Program, explaining that the primary objective of MSSP is to avoid or delay the premature placement of people in nursing facilities while fostering independent living in the community. He added that MSSP lowers the state's chronic health care costs by arranging home-based services for frail elders on Medi-Cal who are eligible for nursing home placement. Mr. Pijloo reported that a member must be 65 years of age or older, be receiving Medi-Cal with an eligible aid code, and be certified for nursing facility placement to be eligible for the MSSP program. CalOptima's MSSP site is funded for 455 clients per month. The average wait time prior to admission to the program is approximately 100 days from the date when the referral is received.

Personal Care Coordinator (PCC) Member Notices

Sloane Petrillo, Interim Director, Case Management, reported on the outreach conducted by CalOptima and the health networks to inform OCC members regarding their Personal Care Coordinator. Ms. Petrillo provided a sampling of CalOptima and health network PCC welcome letters that OCC members receive. She also reported that all Personal Care Coordinators attempt telephonic outreach to their assigned OCC members, while welcome letters are sent at about a 50% rate.

OneCare Connect OCC Update

Candice Gomez, Executive Director, Business Integration, reported that the Board of Directors approved $75,000 to increase member communications to OneCare Connect members. The additional member communications will include health education and promotion news, benefit information and an increase in the number of member newsletters.

Federal and State Legislative Update

Phil Tsunoda, Executive Director, Government Affairs, reported that the Registrar of Voters certified the November General Election in early December. Mr. Tsunoda also reviewed the 2017 Orange County Legislative Delegation.

Chair Mouton announced that the next meeting date is January 26, 2017.

ADJOURNMENT

Hearing no further business, Chair Mouton adjourned the meeting at 5:06p.m.

/s/ Cindi Reichert
Cindi Reichert
Program Assistant

Approved: 2.23.2017

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CEO Report

OCC MAC Meeting

February 23, 2017

Michael Schrader

Chief Executive Officer

Proposed FY 2017–18 State Budget

- Continues Cal MediConnect program, known as OneCare Connect in Orange County
  - Effective until December 31, 2019
- Discontinues broader Coordinated Care Initiative (CCI)
- Creates the need for a budget trailer bill to authorize Cal MediConnect apart from CCI

Reason for CCI Elimination

- “Poison Pill” provision requires CCI elimination based on lack of cost-effectiveness
- Higher costs for In-Home Supportive Services (IHSS) cited as primary reason
- CCI elimination shifts responsibility for IHSS back to the counties

About IHSS

- Approximately 29,000 Orange County residents are enrolled in IHSS
  - Recipients are low-income residents over 65 years old, blind and/or disabled

- IHSS is considered an alternative to long-term care placement
  - Domestic help provided by IHSS workers
    - Meal preparation
    - Personal care services
    - Accompaniment to medical appointments

Perspective of Counties

- Counties are studying the financial implications and intend to express concerns to the state

- Significant IHSS cost increases are based on:
  - Move from 3.5 percent annual inflation to 65/35 cost-sharing ratio
  - Minimum wage law
  - New overtime benefits
  - New sick-leave benefits

- Possible shift of $625 million from the General Fund back to counties
  - Governor's budget signals interest in working with counties

Affordable Care Act (ACA)

- Budget reconciliation process led to release of budget blueprint
  - Blueprint calls for four congressional committees to develop ACA repeal language
    - House Energy and Commerce
    - House Ways and Means
    - Senate Finance
    - Senate Health

- Budget reconciliation bill could reduce or eliminate funding for Medicaid Expansion
  - 30 percent of CalOptima membership
  - $1 billion in revenue

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Executive Order

- Presidential Executive Order directs federal agencies to:
  - Ensure efficient implementation of ACA
  - Minimize economic and regulatory burdens
  - Give greater flexibility to the states
- States could pursue waivers to modify Medicaid programs

Current Efforts

- Participating in legislative events with the Association for Community Affiliated Plans and Local Health Plans of California
- Educating the Orange County delegation on the economic impact of Medi-Cal growth
  - Increase in CalOptima revenue
  - Increase in jobs at health networks
  - Increase in revenue and decrease in bad debt for hospitals
- Focusing on collaboration with local stakeholders to develop advocacy strategies for Orange County

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MEMORANDUM

DATE:	February 2, 2017
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

Chairman Retirement
CalOptima Board of Directors Chairman Mark Refowitz announced his retirement as director of the Orange County Health Care Agency, effective March 30, 2017. CalOptima is indebted to Chairman Refowitz for his steady and strong leadership since 2012. Together with CalOptima staff, I wish him all the best in his next chapter, and yet we will certainly miss him. He provided excellent guidance across five years of notable events for the agency, including the expansion of Medi-Cal, the launches of the Program of All-Inclusive Care for the Elderly (PACE) and OneCare Connect, and the recognition of CalOptima as the top quality Medi-Cal plan in California. Succession arrangements are pending.

Proposed Fiscal Year 2017–18 State Budget
On January 10, Gov. Brown released his proposed Fiscal Year 2017–18 state budget. Medi-Cal enrollment is projected to reach 14.3 million. This figure is flat compared with the current year and does not make any assumptions about possible federal Medicaid changes. Apart from the enrollment projection, the most significant news for CalOptima is the extension until December 31, 2019, of Cal MediConnect (CMC), known as OneCare Connect in Orange County. Consistent advocacy by CMC health plans helped spare the program, even while the governor proposed to eliminate the Coordinated Care Initiative (CCI) that originally authorized CMC. Based on the Department of Finance's assessment that CCI was not cost-effective, the initiative is slated to end January 1, 2018, along with the changes that CCI made to the In-Home Supportive Services (IHSS) program. Under the proposed budget, the state will return responsibility for IHSS collective bargaining to CMC counties, and IHSS benefits will be removed from health plan capitation rates. Given that the proposed budget will now be considered by the Legislature for the May Revise, CalOptima will continue our advocacy to ensure the positive outcome of OneCare Connect's extension is upheld. And over the next few months, the County of Orange will examine the complex transition of the IHSS program, which may have significant financial implications. In the past year, IHSS costs have increased based on higher wages and more benefits for IHSS workers. The County reports that approximately 29,000 Orange County residents are enrolled in the IHSS program. IHSS is a Medi-Cal benefit considered an alternative to nursing home care. My attendance at the January 18 California Association of Health Plans (CAHP) Meeting in Sacramento provided valuable information about the budget provisions and CAHP's response. Attendees were generally pleased about the opportunity to continue CMC, given the promise it shows to lower costs and better coordinate

care. The group also had a lengthy discussion about the disposition of the IHSS program and its challenge of rising costs. CalOptima will stay engaged with CAHP as well as Local Health Plans of California (LHPC) as the state budget moves toward a final version. Of note, LHPC has planned a legislative briefing on February 14 in Sacramento. I will be a speaker at the event, discussing CMC and CCI.

Affordable Care Act (ACA)

Given that 30 percent of our members may be affected, CalOptima is tracking closely potential changes to the ACA provisions involving Medicaid expansion. After the presidential inauguration, Congress started the budget reconciliation process with a blueprint that instructs four congressional committees to develop ACA repeal language for the budget, which could be used to reduce or eliminate funding for Medicaid expansion. In the meantime, President Trump signed an Executive Order directing federal agencies to minimize the economic and regulatory burdens of the ACA and give greater flexibility to the states. In this rapidly changing environment, CalOptima is taking action by conferring regularly with colleagues from other health plans and actively participating in our association meetings, including two recent events with Medicaid Health Plans of America (MHPA) and Local Health Plans of California (LHPC).

- **MHPA Meeting:** The MHPA meeting January 10–11 in Washington, D.C., focused on what may happen with Medicaid and the ACA under President Trump. Discussion centered on the possible movement from Medicaid's current Federal Medical Assistance Percentage (FMAP) payment methodology to other payment models, such as block grants. Presently under FMAP, there are wide variations between states, and California is among the states with the lowest FMAP nationwide. MHPA officials also emphasized that the association and member plans should position themselves as trusted resources in the effort to shape future Medicaid changes.
- **LHPC Strategic Planning Meeting:** On January 24–25, I participated in the LHPC session to set strategic priorities for the association. This included meeting the association's new federal lobbyists, John Russell and Jenifer Healy of Dentons, and strategizing on the risks and opportunities ahead for local health plans.

These events offered helpful preparation for CalOptima's participation in the Association for Community Affiliated Plans (ACAP) Washington, D.C., fly-in February 7–8. Public Medi-Cal managed care plans, including CalOptima, will meet with the four congressional committees working on ACA issues as well as their own elected delegations. Our priority will be to advocate for the best possible outcome for Orange County. While I am in Washington, I have also scheduled a meeting with Centers for Medicare & Medicaid officials about OneCare Connect. In all, this time in the capital will provide a valuable indication about the future of our Medi-Cal expansion and other programs. I will share an update with your Board upon my return.

Health Network CEO Meeting

CalOptima hosted a well-attended health network CEO meeting on January 12, and several CEOs expressed appreciation for the opportunity to participate in these quarterly events. The CEOs were particularly interested in the pay-for-value update, whereby Executive Director of Quality and Analytics Caryn Ireland reviewed the variety of incentive programs available for health networks to boost revenue based on making quality improvements. Executive Director of Compliance Silver Ho also shared a comparison of compliance performance across all health

networks, and I provided brief remarks about the proposed FY 2017–18 state budget and revised California Children's Services timeline. Leaders asked CalOptima to provide data comparing Community Network and the private-sector networks, and our plan is to share information about areas such as utilization management, quality and expenses at the next CEO meeting.

Behavioral Health Transition

The January 1 behavioral health transition to Magellan Healthcare was executed with very little disruption to members. Magellan's broad network includes more than 500 contracted vendors, so that 95 percent of members receiving either Medi-Cal-covered behavioral health services or autism treatment services had access to the same providers they used prior to the transition. The majority of the continuity of care requests CalOptima received have already been resolved due to Magellan's contracting efforts. During January, CalOptima and Magellan held daily huddles to discuss call center metrics and other issues. In all, thorough planning and effective collaboration paved the way for a successful start to our new partnership with Magellan, which is aimed at improving behavioral health services.

Regulatory Audits

Starting next week, CalOptima will participate in major yet routine regulatory audits by the Department of Health Care Services (DHCS) and the Department of Managed Health Care (DMHC). Up to 20 auditors from both agencies will be on-site. From February 6–17, DHCS will evaluate Medi-Cal's compliance with our 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. From February 6–10, DMHC will be reviewing Medi-Cal's compliance with the Seniors and Persons with Disabilities (SPD) 1115 Waiver and OneCare Connect's provision of Medicaid-based services. DMHC will conduct these audits on behalf DHCS as part of an interagency agreement. For both the Medi-Cal SPD Waiver and OneCare Connect Medicaid services, the audit will evaluate compliance with our contract and regulations in the areas of utilization management, continuity of care, availability and accessibility of services, member rights, and quality management. To prepare for the audits, CalOptima hosted a workshop in January to educate our delegated health networks and share resources for audit readiness.

Interim Chief Financial Officer

Effective January 17, CalOptima Controller Nancy Huang was appointed Interim Chief Financial Officer. She has been with CalOptima for nearly nine years, first for six years as a financial analyst from 2005–11, and more recently, as controller from April 2014 to present. Nancy has financial management experience on the provider side as well, having worked for a large mental health provider for several years. Nancy holds a bachelor's degree and an MBA from Cal State Fullerton.

California Children's Services (CCS) Transition Delay

In January, the CCS Advisory Group met for an update about the transition to the Whole-Child Model, which moves CCS services into managed care. Based on DHCS' heavy workload on programs stemming from the new federal Medicaid regulations, known as the Mega Reg, DHCS

announced a delay in the implementation date for integrating CCS into CalOptima. The transition in Orange County will now occur no sooner than January 2019.

Hospital Quality Assurance Fee (QAF)
In late January, CalOptima passed through $72.4 million to 24 Orange County hospitals as part of the DHCS QAF program that provides supplemental payments to hospitals through managed care plans. DHCS determined the amount of the payments, which cover the period of July–September 2014. CalOptima transmitted the payments ahead of the required 30-day timeframe.

Intergovernmental Transfer Payment
In December, CalOptima received partial payment for the Intergovernmental Transfer Program for Rate Year 2014–15 (IGT 5). The payment erroneously omitted capitation for July 1, 2014–September 30, 2014. IGT 5 funding partners (or their designated providers) received a prorata share payment based on their plan/provider agreement and the amount received from DHCS at that time. In January, CalOptima received a second payment for the missing period, and a second payment to our funding partners or their designated providers was processed. We do not expect to receive further IGT 5 payments from DHCS. CalOptima's net benefit from the transaction is $14.4 million. In December, your Board approved the use of these funds for community grants, which will be awarded based on the results of an upcoming member health needs assessment.

Rate Adjustment for OneCare Connect Members in Nursing Homes
In 2016, CalOptima met with CMS officials regarding underpayments for Cal MediConnect members residing in nursing homes in Orange and Los Angeles counties. The Medicare-Medicaid Coordination Office had identified this issue based on a study of facility costs and payment rates, and reached out to plans to discuss how to address the disparity. In January, CMS announced a targeted project in the two counties to improve health outcomes and adjust payment rates to better reflect costs of care. The initiative affects OneCare Connect and involves implementing interventions that reduce avoidable hospitalizations for nursing home residents. At the same time, CMS and DHCS will test new payment adjustments. Details regarding the quality and financial aspects of the new program are forthcoming. In the interim, CMS officials stated that this program should align well with our current efforts to continuously improve quality for OneCare Connect members in facilities.

Strategic Plan Distribution
Following your Board's approval in December of our 2017–2019 Strategic Plan, CalOptima developed a brochure summarizing the plan's framework, strategic priorities and building blocks. The brochures were distributed to more than 700 community partners to raise awareness about the agency's plans for the next three years.

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Financial Summary

December 2016

Nancy Huang
Interim Chief Financial Officer

FY 2016-17: Consolidated Enrollment

- December 2016 MTD:
  - Overall enrollment was 800,001 member months
    - Actual lower than budget by 3,893 or 0.5%
      - Medi-Cal: favorable variance of 1,058 members
      - OneCare Connect: unfavorable variance of 5,028 members
    - 0.2% or 1,442 increase from prior month
      - Medi-Cal: increase of 1,652 from November
      - OneCare: increase of 47 from November
      - PACE remained the same at 183 members
      - OneCare Connect: decrease of 257 from November

FY 2016-17: Consolidated Enrollment

- December 2016 YTD:
  - Overall enrollment was 4,792,229 member months
    - Actual lower than budget by 16,137 or 0.3%
      - Medi-Cal: favorable variance of 10,146 members
        - Medi-Cal Expansion (MCE) growth higher than budget
        - SPD enrollment higher than budget due to less than anticipated dual eligible members transferring to OneCare Connect
        - Offset by lower than budget TANF enrollment
      - OneCare Connect: unfavorable variance of 26,221 members or 19.8%
      - OneCare: unfavorable variance of 78 members or 1.1%
      - PACE: favorable variance of 16 members or 1.5%
    - 0.5% or 4,134 increase in enrollment from prior year

FY 2016-17: Consolidated Revenues

- December 2016 MTD:
  - Actual higher than budget by $2.5 million or 0.9%
    - Medi-Cal: favorable to budget by $19.9 million
      - $10.0 million for IGT and QAF revenue true-up from FY15
      - $5.9 million of LTC revenue for non-LTC members
      - $3.0 million of additional revenue for behavior health therapy benefits for Kaiser members, primarily prior year
    - OneCare Connect: unfavorable variance of $17.8 million
      - Unfavorable price variance of $7.4 million
        - CMC Medi-Cal capitation rate adjustment of ($5.8 million) for prior year
        - Current year price variance of ($1.6M) due to cohorts mix
      - Unfavorable volume variance of $10.4 million due to lower enrollment
    - OneCare: favorable to budget by $0.4 million

- December 2016 YTD:
  - Actual lower than budget by $10.7 million or 0.6%
    - Medi-Cal: favorable to budget by $67.0 million
    - OneCare Connect: unfavorable variance of $77.9 million

FY 2016-17: Consolidated Medical Expenses

- December 2016 MTD:
  - Actual higher than budget by $2.2 million or 0.8%
    - Medi-Cal: unfavorable variance of $19.5 million
      - MLTSS unfavorable variance $15.1 million
        - IHSS related unfavorable variance approximately $9.8 million
        - LTC unfavorable variance $5.4 million
          - $3.4 million higher LTC Claim expense due to less than anticipated members enrolling in OneCare Connect
          - $2.0 million variance from FY17 mandated rate increase accrual
      - Professional Claims unfavorable variance of $3.5 million due to higher IBNR expense in COD and Crossover categories
    - OneCare Connect: favorable variance of $17.1
      - Favorable price variance of $7.3 million
        - Lower than budget in LTC and prescription drug categories
      - Favorable volume variance of $9.8 million

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FY 2016-17: Consolidated Medical Expenses (Cont.)

- December 2016 YTD:
  - Actual higher than budget by $9.2 million or 0.6%
    - Medi-Cal: unfavorable variance of $84.2 million
      - Unfavorable price variance of $81.2 million
        - IHSS estimated expense $35.9 million higher than budget
        - Long Term Care expense $22.5 million higher than budget
        - Facilities expense $16.0 million higher than budget
      - Unfavorable volume variance of $2.9 million
    - OneCare Connect: favorable variance of $73.6 million
      - Favorable volume variance of $50.7 million
      - Favorable price variance of $22.9 million

- Medical Loss Ratio (MLR):
  - December 2016 MTD: Actual: 96.3% Budget: 96.4%
  - December 2016 YTD: Actual: 96.8% Budget: 95.6%

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FY 2016-17: Consolidated Administrative Expenses

- December 2016 MTD:
  - Actual lower than budget by $2.2 million or 19.0%
    - Salaries and Benefits: favorable variance of $1.8 million
    - Other categories: favorable variance of $0.4 million
- December 2016 YTD:
  - Actual lower than budget by $15.3 million or 22.0%
    - Salaries and Benefits: favorable variance of $10.5 million driven by lower than budgeted FTE of 437
    - Other categories: favorable variance of $4.8 million
- Administrative Loss Ratio (ALR):
  - December 2016 MTD: Actual: 3.3% Budget: 4.1%
  - December 2016 YTD: Actual: 3.2% Budget: 4.1%

FY 2016-17: Change in Net Assets

- December 2016 MTD:
  - $2.5 million surplus
  - $3.8 million favorable to budget
    - Higher than budgeted revenue of $2.5 million
    - Higher medical expenses of $2.2 million
    - Lower administrative expenses of $2.2 million
    - Higher investment income of $1.1 million

- December 2016 YTD:
  - $3.1 million surplus
  - $2.5 million unfavorable to budget
    - Lower than budgeted revenue of $10.7 million
    - Higher medical expenses of $9.2 million
    - Lower administrative expenses of $15.3 million
    - Higher investment income of $1.6 million

Enrollment Summary: December 2016

Month-to-Date					Year-to-Date			
Actual	Budget	Variance	%	Enrollment (By Aid Category)	Actual	Budget	Variance	%
59,246	55,551	3,695	6.7%	Aged	348,935	330,936	17,999	5.4%
619	678	(59)	(8.7%)	BCCTP	3,744	4,058	(314)	(7.7%)
48,766	47,387	1,379	2.9%	*Disabled*	291,084	284,773	6,311	2.2%
334,073	341,728	(7,655)	(2.2%)	TANF Child	2,008,513	2,038,891	(30,378)	(1.5%)
101,296	109,238	(7,942)	(7.3%)	TANF Adult	616,009	657,470	(41,461)	(6.3%)
3,245	2,711	534	19.7%	LTC	19,568	16,137	3,431	21.3%
234,488	223,384	11,104	5.0%	MCE	1,389,942	1,335,387	54,555	4.1%
781,733	**780,675**	**1,058**	**0.1%**	**Medi-Cal**	**4,677,795**	**4,667,649**	**10,146**	**0.2%**
16,810	**21,838**	**(5,028)**	**(23.0%)**	**OneCare Connect**	**106,103**	**132,324**	**(26,221)**	**(19.8%)**
183	**190**	**(7)**	**(3.7%)**	**PACE**	**1,081**	**1,065**	**16**	**1.5%**
1,275	**1,191**	**84**	**7.1%**	**OneCare**	**7,250**	**7,328**	**(78)**	**(1.1%)**
800,001	**803,894**	**(3,893)**	**(0.5%)**	**CalOptima Total**	**4,792,229**	**4,808,366**	**(16,137)**	**(0.3%)**

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Financial Highlights: December 2016

Month-to-Date					Year-to-Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
800,001	803,894	(3,893)	(0.5%)	Member Months	4,792,229	4,808,366	(16,137)	(0.3%)
284,981,150	282,457,437	2,523,714	0.9%	Revenues	1,680,187,510	1,690,855,264	(10,667,754)	(0.6%)
274,397,010	272,208,650	(2,188,360)	(0.8%)	Medical Expenses	1,625,698,293	1,616,486,375	(9,211,918)	(0.6%)
9,477,635	11,704,959	2,227,323	19.0%	Administrative Expenses	54,330,022	69,613,018	15,282,995	22.0%
1,106,505	**(1,456,172)**	**2,562,677**	**(176.0%)**	**Operating Margin**	**159,195**	**4,755,872**	**(4,596,677)**	**(96.7%)**
1,372,563	143,250	1,229,313	858.2%	Non Operating Income (Loss)	2,906,413	859,500	2,046,913	238.2%
2,479,068	**(1,312,922)**	**3,791,990**	**288.8%**	**Change in Net Assets**	**3,065,608**	**5,615,372**	**(2,549,764)**	**(45.4%)**
96.3%	96.4%	0.1%		Medical Loss Ratio	96.8%	95.6%	(1.2%)	
3.3%	4.1%	0.8%		Administrative Loss Ratio	3.2%	4.1%	0.9%	
0.4%	(0.5%)	0.9%		Operating Margin Ratio	0.0%	0.3%	(0.3%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

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Consolidated Performance Actual vs. Budget: December 2016 (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
Actual	Budget	Variance		Actual	Budget	Variance
0.4	(1.5)	1.9	Medi-Cal	(2.7)	3.0	(5.7)
0.3	0.0	0.3	OneCare	(0.4)	0.2	(0.6)
0.3	0.2	0.0	OCC	2.3	3.0	(0.6)
0.1	(0.2)	0.4	PACE	0.9	(1.4)	2.3
1.1	**(1.5)**	**2.6**	**Operating**	**0.1**	**4.8**	**(4.6)**
1.3	0.1	1.2	Inv./Rental Inc, MCO tax	2.9	0.9	2.1
1.3	**0.1**	**1.2**	**Non-Operating**	**2.9**	**0.9**	**2.1**
2.5	**(1.3)**	**3.8**	**TOTAL**	**3.1**	**5.6**	**(2.5)**

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Consolidated Revenue & Expense: December 2016 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	552,963	228,770	781,733	1,275	16,810	183	800,001
REVENUES							
Capitation Revenue	$ 151,057,449	$ 103,728,418	$ 254,785,867	$ 1,740,853	$ 27,219,789	$ 1,234,641	$ 284,981,150
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	151,057,449	103,728,418	254,785,867	1,740,853	27,219,789	1,234,641	284,981,150
MEDICAL EXPENSES							
Provider Capitation	39,088,525	35,916,879	75,005,405	475,522	7,379,996		82,860,922
Facilities	29,221,584	31,699,067	60,920,651	246,359	6,576,350	207,168	67,950,528
Ancillary				47,325	774,298	-	821,623
Skilled Nursing				110,029	5,158,647	-	5,268,676
Professional Claims	13,447,567	7,858,631	21,306,197	-	-	210,989	21,517,186
Prescription Drugs	17,552,654	15,536,252	33,088,906	445,054	4,329,045	86,791	37,949,797
Quality Incentives					-		-
Long-term Care Facility Payments	46,560,982	6,134,677	52,695,659	-	-	2,297	52,697,956
Contingencies	-	-	-	-	-	-	-
Medical Management	3,129,613	-	3,129,613	30	1,047,645	391,666	4,568,953
Reinsurance & Other	(347,500)	912,437	564,937	4,500	90,464	101,466	761,368
Total Medical Expenses	148,653,425	98,057,943	246,711,368	1,328,819	25,356,444	1,000,378	274,397,010
Medical Loss Ratio	**98.4%**	**94.5%**	**96.8%**	**76.3%**	**93.2%**	**81.0%**	**96.3%**
GROSS MARGIN	**2,404,024**	**5,670,475**	**8,074,499**	**412,034**	**1,863,345**	**234,263**	**10,584,140**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			5,211,983	(42,646)	864,690	95,288	6,129,315
Professional Fees			62,924	20,889	2,308	(9,691)	76,430
Purchased Services			797,821	37,822	178,224	5,821	1,019,688
Printing and Postage			320,761	34,085	232,019	275	587,140
Depreciation and Amortization			357,681			2,065	359,746
Other Expenses			916,914	0	35,738	8,175	960,827
Indirect Cost Allocation, Occupancy Expense			48,909	13,811	279,779	1,989	344,488
Total Administrative Expenses			7,716,993	63,961	1,592,759	103,923	9,477,635
Admin Loss Ratio			**3.0%**	**3.7%**	**5.9%**	**8.4%**	**3.3%**
INCOME (LOSS) FROM OPERATIONS			357,506	348,073	270,586	130,340	1,106,505
INVESTMENT INCOME			-	-	-	-	1,333,795
NET RENTAL INCOME			-	-	-	-	6,121
NET GRANT INCOME			32,648	-	-	-	32,648
CHANGE IN NET ASSETS			**$ 390,154**	**$ 348,073**	**$ 270,586**	**$ 130,340**	**$ 2,479,068**
BUDGETED CHANGE IN ASSETS			(1,471,309)	19,289	225,345	(229,497)	(1,312,922)
VARIANCE TO BUDGET - FAV (UNFAV)			1,861,463	328,783	45,241	359,837	3,791,990

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Consolidated Revenue & Expense: December 2016 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	3,986,735	691,060	4,677,795	7,250	106,103	1,081	4,792,229
REVENUES							
Capitation Revenue	$ 1,156,299,527	$ 313,684,901	$ 1,469,984,429	$ 7,696,695	$ 194,860,506	$ 7,645,881	$ 1,680,187,510
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	1,156,299,527	313,684,901	1,469,984,429	7,696,695	194,860,506	7,645,881	1,680,187,510
MEDICAL EXPENSES							
Provider Capitation	325,265,834	120,093,879	445,359,713	2,362,691	44,289,857		492,012,261
Facilities	257,365,115	97,882,871	355,247,986	1,964,601	57,201,847	1,431,547	415,845,981
Ancillary				261,630	4,517,468	-	4,779,098
Skilled Nursing				304,101	36,113,339	-	36,417,440
Professional Claims	91,469,918	23,468,015	114,937,934	-	-	1,217,680	116,155,614
Prescription Drugs	156,770,274	50,153,940	206,924,214	2,638,435	33,328,250	513,463	243,404,362
Quality Incentives					-		-
Long-term Care Facility Payments	267,935,329	18,483,483	286,418,812	-	-	23,511	286,442,323
Contingencies	-	-	-	-	-	-	-
Medical Management	17,555,138	-	17,555,138	57,008	6,067,409	2,357,139	26,036,695
Reinsurance & Other	598,341	2,833,536	3,431,878	26,895	564,336	581,410	4,604,518
Total Medical Expenses	1,116,959,950	312,915,725	1,429,875,675	7,615,362	182,082,506	6,124,750	1,625,698,293
Medical Loss Ratio	**96.6%**	**99.8%**	**97.3%**	**98.9%**	**93.4%**	**80.1%**	**96.8%**
GROSS MARGIN	**39,339,577**	**769,177**	**40,108,754**	**81,333**	**12,778,000**	**1,521,131**	**54,489,218**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			31,091,637	88,965	4,635,382	546,460	36,362,444
Professional Fees			683,740	98,070	308,290	5,000	1,095,099
Purchased Services			4,084,093	135,405	804,713	21,518	5,045,731
Printing and Postage			1,222,255	58,268	465,555	2,000	1,748,078
Depreciation and Amortization			1,834,477			12,247	1,846,725
Other Expenses			5,830,538	1,692	204,718	35,991	6,072,938
Indirect Cost Allocation, Occupancy Expense			(2,006,012)	140,030	4,011,099	13,891	2,159,008
Total Administrative Expenses			42,740,728	522,430	10,429,757	637,107	54,330,022
Admin Loss Ratio			**2.9%**	**6.8%**	**5.4%**	**8.3%**	**3.2%**
INCOME (LOSS) FROM OPERATIONS			(2,631,974)	(441,097)	2,348,243	884,024	159,195
INVESTMENT INCOME			-	-	-	-	2,895,674
NET RENTAL INCOME			-	-	-	-	29,776
NET GRANT INCOME			(19,659)	-	-	-	(19,659)
OTHER INCOME			623	-	-	-	623
CHANGE IN NET ASSETS			**$ (2,651,010)**	**$ (441,097)**	**$ 2,348,243**	**$ 884,024**	**$ 3,065,608**
BUDGETED CHANGE IN ASSETS			3,021,093	171,808	2,981,950	(1,418,978)	5,615,372
VARIANCE TO BUDGET - FAV (UNFAV)			(5,672,103)	(612,905)	(633,707)	2,303,002	(2,549,764)

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Balance Sheet: As of December 2016

ASSETS		
Current Assets		
	Operating Cash	$686,243,544
	Catastrophic Reserves	11,637,915
	Investments	1,291,463,357
	Capitation receivable	323,152,084
	Receivables - Other	24,819,684
	Prepaid Expenses	11,088,967
	Total Current Assets	**2,348,405,551**
Capital Assets	Furniture and equipment	33,303,693
	Leasehold improvements	7,785,652
	505 City Parkway West	49,269,863
		90,359,207
	Less: accumulated depreciation	(34,882,362)
	Capital assets, net	**55,476,846**
Other Assets	Restricted deposit & Other	300,000
	Board-designated assets	
	Cash and cash equivalents	3,158,986
	Long term investments	527,676,111
	Total Board-designated Assets	530,835,097
	Total Other Assets	**531,135,097**
	Deferred outflows of Resources - Pension Contributions	3,787,544
	Deferred outflows of Resources - Difference in Experience	1,215,473
TOTAL ASSETS & OUTFLOWS		**2,940,020,510**

LIABILITIES & FUND BALANCES	
Current Liabilities	
Accounts payable	$41,160,847
Medical claims liability	717,681,422
Accrued payroll liabilities	8,691,224
Deferred revenue	962,318,501
Deferred lease obligations	267,070
Capitation and withholds	505,544,188
Total Current Liabilities	**2,235,663,252**
Other employment benefits liability	28,926,866
Net Pension Liabilities	10,543,065
Long Term Liabilities	100,000
TOTAL LIABILITIES	**2,275,233,183**
Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640
Tangible net equity (TNE)	94,663,492
Funds in excess of TNE	567,969,295
Net Assets	**662,632,787**
TOTAL LIABILITIES, INFLOWS & FUND BALANCES	**2,940,020,510**

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Board Designated Reserve and TNE Analysis As of December 2016

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	145,148,288				
	Tier 1 - Logan Circle	144,852,055				
	Tier 1 - Wells Capital	144,950,870				
Board-designated Reserve						
		434,951,213	277,968,755	437,668,289	156,982,458	(2,717,076)
TNE Requirement	Tier 2 - Logan Circle	95,883,884	94,663,492	94,663,492	1,220,392	1,220,392
	Consolidated:	**530,835,097**	**372,632,247**	**532,331,781**	**158,202,850**	**(1,496,685)**
	Current reserve level	1.99	1.40	2.00		

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OneCare (HMO SNP)
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OneCare Connect
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PACE
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UNAUDITED FINANCIAL STATEMENTS

December 2016

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CalOptima - Consolidated
Financial Highlights
For the Six Months Ended December 31, 2016

Month-to-Date					Year-to-Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
800,001	803,894	(3,893)	(0.5%)	Member Months	4,792,229	4,808,366	(16,137)	(0.3%)
284,981,150	282,457,437	2,523,714	0.9%	Revenues	1,680,187,510	1,690,855,264	(10,667,754)	(0.6%)
274,397,010	272,208,650	(2,188,360)	(0.8%)	Medical Expenses	1,625,698,293	1,616,486,375	(9,211,918)	(0.6%)
9,477,635	11,704,959	2,227,323	19.0%	Administrative Expenses	54,330,022	69,613,018	15,282,995	22.0%
1,106,505	**(1,456,172)**	**2,562,677**	**(176.0%)**	**Operating Margin**	**159,195**	**4,755,872**	**(4,596,677)**	**(96.7%)**
1,372,563	143,250	1,229,313	858.2%	Non Operating Income (Loss)	2,906,413	859,500	2,046,913	238.2%
2,479,068	**(1,312,922)**	**3,791,990**	**288.8%**	**Change in Net Assets**	**3,065,608**	**5,615,372**	**(2,549,764)**	**(45.4%)**
96.3%	96.4%	0.1%		Medical Loss Ratio	96.8%	95.6%	(1.2%)	
3.3%	4.1%	0.8%		Administrative Loss Ratio	3.2%	4.1%	0.9%	
0.4%	(0.5%)	0.9%		Operating Margin Ratio	0.0%	0.3%	(0.3%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

CalOptima
Financial Dashboard
For the Six Months Ended December 31, 2016

MONTH

Enrollment

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	781,733	780,675	1,058	0.1%
OneCare	1,275	1,191	84	7.1%
OneCare Connect	16,810	21,838	(5,028)	(23.0%)
PACE	183	190	(7)	(3.7%)
Total	800,001	803,894	(3,893)	(0.5%)

Change in Net Assets ($000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 390	$ (1,471)	$ 1,861	126.5%
OneCare	348	19	329	1704.5%
OneCare Connect	271	225	45	20.1%
PACE	130	(229)	360	156.8%
505 Bldg.	6	(65)	71	109.4%
Investment Income & Other	1,334	208	1,125	540.2%
Total	$ 2,479	$ (1,313)	$ 3,792	288.8%

MLR

	Actual	Budget	% Point Var
Medi-Cal	96.8%	96.7%	(0.1)
OneCare	76.3%	91.1%	14.7
OneCare Connect	93.2%	94.4%	1.2

Administrative Cost ($000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 7,717	$ 9,163	$ 1,446	15.8%
OneCare	64	102	38	37.5%
OneCare Connect	1,593	2,316	723	31.2%
PACE	104	124	20	16.2%
Total	$ 9,478	$ 11,705	$ 2,227	19.0%

Total FTE's Month

	Actual	Budget	Fav / (Unfav)
Medi-Cal	839	886	47
OneCare	3	3	0
OneCare Connect	222	239	16
PACE	42	57	14
Total	1,107	1,184	77

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	931	881	50
OneCare	426	397	29
OneCare Connect	76	92	(16)
PACE	4	3	1
Total	1,438	1,373	64

YEAR - TO - DATE

Year To Date Enrollment

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	4,677,795	4,667,649	10,146	0.2%
OneCare	7,250	7,328	(78)	(1.1%)
OneCare Connect	106,103	132,324	(26,221)	(19.8%)
PACE	1,081	1,065	16	1.5%
Total	4,792,229	4,808,366	(16,137)	(0.3%)

Change in Net Assets ($000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ (2,651)	$ 3,021	$ (5,672)	(187.8%)
OneCare	(441)	172	(613)	(356.7%)
OneCare Connect	2,348	2,982	(634)	(21.3%)
PACE	884	(1,419)	2,303	162.3%
505 Bldg.	30	(390)	420	107.6%
Investment Income & Other	2,896	1,250	1,646	131.7%
Total	$ 3,066	$ 5,615	$ (2,549)	(45.4%)

MLR

	Actual	Budget	% Point Var
Medi-Cal	97.3%	95.9%	(1.3)
OneCare	98.9%	91.0%	(7.9)
OneCare Connect	93.4%	93.7%	0.3

Administrative Cost ($000)

	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 42,741	$ 54,193	$ 11,452	21.1%
OneCare	522	582	60	10.3%
OneCare Connect	10,430	14,134	3,704	26.2%
PACE	637	704	67	9.5%
Total	$ 54,330	$ 69,613	$ 15,283	22.0%

Total FTE's YTD

	Actual	Budget	Fav / (Unfav)
Medi-Cal	5,056	5,315	259
OneCare	22	18	(4)
OneCare Connect	1,350	1,432	81
PACE	238	339	101
Total	6,667	7,104	437

MM per FTE

	Actual	Budget	Fav / (Unfav)
Medi-Cal	925	878	47
OneCare	333	407	(74)
OneCare Connect	79	92	(14)
PACE	5	3	1
Total	1,341	1,381	(40)

CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended December 31, 2016

	Month					
	Actual		Budget		Variance	
	$	PMPM*	$	PMPM*	$	PMPM
Member Months**	800,001		803,894		(3,893)	
Revenues						
Medi-Cal	$ 254,785,867	$ 325.92	$ 234,873,714	$ 300.86	$ 19,912,153	$ 25.06
OneCare	1,740,853	1,365.38	1,360,915	1,142.67	379,938	222.71
OneCare Connect	27,219,789	1,619.26	45,018,883	2,061.49	(17,799,094)	(442.23)
PACE	1,234,641	6,746.67	1,203,925	6,336.45	30,716	410.22
Total Operating Revenue	284,981,150	356.23	282,457,437	351.36	2,523,714	4.86
Medical Expenses						
Medi-Cal	246,711,368	315.60	227,181,889	291.01	(19,529,479)	(24.59)
OneCare	1,328,819	1,042.21	1,239,333	1,040.58	(89,486)	(1.63)
OneCare Connect	25,356,444	1,508.41	42,477,984	1,945.14	17,121,539	436.73
PACE	1,000,378	5,466.55	1,309,445	6,891.81	309,066	1,425.27
Total Medical Expenses	274,397,010	343.00	272,208,650	338.61	(2,188,360)	(4.38)
Gross Margin	10,584,140	13.23	10,248,787	12.75	335,354	0.48
Administrative Expenses						
Salaries and benefits	6,129,315	7.66	7,932,571	9.87	1,803,256	2.21
Professional fees	76,430	0.10	444,919	0.55	368,488	0.46
Purchased services	1,019,688	1.27	948,244	1.18	(71,444)	(0.10)
Printing and Postage	587,140	0.73	463,678	0.58	(123,462)	(0.16)
Depreciation and amortization	359,746	0.45	385,117	0.48	25,371	0.03
Other	960,827	1.20	1,103,125	1.37	142,298	0.17
Indirect Cost Allocation, Occupancy Expense	344,488	0.43	427,305	0.53	82,817	0.10
Total Administrative Expenses	9,477,635	11.85	11,704,959	14.56	2,227,323	2.71
Income (Loss) From Operations	1,106,505	1.38	(1,456,172)	(1.81)	2,562,677	3.19
Investment income						
Interest income	1,625,855	2.03	208,333	0.26	1,417,521	1.77
Realized gain/(loss) on investments	(28,046)	(0.04)	-	-	(28,046)	(0.04)
Unrealized gain/(loss) on investments	(264,014)	(0.33)	-	-	(264,014)	(0.33)
Total Investment Income	1,333,795	1.67	208,333	0.26	1,125,461	1.41
Net Rental Income	6,121	0.01	(65,083)	(0.08)	71,204	0.09
Other Income	-	-	-	-	-	-
Change In Net Assets	**2,479,068**	**3.10**	**(1,312,922)**	**(1.63)**	**3,791,990**	**4.73**
Medical Loss Ratio	**96.3%**		**96.4%**		**0.1%**	
Administrative Loss Ratio	**3.3%**		**4.1%**		**0.8%**	

* PMPMs for Revenues and Medical Expenses are calculated using line of business enrollment
** Includes MSSP

CalOptima - Consolidated - Year to Date
Statement of Revenue and Expenses
For the Six Months Ended December 31, 2016

	Actual		Year to Date Budget		Variance	
	$	PMPM*	$	PMPM*	$	PMPM
Member Months**	4,792,229		4,808,366		(16,137)	
Revenues						
Medi-Cal	$ 1,469,984,429	$ 314.25	$ 1,402,935,988	$ 300.57	$ 67,048,441	$ 13.68
OneCare	7,696,695	1,061.61	8,402,693	1,146.66	(705,998)	(85.04)
OneCare Connect	194,860,506	1,836.52	272,782,979	2,061.48	(77,922,473)	(224.96)
PACE	7,645,881	7,072.97	6,733,604	6,322.63	912,276	750.34
Total Operating Revenue	1,680,187,510	350.61	1,690,855,264	351.65	(10,667,754)	(1.04)
Medical Expenses						
Medi-Cal	1,429,875,675	305.67	1,345,721,948	288.31	(84,153,726)	(17.36)
OneCare	7,615,362	1,050.39	7,648,609	1,043.75	33,247	(6.64)
OneCare Connect	182,082,506	1,716.09	255,667,479	1,932.13	73,584,973	216.04
PACE	6,124,750	5,665.82	7,448,338	6,993.74	1,323,588	1,327.93
Total Medical Expenses	1,625,698,293	339.24	1,616,486,375	336.18	(9,211,918)	(3.05)
Gross Margin	54,489,218	11.37	74,368,889	15.47	(19,879,672)	(4.10)
Administrative Expenses						
Salaries and benefits	36,362,444	7.59	46,831,047	9.74	10,468,603	2.15
Professional fees	1,095,099	0.23	2,408,014	0.50	1,312,914	0.27
Purchased services	5,045,731	1.05	5,551,818	1.15	506,088	0.10
Printing and Postage	1,748,078	0.36	2,770,851	0.58	1,022,774	0.21
Depreciation and amortization	1,846,725	0.39	2,310,703	0.48	463,979	0.10
Other	6,072,938	1.27	7,171,906	1.49	1,098,968	0.22
Indirect cost allocation, Occupancy Expense	2,159,008	0.45	2,568,678	0.53	409,670	0.08
Total Administrative Expenses	54,330,022	11.34	69,613,018	14.48	15,282,995	3.14
Income (Loss) From Operations	159,195	0.03	4,755,872	0.99	(4,596,677)	(0.96)
Investment income						
Interest income	7,959,289	1.66	1,250,000	0.26	6,709,288	1.40
Realized gain/(loss) on investments	223,359	0.05	-	-	223,359	0.05
Unrealized gain/(loss) on investments	(5,286,973)	(1.10)	-	-	(5,286,973)	(1.10)
Total Investment Income	2,895,674	0.60	1,250,000	0.26	1,645,673	0.34
Net Rental Income	29,776	0.01	(390,500)	(0.08)	420,276	0.09
Other Income	623	0.00	-	-	623	0.00
Change In Net Assets	**3,065,608**	**0.64**	**5,615,372**	**1.17**	**(2,549,764)**	**(0.53)**
Medical Loss Ratio	**96.8%**		**95.6%**		**(1.2%)**	
Administrative Loss Ratio	**3.2%**		**4.1%**		**0.9%**	

* 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 December 31, 2016

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	552,963	228,770	781,733	1,275	16,810	183	800,001
REVENUES							
Capitation Revenue	$ 151,057,449	$ 103,728,418	$ 254,785,867	$ 1,740,853	$ 27,219,789	$ 1,234,641	$ 284,981,150
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	151,057,449	103,728,418	254,785,867	1,740,853	27,219,789	1,234,641	284,981,150
MEDICAL EXPENSES							
Provider Capitation	39,088,525	35,916,879	75,005,405	475,522	7,379,996		82,860,922
Facilities	29,221,584	31,699,067	60,920,651	246,359	6,576,350	207,168	67,950,528
Ancillary				47,325	774,298	-	821,623
Skilled Nursing				110,029	5,158,647	-	5,268,676
Professional Claims	13,447,567	7,858,631	21,306,197	-	-	210,989	21,517,186
Prescription Drugs	17,552,654	15,536,252	33,088,906	445,054	4,329,045	86,791	37,949,797
Quality Incentives					-		-
Long-term Care Facility Payments	46,560,982	6,134,677	52,695,659	-	-	2,297	52,697,956
Contingencies	-	-	-	-	-	-	-
Medical Management	3,129,613	-	3,129,613	30	1,047,645	391,666	4,568,953
Reinsurance & Other	(347,500)	912,437	564,937	4,500	90,464	101,466	761,368
Total Medical Expenses	148,653,425	98,057,943	246,711,368	1,328,819	25,356,444	1,000,378	274,397,010
Medical Loss Ratio	**98.4%**	**94.5%**	**96.8%**	**76.3%**	**93.2%**	**81.0%**	**96.3%**
GROSS MARGIN	**2,404,024**	**5,670,475**	**8,074,499**	**412,034**	**1,863,345**	**234,263**	**10,584,140**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			5,211,983	(42,646)	864,690	95,288	6,129,315
Professional Fees			62,924	20,889	2,308	(9,691)	76,430
Purchased Services			797,821	37,822	178,224	5,821	1,019,688
Printing and Postage			320,761	34,085	232,019	275	587,140
Depreciation and Amortization			357,681			2,065	359,746
Other Expenses			916,914	0	35,738	8,175	960,827
Indirect Cost Allocation, Occupancy Expense			48,909	13,811	279,779	1,989	344,488
Total Administrative Expenses			7,716,993	63,961	1,592,759	103,923	9,477,635
Admin Loss Ratio			**3.0%**	**3.7%**	**5.9%**	**8.4%**	**3.3%**
INCOME (LOSS) FROM OPERATIONS			357,506	348,073	270,586	130,340	1,106,505
INVESTMENT INCOME			-	-	-	-	1,333,795
NET RENTAL INCOME			-	-	-	-	6,121
NET GRANT INCOME			32,648	-	-	-	32,648
CHANGE IN NET ASSETS			**$ 390,154**	**$ 348,073**	**$ 270,586**	**$ 130,340**	**$ 2,479,068**
BUDGETED CHANGE IN ASSETS			(1,471,309)	19,289	225,345	(229,497)	(1,312,922)
VARIANCE TO BUDGET - FAV (UNFAV)			1,861,463	328,783	45,241	359,837	3,791,990

CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Six Months Ended December 31, 2016

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	3,986,735	691,060	4,677,795	7,250	106,103	1,081	4,792,229
REVENUES							
Capitation Revenue	$ 1,156,299,527	$ 313,684,901	$ 1,469,984,429	$ 7,696,695	$ 194,860,506	$ 7,645,881	$ 1,680,187,510
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	1,156,299,527	313,684,901	1,469,984,429	7,696,695	194,860,506	7,645,881	1,680,187,510
MEDICAL EXPENSES							
Provider Capitation	325,265,834	120,093,879	445,359,713	2,362,691	44,289,857		492,012,261
Facilities	257,365,115	97,882,871	355,247,986	1,964,601	57,201,847	1,431,547	415,845,981
Ancillary				261,630	4,517,468	-	4,779,098
Skilled Nursing				304,101	36,113,339	-	36,417,440
Professional Claims	91,469,918	23,468,015	114,937,934	-	-	1,217,680	116,155,614
Prescription Drugs	156,770,274	50,153,940	206,924,214	2,638,435	33,328,250	513,463	243,404,362
Quality Incentives					-		-
Long-term Care Facility Payments	267,935,329	18,483,483	286,418,812	-	-	23,511	286,442,323
Contingencies	-	-	-	-	-	-	-
Medical Management	17,555,138	-	17,555,138	57,008	6,067,409	2,357,139	26,036,695
Reinsurance & Other	598,341	2,833,536	3,431,878	26,895	564,336	581,410	4,604,518
Total Medical Expenses	1,116,959,950	312,915,725	1,429,875,675	7,615,362	182,082,506	6,124,750	1,625,698,293
Medical Loss Ratio	**96.6%**	**99.8%**	**97.3%**	**98.9%**	**93.4%**	**80.1%**	**96.8%**
GROSS MARGIN	**39,339,577**	**769,177**	**40,108,754**	**81,333**	**12,778,000**	**1,521,131**	**54,489,218**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Employee Benefits			31,091,637	88,965	4,635,382	546,460	36,362,444
Professional Fees			683,740	98,070	308,290	5,000	1,095,099
Purchased Services			4,084,093	135,405	804,713	21,518	5,045,731
Printing and Postage			1,222,255	58,268	465,555	2,000	1,748,078
Depreciation and Amortization			1,834,477			12,247	1,846,725
Other Expenses			5,830,538	1,692	204,718	35,991	6,072,938
Indirect Cost Allocation, Occupancy Expense			(2,006,012)	140,030	4,011,099	13,891	2,159,008
Total Administrative Expenses			42,740,728	522,430	10,429,757	637,107	54,330,022
Admin Loss Ratio			**2.9%**	**6.8%**	**5.4%**	**8.3%**	**3.2%**
INCOME (LOSS) FROM OPERATIONS			(2,631,974)	(441,097)	2,348,243	884,024	159,195
INVESTMENT INCOME			-	-	-	-	2,895,674
NET RENTAL INCOME			-	-	-	-	29,776
NET GRANT INCOME			(19,659)	-	-	-	(19,659)
OTHER INCOME			623	-	-	-	623
CHANGE IN NET ASSETS			**$ (2,651,010)**	**$ (441,097)**	**$ 2,348,243**	**$ 884,024**	**$ 3,065,608**
BUDGETED CHANGE IN ASSETS			3,021,093	171,808	2,981,950	(1,418,978)	5,615,372
VARIANCE TO BUDGET - FAV (UNFAV)			(5,672,103)	(612,905)	(633,707)	2,303,002	(2,549,764)

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is $2.5 million, $3.8 million favorable to budget
- Operating surplus is $1.1 million with a surplus in non-operating of $1.4 million

YEARLY RESULTS:

- Change in Net Assets is $3.1 million, $2.5 million unfavorable to budget
- Operating surplus is $0.2 million with a surplus in non-operating of $2.9 million

Change in Net Assets by LOB ($millions)

MONTH-TO-DATE			YEAR-TO-DATE			
Actual	Budget	Variance		Actual	Budget	Variance
0.4	(1.5)	1.9	Medi-Cal	(2.7)	3.0	(5.7)
0.3	0.0	0.3	OneCare	(0.4)	0.2	(0.6)
0.3	0.2	0.0	OCC	2.3	3.0	(0.6)
0.1	(0.2)	0.4	PACE	0.9	(1.4)	2.3
1.1	**(1.5)**	**2.6**	**Operating**	**0.1**	**4.8**	**(4.6)**
1.3	0.1	1.2	Inv./Rental Inc, MCO tax	2.9	0.9	2.1
1.3	**0.1**	**1.2**	**Non-Operating**	**2.9**	**0.9**	**2.1**
2.5	**(1.3)**	**3.8**	**TOTAL**	**3.1**	**5.6**	**(2.5)**

CalOptima

Enrollment Summary

For the Six Months Ended December 31, 2016

Month-to-Date					Year-to-Date			
Actual	**Budget**	**Variance**	**%**	**Enrollment (By Aid Category)**	**Actual**	**Budget**	**Variance**	**%**
59,246	55,551	3,695	6.7%	Aged	348,935	330,936	17,999	5.4%
619	678	(59)	(8.7%)	BCCTP	3,744	4,058	(314)	(7.7%)
48,766	47,387	1,379	2.9%	*Disabled*	291,084	284,773	6,311	2.2%
334,073	341,728	(7,655)	(2.2%)	TANF Child	2,008,513	2,038,891	(30,378)	(1.5%)
101,296	109,238	(7,942)	(7.3%)	TANF Adult	616,009	657,470	(41,461)	(6.3%)
3,245	2,711	534	19.7%	LTC	19,568	16,137	3,431	21.3%
234,488	223,384	11,104	5.0%	MCE	1,389,942	1,335,387	54,555	4.1%
781,733	**780,675**	**1,058**	**0.1%**	**Medi-Cal**	**4,677,795**	**4,667,649**	**10,146**	**0.2%**
16,810	**21,838**	**(5,028)**	**(23.0%)**	**OneCare Connect**	**106,103**	**132,324**	**(26,221)**	**(19.8%)**
183	**190**	**(7)**	**(3.7%)**	**PACE**	**1,081**	**1,065**	**16**	**1.5%**
1,275	**1,191**	**84**	**7.1%**	**OneCare**	**7,250**	**7,328**	**(78)**	**(1.1%)**
800,001	**803,894**	**(3,893)**	**(0.5%)**	**CalOptima Total**	**4,792,229**	**4,808,366**	**(16,137)**	**(0.3%)**

Enrollment (By Network)

49,406	48,536	870	1.8%	HMO	290,834	285,522	5,312	1.9%
229,258	235,368	(6,110)	(2.6%)	PHC	1,385,205	1,406,720	(21,515)	(1.5%)
339,364	340,006	(642)	(0.2%)	Shared Risk Group	2,049,841	2,044,896	4,945	0.2%
163,705	156,767	6,938	4.4%	Fee for Service	951,915	930,519	21,396	2.3%
781,733	**780,675**	**1,056**	**0.1%**	**Medi-Cal**	**4,677,795**	**4,667,649**	**10,146**	**0.2%**
16,810	**21,838**	**(5,028)**	**(23.0%)**	**OneCare Connect**	**106,103**	**132,324**	**(26,221)**	**(19.8%)**
183	**190**	**(7)**	**(3.7%)**	**PACE**	**1,081**	**1,065**	**16**	**1.5%**
1,275	**1,191**	**84**	**7.1%**	**OneCare**	**7,250**	**7,328**	**(78)**	**(1.1%)**
800,001	**803,894**	**(3,893)**	**(0.5%)**	**CalOptima Total**	**4,792,229**	**4,808,366**	**(16,137)**	**(0.3%)**

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2017

Network Type	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	MMs
HMO													
Aged	351	350	355	368	363	381	-	-	-	-	-	-	2,168
BCCTP	1	1	1	(8)	2	1	-	-	-	-	-	-	(2)
Disabled	1,799	1,797	1,813	1,866	1,853	1,858	-	-	-	-	-	-	10,986
TANF Child	24,211	24,455	24,733	24,928	24,987	25,083	-	-	-	-	-	-	148,397
TANF Adult	7,929	7,872	7,914	7,850	8,029	7,967	-	-	-	-	-	-	47,561
LTC	-	-	-	-	-	-	-	-	-	-	-	-	-
MCE	12,989	13,224	13,464	14,034	13,897	14,116	-	-	-	-	-	-	81,724
	47,280	47,699	48,280	49,038	49,131	49,406	-	-	-	-	-	-	290,834
PHC													
Aged	1,495	1,464	1,488	1,458	1,427	1,419	-	-	-	-	-	-	8,751
BCCTP	-	-	-	1	-	-	-	-	-	-	-	-	1
Disabled	7,903	7,872	7,862	7,865	7,804	7,779	-	-	-	-	-	-	47,085
TANF Child	169,358	168,529	169,733	169,714	168,615	168,294	-	-	-	-	-	-	1,014,243
TANF Adult	15,260	14,945	14,649	14,593	14,161	13,880	-	-	-	-	-	-	87,488
LTC	-	-	-	4	-	-	-	-	-	-	-	-	4
MCE	38,002	38,200	37,601	38,070	37,874	37,886	-	-	-	-	-	-	227,633
	232,018	231,010	231,333	231,705	229,881	229,258	-	-	-	-	-	-	1,385,205
Shared Risk Group													
Aged	7,658	7,627	7,635	7,726	7,528	7,546	-	-	-	-	-	-	45,720
BCCTP	-	-	-	8	1	-	-	-	-	-	-	-	9
Disabled	14,428	14,307	14,189	14,253	14,073	14,084	-	-	-	-	-	-	85,334
TANF Child	118,748	118,149	118,421	117,922	116,971	116,744	-	-	-	-	-	-	706,955
TANF Adult	63,849	62,814	62,579	62,266	61,355	60,893	-	-	-	-	-	-	373,756
LTC	-	-	-	3	3	3	-	-	-	-	-	-	9
MCE	140,640	140,811	137,172	139,776	139,565	140,094	-	-	-	-	-	-	838,058
	345,323	343,708	339,996	341,954	339,496	339,364	-	-	-	-	-	-	2,049,841
Fee for Service (Dual)													
Aged	43,684	45,173	45,173	45,522	46,007	46,233	-	-	-	-	-	-	271,792
BCCTP	27	26	24	23	23	23	-	-	-	-	-	-	146
Disabled	19,790	20,086	20,071	20,264	20,375	20,497	-	-	-	-	-	-	121,083
TANF Child	3	2	2	3	4	3	-	-	-	-	-	-	17
TANF Adult	1,179	1,162	1,184	1,197	1,181	1,216	-	-	-	-	-	-	7,119
LTC	2,868	2,910	2,941	2,906	2,940	2,914	-	-	-	-	-	-	17,479
MCE	2,960	2,975	2,721	2,750	2,822	2,893	-	-	-	-	-	-	17,121
	70,511	72,334	72,116	72,665	73,352	73,779	-	-	-	-	-	-	434,757
Fee for Service (Non-Dual)													
Aged	3,746	2,850	3,183	3,608	3,450	3,667	-	-	-	-	-	-	20,504
BCCTP	606	608	598	589	594	595	-	-	-	-	-	-	3,590
Disabled	4,533	4,269	4,390	4,368	4,488	4,548	-	-	-	-	-	-	26,596
TANF Child	22,710	23,011	22,504	23,069	23,658	23,949	-	-	-	-	-	-	138,901
TANF Adult	15,792	16,253	16,501	17,109	17,090	17,340	-	-	-	-	-	-	100,085
LTC	368	370	362	314	334	328	-	-	-	-	-	-	2,076
MCE	35,946	36,543	37,812	36,999	38,607	39,499	-	-	-	-	-	-	225,406
	83,701	83,904	85,350	86,056	88,221	89,926	-	-	-	-	-	-	517,158
MEDI-CAL TOTAL													
Aged	56,934	57,464	57,834	58,682	58,775	59,246	-	-	-	-	-	-	348,935
BCCTP	634	635	623	613	620	619	-	-	-	-	-	-	3,744
Disabled	48,453	48,331	48,325	48,616	48,593	48,766	-	-	-	-	-	-	291,084
TANF Child	335,030	334,146	335,393	335,636	334,235	334,073	-	-	-	-	-	-	2,008,513
TANF Adult	104,009	103,046	102,827	103,015	101,816	101,296	-	-	-	-	-	-	616,009
LTC	3,236	3,280	3,303	3,227	3,277	3,245	-	-	-	-	-	-	19,568
MCE	230,537	231,753	228,770	231,629	232,765	234,488	-	-	-	-	-	-	1,389,942
	778,833	778,655	777,075	781,418	780,081	781,733	-	-	-	-	-	-	4,677,795
PACE	177	179	179	180	183	183	-	-	-	-	-	-	1,081
OneCare	1,171	1,164	1,192	1,220	1,228	1,275	-	-	-	-	-	-	7,250
OneCare Connect	18,902	18,245	17,727	17,352	17,067	16,810	-	-	-	-	-	-	106,103
TOTAL	799,083	798,243	796,173	800,170	798,559	800,001	-	-	-	-	-	-	4,792,229

ENROLLMENT:

Overall MTD enrollment was 800,001

- Unfavorable to budget by 3,893
- Increased 1,442 or 0.2% from prior month
- Increased 4,134 or 0.5% from prior year (December 2015)

Medi-Cal enrollment was 781,733

- Favorable to budget by 1,058
    - Expansion favorable by 11,104
    - SPD favorable by 5,015
    - LTC favorable by 534
    - TANF unfavorable by 15,597
- Increased 1,652 from prior month

OneCare Connect enrollment was 16,810

- Unfavorable to budget by 5,028
- Decreased 257 from prior month

OneCare enrollment was 1,275

- Favorable to budget by 84
- Increased 47 from prior month

PACE enrollment at 183

- Under budget by 7
- No change from prior month

CalOptima - MediCal Total
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
781,733	780,675	1,058	0.1%	Member Months	4,677,795	4,667,649	10,146	0.2%
				Revenues				
254,785,867	234,873,714	19,912,153	8.5%	Capitation revenue	1,469,984,429	1,402,935,988	67,048,441	4.8%
254,785,867	234,873,714	19,912,153	8.5%	Total Operating Revenues	1,469,984,429	1,402,935,988	67,048,441	4.8%
				Medical Expenses				
75,005,405	75,177,809	172,405	0.2%	Provider capitation	445,359,713	449,943,056	4,583,343	1.0%
60,920,651	57,253,617	(3,667,034)	(6.4%)	Facilities	355,247,986	338,521,038	(16,726,948)	(4.9%)
21,306,197	17,763,617	(3,542,580)	(19.9%)	Professional Claims	114,937,934	102,128,046	(12,809,888)	(12.5%)
33,088,906	34,964,893	1,875,987	5.4%	Prescription drugs	206,924,214	205,874,044	(1,050,170)	(0.5%)
52,695,659	37,548,060	(15,147,599)	(40.3%)	MLTSS	286,418,812	222,708,815	(63,709,998)	(28.6%)
3,129,613	4,457,226	1,327,613	29.8%	Medical Management	17,555,138	26,446,950	8,891,812	33.6%
564,937	16,667	(548,271)	(3,289.6%)	Reinsurance & other	3,431,878	100,000	(3,331,878)	(3,331.9%)
246,711,368	227,181,889	(19,529,479)	(8.6%)	Total Medical Expenses	1,429,875,675	1,345,721,948	(84,153,726)	(6.3%)
8,074,499	7,691,825	382,674	5.0%	Gross Margin	40,108,754	57,214,039	(17,105,285)	(29.9%)
				Administrative Expenses				
5,211,983	6,846,893	1,634,910	23.9%	Salaries, wages & employee benefits	31,091,637	40,473,070	9,381,433	23.2%
62,924	329,112	266,188	80.9%	Professional fees	683,740	1,839,208	1,155,468	62.8%
797,821	746,298	(51,522)	(6.9%)	Purchased services	4,084,093	4,357,581	273,487	6.3%
320,761	311,420	(9,341)	(3.0%)	Printing and postage	1,222,255	1,877,445	655,191	34.9%
357,681	383,061	25,380	6.6%	Depreciation & amortization	1,834,477	2,298,366	463,889	20.2%
916,914	1,087,051	170,138	15.7%	Other operating expenses	5,830,538	6,586,640	756,103	11.5%
48,909	(540,702)	(589,611)	(109.0%)	Indirect cost allocation	(2,006,012)	(3,239,364)	(1,233,352)	(38.1%)
7,716,993	9,163,134	1,446,141	15.8%	Total Administrative Expenses	42,740,728	54,192,947	11,452,219	21.1%
				Operating Tax				
10,224,768	8,846,638	(1,378,130)	(15.6%)	Tax Revenue	73,556,907	52,928,297	(20,628,609)	(39.0%)
10,225,313	0	(10,225,313)	0.0%	Premium tax expense	61,351,878	0	(61,351,878)	0.0%
(545)	8,846,638	8,847,183	100.0%	Sales tax expense	12,205,028	52,928,297	40,723,269	76.9%
0	0	0	0.0%	Total Net Operating Tax	0	0	0	0.0%
				Grant Income				
300,000	287,500	12,500	4.3%	Grant Revenue	607,500	1,725,000	(1,117,500)	(64.8%)
255,000	250,000	(5,000)	(2.0%)	Grant expense - Service Partner	516,375	1,500,000	983,625	65.6%
12,352	37,500	25,148	67.1%	Grant expense - Administrative	110,784	225,000	114,216	50.8%
32,648	0	32,648	0.0%	Total Net Grant Income	(19,659)	0	(19,659)	0.0%
0	0	0	0.0%	Other income	623	0	623	0.0%
390,154	(1,471,309)	1,861,463	126.5%	Change in Net Assets	(2,651,010)	3,021,093	(5,672,103)	(187.8%)
96.8%	96.7%	-0.1%	-0.1%	Medical Loss Ratio	97.3%	95.9%	-1.3%	-1.4%
3.0%	3.9%	0.9%	22.4%	Admin Loss Ratio	2.9%	3.9%	1.0%	24.7%

MEDI-CAL INCOME STATEMENT – DECEMBER MONTH:

REVENUES of $254.8 million are favorable to budget by $19.9 million, driven by:

- Price related favorable variance of: $19.6 million due:
  - $10.0 million for IGT and QAF revenue true-up from FY15
  - $5.9 million of LTC revenue for non-LTC members
  - $3.0 million of additional revenue for behavior health therapy benefits for Kaiser members, primarily from prior year

- Volume related favorable variance of: $0.3 million

MEDICAL EXPENSES: Overall $246.7 million, unfavorable to budget by $19.5 million due to:

- **Long term care claim payments (MLTSS)** are unfavorable to budget $15.1 million due to:

  - IHSS related unfavorable variance of approximately $9.8 million

  - LTC unfavorable variance of $5.4 million driven by:
    - $3.4 million higher LTC claim expense due to less than anticipated members enrolling in OneCare Connect
    - $2.0 million variance from FY17 mandated rate increase

- **Professional claims** are unfavorable to budget $3.5 million due to:

  - Price related unfavorable variance of: $3.5 million related to higher IBNR expense in COD and Crossiver categories

ADMINISTRATION EXPENSES are $7.7 million, favorable to budget $1.4 million, driven by:

- Salary & Benefits: $1.6 million favorable to budget

- Non-Salary: $0.2 million unfavorable to budget

CHANGE IN NET ASSETS is $0.4 million for the month, favorable to budget by $1.9 million

CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
16,810	21,838	(5,028)	(23.0%)	Member Months	106,103	132,324	(26,221)	(19.8%)
				Revenues				
27,219,789	45,018,883	(17,799,094)	(39.5%)	Capitation revenue	194,860,506	272,782,979	(77,922,473)	(28.6%)
27,219,789	45,018,883	(17,799,094)	(39.5%)	Total Operating Revenue	194,860,506	272,782,979	(77,922,473)	(28.6%)
				Medical Expenses				
7,379,996	9,912,983	2,532,987	25.6%	Provider capitation	44,289,857	60,065,753	15,775,896	26.3%
6,576,350	11,464,354	4,888,004	42.6%	Facilities	57,201,847	69,081,726	11,879,879	17.2%
774,298	683,311	(90,987)	(13.3%)	Ancillary	4,517,468	4,140,385	(377,083)	(9.1%)
5,158,647	10,315,293	5,156,646	50.0%	Long Term Care	36,113,339	62,503,467	26,390,128	42.2%
4,329,045	8,196,206	3,867,161	47.2%	Prescription drugs	33,328,250	48,686,257	15,358,007	31.5%
1,047,645	1,276,923	229,278	18.0%	Medical management	6,067,409	7,379,111	1,311,701	17.8%
90,464	628,914	538,450	85.6%	Other medical expenses	564,336	3,810,780	3,246,444	85.2%
25,356,444	42,477,984	17,121,539	40.3%	Total Medical Expenses	182,082,506	255,667,479	73,584,973	28.8%
1,863,345	2,540,899	(677,555)	(26.7%)	Gross Margin	12,778,000	17,115,500	(4,337,500)	(25.3%)
				Administrative Expenses				
864,690	968,554	103,864	10.7%	Salaries, wages & employee benefits	4,635,382	5,674,126	1,038,744	18.3%
2,308	86,521	84,213	97.3%	Professional fees	308,290	439,520	131,230	29.9%
178,224	181,585	3,361	1.9%	Purchased services	804,713	1,071,822	267,109	24.9%
232,019	136,845	(95,175)	(69.5%)	Printing and postage	465,555	806,958	341,403	42.3%
35,738	4,560	(31,179)	(683.8%)	Other operating expenses	204,718	516,181	311,463	60.3%
279,779	937,491	657,712	70.2%	Indirect cost allocation, Occupancy Expense	4,011,099	5,624,944	1,613,845	28.7%
1,592,759	2,315,555	722,796	31.2%	Total Administrative Expenses	10,429,757	14,133,551	3,703,794	26.2%
				Operating Tax				
(184,247)	0	(184,247)	0.0%	Tax Revenue	(228,885)	0	(228,885)	0.0%
(184,247)	0	184,247	0.0%	Sales tax expense	(228,885)	0	228,885	0.0%
0	0	0	0.0%	Total Net Operating Tax	0	0	0	0.0%
270,586	225,345	45,241	20.1%	Change in Net Assets	2,348,243	2,981,950	(633,707)	(21.3%)
93.2%	94.4%	1.2%	1.3%	Medical Loss Ratio	93.4%	93.7%	0.3%	0.3%
5.9%	5.1%	-0.7%	-13.8%	Admin Loss Ratio	5.4%	5.2%	-0.2%	-3.3%

ONECARE CONNECT INCOME STATEMENT – DECEMBER MONTH:

REVENUES of $27.2 million are unfavorable to budget by $17.8 million driven by:

- Price related unfavorable variance of: $7.4 million due to cohort experience ($1.6M), as well as a CMC Medi-Cal captitation rate adjustment for prior year ($5.8M)
- Volume related unfavorable variance of: $10.4 million due to lower than budgeted enrollment

MEDICAL EXPENSES are favorable to budget $17.1 million due to:

- Corresponding to revenue, and lower prescription drug and long-term care experience

ADMINISTRATIVE EXPENSES are favorable to budget by $0.7 million

CHANGE IN NET ASSETS is $0.3 million, in line with budget

CalOptima - OneCare
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
1,275	1,191	84	7.1%	Member Months	7,250	7,328	(78)	(1.1%)
				Revenues				
1,740,853	1,360,915	379,938	27.9%	Capitation revenue	7,696,695	8,402,693	(705,998)	(8.4%)
1,740,853	1,360,915	379,938	27.9%	Total Operating Revenue	7,696,695	8,402,693	(705,998)	(8.4%)
				Medical Expenses				
475,522	368,906	(106,616)	(28.9%)	Provider capitation	2,362,691	2,280,945	(81,746)	(3.6%)
246,359	304,231	57,872	19.0%	Inpatient	1,964,601	1,872,362	(92,239)	(4.9%)
47,325	47,586	261	0.5%	Ancillary	261,630	290,001	28,371	9.8%
110,029	22,650	(87,379)	(385.8%)	Skilled nursing facilities	304,101	137,887	(166,214)	(120.5%)
445,054	455,022	9,968	2.2%	Prescription drugs	2,638,435	2,800,007	161,572	5.8%
30	50,848	50,818	99.9%	Medical management	57,008	159,156	102,148	64.2%
4,500	(9,910)	(14,410)	(145.4%)	Other medical expenses	26,895	108,251	81,356	75.2%
1,328,819	1,239,333	(89,486)	(7.2%)	Total Medical Expenses	7,615,362	7,648,609	33,247	0.4%
412,034	121,582	290,452	238.9%	Gross Margin	81,333	754,084	(672,751)	(89.2%)
				Administrative Expenses				
(42,646)	22,009	64,654	293.8%	Salaries, wages & employee benefits	88,965	128,204	39,239	30.6%
20,889	17,619	(3,270)	(18.6%)	Professional fees	98,070	84,286	(13,784)	(16.4%)
37,822	19,373	(18,450)	(95.2%)	Purchased services	135,405	116,344	(19,062)	(16.4%)
34,085	13,710	(20,375)	(148.6%)	Printing and postage	58,268	75,949	17,681	23.3%
0	89	89	100.0%	Other operating expenses	1,692	532	(1,160)	(218.3%)
13,811	29,494	15,683	53.2%	Indirect cost allocation, Occupancy Expense	140,030	176,961	36,931	20.9%
63,961	102,293	38,331	37.5%	Total Administrative Expenses	522,430	582,276	59,846	10.3%
348,073	19,289	328,783	1,704.5%	Change in Net Assets	(441,097)	171,808	(612,905)	(356.7%)
76.3%	91.1%	14.7%	16.2%	Medical Loss Ratio	98.9%	91.0%	-7.9%	-8.7%
3.7%	7.5%	3.8%	51.1%	Admin Loss Ratio	6.8%	6.9%	0.1%	2.0%

CalOptima - PACE
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
183	190	(7)	(3.7%)	Member Months	1,081	1,065	16	1.5%
				Revenues				
908,737	850,510	58,227	6.8%	Medi-Cal capitation revenue	5,753,876	4,765,098	988,777	20.8%
325,904	353,415	(27,511)	(7.8%)	MediCare capitation revenue	1,892,005	1,968,506	(76,501)	(3.9%)
1,234,641	1,203,925	30,716	2.6%	Total Operating Revenues	7,645,881	6,733,604	912,276	13.5%
				Medical Expenses				
297,160	405,480	108,320	26.7%	Clinical salaries & benefits	1,733,699	2,378,666	644,967	27.1%
0	0	0	0.0%	Pace Center Support salaries & benefits	0	0	0	0.0%
207,168	247,354	40,185	16.2%	Claims payments to hospitals	1,431,547	1,371,364	(60,183)	(4.4%)
210,989	263,277	52,287	19.9%	Professional Claims	1,217,680	1,450,263	232,582	16.0%
86,791	141,346	54,555	38.6%	Prescription drugs	513,463	783,645	270,182	34.5%
2,297	25,333	23,036	90.9%	Long-term care facility payments	23,511	140,452	116,941	83.3%
82,116	78,638	(3,477)	(4.4%)	Patient Transportation	403,909	435,983	32,074	7.4%
49,564	49,349	(215)	(0.4%)	Depreciation & amortization	293,934	296,094	2,160	0.7%
37,655	37,214	(441)	(1.2%)	Occupancy expenses	225,929	223,284	(2,645)	(1.2%)
7,286	13,833	6,547	47.3%	Utilities & Facilities Expense	102,688	82,998	(19,690)	(23.7%)
0	288	288	100.0%	Purchased Services	889	1,597	708	44.3%
10,084	24,547	14,463	58.9%	Indirect Allocation	107,468	147,282	39,814	27.0%
9,266	22,785	13,519	59.3%	Other Expenses	70,033	136,711	66,678	48.8%
1,000,378	1,309,445	309,066	23.6%	Total Medical Expenses	6,124,750	7,448,338	1,323,588	17.8%
234,263	(105,520)	339,782	322.0%	Gross Margin	1,521,131	(714,734)	2,235,865	312.8%
				Administrative Expenses				
95,288	95,116	(173)	(0.2%)	Salaries, wages & employee benefits	546,460	555,647	9,187	1.7%
(9,691)	11,667	21,358	183.1%	Professional fees	5,000	45,000	40,000	88.9%
5,821	988	(4,833)	(489.2%)	Purchased services	21,518	6,072	(15,446)	(254.4%)
275	1,703	1,428	83.9%	Printing and postage	2,000	10,499	8,499	81.0%
2,065	2,056	(9)	(0.4%)	Depreciation & amortization	12,247	12,337	90	0.7%
8,175	11,426	3,250	28.4%	Other operating expenses	35,991	68,553	32,562	47.5%
1,989	1,023	(966)	(94.5%)	Indirect cost allocation, Occupancy Expense	13,891	6,136	(7,754)	(126.4%)
103,923	123,977	20,055	16.2%	Total Administrative Expenses	637,107	704,244	67,137	9.5%
130,340	(229,497)	359,837	156.8%	Change in Net Assets	884,024	(1,418,978)	2,303,002	162.3%
81.0%	108.8%	27.7%	25.5%	Medical Loss Ratio	80.1%	110.6%	30.5%	27.6%
8.4%	10.3%	1.9%	18.3%	Admin Loss Ratio	8.3%	10.5%	2.1%	20.3%

CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
				Revenues				
				Revenues				
24,056	21,285	2,772	13.0%	Rental income	144,339	127,710	16,629	13.0%
24,056	21,285	2,772	13.0%	Total Operating Revenue	144,339	127,710	16,629	13.0%
				Administrative Expenses				
1,525	2,085	560	26.8%	Professional fees	8,571	12,510	3,939	31.5%
28,505	22,405	(6,100)	(27.2%)	Purchase services	179,554	134,429	(45,125)	(33.6%)
158,794	210,141	51,347	24.4%	Depreciation & amortization	938,196	1,260,845	322,648	25.6%
16,000	14,300	(1,700)	(11.9%)	Insurance expense	96,003	85,802	(10,201)	(11.9%)
93,019	189,537	96,518	50.9%	Repair and maintenance	585,449	1,137,224	551,775	48.5%
28,774	0	(28,774)	0.0%	Other Operating Expense	278,472	0	(278,472)	0.0%
(308,682)	(352,100)	(43,418)	(12.3%)	Indirect allocation, Occupancy Expense	(1,971,682)	(2,112,599)	(140,917)	(6.7%)
17,936	86,368	68,433	79.2%	Total Administrative Expenses	114,563	518,210	403,647	77.9%
6,121	(65,083)	71,204	109.4%	Change in Net Assets	29,776	(390,500)	420,276	107.6%

OTHER STATEMENTS – DECEMBER MONTH:

ONECARE INCOME STATEMENT

REVENUES of $1.7 million are favorable to budget by $0.4 million due to actual membership experience

CHANGE IN NET ASSETS is $0.3 million, $0.3 million favorable to budget

PACE INCOME STATEMENT

- **Change in Net Assets** for the month is $130.3 thousand, which is operating favorable to budget by $359.8 thousand

505 CITY PARKWAY BUILDING INCOME STATEMENT

- **Change in Net Assets** for the month is $6.1 thousand which is favorable to budget $71.2 thousand

CalOptima
BALANCE SHEET
December 31, 2016

ASSETS		
Current Assets		
	Operating Cash	$686,243,544
	Catastrophic Reserves	11,637,915
	Investments	1,291,463,357
	Capitation receivable	323,152,084
	Receivables - Other	24,819,684
	Prepaid Expenses	11,088,967
	Total Current Assets	**2,348,405,551**
Capital Assets	Furniture and equipment	33,303,693
	Leasehold improvements	7,785,652
	505 City Parkway West	49,269,863
		90,359,207
	Less: accumulated depreciation	(34,882,362)
	Capital assets, net	**55,476,846**
Other Assets	Restricted deposit & Other	300,000
	Board-designated assets	
	Cash and cash equivalents	3,158,986
	Long term investments	527,676,111
	Total Board-designated Assets	530,835,097
	Total Other Assets	**531,135,097**
	Deferred outflows of Resources - Pension Contributions	3,787,544
	Deferred outflows of Resources - Difference in Experience	1,215,473
TOTAL ASSETS & OUTFLOWS		**2,940,020,510**

LIABILITIES & FUND BALANCES	
Current Liabilities	
Accounts payable	$41,160,847
Medical claims liability	717,681,422
Accrued payroll liabilities	8,691,224
Deferred revenue	962,318,501
Deferred lease obligations	267,070
Capitation and withholds	505,544,188
Total Current Liabilities	**2,235,663,252**
Other employment benefits liability	28,926,866
Net Pension Liabilities	10,543,065
Long Term Liabilities	100,000
TOTAL LIABILITIES	**2,275,233,183**
Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640
Tangible net equity (TNE)	94,663,492
Funds in excess of TNE	567,969,295
Net Assets	**662,632,787**
TOTAL LIABILITIES, INFLOWS & FUND BALANCES	**2,940,020,510**

CalOptima
Board Designated Reserve and TNE Analysis
as of December 31, 2016

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	145,148,288				
	Tier 1 - Logan Circle	144,852,055				
	Tier 1 - Wells Capital	144,950,870				
Board-designated Reserve						
		434,951,213	277,968,755	437,668,289	156,982,458	(2,717,076)
TNE Requirement	Tier 2 - Logan Circle	95,883,884	94,663,492	94,663,492	1,220,392	1,220,392
	Consolidated:	**530,835,097**	**372,632,247**	**532,331,781**	**158,202,850**	**(1,496,685)**
	Current reserve level	1.99	1.40	2.00		

CalOptima
Statement of Cash Flows
December 31, 2016

	Month Ended	Year-To-Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	2,479,068	3,065,608
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	359,746	1,846,725
Changes in assets and liabilities:		
Prepaid expenses and other	(36,815)	(4,304,720)
Catastrophic reserves		
Capitation receivable	241,834,170	138,779,239
Medical claims liability	(182,068,811)	118,986,564
Deferred revenue	91,075,933	371,615,860
Payable to providers	(5,967,450)	103,717,886
Accounts payable	9,592,622	32,605,001
Other accrued liabilities	861,342	5,144,365
Net cash provided by/(used in) operating activities	158,129,806	771,456,528
GASB 68 CalPERS Adjustments	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	119,094,602	(272,198,725)
Purchase of property and equipment	(2,911)	(2,328,006)
Change in Board designated reserves	(5,330,285)	(54,999,731)
Net cash provided by/(used in) investing activities	113,761,406	(329,526,462)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	271,891,212	441,930,065
CASH AND CASH EQUIVALENTS, beginning of period	$425,990,247	255,951,393
CASH AND CASH EQUIVALENTS, end of period	**$ 697,881,459**	**$ 697,881,459**

BALANCE SHEET:

ASSETS Decreased $84.0 million from November

- **Cash and Cash Equivalents** increased by $271.9 million from November based upon timing of state checks received, month-end cut-off and cash funding requirements
- **Net Capitation Receivables** decreased $246.9 million based upon payment receipt timing along with QAF and IGT payments received
- **Investments** decreased $119.1 million due to payment receipt timing and cash funding requirements

LIABILITIES decreased $86.5 million from November

- **Medical Claims Liability** decreased by $182.1 million from November due to:
    - IGT & QAF payments
- **Total Capitation Payable** decreased $6.0 million based upon timing of pool estimates, recalculations and payouts
- **Accrued Expenses** increased **$**12.0 million due to monthly sales tax accrual

NET ASSETS are $662.6 million

CalOptima Foundation
Statement of Revenues and Expenses
For the Six Months Ended December 31, 2016
Consolidated

Month					Year - To - Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
				Revenues				
0	2,264	(2,264)	(100.0%)	Income - Grant	27,164	13,586	13,578	99.9%
2,083	0	2,083	100.0%	In Kind Revenue - HITEC Grant	66,163	0	66,163	100.0%
2,083	2,264	(181)	(8.0%)	Total Operating Revenue	93,327	13,586	79,741	586.9%
				Operating Expenditures				
0	6,184	6,184	100.0%	Personnel	27,195	37,105	9,910	26.7%
0	2,985	2,985	100.0%	Taxes and Benefits	26,240	17,909	(8,331)	(46.5%)
0	0	0	0.0%	Travel	(3)	0	3	(100.0%)
0	0	0	0.0%	Supplies	7,009	10,000	2,991	29.9%
0	0	0	0.0%	Contractual	20,388	17,174	(3,214)	(18.7%)
2,083	232,065	229,982	99.1%	Other	12,498	1,392,391	1,379,893	99.1%
2,083	241,234	239,151	99.1%	Total Operating Expenditures	93,327	1,474,579	1,381,252	93.7%
0	0	0	0.0%	Investment Income	0	0	0	0.0%
0	(238,970)	(238,970)	(100.0%)	Program Income	0	(1,460,993)	(1,460,993)	(100.0%)

CalOptima Foundation
Balance Sheet
December 31, 2016

ASSETS		**LIABILITIES & NET ASSETS**	
Operating cash	2,894,845	Accounts payable-Current	0
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	**2,894,845**	Grants-Foundation	0
		Total Current Liabilities	0
		Total Liabilities	0
		Net Assets	2,894,845
TOTAL ASSETS	**2,894,845**	**TOTAL LIABILITIES & NET ASSETS**	**2,894,845**

CALOPTIMA FOUNDATION – DECEMBER MONTH

INCOME STATEMENT:

Revenues

- Revenues from Health Information Technology for Economics and Clinical Health (HITEC) and in-kind contributions from CalOptima
    - The Foundation recognized $93,327 FY17 YTD in total operating revenues.
    - HITEC Grant revenue totaled $27,164 YTD which leaves zero balance in HITEC Grant funding as of December 2016
    - CalOptima in-kind contribution totaled $66,163 YTD
- Revenue budget variances attributed to:
    - YTD: CalOptima grant budget is zero, as the ONC grant funding was to have ended in the previous fiscal year. The grant was extended through September 26, 2016.
    - CalOptima in-kind revenue was not included in FY17 budget

Expenses

- $93,327 for grant related activities incurred YTD FY17
- Expense categories include staff services, travel and miscellaneous supplies
    - $1,381,252 favorable variance YTD
    - FY17 budget was based on remaining fund balance in Foundation total assets
    - Actual expenses were much lower than anticipated for CalOptima support activities

BALANCE SHEET:

Assets

- Cash of $2.9 million remains from the FY14 $3.0 million transfer from CalOptima for grants and programs in support of providers and community

Liabilities

- Zero

Budget Allocation Changes
Reporting changes for December 2016

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	OneCare Connect	Office of Compliance - Professional Fees (Consultant for Annual CPE Audit & CMS Mock Audit)	Office of Compliance - Professional Fees - Consultant for DMHC Mock Audit	$69,000	Re-purpose $53,631 from Professional Fees (Consultant for Annual CPE Audit) and $15,369 from Professional Fees (Consultant for CMS Mock Audit) to pay for consultant for DMHC Mock Audit	2017
July	COREC	REC - Other	REC - Comp Supply/Minor Equip	$10,000	Re-allocate funds to cover costs for computer equipment upgrade which is approved ONC grant managers	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	$63,810	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Ceridian Software Maintenance	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	$15,010	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Talentova Learning Management System	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	$23,900	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for Silk Road	2017
July	Medi-Cal	Claims Administration - Purchased Services - Integration of Claim Editing Software	Claims Administration - Purchased Services - LTC Rate Adjustments	$98,000	Re-purpose funds from within Purchased Services (Integration of Claim Editing Software) to pay for LTC Adjustments (TriZetto Robot Process)	2017
July	Medi-Cal	Human Resources - Advertising, Travel, Comp Supply/Minor Equip, Subscriptions, Courier/Delivery	Human Resources - Professional Fees (Salary & Compensation Research), Public Activities, Office Supplies, Food Service Supplies, Professional Dues, Training & Seminars, Cert./Cont. Education	$84,491	Re-allocate HR FY17 Budget based on HR dept's past spending trends to better meet department's need	2017
July	Medi-Cal	IS-Infrastructure - Telephone - General Telecommunication and Network Connectivity	IS-Infrastructure - Purchased Services - Disaster Recovery Services	$35,575	Re-allocate funds from Telephone (General Telecommunication and Network Connectivity) to Purchased Services to pay for Disaster Recovery Services	2017
August	Medi-Cal	Other Pay	Quality Analytics - Purchased Services	$67,000	Re-allocate funds to Quality Analytics Purchased Services for additional funds that is needed for CG-CAHPS survey	2017
August	Medi-Cal	Other Pay	Community Relations - Professional Fees & Printing	$43,640	Re-allocate funds to Community Relations Professional Fees and Printing budgets for contracts with Tony Lam and Communications Lab and printing costs of Community Option Fair	2017
August	Medi-Cal	IS-Application Management - Purchased Services - Healthcare Productivity Automation	IS-Application Management - Purchased Services - Direct Hire Fees	$10,957	Re-purpose funds from Purchased Services (Healthcare Productivity Automation) to pay for Direct Hire fees	2017
August	Medi-Cal	Other Pay	IS-Application Development - Comp Supplies/Minor Equipments	$20,400	Re-allocate funds to cover costs of DocuSign, Box, and Primal Script 2016	2017
August	Medi-Cal	Claims Administration - Purchased Services	Claims Administration - Office Supplies, Training & Seminars, Printing	$15,000	Re-allocate funds from Purchased Services (Integration of Claim Editing Software & Inventory Management Forecasting) to Office Supplies, Training & Seminars, and Printing to better meet department's needs	2017
September	Medi-Cal	Health Education & Disease Management - Professional Fees	Health Education & Disease Management - Other Operating Expenses	$30,000	Re-allocate funds from Professional Fees (Childhood Obesity Program Design & Evaluation) to Member & Provider Incentives to support incentives for the Group Needs Assessment (GNA) and other Health Education / Disease Management activities.	2017
October	Capital	Facilities - Relocate Trash Enclosure	Facilities - 505 Sound Recording System	$50,555	Re-allocate from Relocate Trash Enclosure project for additional funds that are needed for the 505 Sound Recording System project.	2017
October	Medi-Cal	IS-Infrastructure - Professional Fees - Enterprise Identity Access Management	IS-Infrastructure - HW/SW Maintenance - Information Security Data Loss Prevention Solution	$21,041	Re-allocate from Professional Services for an Enterprise Identity Access Management to HW/SW Maintenance for Information Security Data Loss Prevention Solution Annual Maintenance on additional funds that are needed.	2017
October	Medi-Cal	Facilities - Computer Supply/Minor Equipment - Office Furniture & Equipment	Facilities - Computer Supply/Minor Equipment - Other Articles of Minor Equipment	$27,000	Repurpose funds in Comp supply/minor equipment for re-upholstering chairs in the member service lobby and other minor equipment expenses to better meet the Department's need.	2017
December	Medi-Cal	Human Resources - Professional Fees - Executive Coaching	Human Resources - Professional Fees - Consultant Fees	$20,000	Repurpose from Executive Coaching for interim director of HR consultant fees	2017
December	Medi-Cal	Health Education & Disease Management - Medical Management Activities	Health Education & Disease Management - Medical Management Activities	$75,000	Repurpose funds for the department printing and postage needs	2017

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.

Health Consumer Action Center
(HCAC) of the Legal Aid Society of Orange County

OMBUDSMAN UPDATE

Sara Lee, Supervising Attorney
OSP Toll Free 1-855-501-3077
Legal Aid Society of Orange County
Hotline 1-800-834-5001
Korean Hotline : 714-489-2796

- LASOC continues to receive direct referrals from CalOptima regarding losing Medi-Cal (per month) for mostly OCC members.
- Many of the cases involve proposed Medi-Cal and OCC termination and/or other issues related to OCC coverage (ex: benefits questions, billing issue, enrollment questions)

- Medi-Cal termination due to failure to complete the redetermination

- Case Examples

  - 1) Consumers timely submitted the requested documents for the redetermination process before the Medi-Cal termination dates but they were not processed.

  - 2) Consumers stated that they didn't receive the notice from CalOptima and/or County and found out about OCC termination through the provider.

  - 3) Consumer did not timely submit the requested information to complete the redetermination process.

  - LASOC is able to resolve Medi-Cal eligibility issues and can assist consumers in obtaining retroactive Medi-Cal eligibility, but is not always able to maintain OCC coverage without a gap. LASOC advises consumers about OCC reenrollment, LINET, and enrollment in the Part D Prescription Drug plan due to OCC termination if they decide not to enroll in OCC.

- An Orange County consumer with straight Medicare needed help with Medi-Cal re-instatement. She was disenrolled from the OCC plan due to the Medi-Cal termination. She lost Medi-Cal even although she submitted the redetermination packet a week before the due date. When LASOC followed up with the County, it responded that the redetermination was processed on the due date and that her Medi-Cal was already reinstated. LASOC requested for retroactive CMC plan enrollment since consumer was not at fault for the Medi-Cal termination and sought services from the CMC plan provider. The plan was unable to retroactively enroll her unless she tried to request it through CMC. Consumer expressed that she was not interested in enrolling in the CMC plan but more concerned about the billing issue with the CMC plan provider for services used during the month without the CMC plan coverage. LASOC contacted her CMC plan provider to educate the billing process of sending claims to Medicare directly and the prohibition against illegal balance billing. The provider agreed to bill Medicare and LASOC confirmed with the provider that they were paid for all the services. Consumer decided to re-enroll in the plan and continued to see the provider without any billing issues.

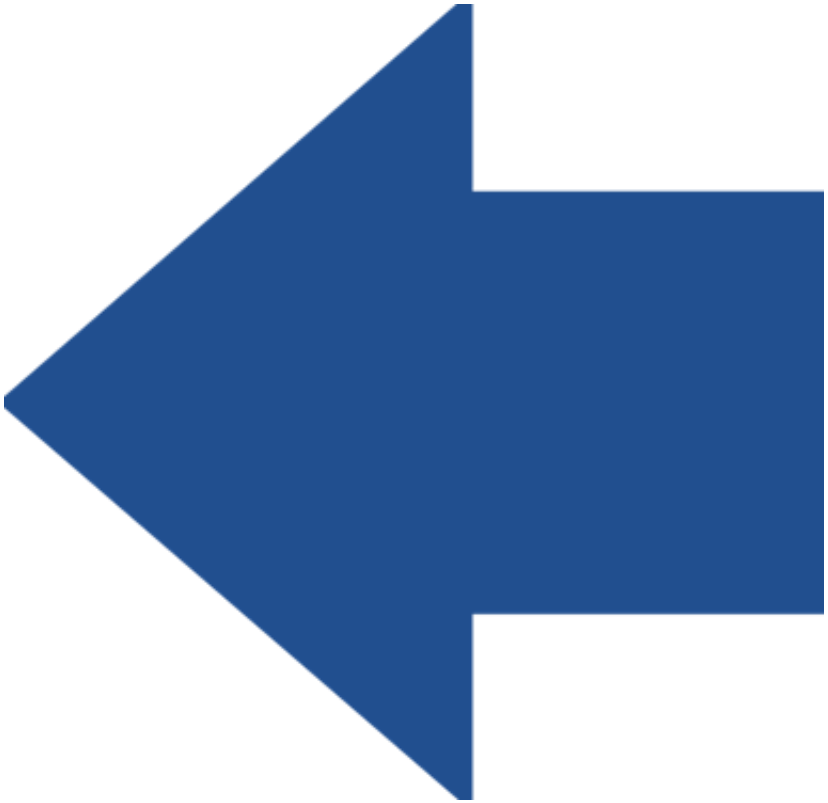
- Medi-Cal termination and OCC disenrollment if consumer does not submit renewal packet well in advance of the deadline since County takes time to process and upload it in the system (MEDS).

- Will CalOptima retroactively re-enroll consumers in OCC if consumer was not at fault for losing Medi-Cal eligibility? (Ex: Aid code issue or system glitch such as not posted on MEDS although eligible) Providers may not see dual eligibles unless beneficiaries are enrolled in OCC

Outreach Education

-LASOC continues to outreach and educate dual eligible consumers, including OCC consumers on OCC plan, its benefits, illegal balance billing, the importance of complying with the renewal process or resolving their Medi-Cal eligibility issue to retain OCC enrollment during the deeming period, and that Medi-Cal termination can cause disruption in services, and deduction of Medicare premium payment from their Social Security check.

-LASOC also educates beneficiaries on their rights and LASOC's role as the Ombudsman to assists with their issues.



CalOptima Pay for Value Results

OCC Member Advisory Committee

Richard Bock, DCMO
Caryn Ireland, Ex Dir, Quality and Analytics

Program Objectives and Value

- Recognize and reward Health Networks and their physicians for demonstrating quality performance
- To provide comparative information for members, providers and the public on CalOptima's performance
- To provide industry standard benchmarks and data driven feedback to the Health Networks on their quality improvement efforts
- Focus on triple aim:
  - ❖better population health
  - ❖better care for individuals
  - ❖lower healthcare costs

P4P Medi-Cal Measures (Clinical Domain)

Adult Measures	Child Measures
Breast Cancer Screening (BCS)	Well-Care Visits in the 3-6 years of life (W34)
Cervical Cancer Screening (CCS)	Adolescent Well-Care Visits (AWC)
Comprehensive Diabetes Care (CDC) HbA1c testing	Childhood Immunization Status Combo 10 (CIS)
Comprehensive Diabetes Care (CDC) Retinal Eye Exam	Appropriate Testing for Children with Pharyngitis (CWP)
Adult's Access to Preventive Care Services (AAP)	Appropriate Treatment for Children with Upper Respiratory Infection (URI)
	Medication Management for People with Asthma (MMA)

P4P Medi-Cal CAHPS Measures (Patient Experience Domain)

Child and Adult Measures
Getting appointment with a Specialist
Timely Care and Service
Rating of Primary Care Physician
Rating of All Healthcare

2016 Total Medi-Cal Allocations (Clinical and CAHPS Measures)

Total Accrual	HEDIS Allocation	Survey Allocation	Total Amount Paid	Remaining Allocated Dollars	Percent Remaining
$ 14,845,614.00	$ 2,642,309.93	$ 1,293,032.75	$ 3,935,342.68	$ 10,910,271.32	73.49%

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2016 Allocations by Health Network (Medi-Cal Measures)

Health Network	% HEDIS Earned	% Survey Earned	% of Total Amount Paid	Percentage Remaining
HN - A	21.67%	0.00%	21.67%	78.33%
HN - B	10.83%	10.00%	20.83%	79.17%
HN - C	5.42%	5.63%	11.04%	88.96%
HN - D	16.25%	12.50%	28.75%	71.25%
HN - E	32.50%	8.75%	41.25%	58.75%
HN - F	10.83%	16.25%	27.08%	72.92%
HN - G	10.83%	8.13%	18.96%	81.04%
HN - H	5.42%	0.00%	5.42%	94.58%
HN - I	21.67%	11.88%	33.54%	66.46%
HN - J	21.67%	15.00%	36.67%	63.33%
HN - K	21.67%	10.00%	31.67%	68.33%
TOTAL	**17.80%**	**8.71%**	**26.51%**	**73.49%**

P4P Quality OneCare Measures (Clinical Domain)

Breast Cancer Screening (BCS)	Comprehensive Diabetes Care (CDC) HbA1c Screening
Colorectal Cancer Screening (COL)	Comprehensive Diabetes Care (CDC) HbA1c Control (<8%)
Adults access to Preventive / Ambulatory Health Services (AAP)	Comprehensive Diabetes Care (CDC) Retinal Eye Exam
	Comprehensive Diabetes Care (CDC) Nephropathy Screening

P4P OneCare CAHPS Measures (Patient Experience Domain)

OneCare Measures
Getting Needed Care
Getting Appointments and Care Quickly
Overall Rating of Healthcare Quality
Annual Flu Vaccine

2016 Total Allocations (OneCare Measures)

Total Accrual	HEDIS Allocation	Survey Allocation	Total Amount Paid	Remaining Allocated Dollars	Percent Remaining
$2,492,469.84	$ 327,068.28	$258,186.00	$ 585,254.28	$ 1,907,215.56	76.52%

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2016 Allocation by Health Networks (OneCare Measures)

Health Network	% HEDIS Earned	%Survey Earned	% of Total Amount Paid	Percentage Remaining
HN-I	5.35%	12.52%	17.88%	82.12%
HN-II	16.06%	3.13%	19.19%	80.81%
HN-III	0.00%	0.00%	0.00%	100.00%
HN-IV	5.35%	3.13%	8.48%	91.52%
HN-V	10.71%	18.79%	29.49%	70.51%
HN-VI	0.00%	12.52%	12.52%	87.48%
HN-VII	32.12%	0.00%	32.12%	67.88%
HN-VIII	0.00%	12.52%	12.52%	87.48%
TOTAL	**13.12%**	**10.36%**	**23.48%**	**76.52%**

Actions:

- Incentives earned were mailed in December, 2016
- Reviewing 2015 P4V results with HN operations staff during Joint Operating Meeting and/or HN/CalOptima Quality Team meeting
- Comparing 2015 P4V results with 2016 YTD performance with HN staff and discussing specific actions to help improve scores for 2017

Pay for Value:
Measurement Year 2016 Changes

- Similar Clinical & CAHPS measures, however:
  - HNs responsible for both Adult & Child Measures
- Introduced Display Measures
  - IHA, Ambulatory Care (Outpatient & ER Visits, Readmissions)
- Retired OneCare Program
- Added OneCare Connect
- Changed Payment Methodology
  - Payment for Performance & Improvement
  - Added Acuity Scale (SPD 4X, TANF 1X)

Medi-Cal P4V Clinical Measures

Measurement Year 2017 Measures	
Adult Measures	**Child Measures**
Adult's Access to Preventive Care Services (AAP)	Children's Access to Primary Care Physicians (CAP)
Breast Cancer Screening (BCS)	Well-Child Visits in the 3-6 Years of life (W34)
Cervical Cancer Screening (CCS)	Adolescent Well-Care Visits (AWC)
Comprehensive Diabetes Care (CDC): HbA1C Testing	Childhood Immunization Status (CIS) Combo 10
Comprehensive Diabetes Care (CDC): Retinal Eye Exams	Appropriate Testing for Children with Pharyngitis (CWP)
Medication Management for People with Asthma (MMA)	Appropriate Treatment for Children with Upper Respiratory Infection (URI)
* No change in clinical measures from 2016	Medication Management for People with Asthma (MMA)

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MediCal P4V CAHPS Measures

Measurement Year 2017 Measures
Child and Adult Measures
Getting Appointment with a Specialist
Timely Care & Service
Rating of Primary Care Physician
Rating of All HealthCare
* No change in survey measures from 2016

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OCC P4V Clinical Measures

Measurement Year 2017 Measures
1. Plan All Cause Readmissions
2. Behavioral Health: • Antidepressant Medication Management
3. Controlling Blood Pressure
4. Medication Adherence for Oral Anti-Diabetes Medications (Part D measure)
* No change in clinical measures from 2016; * Clinical measures weight changed from 100% to 60% due to addition of Member Experience component for 2017

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OCC P4V CAHPS Measures

Measurement Year 2017 Measures
Child and Adult Measures
Getting Appointment with a Specialist
Timely Care & Service
Rating of Primary Care Physician
Rating of All HealthCare
* Weight=40%

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Proposed 2017 Display Measures

- Display Measures are new measures that may be included in future pay for value programs
- These measures were not eligible for payment for 2016 measurement year performance
- CalOptima will include display measures on the monthly health network P4V prospective rate reports for monitoring purposes
- Display Measure:
  - ❖Initial Health Assessment (IHA)—will remain display measure for 2017
- Retired Display Measures:
  - ❖Ambulatory Care (Outpatient and ER visits)
  - ❖Readmissions

2017 Payment Methodology, Proposed

Population Included	
Total # of Adults in Health Network	Total # of Children in Health Network
Apply Acuity Score (SPD Weight 4X, TANF Weight 1X)	
Scoring for Measure Performance:	
A relative point system, by measure, based on: • NCQA National HEDIS Percentiles (clinical) 50th percentile minimum • NCQA National CAHPS Percentiles (satisfaction) • Relative HN Improvement year-over-year x CalOptima (CO) improvement YOY • Minimum denominator size for eligible measure reduced from 100 to 30 eligible members	
Clinical Measures = 60% of the Total	**CAHPS Measures = 40%** of the Total
Performance = 50% (relative performance x weighted pmpm)	**Improvement = 50%** (relative Impr x CO Impr factor x pmpm)

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CalOptima's Mission

To provide members with access to quality health care services delivered in a cost-effective and compassionate manner

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Medi-Cal
A Public Agency
CalOptima
Better. Together.

OneCare (HMO SNP)
A Public Agency
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OneCare Connect
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CalOptima
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PACE
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IMPACT Medi-Cal Growth in Orange County

Nearly a Quarter Million Residents May Lose Access to Care

CalOptima is a community-based health plan that serves Orange County's low-income Medi-Cal members. In 2014, when the Affordable Care Act (ACA) expanded eligibility for Medi-Cal, CalOptima welcomed a new group of Orange County residents as members. The uninsured rate in Orange County went down to 8.7 percent in 2015, compared with 16.2 percent in 2013. Today, the Medi-Cal Expansion population is 234,000, and CalOptima's Medi-Cal Expansion revenue is $1.1 billion, which goes to pay local private-sector health care providers. This fact sheet explains the impact of Medi-Cal growth in terms of access to care and local economic benefits.

Medi-Cal growth has resulted in tremendous gains, which may be at risk with any changes to the program.

Expansion Members & Dollars

234,000

30% of CalOptima membership

$1.1 Billion

30% of CalOptima revenue

Source: CalOptima membership and finance data

Community Health Centers

INCREASE in number of centers:

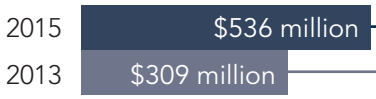
Up 13 Centers

72 community health centers in Orange County today, compared with 59 community health centers in 2013

Source: Coalition of Orange County Community Health Centers

Hospitals

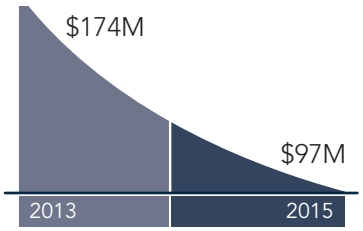
INCREASE in revenue:



Payments to hospitals in 2015, compared with 2013

Up $227M

DECREASE in bad debt & charity care:



Bad debt and charity care

$77M

less bad debt & charity care

Source: Office of Statewide Health Planning and Development

Health Networks

INCREASE in revenue:

*Payments to doctors and health networks in 2015, compared with 2013, resulting in an estimated **400** new health network jobs*

Up $565M

Source: CalOptima contracted health networks

Orange County Workforce

15,000

new jobs

Estimated job growth in Orange County since the ACA was enacted (this includes Medi-Cal growth and Covered California)

Source: UCLA Center for Health Policy and Research/UC Berkeley Labor Center

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Medi-Cal Growth in Orange County

The Patient Protection and Affordable Care Act (ACA) was signed into law on March 23, 2010, and most of its provisions went into effect on January 1, 2014. President Trump has made the repeal and replacement of the ACA a central part of his domestic policy agenda. Key Republican leaders, including Speaker of the House Paul Ryan and Secretary of Health and Human Services Tom Price have shared policy priorities to repeal and replace substantial portions of the law, including the optional expansion of Medicaid. This is likely to have a significant impact on California, given the sizeable growth in the state's Medicaid population under the ACA. This brief highlights the major implications of a potential rollback of Medicaid expansion and the impact it would have on Orange County.

What is Medicaid?

Medicaid is a joint federal and state health care program for the poor, created by the 1965 amendments to the Social Security Act. Today, more than 70 million people nationwide — mostly children, seniors and people with disabilities[1] — have access to health care through Medicaid. Access to the program is an entitlement. In other words, if a person is eligible, then he or she is guaranteed access. Individuals and families at or below the Federal Poverty Level, approximately $12,000 per year for an individual or $24,000 per year for a family of four, are eligible for Medicaid coverage.

Each state administers its own Medicaid program — California's is known as Medi-Cal — under federal rules. The program is jointly funded by states and the federal government. The current Medicaid financing system is a per-member federal match, known as the Federal Medical Assistance Percentage, or FMAP. The FMAP is customized to each state depending on the state's per capita income, compared with the national average. Each quarter, states report their Medicaid costs to the federal government, and those costs are matched at the state's FMAP. California's match is 50/50. Generally, for each Medi-Cal dollar, 50 cents is from the state and 50 cents is from the federal government.

How Did The ACA Affect Medicaid?

The ACA has had a broad impact on the health care industry, especially the Medicaid program. In its original form, the law mandated that states expand their Medicaid programs. However, the Supreme Court's 2012 ruling in National Federation of Independent Business v. Sebelius made expansion an optional part of the ACA. In states that chose to implement the expansion, eligibility was expanded to include individuals with income up to 138 percent of the Federal Poverty Level, approximately $16,000 for an individual and $33,000 for a family of four. Importantly, coverage for the Medicaid expansion population was 100 percent funded by the federal government for the first three years of the program. Beginning in calendar year 2017, states are responsible for a share of this cost, starting at 5 percent and increasing to 10 percent by 2020. In California's proposed state budget, Gov. Brown estimates that spending related to Medi-Cal expansion will be $18.9 billion in Fiscal Year (FY) 2017–18, and he has allocated $1.6 billion from the General Fund to cover the state's share of this cost.[2]

How was California Impacted?

California is one of 32 states that chose to expand Medicaid, authorizing the change with the passage of Senate Bill (SB) X1-1 (2013) and Assembly Bill (AB) X1-1 (2013). Since 2014, approximately 3.7 million Californians have gained health care coverage through Medi-Cal expansion (MCE).[3] MCE has helped reduce the number of uninsured Californians by half, from 17.2 percent in 2013 to 8.6 percent in 2015.[4] MCE enrollees gain access to Medi-Cal's core set of health benefits, including doctor visits, hospital care, immunizations, pregnancy-related services and nursing home care. Further, under the ACA, Medi-Cal health plans must offer their members a comprehensive array of services, including mental health and substance use disorder services, and preventive and wellness services, among others.

MCE has had a broadly positive affect on the state's health care infrastructure. For example, MCE has contributed to a 70 percent increase in hospital Medi-Cal revenue from 2011 to 2015.[5] In turn, this has helped California hospitals reduce bad debt (defined as payment for services anticipated, but not received) by 38 percent, from $5.1 billion in 2011 to $3.1 billion 2015.[6]

Repeal of the ACA will have a significant impact on California because many of the state's laws implementing the federal legislation have tie-back language that sunsets state provisions if the ACA is repealed or amended. SB X1-1 in particular includes language that would end Medi-Cal expansion within 12 months if the federal match falls below 70 percent before January 1, 2018.

How Was Orange County Impacted?

Any changes related to the MCE population would be keenly felt in Orange County, as CalOptima has more than 230,000 MCE members and receives more than $1.1 billion in funding related to this population. Expansion has provided these members with access to high-quality and cost-effective care. In September 2016, the National Committee for Quality Assurance awarded CalOptima a quality score of 4 out of 5 — the highest rating in California and in the top 10 percent nationwide. The score measures preventive care, treatment and customer satisfaction. Orange County's MCE dollars have also been efficiently managed. CalOptima maintains one of the lowest overhead rates — approximately 4 percent — among both public and private health plans in California.

At the heart of CalOptima's system of care is the plan's robust public-private partnership with local physicians, hospitals, health networks, pharmacies and other ancillary providers. This ensures access and offers choice to members. CalOptima contracts with 13 commercial health networks, which offer CalOptima members access to nearly 2,000 primary care providers and 6,000 specialists. The table below provides membership data for CalOptima's contracted health network partners.

Contracted Private-Sector Health Networks

Network	Medi-Cal Classic Members	Medi-Cal Expansion Members
AltaMed Health Services	23,336	18,427
AMVI Care Health Network	11,675	11,116
Arta Western Health Network	50,174	25,993
CHOC Health Alliance	150,070	4,347
Family Choice Health Network	27,093	21,379
Heritage	1,764	2,127
Kaiser Permanente	33,338	12,128
Monarch Family HealthCare	53,707	34,936
Noble Mid-Orange County	17,896	15,879
OC Advantage	335	644
Prospect Medical Group, Inc	17,672	17,428
Talbert Medical Group	14,212	10,819
United Care Medical Group	19,438	15,905

CalOptima also partners with 39 hospitals across the region, including CHOC Children's in Orange, Hoag Memorial Hospital Presbyterian in Newport Beach and St. Jude Medical Center in Fullerton.

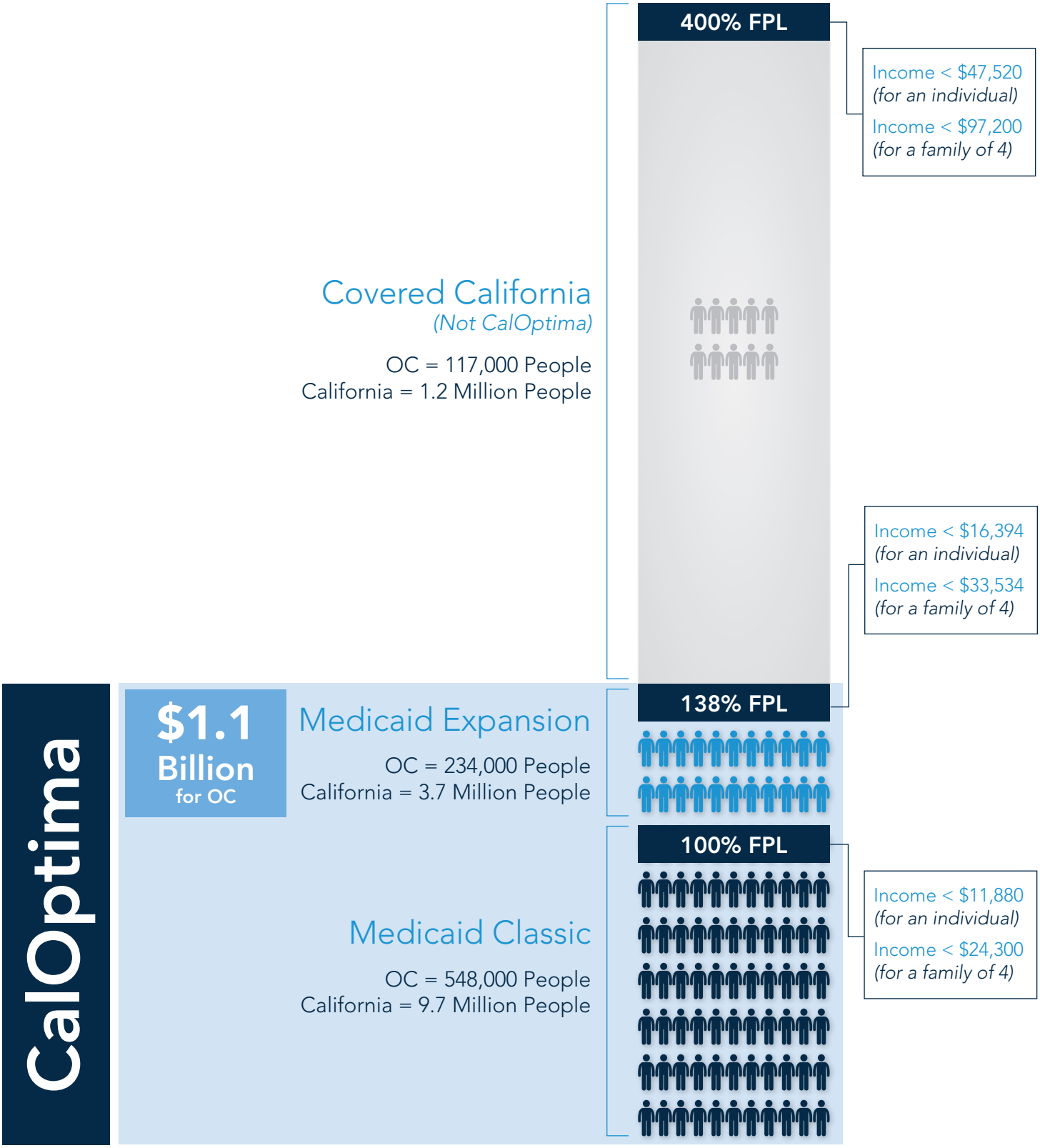
If MCE was rolled back as part of repealing the ACA, there would be major impacts to Orange County providers, health networks and hospitals. Due to growth in the Medi-Cal program, CalOptima has increased payments to contracted health networks by $565 million ($928 million in 2015, compared with $363 million in 2013) and increased payments to contracted hospitals by $227 million ($536 million in 2015, compared with $309 million in 2013). In part, this has contributed to Orange County's hospitals experiencing a 44 percent decrease in bad debt and charity care ($97 million in 2015, compared with $174 million in 2013). Overall, the Orange County uninsured population has decreased by 45 percent, going from 505,000 in 2013 to 276,000 in 2015.[7]

A rollback of MCE could also have a significant impact on Orange County's local economy due to the potentially drastic reduction in federal spending. An estimated 400 jobs have been created at CalOptima's contracted health networks related to MCE. Overall, ACA repeal could lead to Orange County losing 15,000 jobs in health care and other industries.[8]

Conclusion

While CalOptima recognizes the health care industry's continuous evolution, the new federal landscape has the potential to fundamentally change Medi-Cal in Orange County. In this environment, Orange County can benefit by amplifying our longstanding strength — the public-private partnership between CalOptima and private-sector hospitals, health networks and ancillary providers to ensure that low-income residents have guaranteed access to care. CalOptima intends to participate in Medicaid reform discussions to highlight our unique partnership and our commitment to delivering access to high-quality, cost-effective care.

Appendix: Medicaid Eligibility



FPL = Federal Poverty Level

About CalOptima

CalOptima is a county organized health system that administers health insurance programs for low-income children, adults, seniors and people with disabilities in Orange County. Our mission is to provide members with access to quality health care services delivered in a cost-effective and compassionate manner. As one of Orange County's largest health insurers, we provide coverage through four major programs: Medi-Cal, OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan), OneCare (HMO SNP) (a Medicare Advantage Special Needs Plan), and Program of All-Inclusive Care for the Elderly (PACE).

If you have any questions regarding the above information, please contact:

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Endnotes

[1] "Medicaid: An Overview," Congressional Research Service, January 2014.
[2] 2017–18 Governor's Budget Summary, p. 53, www.ebudget.ca.gov/2017-18/pdf/BudgetSummary/FullBudgetSummary.pdf, accessed January 31, 2017.
[3] "California's Projected Economic Losses Under ACA Repeal," UC Berkeley Center for Labor Research and Education, December 2016.
[4] U.S. Census Bureau, American Community Survey, 2013–15, Table A1: Population Without Health Insurance.
[5] Office of Statewide Health Planning and Development, 2011–15 Summary Trends – Hospital Quarterly Financial and Utilization Data.
[6] Ibid.
[7] "ACA Repeal in California: Who Stands to Lose?" UCLA Center for Health Policy and Research and UC Berkeley Center for Labor Research and Education, December 2016.
[8] "Fact Sheet: What does Orange County Stand to Lose under ACA Repeal?" UCLA Center for Health Policy and Research and UC Berkeley Center for Labor Research and Education, January 2017.

OneCare Connect Enrollment Update

Enrollment by Health Network

Report for: 2/1/2017

Health Network	Total
Alta Med Health Services - OCC	557
AMVI Care - OCC	569
ARTA Western Health Network - OCC	591
CalOptima Community Network - OCC	1,786
Family Choice Physician Group - OCC	1,911
Heritage - Regal Medical Group	173
Heritage-ADOC Medical Group - OCC	74
Monarch Family HealthCare	5,165
Noble Mid-Orange County - OCC	434
OC Advantage - OCC	113
Prospect Medical Group Inc - OCC	3,118
Talbert Physician Group - OCC	1,204
United Care Medical Group - OCC	605
Total	16,300

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Enrollment/Disenrollment by Month

Month	Voluntary Enrollment	Involuntary Disenrollment	Voluntary Disenrollment
December 2016	142	238	364
January 2017	202	219	154
February	245	0	0

OCC Member Deeming Status

Deeming Period	In Deeming	Regained OCC at the end of Deeming	Termed OCC at the end of Deeming	Regained Medi-Cal 1 Month	Regained Medi-Cal 2 Month	Has not regained Eligibility
12/2016	209	58	151	1	34	116
01/2017	211	68	143	1	0	142
02/2017	182	0	0	0	0	0

If you have, any question related to OCC enrollment please contact Belinda Abeyta, Director, Customer Service at 657-235-6755 or babeyta@caloptima.org