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

THURSDAY, AUGUST 10, 2017
8:00 A.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 June 8, 2017 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC)

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 PAC. 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. REPORTS
None

VI. CEO AND MANAGEMENT REPORTS
A. Chief Executive Officer (CEO) Update
B. Chief Operating Officer (COO) Update
C. Chief Medical Officer (CMO) Update
D. Chief Financial Officer (CFO) Update
E. Network Operations Update
F. Federal and State Legislative Update

VII. INFORMATION ITEMS
A. Program Implementation Updates
B. Annual HEDIS Report
C. PAC Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

MINUTES

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

June 8, 2017

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, June 8, 2017, at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

Teri Miranti, PAC Chair, called the meeting to order at 8:04 a.m., and Member Jensen led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present:	Teri Miranti, Chair; Suzanne Richards, MBA, FACHE, Vice Chair; Anjan Batra, M.D.; Donald Bruhns; Theodore Caliendo, M.D.; Jena Jensen; Pamela Kahn, R.N.; John Nishimoto, O.D.; George Orras, Ph.D., FAAP; Pamela Pimentel, R.N.; Jacob Sweidan, M.D.
Members Absent:	Alan Edwards, M.D.; Steve Flood; Mary Pham, Pharm.D, CHC; Barry Ross, R.N., MPH, MBA;
Others Present:	Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Richard Helmer, M.D., Chief Medical Officer; Gary Crockett, Chief Counsel; Nancy Huang, Interim Chief Financial Officer; Michelle Laughlin, Executive Director, Network Operations; Phil Tsunoda, Executive Director, Public Policy and Public Affairs; Cheryl Meronk, Director, Strategic Development; Pshyra Jones, Director, Health Education and Disease Management; Cheryl Simmons, Staff to the Provider Advisory Committee

MINUTES

Approve the Minutes of the May 11, 2017 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee

Action: ***On motion of Member Sweidan, seconded and carried, the Committee approved the minutes of the May 11, 2017 meeting. (Motion carried 11-0-0; Members Edwards, Flood, Pham and Ross absent)***

PUBLIC COMMENTS

No requests for public comment were received.

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REPORTS

CEO AND MANAGEMENT REPORTS

Chief Medical Officer Update

Richard Helmer, M.D., Chief Medical Officer, presented on the CalOptima Community Network's (CCN) Performance: Quality and Financial Analysis. Dr. Helmer reviewed the CCN timeline from its inception in January 2015 to present. The presentation elicited much discussion among the PAC members and CalOptima staff regarding the overlap of physicians in CCN and the other networks. PAC members will solicit additional feedback from their constituents on this topic and share the comments with CalOptima staff.

Chief Financial Officer Update

Nancy Huang, Interim Chief Financial Officer, presented CalOptima's Financial Summary as of April 2017, including a report of the Health Network Enrollment for the month of April 2017. Ms. Huang summarized CalOptima's financial performance and current reserve levels.

Provider Network Operations Update

Michelle Laughlin, Executive Director, Provider Network Operations, invited PAC members to the OneCare Connect Town Hall for Physicians and Hospital Staff on June 20, 2017.

Federal and State Budget Update

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, provided an update on Prop 56 and the potential impact to FY 2017-18 State Budget and CalOptima. He noted that Governor Brown is proposing to allocate all of the new Prop 56 revenue for current and anticipated increases for general Medi-Cal expenditures.

INFORMATION ITEMS

Community Involvement

Cheryl Meronk, Director, Strategic Development, presented on CalOptima's involvement with the community and provided an update on Intergovernmental Transfer (IGT) funds received to date and allocated to provide enhanced benefits to existing Medi-Cal beneficiaries. She noted that $15 million was approved by the Board for community grants pending the completion of a Member Health Needs Assessment. Staff will request PAC input in the development of strategic community grant initiatives to help address identified needs.

2016 Group Needs Assessment

Pshyra Jones, Director, Health Education & Disease Management, presented the 2016 Group Needs Assessment (GNA). She noted that all health plans are required to conduct a GNA with the goal to improve health outcomes for members enrolled in Medi-Cal managed care by evaluating member health risks, identifying health needs, and prioritizing health education, cultural and linguistic services, and preventative health and quality improvement programs to improve member health outcomes.

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ADJOURNMENT

There being no further business before the Committee, Chair Miranti adjourned the meeting at 10:10 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the PAC

Approved: August 10, 2017

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MEMORANDUM

DATE:	August 3, 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

Senate Better Care Reconciliation Act (BCRA)
As of this writing, the Senate approved a "Motion to Proceed" on BCRA. Shortly thereafter, the Senate rejected BCRA and related amendments by Sens. Cruz and Portman by a 43–57 vote, and then rejected the "Repeal Now, Replace Later" amendment by Sen. Paul 45–55. Both of these bills would have significantly impacted Medicaid expansion and federal funding for Medicaid. As indicated by this activity, the path to repeal and replace the Affordable Care Act has been long and taken many unexpected turns. Because there is daily movement on this effort, I intend to provide the latest information at your Board's August meeting. In the meantime, CalOptima's Government Affairs team has compiled a valuable chronology of the U.S. House of Representatives and Senate activity and our advocacy efforts since March. The document is available in the Board materials under the Federal and State Legislative Advocates Reports.

Development Rights
Given the unknown status of Medicaid and the actions of the U.S. Congress, staff has been in communication with the City of Orange regarding our development agreement. CalOptima's current six-year development agreement expires in 2020 and allows for the construction of a ten-story office tower and a five-story parking structure in our parking lot off Lewis Street. However, the process for such a development is, at a minimum, a multiyear project. Given that 2020 is only a couple of years away and considering the uncertain health care landscape, staff has inquired and received a "conceptual" agreement with City of Orange staff for a development agreement extension from 2020 to 2026. CalOptima staff intends to bring an updated development agreement action plan to your Finance and Audit Committee and eventually to the Board. This may include a request for authority to officially pursue an extension.

Program of All-Inclusive Care for the Elderly (PACE)
CalOptima remains actively engaged in planning the future of our PACE program. As follow-up to the PACE study session and in response to your Board's request, CalOptima staff will soon distribute a PACE information binder that contains substantial background material. Also important to our next steps will be new guidance from the Department of Health Care Services (DHCS). As we shared at the study session, DHCS released a letter on April 20 with significant direction about delegation in PACE programs. The state received considerable feedback on the letter and subsequently announced that it would issue updated guidance, offering a two-week public comment period. That guidance is expected sometime in August. In the meantime, we are

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reviewing responses to our June Request for Information (RFI) related to extending PACE services using the Alternative Care Setting (ACS) model. CalOptima received 10 responses from eligible organizations interested in working with us on ACS, and eight of them are Community-Based Adult Services centers in our current or potential service area. Our procurement department is currently following up with the respondents to clarify certain responses. The DHCS guidance will inform our analysis of the RFI results and our plan of action, so once all are complete, we will bring a PACE item back to your Board.

Member Health Needs Assessment
CalOptima is about halfway through the process of conducting our Member Health Needs Assessment. During the first quarter of 2017, staff solicited vendors, ultimately contracting with Harder+Company Community Research. In the second quarter, we formed an advisory committee, which developed and approved the data collection tools, including member and provider surveys, and protocols for focus groups and key informant interviews. Data gathering has now begun. The provider survey was released in July, and the member survey will be mailed to approximately 42,000 members this month. In addition, 10 focus group meetings are scheduled and 15 more are planned. After analyzing the data, CalOptima will provide an executive summary and key findings to your Board in December.

Non-Medical Transportation (NMT)
Following final guidance released June 29 from DHCS, CalOptima implemented the mandated NMT Medi-Cal benefit on July 1. At this time, these NMT services include roundtrip transportation to locations offering Medi-Cal services covered by CalOptima. Later on October 1, NMT services will be expanded to services carved out of Medi-Cal managed care, such as dental care and California Children's Services. Because of the compressed timeline, CalOptima leveraged existing processes to launch the new benefit, which includes NMT services via taxi, bus and private passenger car with gas mileage reimbursement. At our August meeting, your Board will consider a request to ratify a contract amendment to expand NMT for all Medi-Cal members with American Logistics, which is already our vendor for taxi services for OneCare, OneCare Connect and some Medi-Cal services. We also created a new process to reimburse private drivers transporting members who attest that they have exhausted all other reasonable transportation options. Importantly, the state has not finalized how it will fund health plans for NMT, so CalOptima is continuing to work with DHCS to ensure appropriate reimbursement to cover the cost of the benefit. I will keep your Board informed as we move forward.

CalOptima in the Community
CalOptima's mission to provide access to quality health care for members is well known, but less recognized is our commitment to serving Orange County broadly. That's why we compiled a new publication, CalOptima in the Community, to share the impact we have in honoring and improving our community. It summarizes our dedication to partnership, collaboration and education, and it quantifies our financial investment of $37 million in the health care safety net and enhanced member care. The publication was mailed to local health care leaders and stakeholders and will be distributed at CalOptima's many public meetings and events.

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Strategic Plan
The first six months of CalOptima's 2017–19 Strategic Plan are complete, and staff is in the process of compiling a progress report.

Key Meetings

- **DHCS All Plan CEO Meeting:** On June 14, I attended the regulator's meeting to obtain the latest information on key topics affecting Medi-Cal, including the state budget, Mega Reg, new transportation benefit, palliative care, mental health and health homes among other issues.
- **Illumination Foundation:** On June 29, I met with leaders from the Illumination Foundation and toured the organization's new Recuperative Care Center in Midway City. The facility provides housing and intensive support for homeless people recently discharged from the hospital, followed by temporary housing offering more independence on the way to a transition to permanent housing.

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Financial Summary

June 2017

Nancy Huang

Interim Chief Financial Officer

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FY 2016-17: Consolidated Enrollment

- June 2017 MTD:
  - Overall enrollment was 789,066 member months
    - Actual lower than budget by 22,220 or 2.7%
      - Medi-Cal: unfavorable variance of 16,262 members
        - Medi-Cal Expansion (MCE) favorable variance of 11,555 members
        - SPD favorable variance of 3,771 members
        - Offset by TANF unfavorable variance of 32,224 members
      - OneCare Connect: unfavorable variance of 5,949 members
    - 0.1% or 1,047 decrease from prior month
      - Medi-Cal: decrease of 587 from May
      - OneCare Connect: decrease of 268 from May
      - OneCare: decrease of 199 from May
      - PACE: increase of 7 from May

FY 2016-17: Consolidated Enrollment

- June 2017 YTD:
  - Overall enrollment was 9,543,816 member months
    - Actual lower than budget by 112,188 or 1.2%
      - Medi-Cal: unfavorable variance of 52,848 members
        - MCE favorable variance of 124,060 members
        - SPD favorable variance of 53,401 members due to less than anticipated dual eligible members transferring to OneCare Connect
        - Offset by TANF unfavorable variance of 237,131 members
      - OneCare Connect: unfavorable variance of 59,914 members or 22.9%
      - OneCare: favorable variance of 616 members or 4.3%
      - PACE: unfavorable variance of 36 members or 1.6%

FY 2016-17: Consolidated Revenues

- June 2017 MTD:
  - Actual higher than budget by $120.7 million or 42.6%
    - Medi-Cal: favorable to budget by $104.8 million or 44.1%
      - Unfavorable volume variance of $4.9 million
      - Favorable price variance of $109.7 million due to:
        - $56.5 million of Fiscal Year (FY) 2016 and 2017 Coordinated Care Initiative (CCI) revenue for rate adjustments received in June 2017
        - $56.3 million of FY 2016 LTC related revenue recognized for members with Non-LTC aid codes
        - Offset by a $16 million unfavorable MCE revenue adjustment
    - OneCare Connect: favorable to budget by $14.8 million or 34.5%
      - Unfavorable volume variance of $11.9 due to lower enrollment
      - Favorable price variance of $26.8 million due to:
        - $12.1 million of fiscal year 2016 and 2017 CCI rate adjustment revenue
        - $21.2 million related to CMS mid-year adjustments

FY 2016-17: Consolidated Revenues (con't.)

- June 2017 YTD:
  - Actual higher than budget by $164.0 million or 4.8%
    - Medi-Cal: favorable to budget by $323.0 million or 11.4%
      - Unfavorable volume variance of $15.9 million
      - Favorable price variance of $338.9 million due to:
        - $49.2 million from CCI revenue for rate adjustments
        - $77.0 million from Medi-Cal LTC related revenue recognized for members with Non-LTC aid codes
        - $178.6 million related to prior year LTC related revenue and CCI revenue; includes increase in IHSS expenses discussed in Medical Expense
        - Additional favorable variance from rate increase

FY 2016-17: Consolidated Revenues (con't.)

- OneCare Connect: unfavorable to budget by $161.5 million or 30.3%
  - Unfavorable volume variance of $122.0 million
  - Unfavorable price variance of $39.5 million due to:
    - ➢ $22.6 million unfavorable Medicare variance due mostly to rate decrease
    - ➢ $17.0 million unfavorable Medi-Cal variance related to prior year CCI rate adjustment
- OneCare: favorable to budget by $1.8 million or 11.0%
- PACE: favorable to budget by $0.7 million or 4.6%

FY 2016-17: Consolidated Medical Expenses

- June 2017 MTD:
  - ➢ Actual higher than budget by $106.5 million or 39.2%
    - Medi-Cal: unfavorable variance of $96.1 million
      - MLTSS unfavorable variance of $43.4 million
        - ➢ LTC unfavorable variance of $46.8 million due to higher claim expense and a $35.0 million adjustment of IHSS expense
        - ➢ Nursing facility favorable variance of $4.0 million
      - Provider Capitation unfavorable variance of $31.6 million due to shared risk group move to HMO model in February
      - Facilities expenses unfavorable variance of $17.7 million
        - ➢ $23.4 unfavorable variance for hospital shared risk pool
        - ➢ Offset by favorable variance due to shared risk group move to HMO
    - OneCare Connect: unfavorable variance of $10.1 million
      - Favorable volume variance of $11.4 million
      - Unfavorable price variance of $21.5 million
        - ➢ $12.4 million for CMS mid-year adjustments
        - ➢ $10.3 million for LTC expenses

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

- June 2017 YTD:
  - Actual higher than budget by $159.6 million or 4.9%
    - Medi-Cal: unfavorable variance of $308.8 million
      - Favorable volume variance of $15.2 million
      - Unfavorable price variance of $324.0 million
        - IHSS estimated expense $156.5 million higher than budget
        - LTC expense $57.2 million higher than budget
        - Provider Capitation $81.5 million higher than budget due to unbudgeted conversion of ASO contract to capitation
    - OneCare Connect: favorable variance of $148.9 million
      - Favorable volume variance of $115.3 million
      - Favorable price variance of $33.6 million

- Medical Loss Ratio (MLR):
  - June 2017 MTD: Actual: 93.6% Budget: 95.9%
  - June 2017 YTD: Actual: 95.8% Budget: 95.7%

FY 2016-17: Consolidated Administrative Expenses

- June 2017 MTD:
  - Actual lower than budget by $5.8 million or 50.4%
    - Salaries and Benefits: favorable variance of $7.0 million
      - Favorable variance of $5.0 million for YTD true-up of pension
    - Other categories: unfavorable variance of $1.2 million

- June 2017 YTD:
  - Actual lower than budget by $27.4 million or 19.7%
    - Salaries and Benefits: favorable variance of $19.9 million driven by lower than budgeted FTE
    - Other categories: favorable variance of $7.5 million

- Administrative Loss Ratio (ALR):
  - June 2017 MTD: Actual: 1.4% Budget: 4.1%
  - June 2017 YTD: Actual: 3.2% Budget: 4.1%

FY 2016-17: Change in Net Assets

- June 2017 MTD:
  - $21.3 million surplus
  - $21.1 million favorable to budget
    - Higher than budgeted revenue of $120.7 million
    - Higher than budgeted medical expenses of $106.5 million
    - Lower than budgeted administrative expenses of $5.8 million
    - Higher than budgeted investment and other income of $1.1 million

- June 2017 YTD:
  - $51.9 million surplus
  - $45.1 million favorable to budget
    - Higher than budgeted revenue of $164.0 million
    - Higher than budgeted medical expenses of $159.6 million
    - Lower than budgeted administrative expenses of $27.4 million
    - Higher than budgeted investment and other income of $13.3 million

Enrollment Summary: June 2017

Month-to-Date					Year-to-Date			
Actual	Budget	Variance	%	Enrollment (By Aid Category)	Actual	Budget	Variance	%
60,593	56,498	4,095	7.2%	Aged	709,595	667,555	42,040	6.3%
624	681	(57)	(8.4%)	BCCTP	7,471	8,136	(665)	(8.2%)
46,941	47,208	(267)	(0.6%)	Disabled	580,494	568,468	12,026	2.1%
325,827	346,313	(20,486)	(5.9%)	TANF Child	3,974,383	4,105,299	(130,916)	(3.2%)
96,462	108,200	(11,738)	(10.8%)	TANF Adult	1,203,054	1,309,269	(106,215)	(8.1%)
3,395	2,759	636	23.1%	LTC	39,392	32,569	6,823	20.9%
238,386	226,831	11,555	5.1%	MCE	2,810,300	2,686,240	124,060	4.6%
772,228	**788,490**	**(16,262)**	**(2.1%)**	**Medi-Cal**	**9,324,689**	**9,377,537**	**(52,848)**	**(0.6%)**
15,505	**21,454**	**(5,949)**	**(27.7%)**	**OneCare Connect**	**202,010**	**261,930**	**(59,920)**	**(22.9%)**
212	**220**	**(8)**	**(3.6%)**	**PACE**	**2,274**	**2,310**	**(36)**	**(1.6%)**
1,121	**1,122**	**(1)**	**(0.1%)**	**OneCare**	**14,843**	**14,227**	**616**	**4.3%**
789,066	**811,286**	**(22,220)**	**(2.7%)**	**CalOptima Total**	**9,543,816**	**9,656,004**	**(112,188)**	**(1.2%)**

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Financial Highlights: June 2017

Month-to-Date					Year-to-Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
789,066	811,286	(22,220)	(2.7%)	Member Months	9,543,816	9,656,004	(112,188)	(1.2%)
404,326,084	283,636,230	120,689,854	42.6%	Revenues	3,549,461,861	3,385,447,657	164,014,205	4.8%
378,513,279	271,965,394	(106,547,885)	(39.2%)	Medical Expenses	3,400,677,061	3,241,033,953	(159,643,108)	(4.9%)
5,744,547	11,587,651	5,843,104	50.4%	Administrative Expenses	111,847,488	139,207,122	27,359,634	19.7%
20,068,258	**83,185**	**19,985,073**	**24024.8%**	**Operating Margin**	**36,937,312**	**5,206,582**	**31,730,730**	**609.4%**
1,200,428	134,753	1,065,675	790.8%	Non Operating Income (Loss)	14,994,031	1,663,750	13,330,281	801.2%
21,268,686	**217,938**	**21,050,748**	**9659.0%**	**Change in Net Assets**	**51,931,343**	**6,870,332**	**45,061,011**	**655.9%**
93.6%	95.9%	2.3%		Medical Loss Ratio	95.8%	95.7%	(0.1%)	
1.4%	4.1%	2.7%		Administrative Loss Ratio	3.2%	4.1%	1.0%	
5.0%	0.0%	4.9%		Operating Margin Ratio	1.0%	0.2%	0.9%	
100.0%	100.0%			Total Operating	100.0%	100.0%		

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Consolidated Performance Actual vs. Budget: June (in millions)

MONTH-TO-DATE				YEAR-TO-DATE		
Actual	Budget	Variance		Actual	Budget	Variance
14.4	0.5	13.8	Medi-Cal	40.4	6.4	33.9
0.7	0.1	0.6	OneCare	1.0	0.3	0.6
5.2	(0.4)	5.6	OCC	(4.1)	0.9	(5.1)
(0.3)	(0.2)	(0.1)	PACE	(0.4)	(2.5)	2.1
20.1	**0.1**	**20.0**	**Operating**	**36.9**	**5.2**	**31.6**
1.2	0.1	1.1	Inv./Rental Inc, MCO tax	15.1	1.7	13.5
1.2	**0.1**	**1.1**	**Non-Operating**	**15.1**	**1.7**	**13.5**
21.3	**0.2**	**21.1**	**TOTAL**	**51.9**	**6.9**	**45.1**

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Consolidated Revenue & Expense: June 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	533,842	238,386	772,228	1,121	15,505	212	789,066
REVENUES							
Capitation Revenue	$ 212,950,638	$ 129,417,793	$ 342,368,431	$ 2,752,881	$ 57,941,634	$ 1,263,137	$ 404,326,084
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	212,950,638	129,417,793	342,368,431	2,752,881	57,941,634	1,263,137	404,326,084
MEDICAL EXPENSES							
Provider Capitation	49,239,473	58,402,525	107,641,998	933,901	15,381,826	-	123,957,724
Facilities	36,934,814	38,148,881	75,083,695	252,873	12,454,586	138,088	87,929,241
Ancillary	-	-	-	56,761	792,619	-	849,380
Skilled Nursing	-	-	-	25,341	-	-	25,341
Professional Claims	8,344,473	9,798,536	18,143,009	-	-	412,542	18,555,550
Prescription Drugs	17,926,760	18,088,379	36,015,139	514,415	4,130,587	119,805	40,779,946
Long-term Care Facility Payments	74,980,546	5,532,570	80,513,116	-	17,668,337	16,957	98,198,409
Medical Management	6,760,094	-	6,760,094	71,552	687,348	442,132	7,961,126
Reinsurance & Other	(1,453,092)	1,372,727	(80,365)	129	101,186	235,612	256,561
Total Medical Expenses	192,733,066	131,343,618	324,076,685	1,854,971	51,216,488	1,365,135	378,513,279
Medical Loss Ratio	**90.5%**	**101.5%**	**94.7%**	**67.4%**	**88.4%**	**108.1%**	**93.6%**
GROSS MARGIN	**20,217,572**	**(1,925,825)**	**18,291,747**	**897,910**	**6,725,146**	**(101,998)**	**25,812,805**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			(235,653)	26,256	798,250	86,810	675,663
Professional fees			(6,076)	30,013	108,558	20,300	152,796
Purchased services			1,127,008	(1,523)	336,450	2,183	1,464,118
Printing and Postage			479,497	10,102	101,862	1,596	593,057
Depreciation and Amortization			359,073	-	-	2,244	361,317
Other expenses			2,052,611	(18)	60,904	37,509	2,151,005
Indirect cost allocation, Occupancy expense			107,517	118,655	114,657	5,762	346,591
Total Administrative Expenses			3,883,976	183,486	1,520,681	156,404	5,744,547
Admin Loss Ratio			**1.1%**	**6.7%**	**2.6%**	**12.4%**	**1.4%**
INCOME (LOSS) FROM OPERATIONS			14,407,770	714,424	5,204,465	(258,402)	20,068,258
INVESTMENT INCOME			-	-	-	-	1,207,149
NET RENTAL INCOME			-	-	-	-	3,863
NET GRANT INCOME			(10,629)	-	-	-	(10,629)
OTHER INCOME			45	-	-	-	45
CHANGE IN NET ASSETS			**$ 14,397,186**	**$ 714,424**	**$ 5,204,465**	**$ (258,402)**	**$ 21,268,686**
BUDGETED CHANGE IN ASSETS			548,826	75,836	(379,848)	(161,629)	217,938
VARIANCE TO BUDGET - FAV (UNFAV)			13,848,360	638,589	5,584,313	(96,773)	21,050,748

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Consolidated Revenue & Expense: June 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	6,514,389	2,810,300	9,324,689	14,843	202,010	2,274	9,543,816
REVENUES							
Capitation Revenue	$ 1,845,537,761	$ 1,298,475,164	$ 3,144,012,925	$ 18,615,729	$ 371,630,947	$ 15,202,259	$ 3,549,461,861
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	1,845,537,761	1,298,475,164	3,144,012,925	18,615,729	371,630,947	15,202,259	3,549,461,861
MEDICAL EXPENSES							
Provider Capitation	440,679,712	544,496,880	985,176,591	5,321,478	99,042,019	-	1,089,540,088
Facilities	343,752,741	348,285,555	692,038,296	4,330,317	96,936,316	3,403,291	796,708,220
Ancillary	-	-	-	553,194	9,411,853	-	9,965,047
Skilled Nursing	-	-	-	512,533	-	-	512,533
Professional Claims	103,413,024	107,888,823	211,301,847	-	-	3,068,533	214,370,380
Prescription Drugs	218,027,101	203,467,595	421,494,696	5,312,486	58,653,614	1,189,940	486,650,735
Long-term Care Facility Payments	621,518,492	38,594,893	660,113,386	-	78,116,621	71,746	738,301,753
Medical Management	38,820,658	-	38,820,658	331,765	11,766,329	4,877,936	55,796,688
Reinsurance & Other	(6,857,800)	12,780,801	5,923,001	62,480	1,298,487	1,547,650	8,831,617
Total Medical Expenses	1,759,353,928	1,255,514,548	3,014,868,476	16,424,251	355,225,238	14,159,096	3,400,677,061
Medical Loss Ratio	**95.3%**	**96.7%**	**95.9%**	**88.2%**	**95.6%**	**93.1%**	**95.8%**
GROSS MARGIN	**86,183,834**	**42,960,616**	**129,144,450**	**2,191,478**	**16,405,710**	**1,043,163**	**148,784,800**
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			62,633,657	263,342	9,305,962	1,100,825	73,303,786
Professional Fees			532,325	204,934	426,673	77,484	1,241,416
Purchased services			8,803,609	250,443	1,871,003	41,512	10,966,567
Printing and Postage			2,953,510	118,338	679,834	19,036	3,770,719
Depreciation and Amortization			4,023,152			24,847	4,048,000
Other expenses			13,644,426	2,333	486,232	137,722	14,270,713
Indirect cost allocation, Occupancy expense			(3,941,610)	385,919	7,770,338	31,639	4,246,287
Total Administrative Expenses			88,649,070	1,225,310	20,540,042	1,433,065	111,847,488
Admin Loss Ratio			**2.8%**	**6.6%**	**5.5%**	**9.4%**	**3.2%**
INCOME (LOSS) FROM OPERATIONS			40,495,380	966,168	(4,134,333)	(389,902)	36,937,312
INVESTMENT INCOME			-	-	-	-	15,064,815
NET RENTAL INCOME			-	-	-	-	57,462
NET GRANT INCOME			(129,643)	-	-	-	(129,643)
OTHER INCOME			1,397	-	-	-	1,397
CHANGE IN NET ASSETS			**$ 40,367,133**	**$ 966,168**	**$ (4,134,333)**	**$ (389,902)**	**$ 51,931,344**
BUDGETED CHANGE IN ASSETS			6,420,321	326,512	937,405	(2,477,655)	6,870,332
VARIANCE TO BUDGET - FAV (UNFAV)			33,946,813	639,655	(5,071,737)	2,087,753	45,061,011

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CalOptima A Public Agency Better. Together.

Balance Sheet: As of June 2017

ASSETS			LIABILITIES & FUND BALANCES	
Current Assets			Current Liabilities	
	Operating Cash	$496,077,478	Accounts payable	$39,891,295
	Catastrophic Reserves	10,770,209	Medical claims liability	1,266,624,804
	Investments	1,082,765,356	Accrued payroll liabilities	9,858,588
	Capitation receivable	689,218,521	Deferred revenue	236,130,600
	Receivables - Other	21,084,090	Deferred lease obligations	197,123
	Prepaid Expenses	5,654,647	Capitation and withholds	595,252,382
	Total Current Assets	**2,305,570,301**	**Total Current Liabilities**	**2,147,954,790**
Capital Assets	Furniture and equipment	33,437,912	Other employment benefits liability	30,562,755
	Leasehold improvements	5,882,676		
	505 City Parkway West	49,422,364	Net Pension Liabilities	15,430,763
		88,742,952	Long Term Liabilities	100,000
	Less: accumulated depreciation	(34,441,925)		
	Capital assets, net	**54,301,026**	**TOTAL LIABILITIES**	**2,194,048,309**
Other Assets	Restricted deposit & Other	300,000	Deferred inflows of Resources - Excess Earnings	-
			Deferred inflows of Resources - Changes in Assumptions	1,340,010
	Board-designated assets			
	Cash and cash equivalents	17,716,161	Tangible net equity (TNE)	98,445,479
	Long term investments	517,422,213	Funds in excess of TNE	613,053,043
	Total Board-designated Assets	535,138,374		
	Total Other Assets	**535,438,374**	**Net Assets**	**711,498,522**
	Deferred outflows of Resources - Pension Contributions	5,234,198		
	Deferred outflows of Resources - Difference in Experience	1,072,771		
	Deferred outflows of Resources - Excess Earnings	5,270,171		
TOTAL ASSETS & OUTFLOWS		**2,906,886,841**	**TOTAL LIABILITIES, INFLOWS & FUND BALANCES**	**2,906,886,841**

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Board Designated Reserve and TNE Analysis As of June 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	146,225,298				
	Tier 1 - Logan Circle	145,997,548				
	Tier 1 - Wells Capital	145,964,635				
Board-designated Reserve		438,187,482	305,408,833	478,489,252	132,778,649	(40,301,770)
TNE Requirement	Tier 2 - Logan Circle	96,950,892	98,445,479	98,445,479	(1,494,587)	(1,494,587)
	Consolidated:	**535,138,374**	**403,854,312**	**576,934,731**	**131,284,062**	**(41,796,357)**
	Current reserve level	*1.86*	*1.40*	*2.00*		

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CalOptima A Public Agency Better. Together.

HN Enrollment Summary - Medi-Cal

Health Network Name	JULY 2017	% of Total MCAL	% of HN Enrollment
CHOC Health Alliance (PHC20)	150,495	19.5%	22.5%
Monarch Family HealthCare (HMO16)	85,628	11.1%	12.8%
CalOptima Community Network (CN)	72,514	9.4%	10.9%
Arta Western Health Network (SRG66)	69,337	9.0%	10.4%
Family Choice Health Network (PHC21)	47,582	6.2%	7.1%
Kaiser Permanente (HMO04)	45,861	6.0%	6.9%
Alta Med Health Services (SRG69)	44,839	5.8%	6.7%
United Care Medical Network (SRG67)	34,691	4.5%	5.2%
Prospect Medical Group (HMO17)	34,136	4.4%	5.1%
Noble Mid-Orange County (SRG64)	30,428	3.9%	4.6%
Talbert Medical Group (SRG65)	23,829	3.1%	3.6%
AMVI Care Health Network (PHC58)	22,638	2.9%	3.4%
Heritage - Regal Medical Group (HMO15)	4,835	0.6%	0.7%
OC Advantage (PHC35)	1,483	0.2%	0.2%
Total Health Network Capitated Enrollment	**668,299**	**86.7%**	**100.0%**
CalOptima Direct (all others)	102,386	13.3%	
Total Medi-Cal Enrollment	**770,684**	**100.0%**	

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HN Enrollment Summary – OneCare Connect

Health Network Name	JUNE 2017	Percentage
Monarch HealthCare (HMO16DB)	4,984	31.6%
Propect Medical Group (SRG63DB)	3,024	19.2%
Family Choice Medical Group (SRG81DB)	1,895	12.0%
CalOptima Community Network (CN)	1,745	11.1%
Talbert Medical Group (SRG52DB)	1,143	7.2%
United Care Medical Group (SRG67DB)	563	3.6%
Arta Western Health Network(SRG66DB)	547	3.5%
Alta-Med (SRG69DB)	531	3.4%
AMVI Care Health Network (PHC58DB)	513	3.3%
Noble Mid Orange County (SRG64DB)	463	2.9%
Heritage - Regal Medical Group (HMO15)	243	1.5%
OC Advantage (PHC35DB)	119	0.8%
Total OneCare Connect Enrollment	**15,770**	**100.0%**

HN Enrollment Summary - OneCare

Health Network Name	JULY 2017	Percentage
Monarch HealthCare (PMG53DE)	699	51.4%
AMVI/Prospect Medical Group (PMG27DE)	316	23.2%
Talbert Medical Group (PMG52DE)	109	8.0%
Family Choice Medical Group (PMG21DE)	93	6.8%
Arta Western Health Network (PMG66DE)	62	4.6%
Alta-Med (PMG69DE)	43	3.2%
United Care Medical Group (PMG67DE)	22	1.6%
Noble Mid Orange County (PMG64DE)	16	1.2%
Total OneCare Enrollment	**1,360**	**100.0%**

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Congressional Health Care Reform Efforts
Chronology of Events

U.S. SENATE

Date	Senate Action	Analysis
7/28/17	**Senate Rejects "Skinny Repeal" Amendment** Vote: 49-51	• Eliminates penalties for individual mandate • Eliminates penalties for all employer mandates through 2024 • Through the state waiver process, allows states to provide health plans without the ACA's 10 essential health benefits • Repeals medical device tax: 2018-2020 • Allows individuals to contribute more to health savings accounts for three years No reference to Medicaid reform Sens. Murkowski (R), McCain (R), and Collins (R) voted no
7/26/17	**Senate Rejects "Repeal Now, Replace Later" Amendment** (Sen. Paul) Vote: 45–55	
7/25/17	**Senate Rejects BCRA With Amendments** (Sens. Cruz and Portman) Vote: 43–57	Sen. Cruz: • Allows health insurers to sell plans with limited benefits if they also offer at least one plan that complies with ACA requirements Sen. Portman: • Provides $100 billion for individuals who lose Medicaid to purchase commercial health coverage
7/25/17	**Senate Approves "Motion to Proceed" on H.R. 1628** Vote: 51–50	Sens. Murkowski (R) and Collins (R) vote no. VP Pence casts tie-breaking vote.
7/21/17	**Senate Parliamentarian Determines Certain BCRA Provisions Violate Budget Reconciliation Requirements (Byrd Rule)**	Certain BCRA provisions are found to violate the Byrd rule, including: • Cutting federal funding for Planned Parenthood • Prohibiting the use of federal subsidies to buy insurance that covers abortion services • Requiring individuals who have a lapse in insurance coverage to wait six months before obtaining coverage through a health care exchange • Ending the requirement that state's alternative benefit Medicaid plans cover the ACA's 10 essential health benefits

Congressional Health Care Reform Efforts: *Chronology of Events*

Date	Senate Action	Analysis
7/20/17	**CBO Scores BCRA** (Includes Sen. McConnell Amendment)	Beginning in 2021, the first year of Medicaid impact, a reduction of $55 billion (approximately 10%) in Medicaid spending, which may result in 10 million fewer enrollees (approximately 14%) through 2021. In 2026, a reduction of $87 billion (approximately 14%) in Medicaid spending, which may result in 15 million fewer enrollees (approximately 18%) through 2026.
7/20/17	**BCRA Amendment Offered** (Sen. McConnell)	Preserves three ACA-related taxes: • Payroll tax on individuals with annual income over $200,000 ($250,000 for couples) • Investment income tax • Provision that prevents insurance companies from writing off executive compensation Medicaid provisions remain unchanged.
7/19/17	**CBO Scores** **"Repeal Now, Replace Later" Bill**	Beginning in 2020, the first year of Medicaid impact, a reduction of $75 billion (approximately 13%) in Medicaid spending, which may result in 15 million fewer enrollees (approximately 20%) through 2020. In 2026, a reduction of $144 billion (approximately 23%) in Medicaid spending, which may result in 19 million fewer enrollees (approximately 23%) through 2026.
7/19/17	**Three Republican Senators Publicly Oppose "Repeal Now, Replace Later"** (Sens. Murkowski, Moore Capito and Collins)	
7/19/17	**Leader McConnell Calls for "Repeal Now, Replace Later" Vote**	This bill would eliminate the ACA's Medicaid Expansion (MCE) in 2020. No changes to Medicaid Classic.
7/18/17	**Two More Republican Senators Publicly Oppose BCRA** (Sens. Lee and Moran)	Total number of public "no" votes is four.
7/13/17	**BCRA Amendment Offered** (Sens. Cruz and Lee)	Allows health insurers to sell plans with limited benefits if they also offer at least one plan that complies with ACA requirements. Medicaid provisions remain unchanged.
7/02/17	**Leader McConnell Postpones BCRA Vote**	
6/28/17	**DHCS Releases Fiscal Analysis of BCRA**	Beginning in 2020, a reduction of $3 billion (approximately 3%) to Medi-Cal. Classic would not see any reductions in 2020, and MCE would see a $2.6 billion reduction. In 2026, a reduction of $29.3 billion to Medi-Cal: $11.3 billion in reductions for Classic and $18 billion for MCE.
6/26/17	**Two Republican Senators Publicly Oppose BCRA** (Sens. Collins and Paul)	• Susan Collins (ME) opposes due to Medicaid reductions • Rand Paul (KY) opposes due to continuation of several ACA policies

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Congressional Health Care Reform Efforts: *Chronology of Events*

Date	Senate Action	Analysis
6/26/17	**CBO Scores BCRA**	Beginning in 2021, the first year of Medicaid impact, a reduction of $70 billion (approximately 13%) in Medicaid spending, which may result in 10 million fewer enrollees (approximately 14%) through 2021. In 2026, a reduction of $158 billion (approximately 25%) in Medicaid spending, which may result in 15 million fewer enrollees (approximately 18%) through 2026. In 2036, a 35% reduction in Medicaid spending.
6/22/17	**Senate Releases Better Care Reconciliation Act (BCRA) Discussion Draft**	Medicaid Classic: • Transitions Classic 50/50 FMAP formula to per capita caps beginning in FY 2021 (AHCA: FY 2020). Establishes new per-enrollee baseline amount based on a state's Medicaid spending over eight consecutive quarters from FY 14–17 (AHCA: based on 2016 Medicaid spending). These amounts would increase by the CPI-M from FY 2021–24. In FY 2025, the growth rate would drop from CPI-M to the CPI-U. MCE: • Maintains the MCE 90/10 FMAP formula until 2021 (AHCA: 2020). Three year phase-down of MCE FMAP (85/15 in 2021, 80/20 in 2022, 75/25 in 2023. 50/50 FMAP in 2024).
6/21/17	**CalOptima Sends Letter of Concern Regarding Senate Consideration of AHCA to Sens. Feinstein and Harris**	Opposes reduced federal funding from: • Proposed per capita cap formula • MCE reductions
6/20/17	**CalOptima Signs Part of Coalition Letter (including Blue Shield, L.A. Care, Molina, and IEHP) to Senate Leaders Regarding Medicaid Reform**	• Expresses the importance of Medicaid • Opposes Medicaid provisions being debated • Offers to work with the Senate on meaningful reforms

U.S. HOUSE OF REPRESENTATIVES

Date	House Action	Analysis
5/04/17	**AHCA Passes House** Vote: 217–213	Orange County House Delegation CD 38 – Sanchez: NO CD 39 – Royce: AYE CD 45 – Walters: AYE CD 46 – Correa: NO CD 47 – Lowenthal: NO CD 48 – Rohrabacher: AYE CD 49 – Issa: AYE
5/03/17	**AHCA Amended** (Reps. MacArthur and Palmer)	Rep. MacArthur: • Through the state waiver process, allows states to set their own essential health benefits and allows commercial health insurers to charge individuals with pre-existing conditions up to five times more than healthy individuals (ACA: 3:1) Rep. Palmer: • Allocates $15 billion for high-risk pool to reduce premiums for individuals with pre-existing conditions

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Congressional Health Care Reform Efforts: *Chronology of Events*

Date	House Action	Analysis
3/24/17	**Speaker Ryan Postpones Vote on AHCA**	
3/24/17	**CalOptima Letter Regarding AHCA to Orange County Congressional Delegation**	Shares concerns with reduced federal funding through: • Proposed per capita caps formula • MCE reductions
3/21/17	**AHCA Amended** (Rep. Walden)	Changes to Medicaid: • Through state waiver process, allows states to add Medicaid work requirements and choose block grant formula vs. per capita cap formula • Increases per capita cap annual growth rate for elderly and disabled from CPI-M to CPI-M + 1%
3/21/17	**DHCS Releases Analysis of AHCA**	Beginning in 2020, the first year of Medi-Cal impact, a reduction of nearly $6 billion to Medi-Cal (approximately 5%): $680 million in reductions for Classic and $4.8 billion for MCE. In 2027, a reduction of $24 billion to Medi-Cal: $5.3 billion in reductions for Classic and $18.6 billion for MCE.
3/13/17	**CBO Scores AHCA**	Beginning in 2020, the first year of Medicaid impact, a reduction of $68 billion (approximately 12%) in Medicaid spending, which may result in 9 million fewer enrollees (approximately 12%) through 2020. In 2026, a reduction of $155 billion (approximately 25%) in Medicaid spending, which may result in 14 million fewer enrollees (approximately 17%) through 2026.
3/08/17	**AHCA Amended by Two House Committees (E&C and W&M)**	Technical, non-substantive changes. Medicaid provisions remain unchanged.
3/06/17	**American Health Care Act (AHCA)** **H.R. 1628** **Introduced in the House**	Medicaid Classic: • Transitions Classic 50/50 FMAP formula to per capita caps beginning in FY 2020. Establishes new per-enrollee baseline amount based on a state's 2016 Medicaid spending levels. These amounts would increase by the consumer price index medical (CPI-M) MCE: • Transitions MCE FMAP formula from 90/10 to 50/50 beginning January 1, 2020 • Current MCE enrollees who experience a 30-day break in coverage after January 1, 2020, funded at 50/50 FMAP

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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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IGT Update & Proposed Funding Categories for IGT 6 & 7

Provider Advisory Committee Meeting

August 10, 2017

Cheryl Meronk

Director, Strategic Development

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Intergovernmental Transfers (IGT) Background

- IGT process enables CalOptima to secure additional federal revenue to increase California's low Medi-Cal managed care capitation rates

- Funds must be used to deliver enhanced services for the Medi-Cal population

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IGT Funds Availability and Process

- Available pool of dollars based on difference paid to CalOptima and the maximum rate
- Access to IGT dollars is contingent upon eligible government entities contributing dollars to be used as match for federal dollars
- Funds secured through cooperative transactions among eligible governmental funding entities, CalOptima, DHCS and CMS

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CalOptima Share Totals To-Date

IGTs	CalOptima Share
IGT 1	$12.52 M
IGT 2	$8.60 M
IGT 3	$4.88 M
IGT 4	$6.97 M
IGT 5	$14.42 M
Total	**$47.39 M**

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IGT 1 Status

Project	Budget	Balance	Notes
Personal Care Coordinators	$3,850,000	$0	Completed
Case Management System	$2,099,000	$0	Completed
Strategies to Reduce Readmissions	$533,585	($77,836)	Completed
Program for High-Risk Children	$500,000	$481,440	*Complete by 12/31/2018*
Case Management System Consulting	$866,415	$16,320	*Complete by 12/31/2017*
OCC PCC Program	$3,550,000	$0	Completed
Reallocated	*$1.1 M*	*$0*	*Dollars reallocated to projects under IGT 4*
Total	**$11.4 M**	**$0.5 M**	

As of 5/31/2017

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IGT 2 Status

Project	Budget	Balance	Notes
Facets System Upgrade & Reconfiguration	$1,756,620	$0	Completed
Security Audit Remediation	$98,000	$0	Completed
Continuation of COREC	$970,000	$186,745	*Complete by 10/31/2018*
OCC PCC Program	$2,400,000	$2,400,000	*Complete by 3/31/2018*
Children's Health/ Safety Net Services	$1,300,000	$25,875	*Complete by 9/30/2017*
Wraparound Services	$1,400,000	$448,400	*Complete by 6/30/2018*
Recuperative Care	$500,000	$146,300	*Complete by 12/31/2018*
Program Administration	$100,000	$0	Completed
PACE EHR System	$80,000	$0	Completed
Total	**$8.6 M**	**$3.2 M**	

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IGT 3 Status

Project	Budget	Balance	Notes
Recuperative Care (Phase 2)	$500,000	$500,000	*Complete by 12/31/2018*
Program Administration	$165,000	$70,885	*Complete by 12/31/2017*
Reallocated	*$4.2 M*	*$0*	*Dollars reallocated to projects under IGT 4*
Remaining Total	**$0.7 M**	**$0.6 M**	

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IGT 4 Status

Project	Budget	Balance	Notes
Data Warehouse Expansion	$750,000	$553,588	*Complete by 3/31/2018*
Depression Screenings	$1,000,000	$1,000,000	*Complete by 3/31/2019*
Member Health Homes	$250,000	$250,000	*Complete by 12/31/2017*
Member Health Needs Assessment	$500,000	$479,805	*Complete by 12/31/2017*
Personal Care Coordinators	$7,000,000	$6,982,240	*Complete by 6/30/2018*
Provider Portal Communications & Interconnectivity	$1,500,000	$1,472,480	*Complete by 12/31/2018*
UCI Observation Stay Payment Pilot	$750,000	$750,000	TBD
Program Administration	$529,608	$510,428	*Complete by 12/31/2018*
Reallocated	*$0*	*$5.3 M*	*Dollars reallocated from IGTs 1 & 3 (included in IGT 4 total)*
Total	**$12.3 M**	**$12.0 M**	

As of 5/31/2017

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CalOptima A Public Agency Better. Together.

IGT 5

- $14.4M allocated for competitive community grants
- Community grant initiatives to be developed, pending results from CalOptima's Member Health Needs Assessment

- Funding Categories:
  - Adult Mental Health
  - Children's Mental Health
  - Strengthening the Safety Net
  - Childhood Obesity
  - Improving Children's Health

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Member Health Needs Assessment (IGT 5)

- Builds upon previous surveys and assessments, e.g.
  - CalOptima Group Needs Assessment
  - OC Health Care Agency – OC Health Profile
  - Hospital Community Needs Assessments
- Deeper focus on needs of diverse, underserved Medi-Cal membership, including:
  - 7 threshold languages + others never previously represented
  - Homeless
  - Mentally ill
  - Older adults
  - Persons with disabilities

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Member Health Needs Assessment (IGT 5)

- Comprehensive assessment to identify gaps in and barriers to service
  - Access to PCPs, specialists & hospitals
  - Pharmacy and lab
  - Oral health services
  - Mental health services
- Insights into social determinants of health
  - Economic stability/employment status
  - Housing status
  - Education/literacy level
  - Social isolation
  - Transportation issues
  - Cultural differences
  - Communication barriers

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Estimated IGT 6 and 7 Totals

IGT	CalOptima Share
IGT 6	≈ $9.95 M (Anticipated December 2017)
IGT 7	≈ $12.16 M (Anticipated May 2018)
Total	**≈ $22.11 M**

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Proposed IGT Funding Categories - IGT 6 and 7

- Funds to be used to deliver enhanced services for the Medi-Cal population

Opioid/Other Substances Overuse

- Nationwide, 78 opioid overdose deaths per day
  - 45% of Rx drug overdose deaths are Medicaid beneficiaries
- In OC, 286 opioid-related drug overdose deaths in 2016
  - Opioid dependence second leading cause of substance-related hospitalizations in OC after alcohol dependence syndrome

- Potential solutions to be funded:
  - Expand access to pain management, addiction treatment and recovery services
  - Outreach and education
  - Technical assistance to community groups working to reduce opioid and other substance overuse

Children's Mental Health

- Estimated 52,500 OC youth living with a mental health condition
- Hospitalization rate for major depression among children and youth continues to rise
- Only 32 psychiatric acute care beds in OC for adolescents, and zero for children under 12
  - New CHOC facility will add 18 beds, for ages 3-18

- Potential solutions to be funded:
  - Expand inpatient and outpatient psychiatric services capacity for children 3-18

Homeless Health

- Homelessness in OC on the rise
  - 2017 Point-in-Time count identified 4,792 homeless individuals
  - 2015 Point-in-Time count was 4,452
  - As of 2015, estimated 15,291 homeless individuals in OC
    - Approximately 11,000+ of these are CalOptima members
- Economic impact of homelessness ≈ $300M over 12-month period between 2014-15
  - Includes $121M for health care costs
- Potential solutions to be funded:
  - Expand recuperative care services
  - Increase/expand mobile health clinics

Competitive Community Grants

- Funding to fill gaps and address barriers to service beyond IGT 5 funding categories:
  - Examples of possible additional priority areas:
    - Older Adult Health
    - Dental Health
    - Persons with Disabilities
    - Maternal/perinatal Health

Next Steps

- Develop proposed expenditure plan
- Gather stakeholder input
  - PAC
  - MAC
  - OCC MAC
  - Community organizations

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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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Program Updates

Provider Advisory Committee

August 10, 2017

Candice Gomez

Executive Director, Program Implementation

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Program Updates

- Whole Person Care – July 2017
- Palliative Care – January 2018
- Health Homes Program – January 2019
- Whole-Child Model – January 2019

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Whole Person Care (WPC)

- Start Date: July 1, 2017
- County-led program that increases coordination of physical, behavioral health, and social services for CalOptima members who are:
  - Homeless; or
  - Have a behavioral health condition and are at risk of being homeless
- Services include recuperative care, housing support services and mental health services
  - Service expansion and system enhancements are in progress
  - CalOptima WPC care coordinator services will be available by end of year

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Medi-Cal Palliative Care

- Start Date: January 1, 2018
- State specific guidelines for coordination of end-of-life care for Medi-Cal members and their families
  - Minimum program and eligibility criteria
- Palliative Care goals
  - Improve quality of life and health outcomes
  - Enhance care coordination and medication management
  - Provide mental health and social services support

Health Homes Program (HHP)

- Start Date: January 1, 2019

- Improves care coordination for high-utilizing CalOptima members with chronic conditions
  - Requires Community-Based Care Management Entities (CB-CMEs) to coordinate member care with plan, providers, and social services agencies
  - Enhanced care management, care coordination, health promotion, transition support, individual and family support services
  - New services such as accompaniment to appointments and housing navigation

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Whole-Child Model (WCM)

- Start Date: January 1, 2019
- "One-stop" care delivery system for California Children's Services (CCS) and non-CCS services
  - Member- and family-centered approach to enhance coordination of care by focusing on the whole child
- Transitions many CCS services from the County of Orange to CalOptima for over 12,000 children
- Program planning is in progress
  - Stakeholder engagement activities
  - Plan and County meeting to ensure no disruption in member care

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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HEDIS® 2017 Results

PAC
August 10, 2017

Kelly Rex-Kimmet
Director, Quality Analytics

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HEDIS and Regulatory Reporting

- Department of Health Care Services (DHCS)
  - External Accountability Set (EAS)
  - Select Measures must achieve minimum performance level (MPL)
- Centers for Medicare & Medicaid Services (CMS)
  - Medicare/SNP Rates and Patient Level Data
  - CMS 2018 Star Rating
  - Medicare/MMP Rates and Patient Level Data (first year for OCC submission)
- National Committee for Quality Assurance (NCQA)
  - Accreditation score (HEDIS 37 points, CAHPS 13 points)
  - National Health Plan Ratings
  - Quality Compass

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HEDIS Processing

- 6 reports (IDSS) submitted to NCQA
- Patient Level Detail (PLD) files for Medicare and Medicaid need to be submitted to CMS and NCQA respectively
- 49 measures/sub-measures require medical record review with 12,084 chart chases
  - Medi-Cal – 21 hybrid measures/sub-measures with 6,876 chart chases
  - OneCare – 14 hybrid measures/sub-measures with 1,726 chart chases
  - OneCare Connect – 14 hybrid measures/sub-measures with 3,482 chart chases
- Medical record retrieval rate is 98.12%

Results Compared to CalOptima Goals*

- Medi-Cal
  - **All DHCS MPLs have been met !!**
  - 25 out of 57 measures met goal (44%)
  - 41 out of 57 measures are better than last year (72%)
  - Opportunities for Behavioral Health Rates Improvement
- OneCare
  - 13 out of 21 measures met goal (62%)
  - 14 out of 21 measures are better than last year (67%)
- OneCare Connect
  - 9 out of 13 measures met goal (69%)
  - Baseline Reporting—first year of plan level HEDIS results for OCC

* Some Goals were “stretch goals” designed to move to the next highest NCQA percentile

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HEDIS 2017
Projected OneCare Star Results

- OneCare eligible population reduced 90% from prior year (12,500 to 1,200 members) due to OCC launch. This dramatically impacted denominators and rates making comparison to last year difficult.
- 3 measures expected to move to a higher Star level
  - Controlling Blood Pressure reached 5-star from previous year's 3-Star
  - Comprehensive Diabetes Care - HbA1c>9% reached 5-star from previous year's 4-Star
  - Breast Cancer Screening reached 4-star from previous year's 3-Star
- 5 measures expected to receive the same Star level
  - Adult BMI Assessment- 5-Stars
  - Care for Older Adults (SNP) - Medication Review 4-Stars
  - Care for Older Adults (SNP) - Pain Assessment -4-Stars
  - CDC - Eye Exams 4-Stars
  - Care for Older Adults (SNP) - Functional Status Assessment 4-Stars
- 2 measures expected to earn lower Star level
  - Colorectal Cancer Screening went down 4.4% to 2-Stars
  - CDC - Medical Attention for Nephropathy went down 4% to 1-Star

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Medi-Cal Measure Results

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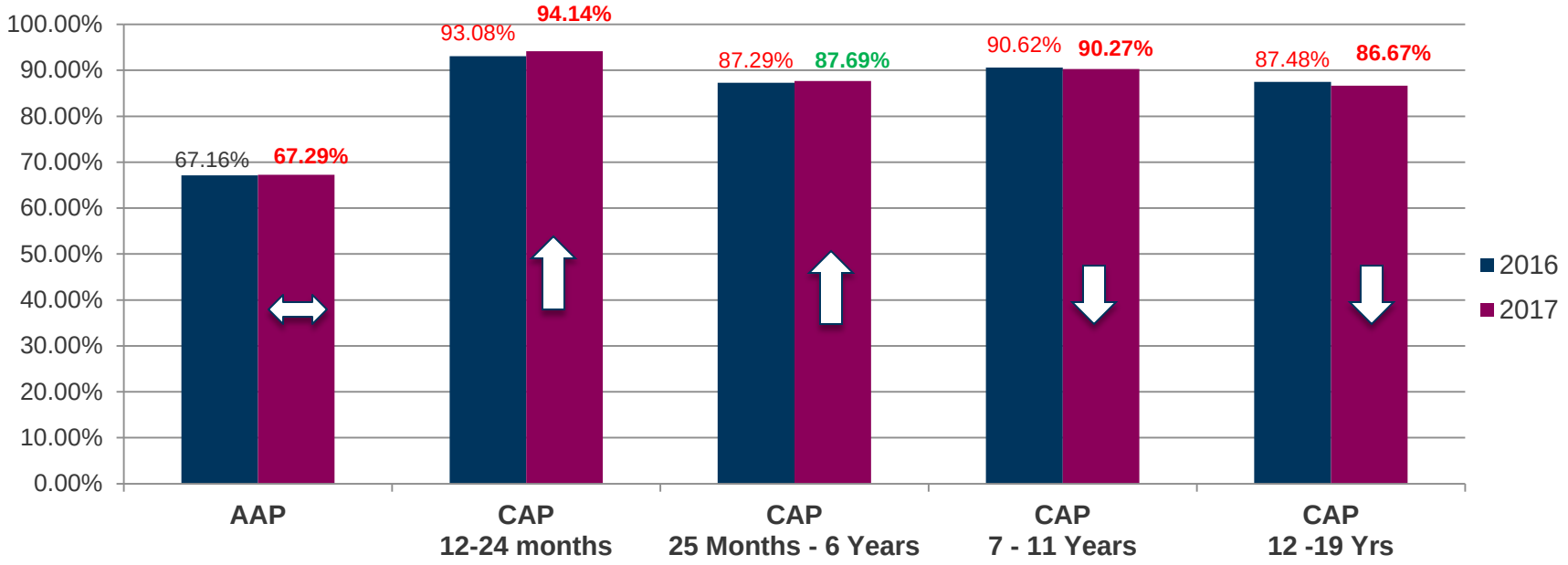
HEDIS 2017 Results: Medi-Cal
Annual Visits to PCP's (Under Performing)



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Adult's Access to Preventive/Ambulatory Health Services (AAP)	82.15%	85.50%	87.58%	82.15%	P4V
Children's Access to Primary Care Practitioners (CAP)					
12 - 24 Months	95.74%	97.28%	97.85%	95.74%	P4V
25 Months - 6 Years	87.69%	90.98%	93.34%	**87.69%**	P4V
7 - 11 Years	91.00%	93.25%	96.10%	91.00%	P4V
12 -19 Years	89.37%	92.67%	94.69%	89.37%	P4V

***Red = less than 50th percentile, Green= met goal, ↑ ↓ statistically higher or lower ↔ statistically no difference**

****RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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Children and Women's Health

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HEDIS 2017 Results: Medi-Cal Well Child Visits

HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements**
Well-Child Visits in the First 15 Months of Life - Six Well Child Visits (W15)	59.57%	67.76%	73.88%	59.57%	RS
Well-Child Visits in the Third, Fourth, Fifth and Sixth Years of Life (W34)	71.42%	77.57%	82.97%	80.27%	MPL, P4V, RS
Adolescent Well-Care Visits (AWC)	48.41%	57.66%	66.04%	55.47%	P4V, RS

*Red = less than 50th percentile, Green= met goal, MPL met

↑ ↓ statistically higher or lower ↔ statistically no difference

**RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value

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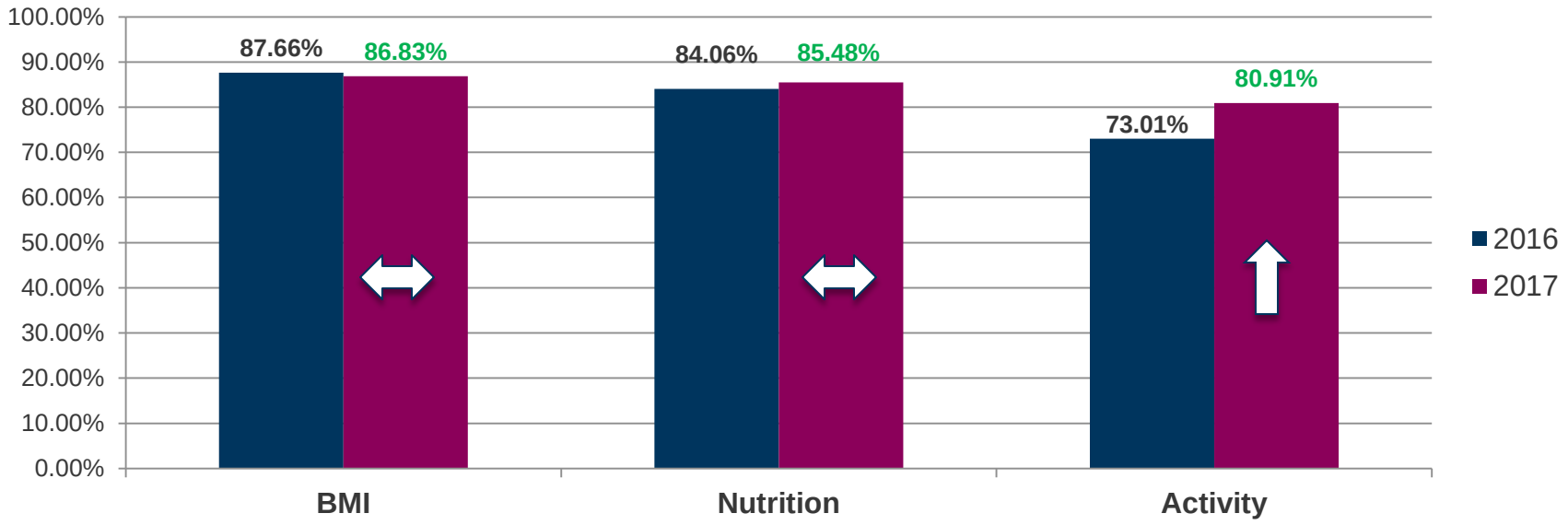
HEDIS 2017 Results: Medi-Cal Weight Assessment and Counseling



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements* *
BMI Percentile (WCC)	67.54%	77.78%	86.37%	86.37%	ACC, MPL, RS
Counseling for Nutrition (WCC)	62.65%	70.88%	79.52%	79.52%	ACC, MPL, RS
Counseling for Physical Activity (WCC)	55.38%	63.47%	71.58%	71.58%	ACC, MPL, RS

***Red = less than 50th percentile, Green= met goal, MPL met**

↑ ↓ statistically higher or lower ↔ statistically no difference

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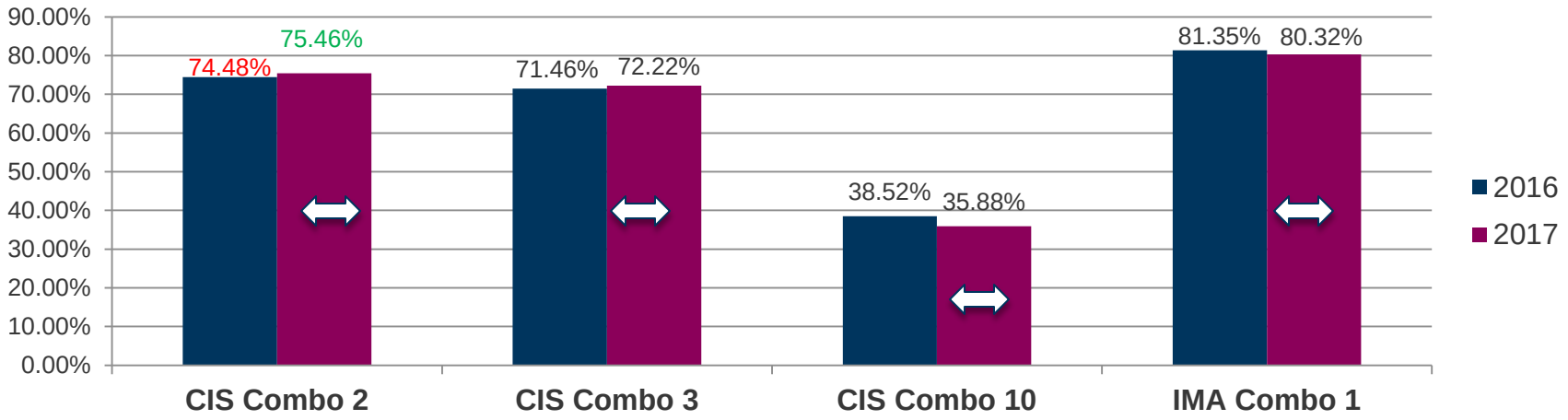
HEDIS 2017 Results: Medi-Cal Immunizations



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements**
Childhood Immunization Status (CIS)					
CIS - combo 2	75.18%	78.59%	82.88%	75.18%	ACC
CIS - combo 3	71.06%	75.60%	79.81%	73.72%	**MPL**
CIS - combo10 ++	32.64%	40.91%	46.47%	40.91%	ACC, P4V, RS
Immunizations for Adolescents (IMA)					
IMA - Combo 1 ++	74.52%	82.09%	86.57%	82.09%	ACC, **MPL**, RS

***Red = less than 50th percentile; Green= met goal, MPL met, ++ measure triple weighted for Health Plan Ratings ↑ ↓ statistically higher or lower ↔ statistically no difference **RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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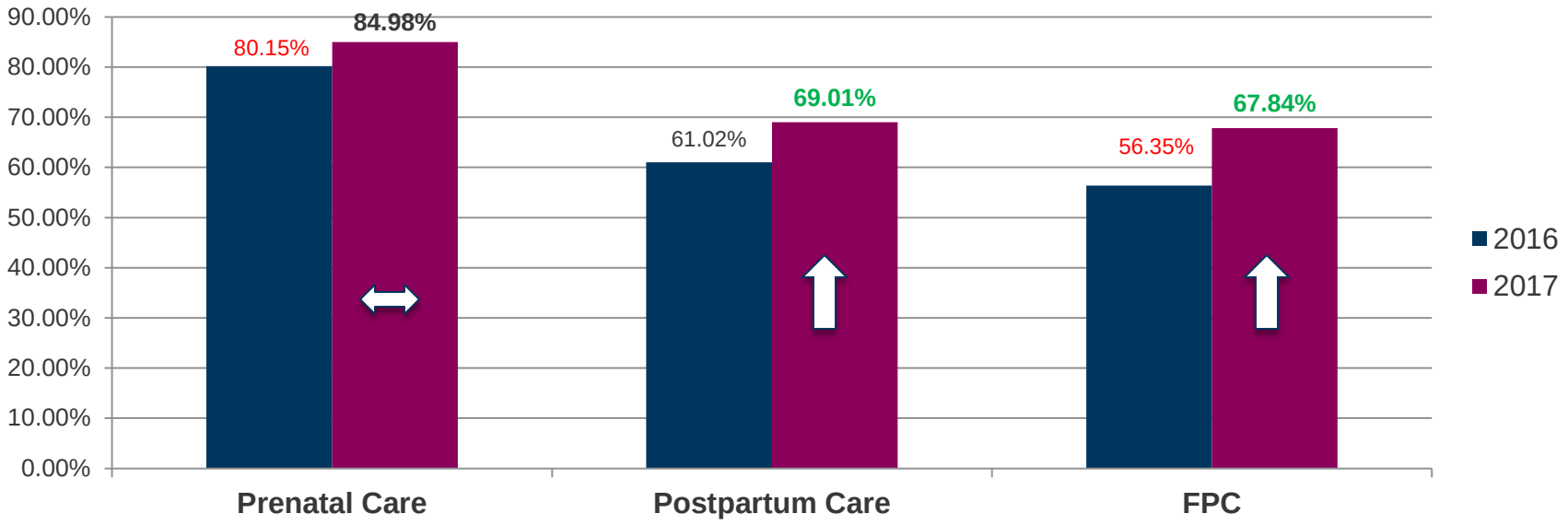
HEDIS 2017 Results: Medi-Cal Prenatal and Postpartum Care



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements**
Prenatal Care and Postpartum Care (PPC)					
Prenatal Care	82.25%	87.56%	91.00%	**85.57%**	ACC, **MPL**, RS
Postpartum Care	60.98%	67.53%	73.61%	**65.96%**	ACC, **MPL**, RS
Frequency of Prenatal Care (FPC) >=81%	59.26%	69.54%	75.77%	**59.26%**	ACC, RS

***Red = less than 50th percentile, Green= met goal, MPL met**

↑ ↓ statistically higher or lower ↔ statistically no difference

****RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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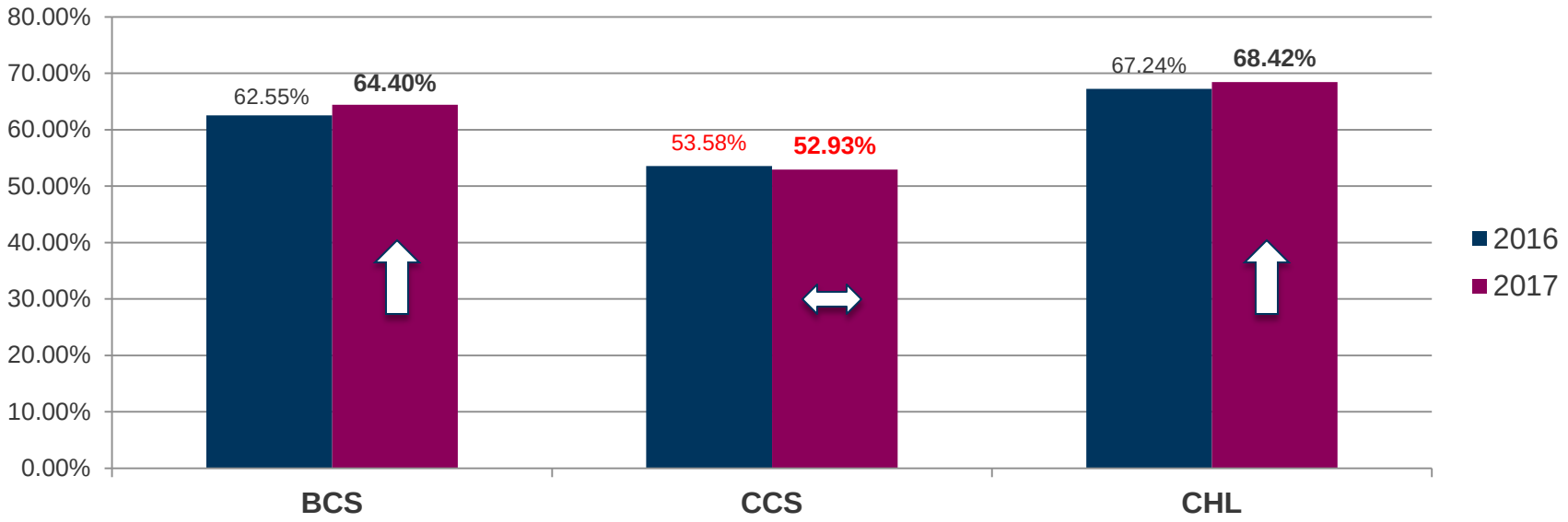
HEDIS 2017 Results: Medi-Cal Women's Health



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Breast Cancer Screening (BCS)	58.08%	65.30%	71.52%	65.30%	ACC, P4V, RS
Cervical Cancer Screening (CCS)	55.94%	63.88%	69.95%	55.94%	ACC, MPL, P4V, RS
Chlamydia Screening (CHL)	55.16%	61.63%	68.92%	68.92%	ACC, RS

***Red = less than 50th percentile, Green= met goal, MPL met**

↑ ↓ statistically higher or lower ↔ statistically no difference

****RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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Care for Chronic Conditions

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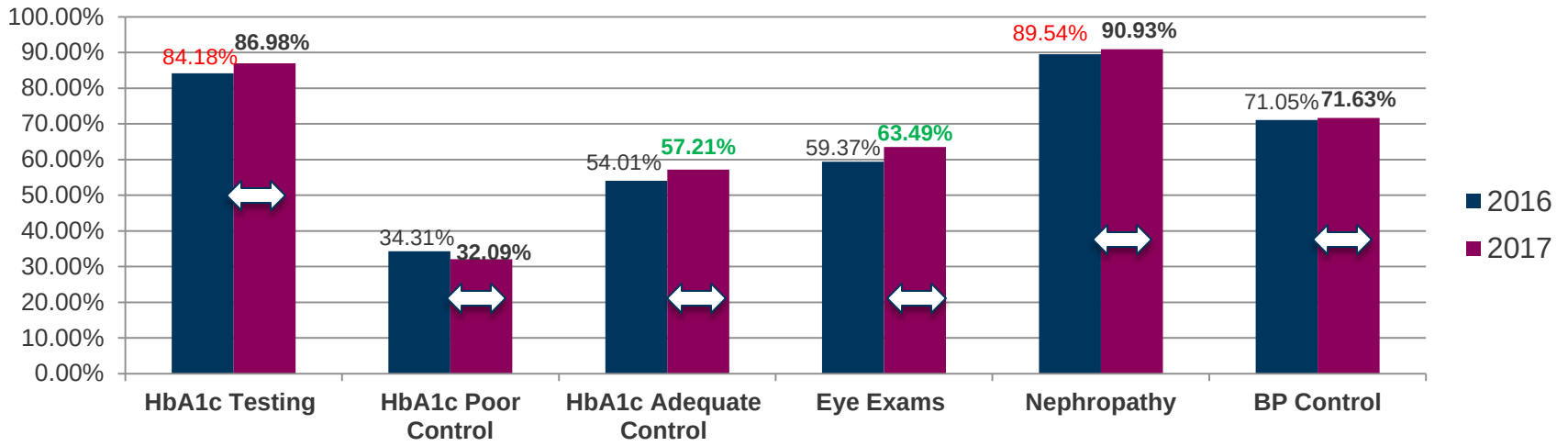
HEDIS 2017 Results: Medi-Cal Comprehensive Diabetes Care



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
HbA1c Testing	85.95%	89.42%	92.88%	88.08%	ACC, , MPL, P4V
HbA1c Poor Control (>9.0%) (Lower is better)	43.80%	36.87%	29.23%	29.23%	ACC, , MPL
HbA1c Adequate Control (<8.0%) ++	46.76%	52.55%	58.39%	55.47%	ACC, , MPL, RS
Eye Exams	53.28%	61.50%	68.11%	61.50%	ACC, , MPL, P4V, RS
Nephropathy Monitoring	90.51%	91.97%	93.56%	91.20%	ACC, , MPL, RS
BP Control (<140/90) ++	59.73%	68.61%	75.73%	72.17%	ACC, , MPL, RS

***Red = less 50th percentile, Green= met goal, MPL met, ++ measure triple weighted for Health Plan Ratings**
↑ ↓ statistically higher or lower ↔ statistically no difference
(RS), MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value

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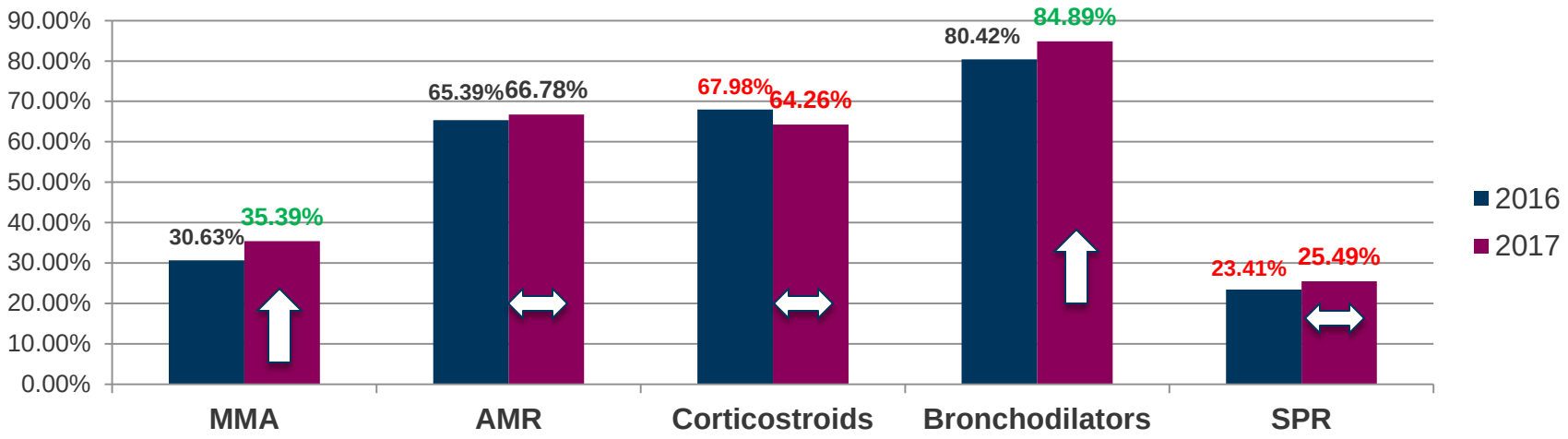
HEDIS 2017 Results: Medi-Cal Asthma and COPD



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Medication Management for People with Asthma (MMA) 5 to 64 years 75% Compliance	31.28%	37.50%	46.72%	35.31%	ACC, MPL, P4V, RS
Asthma Medication Ratio (AMR) 5 to 64 years> 50%	61.26%	65.36%	70.00%	67.68%	ACC, RS
Pharmacotherapy Management of COPD Exacerbation (PCE)					
1. Systemic Corticosteroids	70.39%	75.48%	79.07%	70.39%	ACC, RS
2. Bronchodilators	83.70%	86.75%	88.78%	83.70%	ACC, RS
Use of Spirometry Testing in the Assessment and Diagnosis of COPD (SPR)	30.26%	35.43%	40.54%	25.81%	ACC

*Red = less than 50th percentile, Green= met goal, MPL met

↑ ↓ statistically higher or lower ↔ statistically no difference

**RS=Health plan ratings, MPL=DHCS Minimal Performance Level, ACC=NCQA Accreditation P4V=Pay for Value

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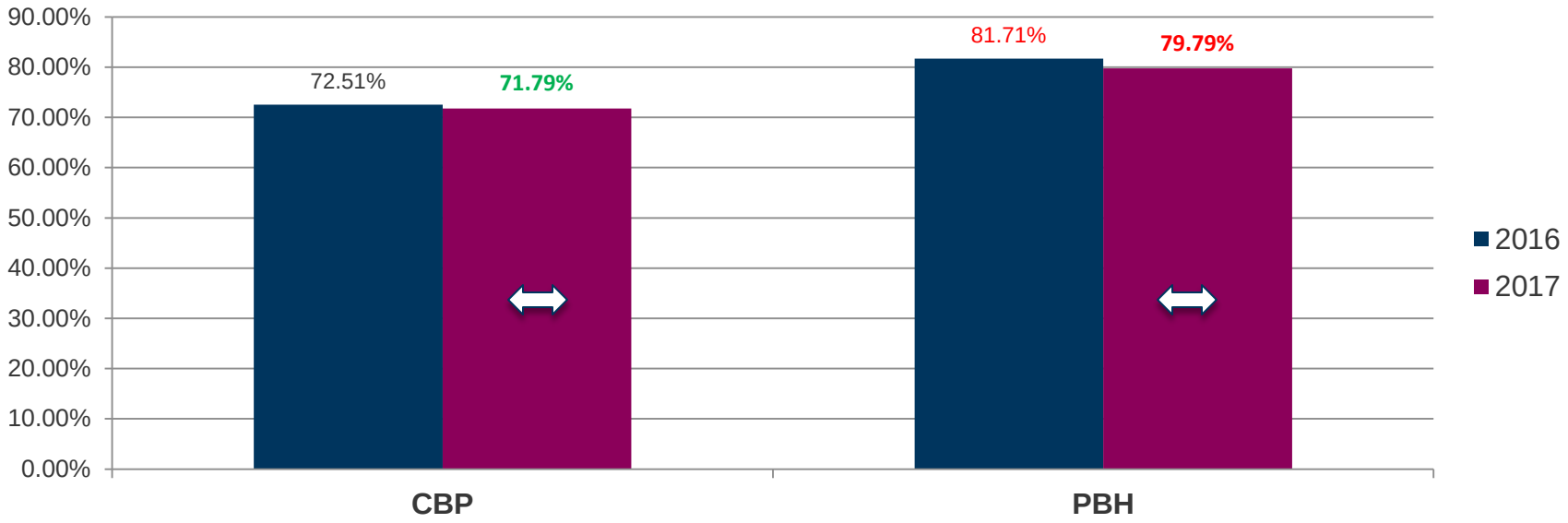
HEDIS 2017 Results: Medi-Cal Cardiovascular Conditions



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Controlling High-Blood Pressure (CBP) ++	54.78%	63.99%	70.69%	70.69%	ACC, MPL, RS
Persistence of Beta Blocker Treatment after a Heart Attack (PBH)	83.06%	88.30%	91.67%	83.06%	RS

***Red =less than 50th percentile, Green= met goal, MPL met ++ measure triple weighted for Health Plan Ratings**
↑ ↓ statistically higher or lower ↔ statistically no difference
****RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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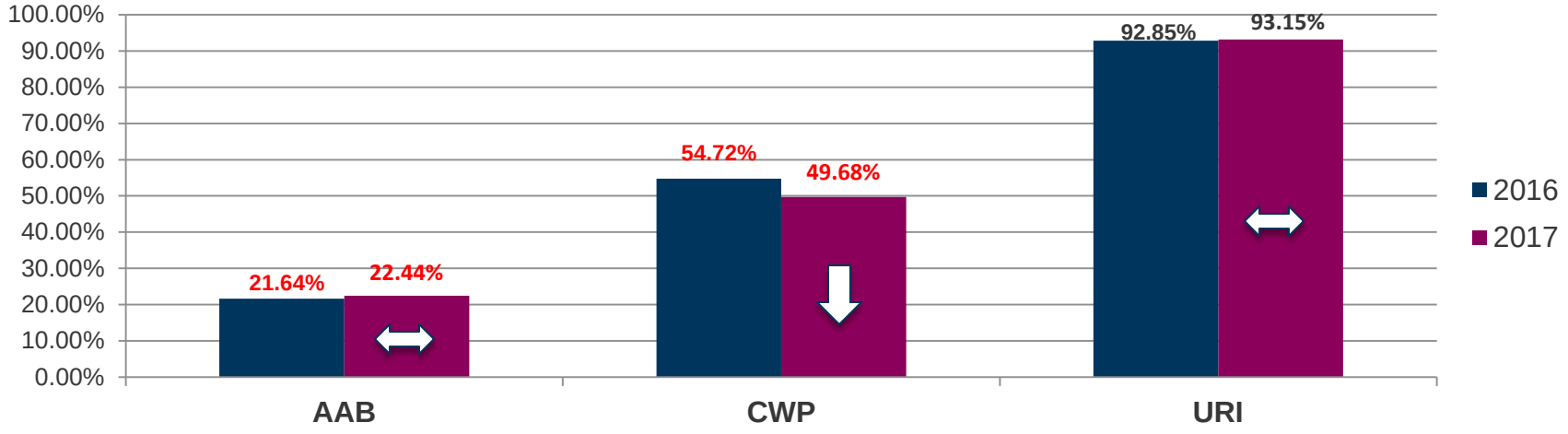
HEDIS 2017 Results: Medi-Cal Respiratory Conditions



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis (AAB)	26.17%	32.51%	38.91%	22.12%	ACC, MPL, RS
Appropriate Testing for Children with Pharyngitis (CWP)	71.62%	81.01%	86.59%	63.24%	ACC, P4V, RS
Appropriate Treatment for Children with Upper Respiratory Infection (URI)	89.39%	93.38%	96.08%	93.38%	ACC, P4V, RS

*Red = less than 50th percentile, Green= met goal, MPL met

↑ ↓ statistically higher or lower ↔ statistically no difference

**RS=Health plan ratings, MPL=DHCS Minimum Performance Level, ACC=NCQA Accreditation P4V=Pay for Value

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Behavioral Health

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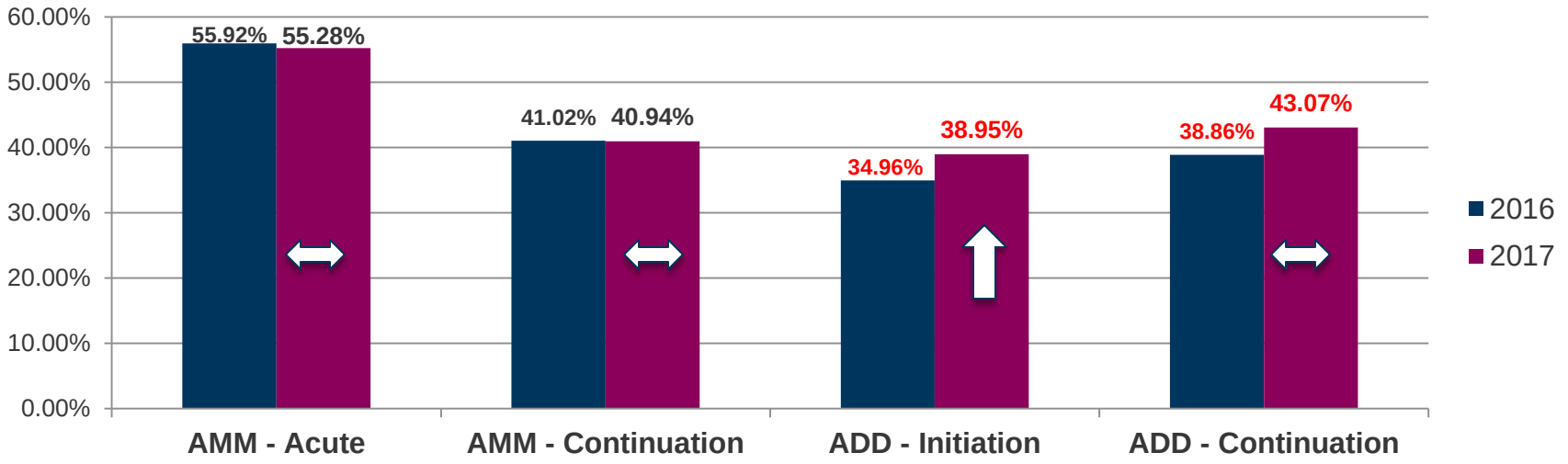
HEDIS 2017 Results: Medi-Cal Behavioral Health



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Antidepressant Medications Management (AMM) - Acute Phase Treatment	53.38%	59.52%	67.57%	59.52%	ACC, RS
Antidepressant Medications Management (AMM) - Continuation Phase Treatment	38.06%	43.39%	54.30%	43.39%	ACC
Follow-up Care for Children Prescribed ADHD Medication (ADD) - Initiation Phase	42.19%	49.55%	55.48%	49.55%	ACC, RS
Follow-up Care for Children Prescribed ADHD Medication (ADD) - Continuation Phase	52.47%	62.50%	67.23%	62.50%	ACC

***Red = less than 50th percentile, Green= met goal, ↑ ↓ statistically higher or lower ↔ statistically no difference**
****RS=Health plan ratings, MPL=DHCS Minimal Performance Level, ACC=NCQA Accreditation P4V=Pay for Value**

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OneCare Results

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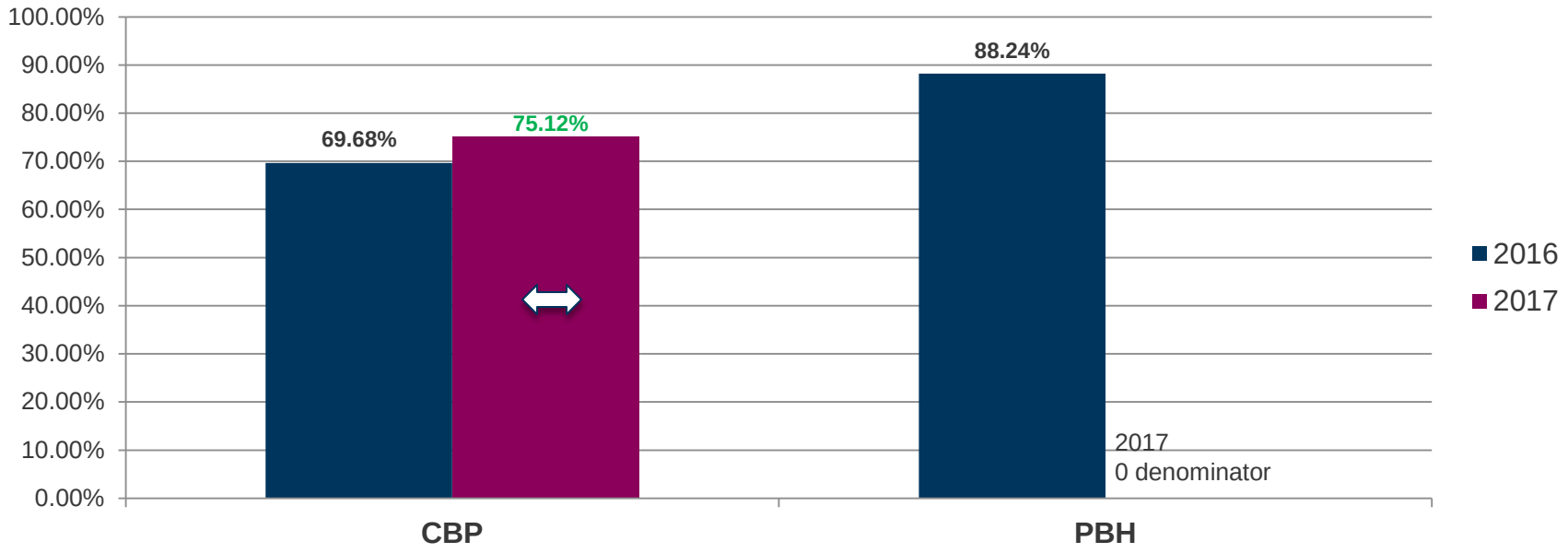
HEDIS 2017 Results: OneCare Cardiovascular Conditions



HEDIS Measure	3-Star/ 50th percentile	4-Star/ 75th percentile	5-Star/ 90th percentile	Goal	Reporting Requirements*
Controlling High-Blood Pressure**	56%	64%	75%	75.00%	Star
Persistence of Beta Blocker Treatment after a Heart Attack	91.45%	94.50%	97.26%	88.24%	CMS

*Red = less than 3-Star or 50th percentile, Green= met goal

↑ ↓ statistically higher or lower ↔ statistically no difference ** Triple weighted for STARS

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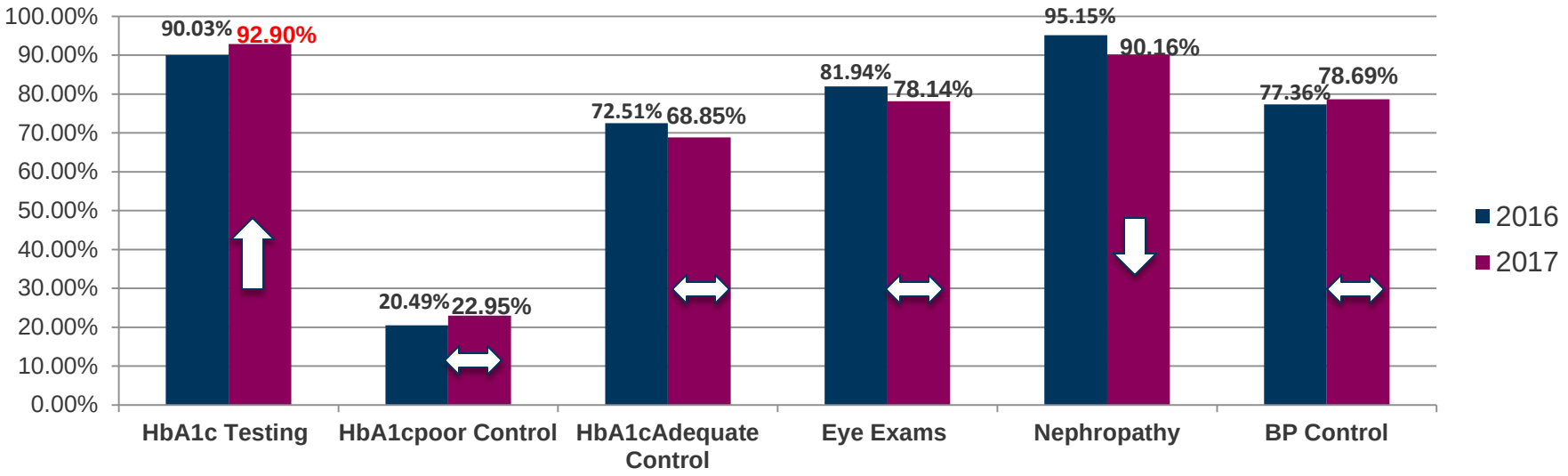
HEDIS 2017 Results: OneCare Comprehensive Diabetes Care



HEDIS Measure	3-Star/ 50th percentile	4-Star/ 75th percentile	5-Star/ 90th percentile	Goal	Reporting Requirements*
Comprehensive Diabetes Care (CDC)					
1. HbA1c Testing	93.90%	95.62%	97.08%	**91.39%**	CMS
2. HbA1c Poor Control (>9.0%) **	38%	24%	16%	16%	**Star**
3. HbA1c Adequate Control (<8.0%)	66.07%	72.75%	76.72%	72.75%	CMS
4. Eye Exams	57%	75%	87%	81%	**Star**
5. Nephropathy Monitoring	56%	74%	86%	96%	**Star**
6. B/P <140/90	59%	75%	88%	79.32%	**Star**

***Red = less than 3-Star or 50th percentile, Green= met goal**

↑ ↓ statistically higher or lower ↔ statistically no difference **Triple weighted for STARS

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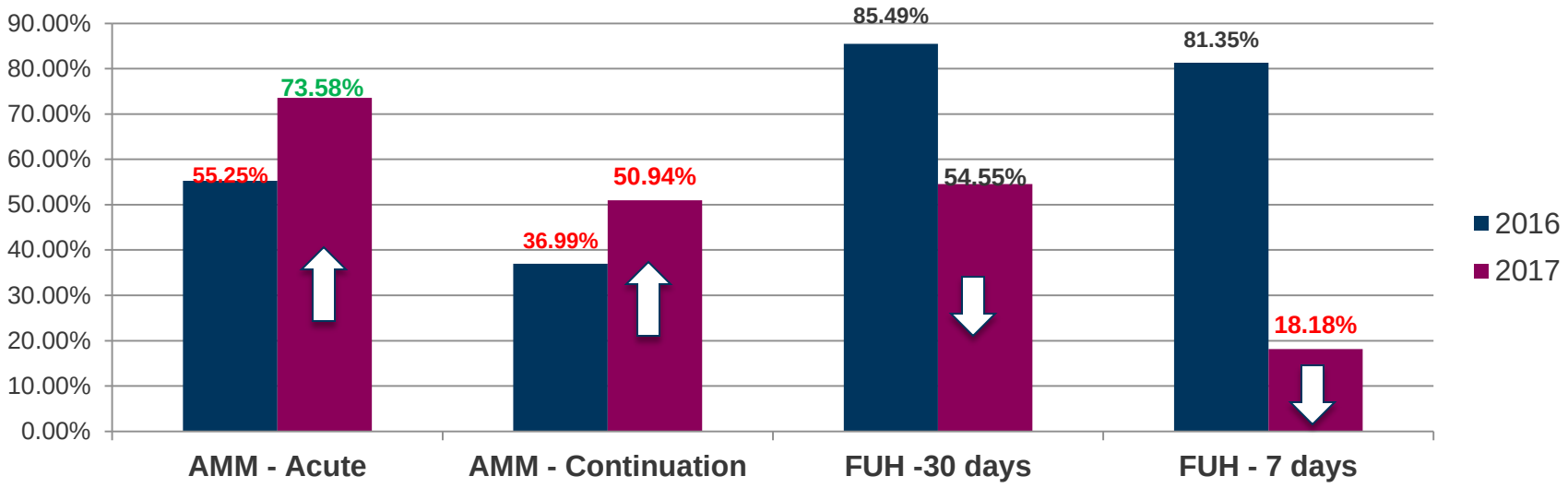
HEDIS 2017 Results: OneCare Behavioral Health



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Antidepressant Medications Management (AMM) - Acute Phase Treatment	69.47%	75.15%	82.77%	**64.09%**	CMS
Antidepressant Medications Management (AMM) - Continuation Phase Treatment	55.26%	61.02%	72.25%	**48.36%**	CMS
Follow-Up After Hospitalization for Mental Illness (FUH) - 30 days	49.81%	65.70%	76.19%	76.19%	CMS
Follow-Up After Hospitalization for Mental Illness (FUH) - 7 days	30.80%	42.86%	57.95%	57.95%	CMS

***Red =less than 3-Star or 50th percentile, Green= met goal**

↑ ↓ statistically higher or lower ↔ statistically no difference

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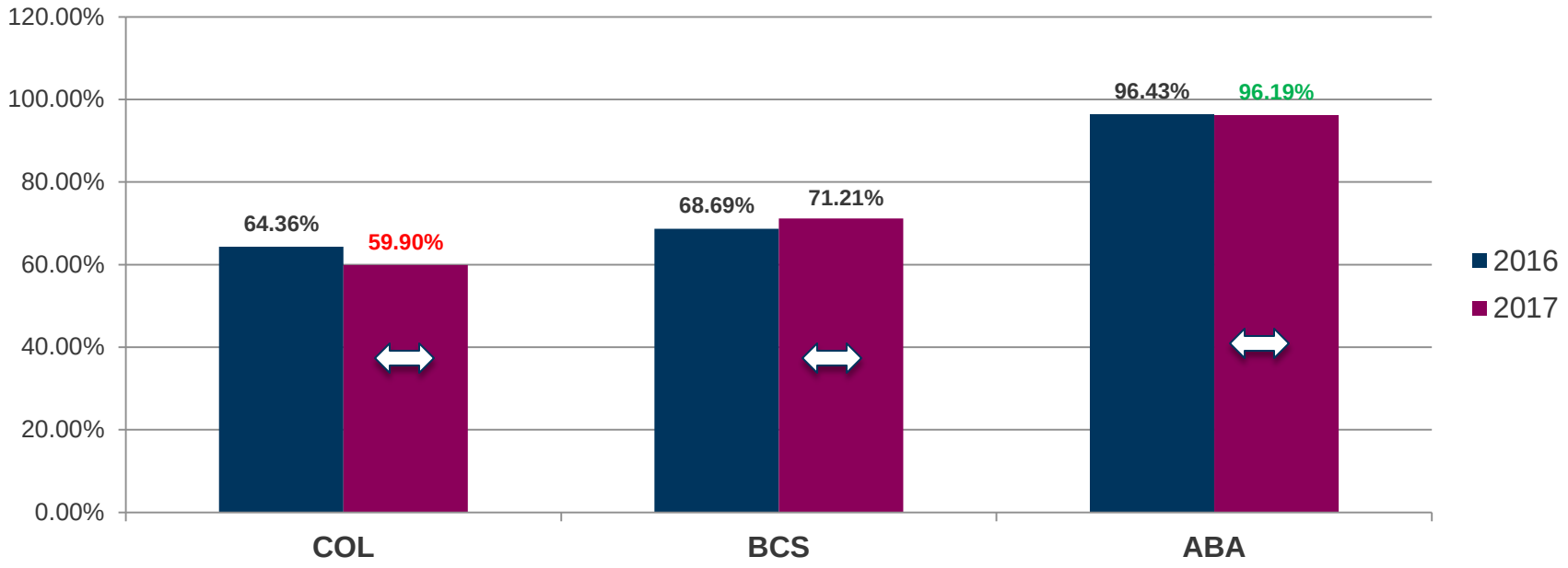
HEDIS 2017 Results: OneCare Prevention and Screening



HEDIS Measure	3-Star	4-Star	5-Star	Goal	Reporting Requirements*
Colorectal Cancer Screening (COL)	62%	71%	81%	71%	Star
Breast Cancer Screening (BCS)	63%	69%	76%	69%	Star
Adult BMI Assessment (ABA)	63%	87%	96%	96%	Star

***Red = less than 3-Star or 50th percentile, Green= met the goal**

↑ ↓ statistically higher or lower ↔ statistically no difference

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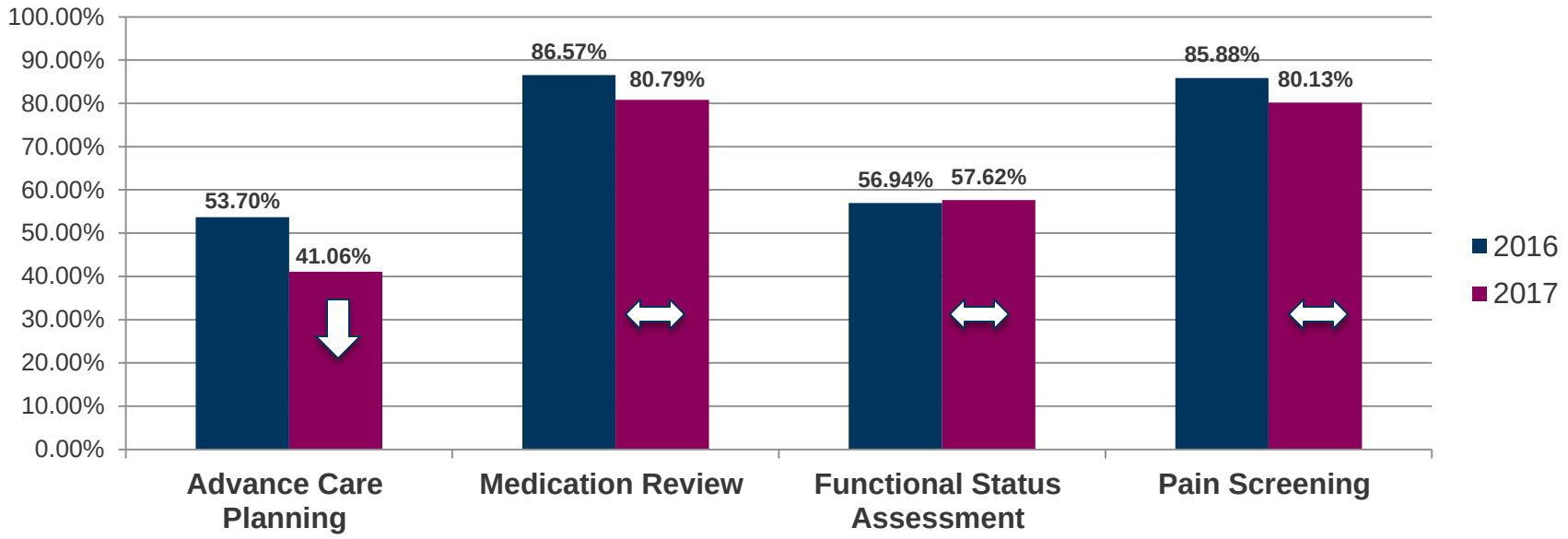
HEDIS 2017 Results: OneCare
Care for Older Adults



HEDIS Measure	3-Star	4-Star	5-Star	Goal	Reporting Requirements*
Care for Older Adults (COA)					
1. Advance Care Planning					CMS
2. Medication Review	57%	75%	87%	87%	Star
3. Functional Status Assessment	56%	74%	86%	74%	Star
4. Pain Screening	59%	75%	88%	88%	Star

***Red = less than 3-Star or 50th percentile ↑ ↓ statistically higher or lower ↔ statistically no difference**

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OneCare Connect Results
1st Year Baseline

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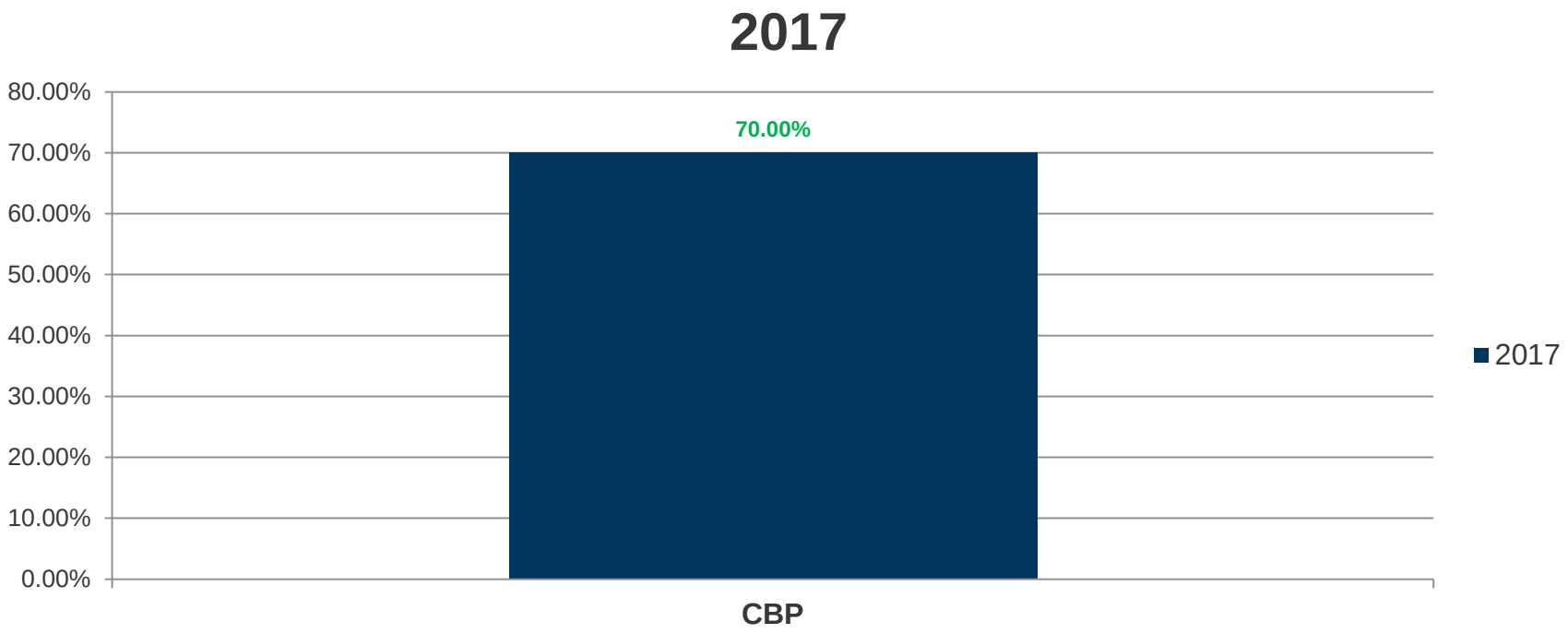
HEDIS 2017 Results: OneCare Connect Controlling Blood Pressure



HEDIS Measure	3-Star/ 50th percentile	4-Star/ 75th percentile	5-Star/ 90th percentile	Goal	Reporting Requirements*
Controlling High-Blood Pressure**	56%	64%	75%	56%	Star, P4V, Withhold

*Red = less than 3-Star or 50th percentile, Green= met goal

** Triple weighted for STARS

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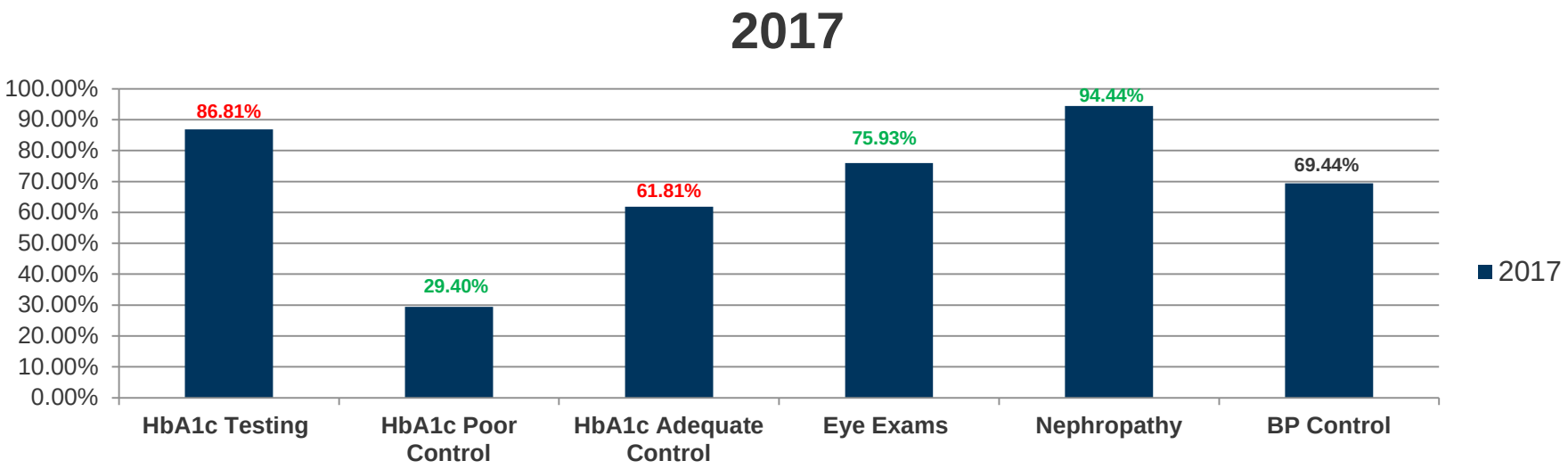
HEDIS 2017 Results: OneCare Connect Comprehensive Diabetes Care



HEDIS Measure	3-Star/ 50th percentile	4-Star/ 75th percentile	5-Star/ 90th percentile	Goal	Reporting Requirements*
Comprehensive Diabetes Care (CDC)					
1. HbA1c Testing	93.90%	95.62%	97.08%	93.90%	CMS
2. HbA1c Poor Control (>9.0%) **	38%	24%	16%	**38%**	**Star**
3. HbA1c Adequate Control (<8.0%)	66.07%	72.75%	76.72%	66.07%	CMS
4. Eye Exams	57%	75%	87%	**57%**	**Star**
5. Nephropathy Monitoring	56%	74%	86%	**56%**	**Star**
6. BP Control	59%	75%	88%	**59%**	**Star**

***Red = less than 3-Star or 50th percentile, Green= met goal**

****Triple weighted for STARS**

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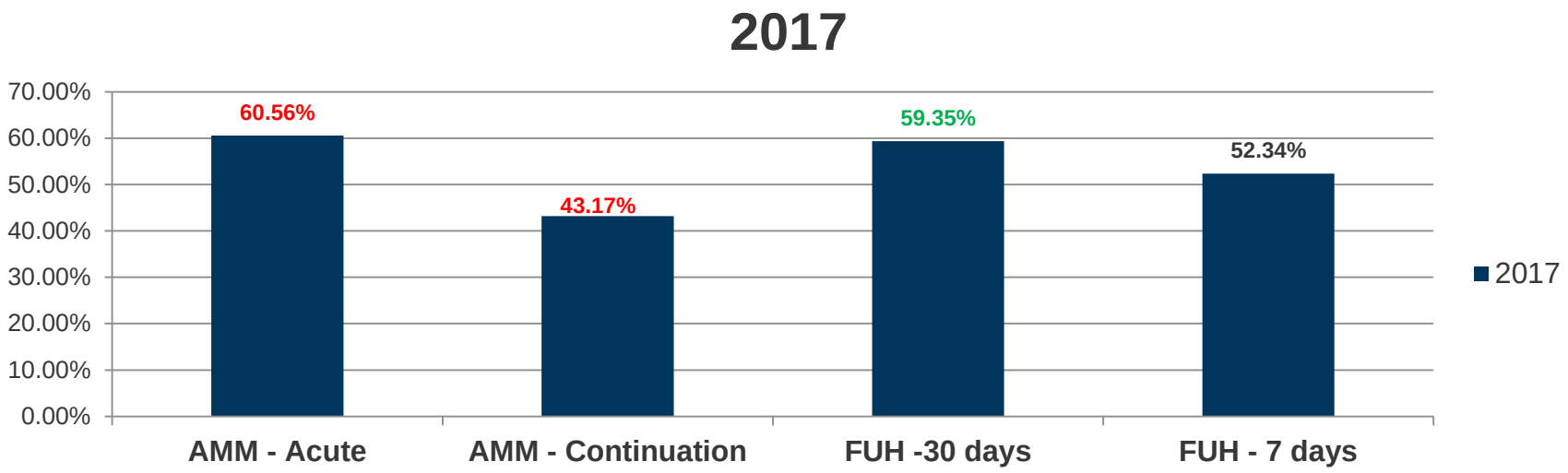
HEDIS 2017 Results: OneCare Connect Behavioral Health



HEDIS Measure	NCQA 50th Percentile	NCQA 75th Percentile	NCQA 90th Percentile	Goal	Reporting Requirements*
Antidepressant Medications Management (AMM) - Acute Phase Treatment	69.47%	75.15%	82.77%		**P4V**
Antidepressant Medications Management (AMM) - Continuation Phase Treatment	55.26%	61.02%	72.25%		**P4V**
Follow-Up After Hospitalization for Mental Illness (FUH) - 30 days ++	49.81%	65.70%	76.19%	**56%**	CMS, Withhold
Follow-Up After Hospitalization for Mental Illness (FUH) - 7 days ++	30.80%	42.86%	57.95%	56%	CMS, Withhold

***Red =less than 3-Star or 50th percentile, Green= met goal ++ Quality Withhold measure**

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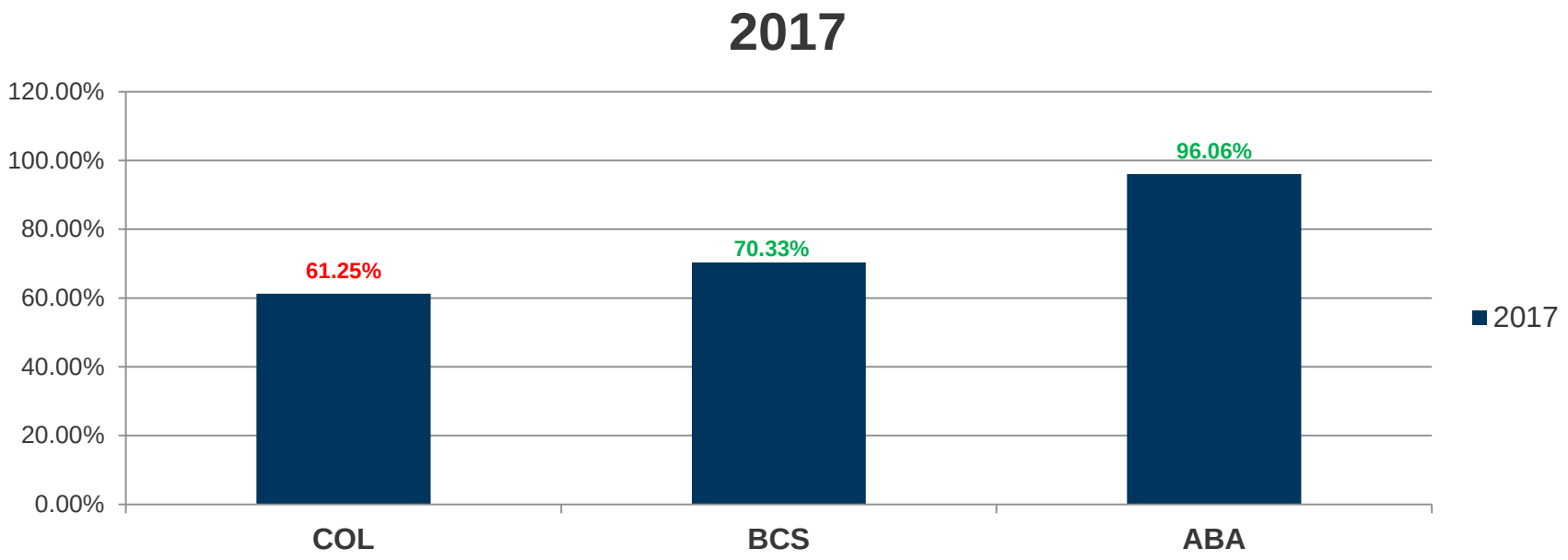
HEDIS 2017 Results: OneCare Connect Prevention and Screening



HEDIS Measure	3-Star	4-Star	5-Star	Goal	Reporting Requirements*
Colorectal Cancer Screening (COL)	62%	71%	81%	62%	Star
Breast Cancer Screening (BCS)	63%	69%	76%	63%	Star
Adult BMI Assessment (ABA)	63%	87%	96%	63%	Star

*Red = less than 3-Star or 50th percentile, Green= met goal

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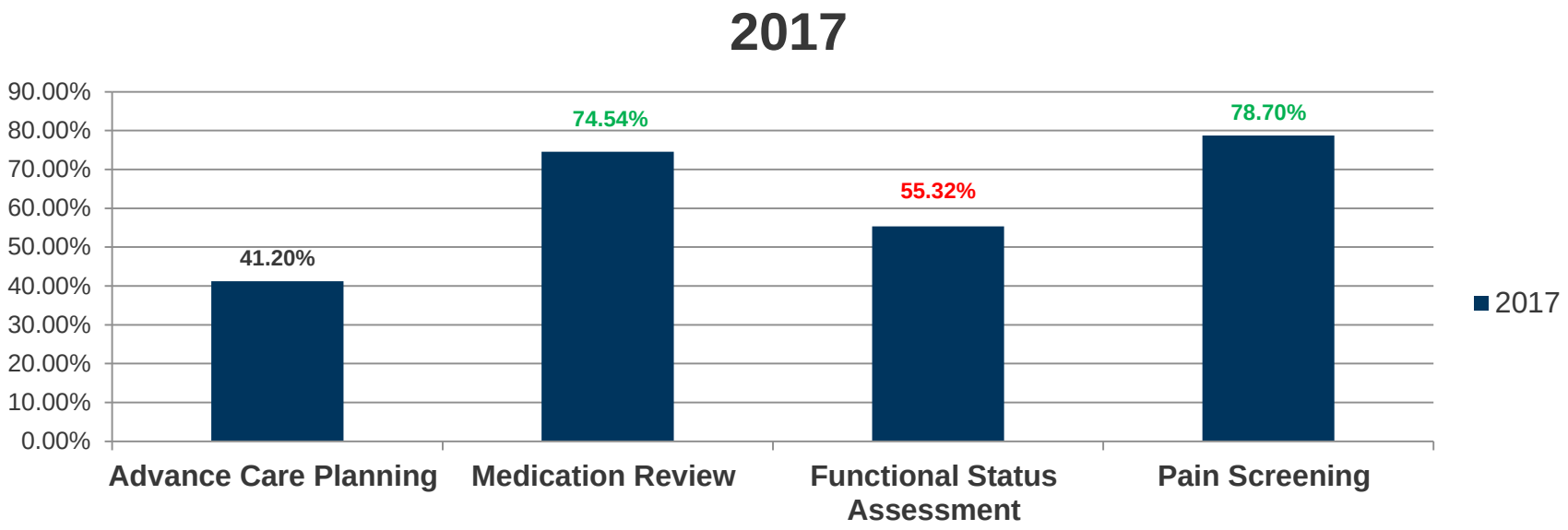
HEDIS 2017 Results: OneCare Connect Care for Older Adults



HEDIS Measure	3-Star	4-Star	5-Star	Goal	Reporting Requirements*
Care for Older Adults (COA)					
1. Advance Care Planning					CMS
2. Medication Review	57%	75%	87%	57%	Star
3. Functional Status Assessment	56%	74%	86%	56%	Star
4. Pain Screening	59%	75%	88%	59%	Star

*Red = less than 3-Star or 50th percentile, Green = met goal

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Member Experience (CAHPS)

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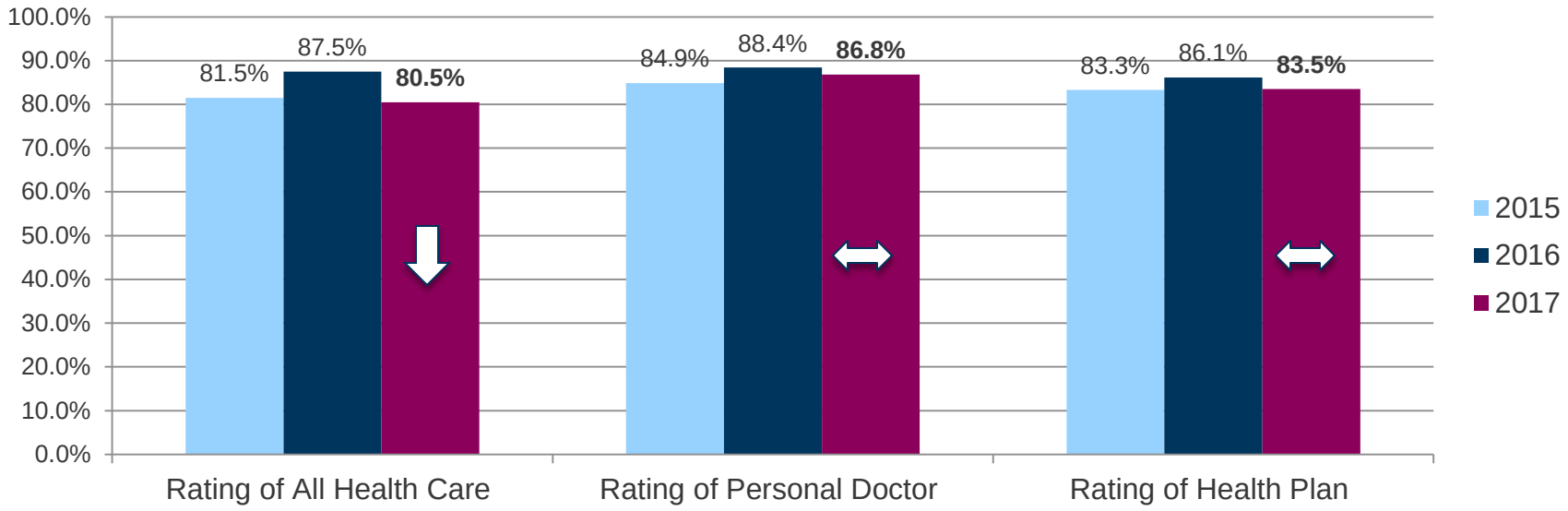
CAHPS Child Member Survey Results

(Parents Satisfaction with Their Child's Care)



NCQA Accreditation 3-point score	CalOptima 2016	CalOptima 2017	25th Percentile	50th Percentile	75th Percentile	90th Percentile
Rating of All Health Care	2.61	2.49	2.49	2.52	2.57	2.59
Rating of Personal Doctor	2.69	2.62	2.58	2.62	2.65	2.67
Rating of Health Plan	2.64	2.54	2.51	2.57	2.62	2.67

*Red = less than 25th percentile, Yellow = 25th percentile, Pink = 50th percentile,
Blue = 75th percentile, Green = 90th percentile ↑ ↓ statistically higher or lower ↔ statistically no difference

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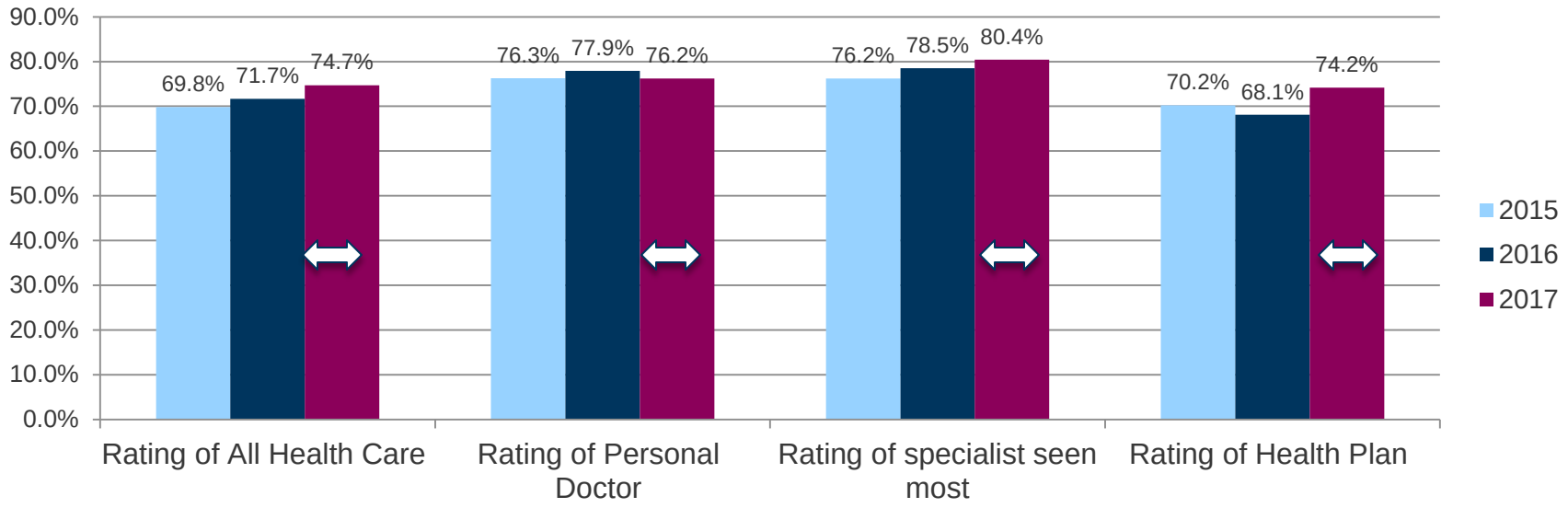
CAHPS Adult Member Survey Results



NCQA Accreditation 3-point score	CalOptima 2017	25th Percentile	50th Percentile	75th Percentile	90th Percentile
Rating of All Health Care	2.38	2.32	2.38	2.43	2.46
Rating of Personal Doctor	2.43	2.43	2.50	2.53	2.57
Rating of Specialist Seen Most	2.44	2.48	2.51	2.56	2.59
Rating of Health Plan	2.40	2.35	2.43	2.48	2.53

*Red = less than 25th percentile, Yellow = 25th percentile, Pink = 50th percentile,
Blue = 75th percentile, Green = 90th percentile ↑ ↓ statistically higher or lower ↔ statistically no difference

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HEDIS 2017 Results - Projected Medi-Cal Health Plan Rating Results

- More measures expected to score higher than previous year
  - Adolescents Well-Care Visits (AWC)
  - Postpartum Care (PPC)
  - Frequency of Ongoing Prenatal Care (FPC)
  - Breast Cancer Screening (BCS)
  - Non-Recommended CCS in Adolescent Females (NCS)
  - Adult BMI (ABA)
  - Asthma Medication Ratio (AMR)
  - Follow-up Care for Children Prescribed ADHD Medication (Initiation Phase) (ADD)
  - Diabetes Screening for People with Schizophrenia or Bipolar Dx (SSD)
  - Diabetes Monitoring for People with Diabetes and Schizophrenia (SMD)

HEDIS 2017 Results - Projected Medi-Cal Health Plan Rating Results

- 4 measures may have lower rating scores than the previous year
  - Childhood Immunization comb10 (CIS)
    - Influenza vaccination rate went down 6.6%
    - Heamophilus Influenzae Type B (HiB) vaccination rate went down 0.6%
    - All rest of vaccination rates went up
  - Well-Child Visits in the First 15 Months of Live – 6 visits (W15)
    - Rate went down 7.7%
  - Use of Imaging Studies for Low Back Pain (LBP)
    - Rate went down 2.8% - more members over utilized (inverted rate)
  - Pharmacotherapy management of COPD exacerbations (Corticosteroid) (PCE)
    - Rate went down 3.7% - members did not use the appropriate medication
- 20 measures expected to score the same as last year
- Satisfaction score may be lower than the previous year

NCQA Ratings Timeline

	Date
HEDIS and CAHPS Submission	June 15, 2017
Projected Ratings Notification* *5 business days to confirm data	Early August
Final Ratings Notification Private Release of the final ratings to all health plans	Early September
NCQA Release Ratings Final Ratings posted on NCQA.org – Embargo on plan rating-related promotions ends 6:00 p.m. ET; plans may begin advertising their ratings at this point	September 20, 2017
Final ratings will appear at consumerreports.org	Late September / Early October

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Next Steps

- Implement strategies on low performing areas
  - Priority areas will include low areas of performance and areas related to strategic initiatives (DHCS MPL, NCQA Accreditation, NCQA Health Plan Ratings, OneCare Star Rating)
- Results by HN (including CCN) available week of 6/26/17
- Refine process to support HN submission of supplemental data
- Present results to QIC, QAC and PAC
- Await NCQA Health Plan Ratings and Accreditation Rating
- Calculate 2016 P4V payments
-

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Mission Statement

The mission of CalOptima is to provide members with access to **quality health care** services delivered in a cost-effective and compassionate manner.

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Draft MAC/PAC Agenda
September 14, 2017
Ad Hoc Developed

I.	**Call to Order and Pledge of Allegiance**	**8:00 – 8:05 AM**
II.	**Establish Quorum of MAC and PAC**	**8:05 – 8:10 AM**
III.	**Introduction of the Agenda and Co-Facilitator – Teri**	**8:10 – 8:15 AM**
IV.	**Public Comments**	**TBD**
V.	**CEO Report – Michael Schrader**	**8:15 – 8:25 AM**
VI.	**County Initiatives – TBD** **A. Homelessness Initiatives** **B. Drug Medi-Cal Expansion Services & Substance Use Disorder**	**8:25 – 9:15 AM**
VII.	**Behavioral Health Update - TBD**	**9:15 – 9:25 AM**
VIII.	**Strategic Plan for Aging – Patty Mouton**	**9:25 – 9:35 AM**
IX.	**Difficult to Access Providers – Discussion**	**9:35 – 9:55 AM**
X.	**Discuss Frequency of Joint MAC/PAC Meetings**	**9:55 – 10:00 AM**

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