

# **MINUTES OF THE MEETING OF THE SAN JOAQUIN COUNTY HEALTH COMMISSION**

**May 26, 2021**

**Health Plan of San Joaquin – Via GoTo Meeting Webinar**

## **COMMISSION MEMBERS PRESENT:**

Greg Diederich, Chair  
Neeleesh Bangalore, MD  
Michael Herrera, DO  
Kathy Miller  
Christine Noguera  
Larry Ruhstaller  
Jay Wilverding  
Chuck Winn

## **COMMISSION MEMBERS ABSENT:**

Brian Jensen  
John Zeiter, MD

## **STAFF PRESENT:**

Michael Schrader, Chief Executive Officer  
Michelle Tetreault, Chief Financial Officer  
Dr. Lakshmi Dhanvanthari, Chief Medical Officer  
Cheron Vail, Chief Information Officer  
Sunny Cooper, Chief Compliance Officer  
Lizeth Granados, Chief Operations Officer  
Evert Hendrix, Chief People Officer  
Kimberly Johnson, Deputy County Counsel  
Sue Nakata, Executive Assistant to CEO and Clerk of the Health Commission

## **CALL TO ORDER**

Chair Diederich called the meeting of the Health Commission to order at 5:00 p.m.

Chair Diederich announced Commissioner Sheela Kapre, MD's resignation as of May 19, 2021. The seat is nominated by the Director of SJC Healthcare Services Agency; a replacement will be announced upon member selection.

## **PRESENTATIONS/INTRODUCTIONS**

None.

## **PUBLIC COMMENTS**

No public comments were forthcoming.

## **MANAGEMENT REPORTS**

Michael Schrader, CEO congratulated Chair Diederich and his team at SJC Healthcare Services Agency on becoming the 20<sup>th</sup> of 61 local health departments to be awarded National Accreditation through the Public Health Accreditation Board for their work to protect and promote health for SJC residents.

## **CONSENT CALENDAR**

Chair Diederich presented two consent items for approval:

1. April 28, 2021 SJC Health Commission Meeting Minutes
2. Finance and Investment Committee – 5/19/2021
  - a. April 21, 2021 Meeting Minutes
  - b. Moss Adams LLP External Financial Audit Contract
  - c. Cognizant Statement of Work for the QNXT Upgrade

**ACTION:** The motion was made (Commissioner Wilverding), seconded (Commissioner Miller) and unanimous to approve the two consent items as presented (7/0).

*Commissioner Noguera jointed the meeting at this time.*

## **REPORT ITEMS**

3. April 2021 YTD Financial Reports

Michelle Tetreault, CFO presented for approval the April 2021 financial reports, highlighting the following:

- Net Income for April 2021 YTD
  - \$49.7M and is \$72.7M favorable to budget
  - Provider case settlement of \$25M to be made this year, but may be delayed to the next fiscal year, which could affect the budget primer to be presented later in the agenda
- Membership
  - San Joaquin is 12,066 unfavorable to budget driven by unfavorable variance in the TANF category of aide, offset by favorable variances in all other categories of aide
  - Stanislaus is 79,586 unfavorable to budget; Stanislaus is unfavorable in TANF and SPD's and ACA, and favorable in Duals

- Membership increased by 2,888 for the month
- Premium Revenue is \$73.6M favorable to budget, driven by \$99M of revenue related to the delay in pharmacy carve-out
  - Favorable \$24M for continued lower utilization of elective procedures related to the Covid-19 pandemic and unfavorable variance of \$20M due to reduced member months
- Prior Period Adjustments – adjustments are related to changes in estimates of IBNR.

Upon reviewing Ms. Tetreault's report, Chair Diederich asked if the settlement could be booked in this fiscal year. Ms. Tetreault responded that we need to get reasonably close to agreement to account for this fiscal year.

Commissioner Bangalore asked, with county loosening Covid-19 guidelines, will this impact utilization and will HPSJ receive any of the State's surplus. Ms. Tetreault responded that HPSJ is experiencing an influx of claims due to increase in utilization with pent up demand since mid-March (continues to increase monthly). Regarding the surplus of funds the state expects, based on the May Revise, there is no direct impact for HPSJ in the current fiscal year, but will most likely impact rates for FY' 21-22 as part of CalAIM initiatives.

**ACTION:** With no additional questions or comments, the motion was made (Commissioner Bangalore) seconded (Commissioner Wilverding) and unanimous to approve the April 2021 YTD financial report as presented (8/0).

#### 4. Fiscal Year 2022 Budget Primer

Ms. Tetreault presented HPSJ's FY 2022 draft budget as a primer, stating that it was developed prior to the Governor's May Budget Revise that was released on May 14, the day the Finance & Investment (F&I) Committee package was delivered. Management wants the opportunity to review the Governor's revised budget to determine if there are revisions to be made to HPSJ's budget for items that may have additional details flushed out. Management's intent is to present for approval the revisions to some parts of the budget at the June F&I and Health Commission meetings.

Ms. Tetreault also thanked the FP & A Team, directors, and managers for all their efforts to help build this budget.

Ms. Tetreault's presentation included an Executive Summary, Budget Assumptions, Opportunities and Risks, New and Reclass Positions (full-time employees) and Capital Expenditures:

- Executive Summary
  - FY21 Projected Net Income \$58.9M and TNE of 867%, a \$83.8M variance to FY21 Budgeted Net Loss of (\$24.9M). The Projected Net Income is subject to settlement of current contractual issues
  - FY22 Projected Net Loss (\$16.1M), TNE 744%
    - Anticipates Pharmacy Carveout effective January 2022, (\$18.1M) decrease in margin
  - Member months projected to grow 10.3% or 449,909 member months
    - Membership will continue to grow through the end of CY2021 because of restrictions in disenrollment due to the pandemic. Beginning January 2022 membership will decline as eligibility redeterminations resume
    - Medi-Cal expansion to undocumented Californians expected to increase members by 4,483 beginning January 2022
    - CalAIM transition from the State fee for service to Managed Care Plans (MCPs) expected to increase members by 15,886 beginning January 2022

- Projected return to pre-pandemic utilization for most categories of service
- Projected Inpatient utilization to pre-pandemic levels and additional utilization to account for an increase in average length of stay (ALOS) for ongoing COVID-19 cases
- Projected Outpatient and Specialty Physician utilization to pre-pandemic levels and additional utilization due to pent up demand for elective procedures
- FY22 Projected MLR 96.4%. FY21 Projected MLR 91.4%
- Staff additions 40.5 FTE
  - 36.5 new FTE
  - 4 reclass FTE
- FY22 Projected ALR 5%, FY21 Projected ALR 4.2%
  - Pharmacy carve out increases FY22 ALR by 0.4%
- Opportunities and Risks
  - Opportunities
    - Other Healthcare Coverage: potential estimate of avoidable costs for denying claims for OHC \$12M
    - Delay in pharmacy carve out: A delay in the pharmacy carve out until July of 2022, which may result in \$18.1M favorable contribution to the bottom line
  - Risks to achieving budget
    - Change in member mix or in utilization patterns potentially may impact PMPM rates
    - Exacerbated acuity resulting from delayed utilization of medical services due to the pandemic
    - Unexpected fluctuation of high-cost cases or new therapies
    - Impact of DHCS efficiency adjustments, impacting revenue rates
    - New Legislation
- New and Reclass Positions (FTEs)

Department	New Populations / Programs	New State Regulatory / Reporting Requirements	New Benefits / Services	Total
Accounting/FP&A		2.0	1.0	3.0
Compliance		4.0		4.0
UM/CC/QA	7.5	8.0	3.0	18.5
Claims	1.5	4.0	4.0	9.5
HR			1.0	1.0
IT		2.0		2.0
Provider Network/Contracting		2.0		2.0
Customer Service	0.5			0.5
Total FTEs	9.5	22.0	9.0	40.5

Salary and benefit budgeted for new and reclass positions \$4.3M

New Populations/Programs:	Expand services to undocumented Californians and transition members from State FFS to MCPs
New State Regulatory/Reporting Requirements:	Reporting, contracting updates, grievance TAT, audits, etc
New Benefits/Services:	CalAIM, ECM, ILOS

- Capital Expenditures
  - \$2.1M in capital projects for FY 22, which includes \$1.7M for the continuation and expansion of existing IT platforms

- \$400k in facilities improvements related to return to office modifications to existing facilities

Upon review of the budget information, the following questions were raised:

- *Q: Noguera – Why is Stanislaus consistently higher than SJC on all utilization categories?*  
*A: Tetreault – Risk factors of members in Stanislaus is higher than SJC. More members utilize services in Stanislaus and the health conditions for Stanislaus members are more acute.*  
*A: Dr. Lakshmi - The disease burden in Behavioral Health and substance abuse is higher in Stanislaus for longer periods of time.*
- *Q: Diederich – Is Stanislaus particularly impacted due to adverse selection?*  
*A: Dr. Lakshmi – The sicker member tends to choose HPSJ over HealthNet with services and utilization being higher for sicker members.*
- *Q: Diederich – Based on budget proposal, it is showing a deficit, why are we adding more FTE's?*  
*A: Tetreault – DHCS has been increasingly transitioning new programs and requirements to the plans, these new FTEs are reflective of the work required to be compliant with new requirements and implement and deliver the new programs and services.*
- *Q: Wilverding – In reviewing the revised ordinance, will this include new FTEs?*  
*A: Tetreault – Yes and the transition will take a couple of years, starting with fiscal year 2022. There are no FTEs in FY 22, there will be a request for FY 23.*

##### 5. Amendment to Health Commission By-Laws and Ordinance

Mr. Schrader submitted for approval two resolutions: Resolution #2021-2 Amendment to Bylaws and Resolution #2021-3 Amendment to SJC County Ordinance. He reported that this is a follow-up action item from last month's commission meeting of HPSJ's expansion into Eldorado and Alpine counties. The DHCS requirement for counties to change Managed-Care models was to submit a Letter of Intent (LOI) by April 30, 2021, which both counties did and to execute ordinance by October 1, 2021.

There is dependency for both counties to create their ordinances, however, for them to do so, HPSJ had to modify ours. There is also overlap of HPSJ's by-laws and ordinance as they are two different documents that have overlapping language, and both must be updated to remain consistent. He thanked, Quenny Macedo, County Counsel on all her efforts in assisting with drafting the ordinance for both counties to ensure consistencies with HPSJ's.

The approval process for the by-laws and ordinance includes: 1) concurrence from an Ad-Hoc Committee of the Health Commission, which met in early May and included Chair Diederich and Commissioner Jensen, 2) concurrence from the Health Commission, and 3) approval from the SJC Board of Supervisors.

The red-line versions of the by-laws and ordinance are in the packet, however, there is an additional change made to the ordinance after posting which was re-distributed on May 24.

##### Amended By-Laws

- To grow the number of Commission seats from 11 to 13 (adding one seat for each of the two counties)
  - The two seats will be effective July 1, 2023 or six months before go-live (in case DHCS decides to push out go-live date beyond January 1, 2024)
  - Defining the required qualifications for each seat:
    - Either for a member of the county's BOS
    - A county employee
    - A Medi-Cal beneficiary who is an HPSJ member
    - HPSJ contracted provider
- For San Joaquin County, in addition to having a super majority (11 of the 13 seats), it's documented that the Chair of the Health Commission shall be the Director of SJC Healthcare Services Agency
- To make the by-laws current, management linked the purchasing limit for HPSJ's CEO to be the same as that for the SJC Purchasing Agent. CEO purchasing limit would increase from \$100k to \$200k; any purchases over \$200k would require Commission approval. Based on Commission policy, this limit would continue to not apply to provider contracts and staffing (both regular and temporary)

#### Amended SJC Ordinance

The proposed changes to the ordinance include:

- To grow the number of Commissioners from 11 to 13 by adding two seats (one for each county); seats will be effective July 1, 2023 or 6 months before go-live
- Making the CEO purchasing limit the same as that for the San Joaquin County Purchasing Agent
- Change language from "HPSJ shall use certain county services" to "HPSJ may use certain county services" because over the next couple of years, HPSJ can bring in-house Bi-Weekly Payroll, Accounts Payable, and Treasury:
  - Bi-Weekly Payroll - Deductions can separately be itemized on employees' paystubs and that employees should not receive additional county inserts that does not apply to them
  - Accounts Payable – HPSJ can make provider and vendor payments from our own HPSJ check stock, since receiving county checks can cause confusion and delays for providers and vendors when they incorrectly address their appeals to the county
  - Treasury – HPSJ can serve as the custodian of its own funds to eliminate weekly transfers of up to \$100M and to allow for quicker access for HPSJ to make claim payments to providers within the regulatory timeframes
  - Until such time HPSJ brings these functions in-house, the county will continue to be responsible

#### Timeline

Upon Commission approval:

- County Counsel will submit the by-laws and ordinance to the BOS's for approval on June 8, 2021
- Upon BOS's approval, both documents will be adopted on July 13, 2021
- After July 13, both El Dorado and Alpine counties will take their ordinances to their BOS for approval, which will include the specification of the two-plan model (one public and one commercial), with HPSJ as the Local Initiative (LI) health plan and prescribe their appointment process for the HPSJ Health Commission seat

**ACTION:** With no additional questions or comments, the motion was made (Commissioner Ruhstaller) seconded (Commissioner Wilverding) and unanimous to approve Resolution #2021-2 Amendment to the Bylaws and Resolution #2021-3 Amendment to San Joaquin County Ordinance as presented (8/0).

#### 6. QMUM Committee Meeting Report – 5/19/2021

Dr. Lakshmi Dhanvanthari, CMO submitted for approval the QM/UM Committee meeting report for 5/19/2021, highlighting the following committee meetings, work plans, program descriptions and reports that were reviewed and approved:

- Notable Preventative Care Updates for 2021
  - Child - March 2021 American Academy of Pediatrics Bright Futures Guidelines, March 2021 and CDC Recommended Child and Adolescent Immunization Schedule for ages 18 or younger, United States, 2021
    - Includes catch up schedule: CDC Catch-up immunization schedule for persons ages 4 months-18 years who start late or are more than 1-month behind, United States, 2021
    - Changes were made to the Periodicity Schedule footnotes to include references to:
      - The recommendations and resources in the 2020 AAP clinical report “Promoting Optimal Development: Identifying Infants and Young Children with Developmental Disorders Through Developmental Surveillance and Screening”
      - The recommendations and resources related to screening for autism spectrum disorder in the 2020 clinical report, “Identification, Evaluation, and Management of Children with Autism Spectrum Disorder”
  - Adult - United States Preventive Services Task Force (USPSTF) Adult Preventive Health Guidelines: Grade A & B Recommendations 2021, CDC Recommended Adult Immunization Schedule for ages 19 and older, United States, 2021
    - Guidance by USPSTF to provide screening and counseling for both pregnant and non-pregnant persons to ask about tobacco use and advise them to stop using tobacco and provide behavioral health interventions
- Population Health Strategy Program Description for 2021 - the purpose of this program is to meet NCQA requirements on population health management and to proactively implement future DHCS Cal AIM initiatives
  - Population Assessment - Race & Language, San Joaquin, and Stanislaus County Community Characteristics
  - PHM Areas of Focus
    - Keeping Members Healthy
    - Managing Members with Emerging Risk
    - Patient Safety and Outcomes Across Settings
    - Managing Multiple Chronic Illnesses
  - PHM Programs and Services
    - Preventive Health Initiatives
    - Me and My Baby Program
    - Disease Management Program
    - Complex Case Management Program
  - Additional Activities
    - Provider Incentive Program-Value Based Payments
    - Provider Partnership Program

- Coordination of Member Programs
- Informing Members
- UM Work Plan Update FY 2020-2021 'Q2 and 'Q3
  - Behavioral Health (BH)
    - BH Utilization at 40.29 through 4/31/21
    - ACES at .86% through 3/31/21
    - BH visits: Baseline= 47% Goal= 51%,
    - ACES Baseline=.3%, Goal=1.0%
  - Outpatient
    - Q2: Meeting TAT for Outpatient: DHCS 99.99%, NCQA 99.99%, Letters 99.87%
    - Q3: Meeting TAT for Outpatient: DHCS 100%, NCQA 100%, Letters 99.82%
    - Annual IRR and quarterly internal audits completed
  - Inpatient (quarterly internal audits conducted)
    - Q2 Inpatient
      - Decision Timeframe: 99.39%
      - Notification Timeframe: 92.3%
    - Q3 Inpatient
      - Decision Timeframe: 98%
      - Notification Timeframe: 86.83%
    - Q2 Inpatient metrics were met except for:
      - TANF Adult San Joaquin County Bed Days/1000 at 296.0 with a goal of 273.00
      - SPD San Joaquin County ALOS at 5.0 with a goal of 4.50
      - SPD Stanislaus County ALOS at 5.1 with a goal of 4.70
      - ACA SJ Bed Days/1000 at 255.6 with a goal of 249.00
      - ACA San Joaquin County ALOS of 4.1 with a goal of 3.80
      - ACA Stanislaus County ALOS at 4.3 with a goal of 3.90
      - These are related to COVID 19 Admissions/Extended stays
    - Q3 inpatient metrics were met except for:
      - TANF Adult San Joaquin County ALOS at 2.9 with a goal of 2.80
      - TANF Adult Stanislaus County ALOS at 2.9 with a goal of 2.88
      - SPD San Joaquin County ALOS at 5.2 with a goal of 4.50
      - SPD Stanislaus County ALOS at 5.5 with a goal of 4.70
      - These are related to COVID 19 admissions/extended
      - Over/Under Utilization semi-annual report will be presented next quarter
  - Case Management – Member satisfaction with disease management
    - Current member satisfaction score exceeds target goal of 90% with an overall satisfaction score for FY 2019-2020 of 94%
    - Response rate narrowly missed goal for FY 2020 by 1%
    - Next evaluation of member satisfaction will be July 2021
- CM and UM Policies Update
  - CM 65 - Clinical Guidelines Policy Updated
  - UM04 - Emergency Department Services - Added clear verbiage regarding payment, post stabilization
  - UM79 - Transgender Services - No Content Updates; Changed to new Policy Template format
- Subcommittee Reports
  - Delegation Oversight Committee (DOC) – 5/4/2021

- Status of 2020 CAPs were reviewed:
  - AxisPoint – 2 open CAPs
  - Beacon – 5 closed CAPs
  - ChildNet – 1 closed CAP
- 2020 DO Program Statistics
  - Completed Audits:
    - Nine (9) Regular Annual Audits were completed
    - One (1) Pre-Delegation audit of Credentialing was completed
    - Two (2) Pre-Contractual Privacy and Security audits were completed
  - 2020 Audit Scores (Regular Audits)
- Pharmacy and Therapeutics Advisory Committee (P&T) – 5/11/2021
  - Coverage Policies with Changes
    - Cardiovascular – Cholesterol
    - Endocrine – Diabetes
    - Infectious Disease – Hepatitis C
    - Infectious Disease – Immunizations
    - Immunology/Rheumatology – Ankylosing Spondylitis
    - Miscellaneous – Medi-Cal FFS Carve-Out List
    - Neurologic – Alzheimer's Disease
    - Neurologic – Parkinson's Disease
    - Psychiatric – Depression/Anxiety
- Peer Review and Credentialing Committee (PRC) – 5/13/2021
  - Direct Contracted Providers = 139
    - Initial Credentialed for 3 years = 50
    - Initial Credentialed for 1 year = 1
    - Recredentialed for 3 years = 88

**ACTION:** With no questions or comments, a motion was made (Commissioner Miller) and seconded (Commissioner Noguera) to approve the QMUM Committee Report for 5/19/2021, Population Health Strategy Program Description, and UM Work Plan FY 2020-2021 'Q2 & 'Q3 as presented (8/0).

**ACTION:** A motion was made (Commissioner Bangalore), seconded (Commissioner Wilverding) with one abstention (Commissioner Herrera) to approve the Peer Review and Credentialing Committee report for May 13, 2021 as presented (7/1).

## **INFORMATION ITEMS**

### **7. Chief Operations Officer Report – April 2021 Operations Report**

Lizeth Granados, COO reported that the April 2021 Operations Report is available in the meeting packet, highlighting the following reports:

- Month-over-month increase in membership and did not lose any members through redetermination
- Member call volume decreased by 2.63% from March, which is higher than last year; members are now comfortable obtaining requests for services
- FQHC Utilization – anticipate trends to continue upward with members accessing services
- ER Utilization – continues to trend downward since February

## 8. Chief Compliance Officer Monthly Report

Sunny Cooper, Chief Compliance Officer reported on monthly compliance activities, highlighting the following:

- Delegates Performance Dashboard – Delegation Oversight team created audit plans to focus on areas of opportunities identified from the previous year's audit results
- External HIPAA Privacy & Security Assessment - Annual Business Associate Risk Assessment Progress Report as of April 2021
- October Security Incident Update
  - Data mining has been finalized – total member affected for both PII and PHI is 420,433
  - Offered 11,354 individuals credit monitoring or identify theft protection services
  - Sent breach notices to the impacted individuals starting on 5/18/21
  - Submitted final OCR addendum
  - Updated both press releases and substitute notice
  - Established a process to send letters in alternative formats upon individual requests
  - Working on establishing an escalation process between HPSJ teams and the call center vendor
- Business Continuity Plan (BCP)
  - Three significant objectives in Phase III of BCP:
    - Update all departmental BCP Documents
    - Test our alternative accesses
    - Implement BCP software
  - Progress Summary:
    - Completed department level BCPs and Virtual Desktop Interface (VDI) testing
    - Resolved issues identified during Phase I
    - Project to complete the VDI Bubble Tests in the Disaster Recovery Site in June
    - Onboarded the BCP software and working on configuring the settings
- Disaster Recovery (DR) Efforts for Q1 2021
  - Installed Windows 10 on the VDI machines at the DR data center
  - Upgraded applications on DR VDI's machines to current releases
  - Identified additional core applications for DR VDI machines
  - Completed the installation and configuration of additional core applications
  - VDI end user testing completed and identified issues resolved
- Other Compliance Update
  - Mandatory annual HIPAA Privacy and Security and Fraud, Waste and Abuse (FWA) training was launched on 5/3/2021
  - DMHC delayed the full Medical Survey Audit from May 3, 2021 to June 28, 2021
  - DHCS delayed the originally scheduled August 2021 audit to December 6, 2021

## 9. Legislative Update

Brandon Roberts, Government and Public Affairs Manager reported on legislative activities and priority bills, highlighting the following:

- May Revision Highlights
  - Overall State Budget Snapshot
    - Total Budget: \$197 billion
    - Budget Reserves: \$24.4 billion in budget reserves, an increase of over \$2 billion compared to the January Budget, including:
      - \$15.9 billion in the Rainy-Day Fund
      - \$450 million in the Safety Net Reserve
      - \$4.6 billion in the Public-School System Stabilization Account
      - \$3.4 billion in the state's operating reserve
  - Medica-Cal Budget and Caseload
    - Revised 2020-21 Budget estimate: \$115.6 billion (\$21.5 billion GF)
      - Caseload assumes 7.1 percent increase from 2019-20 to 2020-21
      - Assumes an average caseload of 13.6 million
  - Total 2021-22 Budget estimate: \$123.8 billion (\$27.6 billion GF)
    - Assumes caseload will increase by 6.6 percent from 2020-21 to 2021-22 (January Budget assumed 11.7 percent increase)
  - Total projected enrollment: 14.5 million Californians average monthly caseload in 2021-22 (January Budget estimated 15.6 million)
  - Medi-Cal Eligibility and Benefits
    - Undocumented Older Adults: \$1 billion (\$859 million GF) annually, effective no sooner than May '22
    - Postpartum Eligibility from 60 days to 12 months: \$90.5 million (\$45.3 million GF) in 2021-22 and \$362.2 million (\$181.1 million GF) annually between 2022-23 and 2027-28
    - Doula Benefit: \$4.4 million (1.7 million GF) annually, effective Jan '22
    - Community Health Workers as a Provider Type: \$16.3 million (\$6.2 million GF) through 2026-27, effective Jan '22
    - Dyadic Services: \$200 million (\$100 million GF) ongoing
    - Eliminate Suspension of Optional Benefits: \$47 million GF in 2021-22
  - CalAIM
    - Population Health Management: \$315 million GF
    - Providing Access and Transforming Health: \$200 million (\$100 million GF) to build capacity for effective pre-release care for justice-involved populations
    - Medically Tailored Meals: \$9.3 million GF to continue the provision of medically tailored meals until available as an In Lieu of Services option under CalAIM
  - Covid-9 Impacts
    - COVID Testing in Schools
      - \$209.6 million (\$96 million GF) in 2020-21
      - \$575.5 million (\$265 GF) in 2021-22
    - Vaccine Administration: The federal government assumed full responsibility to cover vaccine administration costs as of April 1, 2021. The revised assumptions include:
      - \$104 million (\$24 million GF) in 2021
      - \$730 million (\$12 million GF) in 2021-22
    - Medi-Cal Redeterminations: To support increased county workload to redetermine eligibility for Medi-Cal beneficiaries that remained enrolled due to the COVID continuous coverage requirement:
      - \$73 million (\$37 million GF) in 2021-22 and 2022-23

- Telehealth - DHCS is revising its telehealth proposal in the Governor's January Budget as it relates to audio-only telehealth services. Specifically, DHCS proposes:
  - Rates for audio-only telehealth services at 65% the Medi-Cal FFS rate
  - Authorizing audio-only telehealth reimbursement for FQHCs at a rate comparable to DHCS' audio-only rate for other providers via an alternative PPS rate
  - Establishing specific utilization management protocols prior to implementation of post-pandemic telehealth services
- Broadband Access and Capacity
  - Broadband Access: \$35 million one-time GF available through 2024-25 to expand broadband access to isolated and under-served communities through a partnership of local education agencies, regional libraries, and telehealth providers, and leverage available federal funds through the E-Rate Program
  - Broadband Capacity and Equipment Grants: \$6 million one-time GF to support the Broadband Connectivity Initiative
- Pharmacy
  - Medi-Cal Rx: Assumes Jan '22 implementation "for budgeting purposes only."
    - \$32 million (\$14 million GF) in additional pharmacy-related costs due to the delay
    - \$363 million (\$134 million GF) additional costs in 2021-22
    - Estimated annual savings: \$859 million (\$309 million GF)
  - Drug Rebate Fund Reserves: Allocates \$222 million in 2020-21 to maintain a reserve to alleviate impacts of drug rebate volatility
  - Medication Therapy Management: \$12.6 million (\$4.4 million GF) to reimburse specialty pharmacies for services provided to those with complex drug therapies in the FFS delivery system, effective July '21
- Health Information Exchange
  - HIE Leadership: \$2.5 million one-time GF for CHHS to lead efforts and stakeholder engagement in building information exchange for health and social services programs
- Priority Bill Update
  - Bill Requiring Virtual Access to Public Meetings Receives Critical Amendments
    - AB 339 (Lee) – Requires public boards to provide virtual access, closed captioning, and live translation services for public participation at meetings. Amendments:
      - Sunsets requirements for open and public meetings on December 31, 2023
      - Limits requirements for open and public meetings to city councils or county board of supervisors that govern jurisdictions of 250,000 or more people
      - Legislation still applies to meetings of the San Joaquin County Board of Supervisors, but not to other public bodies, like the San Joaquin County Health Commission

Upon review of Mr. Roberts's presentation, Chair Diederich asked if the number of Bills for submission limited to only 12. Mr. Roberts responded to the affirmative and stated that public members can only submit up to 12 Bills for approval.

Chair Diederich thanked Mr. Schrader and HPSJ team along with HealthNet and Healthcare Services Agency in collaborating and preparing for the CalAIM transition in managing Whole Person Care Program for January 2022.

### **COMMISSIONER COMMENTS**

No comments were forthcoming.

### **CLOSED SESSION**

*At this time, the Health Commission adjourned to Closed Session at 6:44 p.m.*

Closed Session – Trade Secrets  
Welfare and Institutions Code Section 14087.361  
Title: Proposed FY' 21-22 Corporate Objectives

A motion was made (Commissioner Herrera), seconded (Commissioner Bangalore) and unanimous to approve the proposed FY' 21-22 Corporate Objectives as presented (8/0).

*The Health Commission came out of Closed Session at 7:17 p.m.*

### **ADJOURNMENT**

Chair Diederich adjourned the meeting at 7:18 p.m. The next regular meeting of the Health Commission is scheduled for June 30, 2021.