MINUTES OF THE MEETING OF THE SAN JOAQUIN COUNTY HEALTH COMMISSION

August 31, 2022
Health Plan of San Joaquin – Community Room

COMMISSION MEMBERS PRESENT:

Greg Diederich, Chair
Brian Jensen, Vice-Chair
Neelesh Bangalore, MD
Michael Herrera, DO
Kathy Miller
Christine Noguera
Elyas Parsa, DO
Jay Wilverding

COMMISSION MEMBERS ABSENT:

Farhan Fadoo, MD
Chuck Winn
John Zeiter, MD

STAFF PRESENT:

Michael Schrader, Chief Executive Officer
Cheron Vail, Chief Information Officer
Sunny Cooper, Chief Compliance Officer – via video conference
Lizeth Granados, Chief Operations Officer – via video conference
Evert Hendrix, Chief People Officer
Michelle Tetreault, Chief Financial Officer
Lakshmi Dhanvanthari, MD, Chief Medical Officer
Priti Golechha, MD, Assistant Chief Medical Officer
Tracy Hitzeman, Executive Director – Clinical Operations
Brandon Roberts, Manager, Government Affairs
Quenny Macedo, County Counsel
Sue Nakata, Executive Assistant to CEO and Clerk of the Health Commission

CALL TO ORDER

Chair Diederich called the meeting of the Heath Commission to order at 5:04 p.m.

PRESENTATIONS/INTRODUCTIONS

None.

PUBLIC COMMENTS

No public comments were forthcoming.

MANAGEMENT REPORTS

1. Mr. Schrader, CEO provided updates on the DHCS procurement of commercial Medi-Cal Managed Care Plans, DHCS D-SNP Feasibility Study, DHCS and DMHC enforcements, HPSJ's advocacy related to quality and geography, and HPSJ's relinquishing part of the Modesto office, highlighting the following:

DHCS Procurement of Commercial Medi-Cal Managed Care Plans

Through the RFP process, DHCS in August 2022 announced its Notice of Intent to Award (NOIA) for the commercial plan procurement, which functions in parallel with the conditional approval by DHCS for 17 counties to change local managed care models, including the transitions of Alpine and El Dorado Counties from the Regional to the Two-Plan Managed Care Model in partnership with HPSJ. Contracts procured by DHCS through the RFP will determine HPSJ's commercial competitor in each service area county and take effect on January 1, 2024, alongside the transition of select local managed care models.

The NOIA provides that HPSJ will continue competing against HealthNet in San Joaquin and Stanislaus Counties. Meanwhile, HPSJ will gain Anthem Blue Cross as a commercial competitor in Alpine and El Dorado Counties, where Anthem Blue Cross currently competes against HealthNet (California Health and Wellness/Centene) in the transitioning Regional Medi-Cal managed care model.

DHCS received proposals from eight health plans to serve in various counties. Only three commercial plans were identified by DHCS in its NOIA as Medi-Cal managed care plans to serve specific counties - Anthem Blue Cross, Molina, and HealthNet. Several existing Medi-Cal managed care plans were excluded from the NOIA, including Aetna, Blue Shield, Cigna, and United. Also excluded was Community Health Group (CHG), a local managed care plan serving San Diego County. CHG, a sister-local health plan to HPSJ, is not a public entity and was subject to the RFP process by DHCS. The exclusion of CHG as a Medi-Cal managed care plan comes as a surprise to other local plans and HPSJ partnered to submit a letter of support for its continued service.

There are few remaining stops in the RFP process, with plans being allowed 7-days, until September 1, to submit appeals to DHCS, which will work to resolve all appeals and initiate agreements by October 10th.

Q: Diederich – Why did Alameda and Contra Costa Counties select the County Organized Health System (COHS) Medi-Cal managed care model?
A: Schrader – DHCS gave individual counties the option to change managed care models, and Alameda and Contra Costa Counties are electing to transition from the Two Plan model to the COHS model. For HPSJ to have opted for the COHS model, all four counties would likely have needed to

agree, since there is currently no single plan that operates more than one model. Some counties prefer the Two Plan model because it includes the public and private sector, gives Medi-Cal beneficiaries choice, and embodies competition.

Q: Jensen – Did Community Health and Wellness keep most of its existing service area counties?
A: Schrader – It appears that the most significant change for Centene/Community Health and Wellness is the loss of Los Angeles County to Molina, although my understanding is that Centene intends to appeal.

Q: Bangalore – How does Kaiser fit into this procurement?
A: Schrader – Kaiser is being given a direct contract with DHCS to operate in select counties, bypassing the RFP process that applied to all other commercial Medi-Cal managed care plans.

Q: Parsa – HealthNet did not expect to lose in Los Angeles County. Do we know about the contributing factors to this unexpected outcome?
A: Schrader – The state has not made available its scoring information. Molina, which is headquartered in Los Angeles County, was outspoken with local stakeholders about its strong desire to win there.

DHCS D-SNP Feasibility Study

The requirement for Medi-Cal MCPs to operate a Dual Eligible Special Needs Plans (D-SNPs) by contract year 2026 is an important component of CalAIM, which seeks to optimize benefit coordination by reducing complexities in the health care delivery system. In preparation for implementing the requirement, DHCS had Mercer complete a report examining the feasibility of Medi-Cal MCPs in non-Coordinated Care Initiative counties to establish D-SNPs.

The report is intended to help DHCS review and consider individual plan requests for exemption from the requirement to establish a D-SNP, which many MCPs agree will be financially burdensome. For instance, a financial feasibility study submitted by HPSJ to DHCS projects a $43.7 million loss to our plan in the first five years of operating a D-SNP while enrollment builds to a sufficient base.

Despite concerns from LHPC, DHCS finds that there is a potential path to feasibility for all regions in California while acknowledging that plans will likely experience financial losses during the early years of D-SNP operation. However, DHCS contends that MCPs have sufficient reserves to ultimately cover the D-SNP investment and it remains unclear that any exemptions will be granted to the CalAIM requirement.

In August, DHCS senior leadership met with local plan CEOs and repeated their strong desire for a statewide model with uniformity for all beneficiaries, no matter the county they live. As a result, LHPC is advocating that DHCS provide financial protection to plans for the first three to five years of operations in the form of start-up incentives and a risk corridor. This is consistent with the direction from the Health Commission to launch a Medicare D-SNP program for low-income seniors and disabled individuals in our community. Prior to launch, HPSJ will continue seeking financial protections from DHCS for the initial start-up years of operation.

DHCS and DMHC Enforcement

Consumer advocates are calling for DHCS and DMHC to hold health plans to higher accountability and oversight standards. Proponents for stricter penalties on health plans contend that these increases are necessary to prevent deficient plans from making cost-benefit decisions to pay fines rather than eliminate access barriers and implement other quality improvements.

Health plans are noticing an abrupt increase in sanctioning activity from regulators. For instance, in 2021, DHMC issued only three monetary penalties of $100k or more (in the specific amounts of $100k, $150k, and $222k). By contrast, so far, in 2022, DMHC has issued five monetary penalties of $100k or more (in the specific amounts of $360k, $500k, $750k, $1M, and $35M).

Further, Senate Bill 858, sponsored by Health Access, a health care consumer advocacy group, would statutorily increase the maximum penalty amounts regulators may impose on deficient health plans by 10-times, from $2,500 per violation to up to $25,000 per violation.

DHCS released on August 22nd an All Plan Letter that enumerates enforcement actions that DHCS may take against plans that fail to meet contractual obligations, including quality benchmarks. Enforcement can include corrective action plans that must be completed within a required timeframe, monetary sanctions that can range from $15,000 to $100,000 per violation, and suspension of new enrollment.

DHCS also provided a new Medi-Cal managed care contract, scheduled to take effect in 2024, that aims to improve care by holding plans to higher accountability and oversight standards. Accordingly, DHCS hopes to reduce health disparities and improve outcomes by increasing surveillance and enforcement., In response to the increased sanctioning activity, HPSJ will continue to bolster our compliance efforts across the organization.

Q: Jensen – What was the cause of the $35 million penalty?
A: Schrader – DMHC imposed the $35 million penalty on a large MediCal managed care plan related to utilization management, member grievances, delegation oversight, and claims payment processes.

HPSJ Advocacy Related to Quality and Geography

DHCS monitors the quality of care provided by Medi-Cal managed care plans to members using Healthcare Effectiveness Data and Information Set (HEDIS) measures. Over the past year, HPSJ made significant improvement. We worked closely with our FQHC partners and almost doubled the number of HEDIS measures in the DHCS Managed Care Accountability Set (MCAS) that meet the national 50th percentiles.

Nonetheless, problematically for HPSJ and other plans that serve rural or less-affluent counties, DHCS does not factor for unique geographic-related challenges when considering HEDIS measures used to evaluate health plan quality. HEDIS measures do not adequately account for local disparities in access to care, nor for disparities related to factors like income, public safety, education, and other social drivers of health.

Our region faces unique challenges. The concern is that DHCS not financially reward plans in more affluent counties while penalizing plans in less affluent communities that have fewer resources, based on HEDIS quality scores alone without any consideration for geography and social factors. HPSJ is making the case that impacted local plans go through LHPC to advocate that DHCS consider geography in assessing HEDIS quality by using the Healthy Places Index or some similar resource.

HPSJ to Relinquish Part of the Modesto Office

HPSJ will reduce our office space in Modesto, retuning approximately a quarter of the Modesto office to the County of Stanislaus. The returned office space is no longer needed, as many HPSJ employees continue to successfully work from home under the Commission-approved telework policy. We currently lease office space on the ground floor of the 10th Street Plaza, a government building that is primarily occupied by public administrators and officials for the City of Modesto and County of Stanislaus.

The relinquishment of some office space in Modesto to the County of Stanislaus is mutually beneficial, as the County needs space for purposes of expansion. The County of Stanislaus has agreed to an early termination of HPSJ's lease, and its Board of Supervisors is expected to approve the modification on September 17th.

HPSJ will continue to occupy first-floor office space in Modesto at the 10th Street Plaza, and our signage will continue to be displayed on the building's exterior. The lease modification to return unused office space will result in annual savings to HPSJ of $84,000.

CONSENT CALENDAR

Chair Diederich presented four consent items for approval:

2. June 29, 2022 SJC Health Commission Meeting Minutes

3. Community Advisory Committee (CAC) – 08/11/2022
   a. June 9, 2022, Meeting Minutes
   b. Quarterly Grievance and Appeals
   c. Member Transportation Services
   d. Health Education Material Focus Group
   e. Presentation from SJC Public Health Services
   f. Presentation from Stanislaus Health Services Agency, Public Health Div.

4. Finance and Investment Committee (F & I) – 08/24/2022
   a. May 18, 2022 Meeting Minutes
   b. ADT Commercial, LLP Contract

5. Human Resources Committee – 08/31/2022
   a. February 11, 2022 Meeting Minutes

ACTION: The motion was made (Commissioner Herrera), seconded (Commissioner Miller) and unanimous to approve the four consent items as presented (8/0).

REPORT ITEMS

6. June 2022 FYE Financial Reports (Pre-Audit)

Ms. Tetreault presented for approval the pre-audit June 2022 FYE financial reports, highlighting the following:

Net Income for June 2022 FYE
- $26M and is $28M favorable to budget
- Net income for the for the fiscal year is $90M and is favorable to budget by $106M
- Total Equity is 988% of the TNE
- Liquid Reserves are at 4.25 months of premium revenue and 4.57 months of operating expenses

- Membership
  - San Joaquin is 73,188 unfavorable to budget driven by lower than budgeted enrollment of TANF
  - Stanislaus is 40,518 unfavorable to budget driven by lower than budgeted enrollment of TANF

- Membership increased by 2,667 in June

- Premium Revenue is $9.7M unfavorable to budget, primarily driven by unfavorable YTD membership variance
- Medical Expenses are $75M favorable to budget
  - The favorable variance in medical expenses is primarily due to favorable variances in institutional and professional categories of service
- Administrative Expenses
  - $5.5M favorable to budget primarily due to lower than budgeted consulting and purchased services expenses
- Other Revenue and Expenses
  - Favorable net margin of $4.2M from incentives and $4.6M favorable CalPERS pension valuation adjustment, which includes the net margin of $11.3M on MCO tax recognized in FY 2022
- Prior Period Adjustments – the favorable YTD adjustments of $27.8M are primarily related to changes in the prior year estimates
  - A net $13.8M favorable change to medical expense due to less claims paid in current year for prior year dates of service than the estimated IBNP accrued at prior year end
  - A $4.7M favorable change in professional medical expense due to less incentives paid than estimated at prior year end
  - A $9.4M favorable change due to reinsurance recoveries greater than anticipated and accrued for fiscal year 2020-21 dates of service
  - $3.2M favorable change due to DHCS overpayment of directed payments which are not expected to be recovered
  - $3.7M favorable net change due to release of excess accrual for estimated return of Proposition 56 premiums, based on a DHCS final determination
  - $10M unfavorable change due to additional MCO tax liability identified following DHCS reconciliation of fiscal years 2013-2016

Ms. Tetreault stated, even though the financials presented are pre-audit, the team has completed the year-end reconciliations for reporting and do not foresee any audit adjustments. The team did a look back at what claims were paid in July compared to prior fiscal year and have already adjusted on the final calculations; not much significant adjustments from prior year.

Upon review of Ms. Tetreault's financial report, the following questions were raised:

Q: Jensen – Under what circumstances will the state "claw-back" the money under Medical Loss Ratio?
A: Tetreault – HPSJ has Medical Loss Ratios that are at 90%. If we fall below 85%, DHCS would claw back for amounts below 85% MLR. We don't expect any claw-backs, however, there will be an adjustment on the acuity factor that was assumed in our calendar year 2022 rates. We estimated it will be roughly 1.5% downward adjustment (retro-active to adjust backward). We have recorded an accrual for the adjustment.

Q: Bangalore – Is there a possibility that the state will come back for these funds and where are the funds currently held?
A: Tetreault – The funds are in our reserves, and we do not anticipate the state to take anything back.

Q: Parsa – With member utilization, will there be more utilization in the future?
A: Tetreault – We have seen a spike in ER visits, but it is trending down. We do see an increase in the number of claims process but have yet to reach pre-pandemic levels.

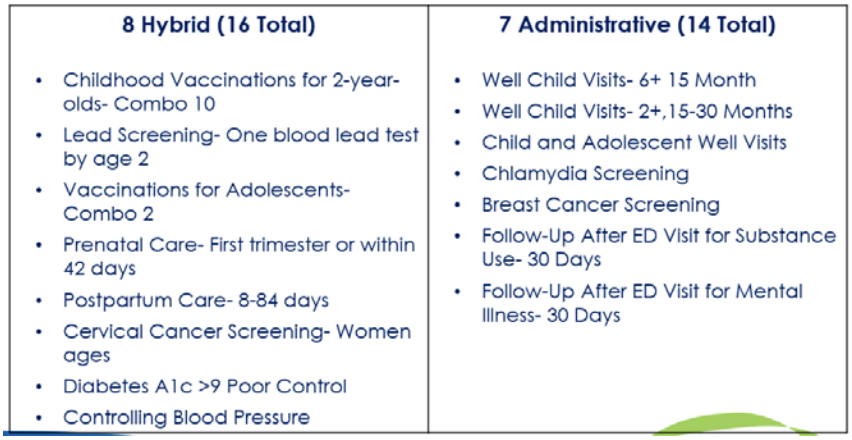
Q: Jensen – Do we expect the prolong utilization to be an indicator of worsening member health?
A: Tetreault – Yes, we built in factors for this as well anticipating that some members' health will be more acute as they are not seeking primary/preventive care. We also built-in estimates for this assumption.

ACTION: With no additional questions or comments, the motion was made (Commissioner Jensen) seconded (Commissioner Miller) and unanimous to approve the June 2022 FYE financial report as presented (8/0).

7. QMUM Committee Meeting Update – 07/13/2022

Dr. Dhanvanthari, CMO submitted for approval the QM/UM Committee meeting report for 07/13/2022, highlighting the following committee meetings, work plans, program descriptions and reports that were reviewed and approved:

- HEDIS Measures MY 2022 – Managed Care Accountability Set



8 Hybrid (16 Total)	7 Administrative (14 Total)
• Childhood Vaccinations for 2-year-olds- Combo 10 • Lead Screening- One blood lead test by age 2 • Vaccinations for Adolescents- Combo 2 • Prenatal Care- First trimester or within 42 days • Postpartum Care- 8-84 days • Cervical Cancer Screening- Women ages • Diabetes A1c >9 Poor Control • Controlling Blood Pressure	• Well Child Visits- 6+ 15 Month • Well Child Visits- 2+,15-30 Months • Child and Adolescent Well Visits • Chlamydia Screening • Breast Cancer Screening • Follow-Up After ED Visit for Substance Use- 30 Days • Follow-Up After ED Visit for Mental Illness- 30 Days

- Population Needs Assessment (PNA) 2022-2023
  - PNA Goals 2022-2023
    - Objective 1 - Increase overall utilization of language assistance by 8% by June 30, 2023. Categories include members, providers, internal staff
    - Objective 2 - Increase the rate of completed well child visits in ages 0-15 months, 15-30 months, and children and adolescents from 3-21 years by 5% as compared to previous year by 12/31/2024
    - Objective 3 - Increase enrollment and retention in Diabetes Prevention Program by 5%
    - Objective 4 - By June 30, 2023, to increase the rate of compliance for cervical cancer screenings among White/Caucasian women ages 24-64 years
  - 2021 PNA Outcomes
    - Objective 1 - Increasing utilization of language assistance - Goal met
    - Objective 2 - Increasing the number of CAC members - Goal met
    - Objective 3 - Implementation a Diabetes Prevention Program - Goal met

- QM Work Plan Summary Q3 – FY 21-22 Update
  - Facility Site Review (FSR)
    - In San Joaquin County 1 Periodic FSR was done
    - In Stanislaus County 5 Periodic FSR/MRR/PARS were completed and 1 Periodic FSR/PARS was completed. One provider failed periodic FSR/MRR in Stanislaus County. CE-CAP and non-CE-CAP were completed and scheduled for focused audit

- Provider Partnership Program - Ongoing interventions may include, but are not excluded to: Care gap clinics, direct scheduling, and member outreach
- Quality Improvement Projects - 2 PDSAs, 1 SWOT, and 2 PIPs currently in progress with DHCS; the PDSAs will be concluding by the end of May 2022. Planning for the next phase of PDSAs will start FY22-23 Q1/Calendar 2022 Q3

- QM Work Plan Summary Q2 – FY 21-22 Update: Grievance, Appeals and PQIs
  - Grievances – San Joaquin County: Total number of grievances = 657
    - 370 Quality of Care concerns, 48 were resolved in the member's favor, 6 were forwarded to PQI
    - 130 Access to Care issues, 26 were resolved in the member's favor
    - 141 Attitude and Service issues, 56 were resolved in the member's favor
    - 16 Billing & Financial issues/Other, 10 were resolved in the member's favor
  - Grievances – Stanislaus County: Total number of grievances = 414
    - 258 Quality of Care concerns, 25 were resolved in the member's favor, 1 was forwarded to PQI
    - 90 Access to Care issues, 23 were resolved in the member's favor
    - 57 Attitude and Service issues, 16 were resolved in the member's favor
    - 9 Billing and Financial issues, 6 were resolved in the member's favor, 1 was forwarded to PQI
  - Appeals – San Joaquin County: Total number of appeals: 47
    - Prior Auth Denials - 91%
      - Benefits & Coverage - 18
      - Medical Necessity - 25
    - RX Auth Appeals - 9%
      - Benefits & Coverage - 2
      - Medical Necessity – 2
  - Appeals Stanislaus County: Total number of appeals: 57
    - Prior Auth Denials – 84%
      - Benefits & Coverage - 26
      - Medical Necessity – 22
    - RX Auth Appeals - 16%
      - Benefits & Coverage - 3
      - Medical Necessity – 6
  - Potential Quality Issues
    - San Joaquin County: Out of 18 PQI's received in San Joaquin County 17 (94%) or 0.07 per 1000 were related to Quality-of-Care issues; and 1 case was related to an Access issue
    - Stanislaus County: Out of 7 PQI's received in Stanislaus County 5 (71%) or 0.03 per 1000 were related to Quality-of-Care issues; 1 case was related to an Access issue, and 1 case was related to Billing & Financial

- QM Work Plan Summary Q3 Update – (1/1/22 to 3/31/22): Telephone Access/Member Quality Call Report

Call Category	Result	Goal	Met Y/N
Abandonment	1.20%	<5.00%	Y
Service Level	91%	80.00%	Y
Average Speed of Answer	9 seconds	<30 seconds	Y

Standard	Result	Goal	Met Y/N
Pharmacy Hand Off	100%	80.00%	Y
Interpreter Services	94.00%	90.00%	Y
Transportation	98.00%	90.00%	Y
Out of Network Services	91.67%	90.00%	Y
Balance Billing	92.00%	90.00%	Y
EOC and Directory	95.00%	90.00%	Y
Courtesy and Respect	95.01%	90.00%	Y
Regulatory	98.81%	90.00%	Y

- Quality Improvement (QI) Program Description FY 2022-2023
  - HPSJ's plans quality improvement program goals for the upcoming fiscal year. The areas covered include the following:
    - QM Process Model
    - Members with complex health needs
    - Population Health
    - Resource
    - QM Behavioral Healthcare
    - Improvement Goals
    - QM Committees
    - Organizational Structure
    - Quality Initiatives
    - Functional Area

- Utilization Management (UM) Policies Update
  - UM 84-Dispute Resolution Process Between Mental Health Plans and Medi-Call Managed Care Health Plans

- Quality Management (QM) Policies Update
  - GRV 02-Member Grievance
  - GRV 04- Grievance Committee
  - GRV 05- State Fair Hearing
  - GRV 06- Independent Medical Review
  - QM 65-Member Appeals

- Pharmacy Policies Update
  - Pharmacy Policies Update
  - New Policy PH 30 - Medical vs. Pharmacy Benefits
  - PH 4 - Pharmacy and Therapeutics Committee
    - Updated policy and guidelines to reflect the changes to the committee post Medi-Cal Rx

- Subcommittees Report

  - Delegation Oversight Committee (DOC) - July 6, 2022
    - Community Psychiatry/MindPath, and UCSF had credentialing audits, and both passed with 100%

  - Pharmacy &Therapeutics Advisory Committee (P&T) - May 24, 2022
    - Policies approved by committee
      - PH 30 Medical vs. Pharmacy Benefit
        - Established guidance for medication coverage. Clarified which medications are covered by Medi-Cal Rx and which medications can be billed to HPSJ on an institutional claim form.
    - Coverage Policies reviewed with recommended changes:
      - Respiratory – Asthma and COPD
      - Rheumatology – Gout
    - Coverage Policy Reviews with no changes
      - Infectious Disease – Immunizations

  - Pharmacy &Therapeutics Advisory Committee (P&T) – July 12, 2022
    - Policies approved by committee
      - PH 4 Pharmacy and Therapeutics Committee

        - Updated policy and guidelines to reflect the changes to the committee post Medi-Cal Rx
    - Coverage Policies reviewed with recommended changes:
        - Endocrine - Thyroid
            - Rheumatoid – Psoriatic Arthritis
            - Gastrointestinal Disorders - Nausea
    - Coverage Policy Reviews with no changes
        - Misc. – Non-covered Benefits
        - Endocrine – Testosterone

- Quality Operations Committee (QOC) – May 19, 2022

ACTION: With no further questions, a motion was made (Commissioner Bangalore) and seconded (Commissioner Parsa) to approve the QMUM Committee Report for 7/13/2022, QM Program Description FY 2022-2023 and Population Needs Assessment FY 2022-2023 as presented (8/0).

8. Peer Review and Credentialing (PRC) Committee – August 4, 2022
    - Direct Contracted Providers: 159
        - Initial Credentialed for 1 year = 2
        - Initial Credentialed for 3 years = 34
        - Recredentialed for 1 Year = 2
        - Recredentialed for 3 Years =118
        - Clean File Initial Credentialing Sign- Off Approval by Dr. Lakshmi: 3

    Peer Review and Credentialing (PRC) Committee – August 18, 2022
    - Direct Contracted Providers: 31
        - Initial Credentialed for 1 year = 2
        - Recredentialed for 1 Year = 2
        - Recredentialed for 3 Years = 26
        - Clean File Initial Credentialing Sign Off Approval by Dr. Lakshmi: 1
        - Cases #1 – #5, Potential Quality Issues (PQIs)

    Peer Review and Credentialing (PRC) Committee – August 25, 2022
    - Cases #6 – #10, Potential Quality Issues (PQIs)

ACTION: With no questions or comments, a motion was made (Commissioner Bangalore), seconded (Commissioner Parsa) to approve the Peer Review and Credentialing Committee reports for 08/04/2022, 08/18/2022 and 08/25/2022 as presented (8/0).

INFORMATION ITEMS

9. Chief Operations Officer Report

Lizeth Granados, COO provided an update on the tentative branding for El Dorado and Alpine Counties and the Housing and Homeless Incentive Program (HHIP), highlighting the following:

Tentative Branding for El Dorado and Alpine Counties

- Logo preview (incorporated the butterfly as part of logo)– go live January 2024
- Held various stakeholder meetings and was provided with feedback on the Mountain Valley name

Commissioner Jensen asked if Mountain Valley is what is being represented in El Dorado and Alpine counties, not re-branding for the entire company. Ms. Granados stated that the branding is solely for the two new counties.

Housing and Homeless Incentive Program (HHIP)

- Overview
  - HHIP is a voluntary incentive program intended to improve health outcomes and access to holistic services by addressing housing insecurity and instability for the Medi-Cal population. Funds will flow from DHCS to the managed care plan. HPSJ has elected to participate for both San Joaquin and Stanislaus counties
  - Includes engagement and partnerships with community partners including Continuums of Care (CoCs), counties, public health agencies, and organizations that deliver housing services to achieve program goals and measures
- Total Incentive Funds
  - $1.288 billion one-time funds across all eligible plans (50% state and 50% federal funds)
    - San Joaquin Total Allocation: $21,742,582.90
    - Stanislaus Total Allocation: $13,781,314.16
- Permissible Uses
  - Services to prevent or end homelessness
  - Investment in interim housing for the aging and/or disabled population
  - Investment in rapid re-housing for families and youth
- Timing
  - The incentive program period is from January 1, 2022 to December 31, 2023
    - Program Year 1 (January 1, 2022 to December 31, 2022)
    - Program Year 2 (January 1, 2023 to December 31, 2023)
- Program Measures
  - Includes a set of HHIP measures to be included in three submissions. The Local Homelessness Plan (LHP), Submission 1, and Submission 2. Consists of priority measures/non-priority measures. Priority measures have a greater amount of total points. Some measures are pay-for-performance and some are pay-for-reporting
- HHIP Priority Areas and Program Measures
- HHIP Updates and Revised Materials
- HHIP Deliverables and Payment Timeline
- HHIP Investment Plan (IP) Deliverable
- Proposed Investments
- Next Steps for HPSJ
  - Assess efforts for investment plan (IP) based on available information and priority measures
  - Continue collaborative engagement efforts with other MCP partners and meet with key CoC members to re-review HHIP measures, reconfirm priority investments and discuss CoC approval processes
  - Finalize investments on the IP and complete all required elements by Fall 2022
  - Receive confirmation on acceptance of LHP and IP

- Continue work efforts submission 1 such as continued engagement, HMIS, contracting or agreements, data sharing agreements, street medicine, and other efforts
- Completion of Submission 1 due February 2023

Upon review of Ms. Granados presentation, discussions were held with the following questions raised by commissioners:

Q: Bangalore - How do you predict who and what HPSJ is qualified for?
A: Granados – There are different factors that we must do, including engaging with homeless centers and obtaining data. There's various threshold that we need to get to. Currently, we are in the compiling process; details will be provided as programs are being implemented based on timeline.

Q: Jensen – What types of projects is HPSJ looking at?
A: Granados – We are partnering with counties on feedback to assess the types of projects needed, i.e., support in sharing information (homeless management system – fund licenses for organizations to obtain access to data), invest on funding vouchers, housing and recuperative care services, and offering support to members with mental health needs.

Chair Diederich stated that HPSJ has also engaged the COC. HPSJ will need to tap into our reserves if we are to engage in these programs as it will go above our threshold on funding from the state.

10. Legislative Report

Brandon Roberts, Government and Public Affairs Manager provided an update on Priority Bills, highlighting the following:

Legislation to Modernize Brown Act Authorizations, Providing Flexibilities for Local Agencies to Utilize Teleconferencing Options for Public Meetings

- AB 2449 – (Rubio, Blanca) – Open meetings: local agencies: teleconferences. Authorizes, until January 1, 2026, members of a local legislative body to use teleconferencing without noticing or making publicly accessible each teleconference location if a quorum participates in-person
- To use this flexibility, the local legislative body must:
  - Provide a two-way audio-visual platform or telephonic service and live webcasting.
  - Include an opportunity for the public to address the legislative body directly via a call-in or internet-based service option, and in-person
- A member of a local legislative body may participate remotely if:
  - The member provides advance notification, including at the start of a regular meeting, of their need to participate remotely for just cause
    - Must include a general description of the circumstances
    - Cannot be used for more than two meetings per year
  - Or if the member requests to participate remotely due to emergency circumstances and the legislative body takes action to approve

Legislation to Increase Civil Penalties Imposed on Health Plans

- SB 858 (Wiener) – Health care service plans: discipline: civil penalties. Increases the maximum base amount of the civil penalty on health plans from $2,500 per violation to $25,000 per violation of the Knox-Keene Health Care Service Plan Act and Regulations
  - Rationale for increasing civil penalties:

        - DMHC is authorized to impose penalties on plans
            - Plans are subject to penalties for violations related to coverage of medically necessary care, behavioral health services, gender-affirming care, timely access, and other member protections
    - Many civil penalties have not been altered since Knox-Keene was enacted in 1975
    - Increases would keep pace with rising premiums and prevent plans from making cost-benefit decisions to pay fines rather than address areas of noncompliance

Legislation Impacting Medi-Cal Managed Care Plans

- SB 912 (Limon) – Biomarker testing. Requires a health plan, including a Medi-Cal MCP, to cover biomarker testing, including whole genome sequencing, for the purposes of diagnosis,

  treatment, management, or monitoring a disease or condition if the test is supported by medical and scientific evidence

- SB 923 (Wiener) – Gender affirming care. Requires a health plan, including a Medi-Cal MCP, to require its staff in direct contact with enrollees to complete an approved evidence-based cultural competency training for the purpose of providing trans-inclusive health care
    - Requires health plans, by July 31, 2023, to provide information, accessible from the provider directory and call center, identifying which in-network providers offer gender-affirming services

- SB 987 (Portantino) – California Cancer Care Equity Act. Requires a Medi-Cal MCP to make a good-faith effort to include in its contracted provider network at least one National Cancer Institute-designated comprehensive cancer center, site affiliated with the NCI Community Oncology Research Program, or qualifying academic cancer center in its county or within the nearest county that has a qualifying cancer center
    - Requires MCPs to ensure that a beneficiary diagnosed with a complex cancer diagnosis is eligible to request a referral to a qualifying cancer center within 15 business days of the diagnosis

- SB 1019 (Gonzalez) – Medi-Cal managed care plans: mental health benefits. Requires a Medi-Cal MCP to develop and submit to DHCS an annual outreach and education plan regarding the mental health benefits the plan covers

CHAIRMAN'S REPORT

No reports were forthcoming.

COMMISSIONER COMMENTS

No comments were forthcoming.

CLOSED SESSION

At this time, the Health Commission adjourned to Closed Session at 6:24 p.m.

11. Closed Session - Conference with Labor Negotiators CA Government Code Section 54957.56
    Lead Negotiator: Evert Hendrix
    Title: SEIU Bargaining Update

No actions were forthcoming for agenda #11.

12. Closed Session - Conference with Labor Negotiators CA Government Code Section 54957.56
    Lead Negotiator: Evert Hendrix
    Title: Employee Organization Health Plan of San Joaquin – Salary Structure and Pay Grade Recommendations (43 positions) – approved at Human Resources Committee on 08/31/2022

    - Accountant
    - Accountant, Senior
    - Administrative Support III
    - Analyst, Financial Specialist
    - Business Intelligence Analyst, Intermediate
    - Business Intelligence Analyst, Senior
    - Business System Analyst, Intermediate
    - Compliance Program Manager
    - Controller
    - Dev Ops Engineer, Intermediate
    - Dev Ops Engineer, Lead
    - Dev Ops Engineer, Senior
    - Director, Claims
    - Director, Community Marketplace & Member Engagement
    - Director, Compliance
    - Director, Customer Service
    - Director, Delegate Provider Relations
    - Director, Employee/Labor Relations & Talent Management
    - Director, Financial Planning & Analysis
    - Director, HR Operations
    - Director, PMO
    - Director, Provider Contracting
    - HR Representative, Senior - Employee Relations
    - HR Representative, Senior - Training & Development
    - Human Resources Representative - Talent Acquisition
    - Human Resources Specialist - Systems and Reporting
    - Human Resources Team Leader - Talent Acquisition
    - Information Security Analyst, Senior
    - Licensed Clinical Social Worker
    - Manager, Benefit Administration
    - Manager, Compliance
    - Manager, Cultural and Linguistics
    - Manager, Customer Service
    - Manager, Delegation Oversight
    - Manager, Government and Public Affairs
    - Manager, Health Education
    - Manager, Marketing
    - Payroll Accountant
    - Specialist, Health Education
    - Supervisor, Customer Service
    - Supervisor, Government Programs
    - Supervisor, Pharmacy
    - Systems Administrator, Intermediate

ACTION: The motion was made by Commissioner Bangalore, seconded by Commissioner Herrera to approve the five percent (5%) upward adjustment to the entire salary structure and the salary grade changes for the 43 of the 81 jobs reviewed during the survey as presented.

13. Closed Session – Trade Secrets
    Welfare and Institutions Code Section 14087.31
    Title: Approval of FY 21-22 Corporate Objectives Outcomes

ACTION: A motion was made (Commissioner Jensen), seconded (Commissioner Noguera) and unanimous to approve for both management and non-represented employees who are eligible to receive an incentive payment based upon the percentage of annual corporate objectives being met, which for the FY 21-22 (ended 6/30/2022) was reported as 95%. Directors and above each receive 95% of their 10% potential for a 9.5% annual incentive. Managers and non-represented employees each receive 95% of their 5% potential for a 4.75% annual incentive and represented employees each receive a flat amount of $1,000 in accordance with SEIU union contract (8/0).

14. Closed Session – Public Employee Performance Evaluation
    Government Code Section 54957
    Title: Chief Executive Officer

No actions were forthcoming for agenda #14.

The Health Commission came out of Closed Session at 8:15 p.m.

ADJOURNMENT

Chair Diederich adjourned the meeting at 8:16 p.m. The next regular meeting of the Health Commission is scheduled for September 28, 2022.