

MINUTES OF THE MEETING OF THE SAN JOAQUIN COUNTY HEALTH COMMISSION

October 26, 2022

Health Plan of San Joaquin – Community Room

COMMISSION MEMBERS PRESENT:

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

COMMISSION MEMBERS ABSENT:

Farhan Fadoo, MD
Kathy Miller
John Zeiter, MD

STAFF PRESENT:

Michael Schrader, Chief Executive Officer
Cheron Vail, Chief Information Officer
Sunny Cooper, Chief Compliance Officer
Lizeth Granados, Chief Operations Officer
Evert Hendrix, Chief Administrative Officer
Michelle Tetreault, Chief Financial Officer via MS TEAMS
Lakshmi Dhanvanthari, MD, Chief Medical Officer
Priti Golechha, MD, Assistant Chief Medical Officer
Tracy Hitzeman, Executive Director – Clinical Operations
Kirin Virk, 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 5:09 p.m.

PRESENTATIONS/INTRODUCTIONS

None.

PUBLIC COMMENTS

No public comments were forthcoming.

MANAGEMENT REPORTS

Michael Schrader announced that our current Strategic Plan expires at the end of June 2023 and that staff are now initiating the planning process to develop a new one. The purpose of the Strategic Plan is to define high-level goals and objectives for HPSJ for the next three years, spanning from July 1, 2023, to June 20, 2026. Staff will work closely with an Ad Hoc of the governing Commission on development of the Strategic Plan over the next several months. Executive Evert Hendrix will serve as staff lead and coordinate with a small team from Health Management Associates (HMA). The HMA team will facilitate strategic-planning sessions, survey stakeholders in the community and staff, interview key individual stakeholders, and complete a landscape assessment. The tentative schedule includes three working sessions with HMA, the Ad Hoc, and HPSJ leadership in November, January, and February. The HMA team will produce two deliverables, including a Strategic Plan for internal reference and a report for the community. The aim is to present a draft of the Strategic Plan to the full governing Commission in March, and to seek the Commission's approval for a final version in April.

Mr. Schrader also announced the promotion of Evert Hendrix to Chief Administrative Officer. Evert has continued responsibility for Human Resources and has newly assumed responsibility for Marketing and Communications. This change allows HPSJ to better take advantage of Evert's skill sets and to distribute workload more evenly across executives given the volume.

Q: Bangalore -- What is the value of developing a new Strategic Plan when there are so many other competing priorities that staff must balance?

A: Schrader – Staff want to remain in alignment with the commission and our local community. The Strategic Plan gives us a shared purpose with broad direction, goals, and priorities. Staff reference the Strategic Plan to set annual corporate objectives. The annual corporate objectives are used to advance the Strategic Plan.

C: Chair Diederich – There is a lot of focus on quality and homelessness, of which the strategic plan will provide broad direction for the management team.

C: Supervisor Winn – Two new Board of Supervisors will be assigned to HPSJ in January 2023, it would be best for them to partake and provide direction on the strategic plan.

CONSENT CALENDAR

Chair Diederich presented two consent items for approval:

2. September 28, 2022 SJC Health Commission Meeting Minutes
3. Finance and Investment Committee – 10/19/2022
 - a. May 18, 2022 Meeting Minutes
 - b. August 24, 2022 Meeting Minutes
 - c. Edifecs Encounter Management Upgrade
 - d. HEDIS Access Grant Pilots for FQHCs
 - e. Investment Advisory Services – Meketa Investment Group, Inc.

C: Chair Diederich Based on the changes made to the Health Commission's By-Laws in 2021, allowing HPSJ to make investments, HPSJ will be obtaining Meketa Investment Group to develop an active investment portfolio, which will lead to greater administrative efficiency and flexibility to maximize the company's returns. Based on the proposed investment strategy, HPSJ is forecasted to yield over \$5M in investment returns.

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

REPORT ITEMS

4. August 2022 YTD Financial Reports

Michelle Tetreault, CFO presented for approval the August 2022 YTD financial reports noting that the reporting of the financial statements is at a consolidated level for all categories of aid because of DHCS's establishment of regional rates that was effective January 2022.

- Net Income for August 2022 YTD; will likely change over time due to the significant amount of IBNR included in medical expenses)
 - Net income is \$4.9M with \$11.8M favorable to budget
- Premium Revenue
 - \$5.3M (2.6%) favorable to budget; driven by the favorable membership variance, favorability in capitation rates compared to those budgeted, and decrease in prior year estimated proposition 56 risk corridor reserves
- Managed Care Expenses
 - \$5.6M (2.8%) favorable to budget, primarily due to favorable variances in institutional and professional categories of service
- Administrative Expenses
 - \$1.9M (15.9%) favorable to budget, primarily due to lower than budgeted IT subscription and consulting cost of \$988k and personnel costs of \$616k
- Other Revenues and Expenses
 - \$813k unfavorable to budget, primarily due to incentive program income budgeted but not yet earned
- Prior Period Adjustments – are primarily related to changes in estimates of IBNR

Q: Chair Diederich – Can you confirm that 989% of TNE and membership of 414,000 is correct.

A: Schrader – Yes, our reserve level is almost ten times the minimum TNE required by DMHC, and our membership is at an all-time high related to the Public Health Emergency.

ACTION: With no additional questions or comments, the motion was made (Commissioner Wilverding) seconded (Commissioner Winn) and unanimous to approve the August 2022 YTD financial report as presented (8/0).

INFORMATION ITEMS

5. Enhanced Care Management (ECM) and Community Supports Update

Lizeth Granados, COO provided an update on ECM and Community Supports highlighting the following:

o ECM Timeline for both San Joaquin and Stanislaus counties

	San Joaquin	Stanislaus
Go-Live	Whole Person Care (WPC) County	Non-WPC County
1/1/22	<ul style="list-style-type: none"> Whole Person Care transition members Homeless Individuals and Families High Utilizer Adults Adults with Serious Mental Illness (SMI)/Substance Use Disorder (SUD) 	
7/1/22		<ul style="list-style-type: none"> Homeless Individuals and Families High Utilizer Adults Adults with Serious Mental Illness (SMI)/Substance Use Disorder (SUD)
1/1/23	<ul style="list-style-type: none"> Adults Living in the Community who Are At Risk for LTC Institutionalization Nursing Facility Residents Who Are Candidates to Transition to the Community 	<ul style="list-style-type: none"> Adults Living in the Community who Are At Risk for LTC Institutionalization Nursing Facility Residents Who Are Candidates to Transition to the Community
7/1/23	Children and Youth	Children and Youth
Note:	*Individuals Transitioning from Incarceration; Per most recent update, tentative date is 07/01/23. To be confirmed as more information becomes available.	

o Community Supports Timeline

Jan 1, 2022	July 1, 2022	Jan 1, 2023	July 1, 2023
7 of 14 Community Supports to <u>San Joaquin</u> members: <ul style="list-style-type: none"> Housing Transition Navigation Services Housing Deposits Housing Tenancy Sustaining Services Recuperative Care Short-Term Post Hospitalization Housing Meals/Medically Tailored Meals Sobering Centers 	7 initial Community Supports to <u>Stanislaus County</u> Members plus ; two additional services for both counties: <ul style="list-style-type: none"> Asthma Remediation Environmental Accessibility Adaptations (Home Modifications) 	<ul style="list-style-type: none"> Day Habilitation Programs Personal Care and Homemaker Services Respite Services <p>(Both counties)</p>	<ul style="list-style-type: none"> Nursing Facility Transition/Diversion to Assisted Living Facilities Community Transition Services/Nursing Facility Transition to a Home <p>(Both counties)</p>

Community Supports as of January 1, 2023 are:

- Day Habilitation Programs: Services provided in a member's home or an out-of-home, non-facility setting. The programs are designed to assist the member in acquiring, retaining, and improving self-help, socialization, and adaptive skills necessary to reside successfully in the person's natural environment
- Personal Care and Homemaker Services: Services to assist with activities of daily living (ADLs) such as bathing, dressing, toileting, ambulation, or feeding. May assist with other ADLs such as meal preparation, grocery shopping, and money management

- **Respite Services:** Respite services are provided to caregivers of members who require intermittent temporary supervision. This service is provided on a short-term basis because of the absence or need for relief of those persons who normally care for and/supervise them and are non-medical in nature. This is rest for the caregiver only as is distinct from medical respite (recuperative care)

Upon review of Ms. Granados's report, the following questions were raised by commissioners:

Q: Bangalore - For Community Services that are effective January 1 2023, do the providers need to ask for these services to be provided in their offices and will there be a specific number of services that providers will be offered?

A: Granados - Yes. Information will be sent to providers in advance of the launch date as they will need to submit a referral on the request for services. Some of the benefits provided will have limits and are dealt on a case-by-case basis; based on members' needs.

Q: Diederich – Will there be any criteria that will include children?

A: Granados – Yes. Children's care can be coordinated through enhanced case management for children in CCS and foster care.

Q: Jensen - How will staff absorb all these new responsibilities and programs that will be launching in a short period of time?

A: Granados - Staff are aligned to work on the program and will be prioritizing their workload around these programs. HR is already doing a lot of work on team engagement to ensure we are successful in rolling out these programs.

CHAIRMAN'S REPORT

Chair Diederich reported on the formation of the Ad-Hoc Strategic Planning Committee, which will consist of Chair Diederich, Commissioners Jensen and Fadoo. Chair Diederich will also be the chairing this committee.

COMMISSIONER COMMENTS

No comments were forthcoming.

CLOSED SESSION

At this time, the Health Commission adjourned to Closed Session at 5:34 p.m.

6. Closed Session – Trade Secrets

Welfare and Institutions Code Section 14087.31

Title: Quarterly Update on FY' 22-23 Corporate Objectives

Presentation on Population Health Management (PHM)

No actions were forthcoming.

The Health Commission came out of Closed Session at 6:46 p.m.

ADJOURNMENT

Chair Diederich adjourned the meeting at 6:47 p.m. The next regular meeting of the Health Commission is scheduled for December 14, 2022.