



**NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS**

**THURSDAY, MAY 4, 2017
2:00 P.M.**

**505 CITY PARKWAY WEST, SUITES 108-109
ORANGE, CALIFORNIA 92868**

BOARD OF DIRECTORS

Paul Yost, M.D., Chair	Lee Penrose, Vice Chair
Supervisor Lisa Bartlett	Supervisor Andrew Do
Ria Berger	Ron DiLuigi
Dr. Nikan Khatibi	Alexander Nguyen, M.D.
Richard Sanchez	J. Scott Schoeffel
Supervisor Michelle Steel, Alternate	

CHIEF EXECUTIVE OFFICER
Michael Schrader

CHIEF COUNSEL
Gary Crockett

CLERK OF THE BOARD
Suzanne Turf

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form(s) identifying the item(s) and submit to the Clerk of the Board. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Consent Calendar, the reading of the individual agenda items, and/or the beginning of Public Comments. When addressing the Board, it is requested that you state your name for the record. Address the Board as a whole through the Chair. Comments to individual Board Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the Clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board Meeting Agenda and supporting documentation is available for review at CalOptima, 505 City Parkway West, Orange, CA 92868, Monday-Friday, 8:00 a.m. – 5:00 p.m. The Board Meeting Agenda and supporting materials are also available online at www.caloptima.org. Board meeting audio is streamed live at <https://caloptima.org/en/AboutUs/BoardMeetingsLive.aspx>

CALL TO ORDER
Pledge of Allegiance
Establish Quorum

PRESENTATIONS/INTRODUCTIONS
Presentation to former CalOptima Board Chair Mark Refowitz

MANAGEMENT REPORTS

1. **Chief Executive Officer Report**
 - a. American Health Care Act
 - b. Medicaid Mega Reg
 - c. Program of All-Inclusive Care for the Elderly
 - d. Medicare Star Rating
 - e. Opioid Opinion Article
 - f. Key Meetings

PUBLIC COMMENTS

At this time, members of the public may address the Board of Directors on matters not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors. Speakers will be limited to three (3) minutes.

CONSENT CALENDAR

2. **Minutes**
 - a. Approve Minutes of the April 6, 2017 Regular Meeting of the CalOptima Board of Directors
 - b. Receive and File Minutes of the March 9, 2017 Meeting of the CalOptima Board of Directors' Provider Advisory Committee
3. **Acting as the CalOptima Foundation:** Consider Appointment of CalOptima Foundation Board of Directors' Chairperson
4. Consider Appointment of Director to CalOptima Foundation Board of Directors
5. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts, Except Those Associated With the University of California-Irvine and St. Joseph Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18
6. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts Associated With the University of California-Irvine That Expire During Fiscal Year 2017-18
7. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts Associated with St. Joseph Health That Expire During Fiscal Year 2017-18
8. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts, Except Those Associated With the University of California-Irvine and St. Joseph Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18

9. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts Associated with the University of California-Irvine That Expire During Fiscal Year 2017-18
10. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts Associated With St. Joseph Healthcare and its Affiliates That Expire During Fiscal Year 2017-18
11. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Contracts for Ancillary Services That Expire During Fiscal Year 2017-18

REPORTS

12. Consider Adoption of Resolution Approving Updated Human Resources Policies
13. Consider Authorizing and Directing the Chairman of the CalOptima Board of Directors to Execute Amendment A03 to the Agreement with the California Department of Health Care Services for the CalOptima Program of All-Inclusive Care for the Elderly (PACE)
14. Consider Authorizing the Chief Executive Officer (CEO) to Submit OneCare Bid for Calendar Year 2018 and Execute Contract with the Centers for Medicare & Medicaid Services; Authorize the CEO to Amend/Execute OneCare Health Network Contracts and Take Other Actions as Necessary to Implement *(to follow Closed Session)*

ADVISORY COMMITTEE UPDATES

15. Member Advisory Committee Update
16. Provider Advisory Committee Update
17. OneCare Connect Cal MediConnect (Medicare-Medicaid Plan) Member Advisory Committee Update

INFORMATION ITEMS

18. Primer to the CalOptima Fiscal Year 2017-18 Budget
19. Update on Intergovernmental Transfer (IGT) 6 and 7
20. March 2017 Financial Summary
21. Compliance Report
22. Federal and State Legislative Advocates Reports
23. CalOptima Community Outreach and Program Summary
24. PACE Study Session

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BOARD MEMBER COMMENTS AND BOARD COMMITTEE REPORTS

CLOSED SESSION

CS 1 Pursuant to Government Code Section 54956.87, subdivision (b), Health Plan Trade Secrets -
OneCare

ADJOURNMENT

NEXT REGULAR MEETING: Thursday, June 1, 2017 at 2:00 p.m.

MEMORANDUM

DATE: May 4, 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

American Health Care Act (AHCA)

On April 25, Congress reconvened after the two-week spring recess, with passing a Continuing Resolution as the priority to avoid a government shutdown. Alongside this effort, negotiations on the AHCA continued. As of April 26, the conservative House Freedom Caucus expressed support for a proposed amendment to AHCA by the moderate Tuesday Group's co-chairman Rep. Tom MacArthur (R-N.J.) The MacArthur amendment would not change AHCA provisions that significantly impact CalOptima related to Medicaid financing, such as the move to per capita rates or the provisions affecting Medicaid Expansion, but it would provide compromises in other areas so as to generate more support across Congress. Developments on AHCA are happening daily, and our associations and federal advocate are tracking the legislation to ensure CalOptima has the latest information available.

Medicaid Mega Reg

In April 2016 under the Obama Administration, the Centers for Medicare & Medicaid Services (CMS) issued a final regulation that significantly revises Medicaid managed care rules. Due to its comprehensive nature, the regulation became known as the Mega Reg. As a whole, the Mega Reg aims to standardize the administration of Medicaid across the states. However, the new Administration has indicated that it favors flexibility for states as opposed to wide-ranging regulations imposed by the federal government. As a result, CalOptima has learned through our associations that the Mega Reg may be delayed or even reworked. Yet since the first major provisions go into effect July 1, 2017, we are obligated to operate as if it will be implemented as planned. At the state level, on the legislative front, Assembly Bill 205 (Wood)/Senate Bill 171 (Hernandez) have been introduced to direct certain aspects of Mega Reg implementation. Two of the bills' provisions have the potential to affect CalOptima's payments to hospital partners. Under consideration are changing the administration of the Quality Assurance Fee and having the Department of Health Care Services (DHCS) set annual percentage increases in payment rates for public hospitals, including University of California medical centers. We are expecting a contract amendment from DHCS to implement provisions of the Mega Reg. Separately, on the regulatory front, DHCS is working on new requirements and administrative processes for Rate Range Intergovernmental Transfers (IGTs). The Mega Reg will allow IGTs to continue, but requires that the transactions be prospective. At this point, our understanding is that IGTs may need to be arranged before the beginning of the fiscal year to which they apply. We will continue

to work with DHCS and our associations as Mega Reg implementation moves forward and additional details become available.

Program of All-Inclusive Care for the Elderly (PACE)

- **Nurse Practitioner Waiver**

On March 30, CMS approved our nurse practitioner waiver application submitted in December 2016. This flexibility expands the nurse practitioner's scope of practice within the on-site PACE clinic and allows the nurse practitioner to complete initial assessments and reassessments, which will be recognized by CMS. CalOptima is working to finalize the policies in order to move forward with implementation.

- **Marketing Event**

On March 25, PACE hosted a Senior Health and Wellness Event, drawing more than 50 seniors and their families/caregivers. Attendees received a tour of the center, met key program staff and learned more about how CalOptima PACE can help them continue living independently. In addition, attendees were treated to music and live entertainment from Humberto Luna, well-known radio personality for La Ranchera (96.7 FM), which ran ads and promotions before and during the event. In all, seven potential enrollees are expected to join PACE as a result of the event.

Children's Health Insurance Program (CHIP) Reauthorization

CHIP covers children in families living at up to 250 percent of the Federal Poverty Level under Medi-Cal. CHIP is due for reauthorization on October 1, 2017. DHCS Director Jennifer Kent stated that California is planning for a decrease in the federal funding level for this program. Currently, the federal/state match rate is 88/12, and it is expected to change to 65/35 starting in October. The draft FY 2017–18 state budget includes provisions for this higher outlay. No changes in eligibility have been proposed.

Medicare Star Rating

On April 3, CMS released final 2018 updates to the Medicare Advantage and Part D Prescription Drug Programs, affecting OneCare Connect, OneCare and PACE. One area of concern for CalOptima has been the way CMS develops its Star rating system. The current Star system fails to adequately account for socioeconomic and disability status, producing a structural and financial disadvantage for plans such as CalOptima that exclusively serve dual-eligible beneficiaries. CalOptima's position is that CMS should develop a solution that accurately measures and compares the quality of care for plans that disproportionately serve dual-eligible beneficiaries. CalOptima worked with the Association for Community Affiliated Plans (ACAP) on a recent letter to CMS that expressed appreciation for CMS' implementation of the Categorical Adjustment Index for 2017 as an interim fix. The letter also encouraged CMS to consider an Office of the Assistant Secretary for Planning and Evaluation (ASPE) report found that dual-eligible status is a significant predictor of poor Star ratings. CMS appears to have taken note, stating in its 2018 materials that it is "carefully considering" recommendations from the ASPE report for Star ratings in the future. CalOptima will continue to work with ACAP and CMS to advocate for a long-term solution.

Opioid Opinion Article

To raise awareness and extend our work on combating the opioid epidemic, CalOptima submitted an opinion article by Deputy Medical Director Richard Bock, M.D., to the Orange County Register. The piece ran April 21 in print and online. View the article [here](#).

Key Meetings

- **California Children’s Services (CCS) Advisory Group Meeting**
On April 12, I attended the quarterly CCS Advisory Group Meeting, which addresses the transition of CCS to the Whole Child Model (WCM). Of note was a new discussion about the possibility of carving in neonatal intensive care unit (NICU) services to the health plans, whereas NICU was previously to continue being carved out and administered by the counties and state. Care coordination, which is one goal of WCM, could potentially be easier if plans were overseeing NICU services as well. Currently, the counties/state authorize and pay for some NICU days, and the plans pay for other days. A NICU Technical Workgroup has formed to discuss eligibility, authorization and payment issues. Ultimately, the group suggested that the decision on NICU could be left up to the various counties implementing WCM. I will keep your Board informed about impact to CalOptima and Orange County.
- **Kaiser Permanente**
On April 14, I participated in a meeting between executives from Southern California public health plans and Julie Miller-Phipps, new president of Kaiser Foundation Hospitals and Health Plan, and her executive team. The health plans represented included CalOptima, L.A. Care, Inland Empire Health Plan and Kern Health Systems. Ms. Miller-Phipps oversees the Southern California region, with 14 hospitals and 241 medical offices, serving 4.2 million Kaiser members.
- **Orange County Leadership Forum on Aging**
Held April 21, the Forum on Aging featured opening remarks by Supervisor Do and included me on a panel with four other speakers. Sponsored by the Orange County Aging Services Collaborative, the event drew a large crowd of more than 300 attendees and focused on the latest news and trends in aging policy. I spoke about the potential impacts to Medi-Cal if the ACA is changed and about our continuum of programs for seniors.
- **Medicaid Health Plans of America Board Meeting**
On April 28, CalOptima was pleased to host in our offices the Medicaid Health Plans of America Board of Directors meeting, welcoming CEOs from commercial and public health plans across the nation. As you know, CalOptima joined the association this year to ensure our agency was well connected to the latest information available about national health policy. The productive meeting addressed key topics including Medicaid reform, the per capital cap model proposed in the AHCA and managed long-term services and supports.

MINUTES

REGULAR MEETING OF THE CALOPTIMA BOARD OF DIRECTORS

April 6, 2017

A Regular Meeting of the CalOptima Board of Directors was held on April 6, 2017, at CalOptima, 505 City Parkway West, Orange, California. Chair Paul Yost, M.D., called the meeting to order at 2:00 p.m. Supervisor Do led the Pledge of Allegiance.

ROLL CALL

Members Present: Paul Yost, M.D., Chair; Supervisor Lisa Bartlett, Ria Berger, Ron DiLuigi, Supervisor Andrew Do, Dr. Nikan Khatibi, Alexander Nguyen, M.D., Richard Sanchez (non-voting), Scott Schoeffel

Members Absent: Lee Penrose, Vice Chair

Others Present: Michael Schrader, Chief Executive Officer; Gary Crockett, Chief Counsel; Nancy Huang, Interim Chief Financial Officer; Richard Helmer, M.D., Chief Medical Officer; Ladan Khamseh, Chief Operating Officer; Len Rosignoli, Chief Information Officer; Suzanne Turf, Clerk of the Board

Chair Yost announced the following change to the agenda: the Board will adjourn to Closed Session after hearing Information Items, and will reconvene to hear Board Member Comments and Board Committee Reports.

PRESENTATIONS/INTRODUCTIONS

Chair Yost welcomed Richard Sanchez, Orange County Health Care Agency Director, to the Board of Directors.

Chief Operating Officer Ladan Khamseh introduced two new executive directors: Michelle Laughlin, Executive Director of Network Operations, and Sesha Mudunuri, Executive Director of Operations. Richard Helmer, M.D., Chief Medical Officer, introduced Tracy Hitzeman, Executive Director of Clinical Operations.

MANAGEMENT REPORTS

1. Chief Executive Officer (CEO) Report

CEO Michael Schrader provided an update on the status of the proposed American Health Care Act. Staff remains engaged with CalOptima's associations, federal advocate and congressional delegation regarding possible future action to change the Affordable Care Act and Medicaid Expansion, as well as closely monitoring any regulatory or policy changes that may occur in lieu of legislative actions.

Mr. Schrader reported that, effective April 1, 2017, auto assignment to the CalOptima Community Network (CCN) has ceased due to CCN enrollment reaching 10% of total CalOptima Medi-Cal membership; however, this does not impact a member's ability to choose CCN as their health network, nor does this apply to members with certain complex medical conditions who are assigned to CCN Complex. Staff is developing a side-by-side comparison of CCN's performance relative to CalOptima's contracted private-sector health networks to include metrics related to financial performance, quality of care, member satisfaction, and audit results. The comparison data will be presented to the Board at a future meeting ahead of Board consideration of possible changes to the CCN cap.

PUBLIC COMMENTS

Pamela Pimentel, MOMS Orange County – Oral re: National Public Health Week.

CONSENT CALENDAR

2. Minutes

- a. Approve Minutes of the March 2, 2017 Regular Meeting of the CalOptima Board of Directors
- b. Receive and File Minutes of the January 12, 2017 Meeting of the CalOptima Board of Directors' Member Advisory Committee; the February 9, 2017 Meeting of the CalOptima Board of Directors' Provider Advisory Committee; and the February 23, 2017 and December 22, 2016 Meetings of the CalOptima Board of Directors' OneCare Connect Cal MediConnect (Medicare-Medicaid Plan) Member Advisory Committee

Action: On motion of Director DiLuigi, seconded and carried, the Board of Directors approved the Consent Calendar as presented. (Motion carried 8-0-0; Vice Chair Penrose absent)

REPORTS

3. Consider Authorizing Policy Changes Removing the Requirement for Full-Risk Health Networks to be Accredited and/or Certified by the National Committee for Quality Assurance (NCQA) in Order to Subdelegate Functions for the Medi-Cal Line of Business; Consider Authorizing Amendments to Full-Risk Health Network Contracts to Implement this Change

Director Schoeffel did not participate in this item due to potential conflicts of interest and left the room during the discussion and vote. Supervisor Do did not participate in the discussion and vote due to potential conflicts of interest.

Ms. Khamseh presented the recommended actions to authorize policy changes removing the requirement that full-risk Medi-Cal health networks be accredited and/or certified by the NCQA in order to subdelegate services provided under their contracts with CalOptima, and authorize amendments to the contracts with Monarch Health Plan, Inc., Heritage Provider Network, Inc., and Kaiser Foundation Health Plan, Inc., to implement this change.

CalOptima's full-risk networks for Medi-Cal services are currently required to be accredited and/or certified by NCQA for the responsibility(s) they wish to subdelegate. The accreditation and/or

certification is not a regulatory requirement, but is a CalOptima-imposed condition for subdelegation. In order to standardize contractual requirements across all lines of business, and to avoid placing unduly burdensome requirements on health networks that impede their ability to participate with the Medi-Cal line of business, it was recommended that the Board authorize removal of this requirement for Medi-Cal full-risk health networks. Chief Medical Officer Richard Helmer, M.D., added that the removal of this requirement would not affect the quality of care CalOptima members receive.

Action: *On motion of Director Berger, seconded and carried, the Board of Directors authorized policy changes removing the requirement that full-risk Medi-Cal health networks be accredited and/or certified by the NCQA in order to subdelegate services provided under their contracts with CalOptima, and authorized amendments to the contracts with Monarch Health Plan, Inc., Heritage Provider Network, Inc., and Kaiser Foundation Health Plan, Inc., to implement this change. (Motion carried 6-0-0; Supervisor Do recused; Vice Chair Penrose and Director Schoeffel absent)*

4. Consider Adoption of Resolution Approving Updated Human Resources Policies

Action: *On motion of Supervisor Do, seconded and carried, the Board of Directors adopted Resolution No. 17-0406, Approve Updated Human Resources Policies. (Motion carried 8-0-0; Vice Chair Penrose absent)*

5. Consider Authorization of Expenditures in Support of CalOptima's Participation in Community Event

Supervisor Bartlett did not participate in the discussion and vote on this item due to potential conflicts of interest.

Action: *On motion of Director DiLuigi, seconded and carried, the Board of Directors: 1) Authorized the expenditure of up to \$10,000 and staff participation for Age Well Senior Services' 2017 South County Senior Summit on May 12, 2017 at the Laguna Woods Performing Art Center; 2) Made a finding that such an expenditure is for a public purpose and in furtherance of CalOptima's mission and statutory purpose; and 3) Authorized the Chief Executive Officer to execute agreements as necessary for the event and expenditure. (Motion carried 7-0-0; Supervisor Bartlett recused; Vice Chair Penrose absent)*

ADVISORY COMMITTEE UPDATES

6. OneCare Connect Cal MediConnect (Medicare-Medicaid Plan) Member Advisory Committee (OCC MAC) Update

Christine Chow, OCC MAC Member Representative, provided an overview of the activities at the February 23, 2017 OCC MAC meeting, including an update on the 2016 Pay for Value program results, and a quarterly ombudsman update from the Legal Aid Society of Orange County. Recruitment for the five OCC MAC seats whose terms expire on June 30, 2017 has ended. A recommended slate of candidates will be forwarded to the Board of Directors for consideration.

7. Member Advisory Committee (MAC) Update

MAC Chair Mallory Vega reported on several presentations received at the March 9, 2017 MAC meeting, including the 2016 Pay for Value program results, the transition of the new Managed Behavioral Health Organization, Magellan Health, Inc., and an overview of the Boys and Girls Clubs of Garden Grove. The recruitment ended for six MAC seats whose terms expire on June 30, 2017, and a slate of candidates will be presented to the Board of Directors for consideration at a future meeting.

8. Provider Advisory Committee (PAC) Update

Pamela Pimentel, R.N., PAC Allied Health Services Representative, presented an update on the activities at the March 9, 2017 PAC meeting, including the ongoing Affordable Care Act changes to Medicaid Classic and Medicaid Expansion, the Magellan transition, a State and Federal legislative update, and a presentation on the status of the Whole Person Care Pilot proposal. PAC members discussed the goals and objectives for Fiscal Year 2017-18, including holding a joint MAC/PAC meeting in September 2017.

INFORMATION ITEMS

9. Federal and State Legislative Advocates Reports

Josh Teitelbaum and Geoffrey Verhoff of Akin Gump Strauss Hauer & Feld, LLP (Akin Gump), presented an update at the Federal level, including the status and activities associated with the American Health Care Act. It was reported that Akin Gump will continue to educate key Congressional members about the importance of the County Organized Health System (COHS) model and other key initiatives, serve as a resource for the Orange County and California Congressional delegations, monitor ongoing developments related to Medicaid, and advocate for CalOptima's interests in legislation.

Trent Smith of Edelstein Gilbert Robson & Smith provided an update at the State level, including the March 8, 2017 meeting between CalOptima staff and the offices of nine Orange County delegation members, meetings of the Senate and Assembly Health Committees regarding the Centers for Medicare & Medicaid Services (CMS) Mega Regulations and issues related to Independent Medical Review. Budget committees are meeting to debate various aspects of the Governor's proposed FY 2017-18 State Budget, including the continuation of the Cal MediConnect program. It was noted that the Budget committee will take action after the Governor's May Revise is released.

The following Information Items were accepted as presented:

10. February 2017 Financial Summary
11. Compliance Report
12. CalOptima Community Outreach and Program Summary

ADJOURN TO CLOSED SESSION

The Board of Directors adjourned to closed session pursuant to CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Government Code Section 54956.9, subdivision (d)(1) One Case: Fountain Valley Regional Hospital and Medical Center v. CalOptima and Healthcare Insight, a division of Verisk Health, Inc. Orange County Superior Court (OCSC) Case No. 30-2016-00848235-CU-BC-CJC.

The Board of Directors reconvened to open session at 3:34 p.m. with no reportable action taken.

BOARD MEMBER COMMENTS AND BOARD COMMITTEE REPORTS

Members of the Board welcomed Director Sanchez to the Board of Directors. Chair Yost announced that performance evaluations for the Chief Executive Officer and Chief Counsel are coming up, and an ad hoc composed of the Chair and Vice Chair will perform a preliminary review, coordinate to seek input from all Board members over the next few weeks, and return to the Board with recommendations in June.

ADJOURNMENT

Hearing no further business, Chair Yost adjourned the meeting at 3:37 p.m.

/s/ Suzanne Turf
Suzanne Turf
Clerk of the Board

Approved: May 4, 2017

MINUTES

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

March 9, 2017

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held on Thursday, March 9, 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 8:10 a.m., and led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Anjan Batra, M.D.; Donald Bruhns; Stephen N. Flood; Jena Jensen; Pamela Kahn, R.N.; Teri Miranti; John Nishimoto, O.D.; Mary Pham, Pharm.D., CHC; Pamela Pimentel, R.N.; Suzanne Richards, RN, MBA, FACHE; Barry Ross, R.N., MPH, MBA; Jacob Sweidan, M.D.

Members Absent: Theodore Caliendo, M.D.; Alan Edwards, M.D.; George Orras, Ph.D., FAAP

Others Present: Michael Schrader, Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; Richard Helmer, M.D., Chief Medical Officer; Gary Crockett, Chief Counsel; Phil Tsunoda, Executive Director, Public Policy and Public Affairs; Tracy Hitzeman, Executive Director, Clinical Operations; Cheryl Simmons, Staff to the PAC

MINUTES

Approve the Minutes of the February 9, 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 February 9, 2017 meeting. (Motion carried 12-0-0; Members Caliendo, Edwards, and Orras absent)

PUBLIC COMMENTS

No requests for public comment were received.

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Update

Michael Schrader, Chief Executive Officer, discussed the ongoing Affordable Care Act (ACA) changes related to Medicaid Classic and Medicaid Expansion (MCE). Under the current plan, the Medicaid Classic 50/50 split of federal and state funding would continue until January 1, 2020, at which time a target-spending threshold for each state would be developed and if the states exceed that threshold, there would be funding cuts initiated for the next year for that particular state. Mr. Schrader also noted that the MCE would continue enhanced funding for providers through January 1, 2020. Federal funding for members enrolled in MCE after January 1, 2020 will be provided at up to 50%. Mr. Schrader also updated the PAC on his recent meetings with the Orange County delegation in Washington D.C. regarding the importance of ensuring appropriate funding for CalOptima's programs

Chief Medical Officer Update

Richard Helmer, M.D., Chief Medical Officer, provided an update on the Magellan transition of the behavioral health benefit. Dr. Helmer noted that CalOptima has limited Intergovernmental Transfer (IGT) funds allocated to screen adolescents for depression. There was extended discussion about how to best rollout this program to CalOptima providers.

Dr. Helmer also discussed the challenge of coordinating care for the homeless and the homeless with mental health issues without duplicating services. Tracy Hitzeman, Executive Director, Clinical Operations, noted that CalOptima holds semi-annual community resource fairs with community-based organizations that offer various resources for members. The target audiences for these resource fairs are case managers and personal care coordinators from the health networks. After extended discussions, Chair Miranti indicated that she was forming a PAC ad hoc committee for the specific purpose of identifying services that are available for the homeless, and to return to the PAC with its findings and recommendations. Members Flood and Nishimoto agreed to serve with Chair Miranti on this ad hoc.

Chief Operating Officer Update

Ladan Khamseh, Chief Operating Officer, noted that the CalOptima Community Network (CCN) had reached membership capacity for the last three (3) months and will no longer be eligible for auto-assignment. Ms. Khamseh noted that each member still had the option to choose his or her own network, including the CCN.

INFORMATION ITEMS

Federal and State Budget Update

Phil Tsunoda, Executive Director, Public Policy and Public Affairs, provided a State and Federal legislative update regarding the replacement of the Affordable Care Act (ACA) and the American Health Care Act (AHCA) proposed by the Trump Administration. Mr. Tsunoda noted that Congress had not yet asked the Congressional Budget Office (CBO) to review the proposed legislation. However,, this is expected to occur within the next few days.

Whole Person Care Pilot Update

Melissa Tober of the Orange County Healthcare Agency provided an update on the status of the Whole Person Care (WPC) Pilot Proposal. Ms. Tober noted that the target populations for this pilot are persons who are homeless and persons who are homeless and living with mental illness.

PAC Member Updates

Chair Miranti asked the Members to review the draft 2017-18 PAC Goals and Objectives. PAC members expressed support for the idea of holding a joint Member Advisory Committee (MAC)/PAC meeting in September. If MAC agrees to a joint meeting, a MAC/PAC ad hoc would be formed to discuss possible agenda items of mutual interest to the committees.

Chair Miranti reminded the members to provide input on the PAC Report to the Board to staff for inclusion in the next report. She also reminded the members that applications/nominations are being accepted from March 1, 2017 through March 31, 2017 for the Community Health Centers, Hospital, Physician and Traditional/Safety Net Representative seats on the PAC, as well as nominations for PAC Chair and Vice Chair for the coming year. Chair Miranti formed a Nomination ad hoc and Members Pham, Batra and Bruhns agreed to serve. Candidate recommendations will be considered at the May PAC meeting.

ADJOURNMENT

There being no further business before the Committee, Chair Miranti adjourned the meeting at 9:26 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the PAC

Approved: April 13, 2017

CALOPTIMA FOUNDATION BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017 **Regular Meeting of the CalOptima Foundation Board of Directors**

Consent Calendar

3. Consider Appointment of CalOptima Foundation Board of Directors' Chairperson

Contact

Michael Schrader, Executive Director, (714) 246-8400

Recommended Action

Appoint Paul Yost, M.D., as the CalOptima Foundation Board of Directors' Chairperson.

Background/Discussion

At the August 5, 2010 Regular Meeting, the CalOptima Foundation (Foundation) Board of Directors (Board) appointed officers, established Bylaws and a Conflict of Interest Code, and authorized staff to take all steps necessary to make the CalOptima Foundation operational, including, but not limited to, the filing of applications for exemption from federal and California state income tax, and the establishment of bank accounts, as may be reasonably necessary to commence activities of the Foundation.

Consistent with the CalOptima Foundation Bylaws, the proposed recommendation to appoint Paul Yost, M.D., as CalOptima Foundation Board of Directors' Chairperson will be effective upon Foundation Board approval. As the CalOptima Foundation Board of Directors' Chairperson, Dr. Yost will be responsible for performing duties pursuant to Article 10. Section 2. Officers: Chairperson.

Fiscal Impact

None

Rationale for Recommendation

The recommendation to appoint CalOptima Board of Directors Chair to serve as the CalOptima Foundation Chairperson is consistent with the Foundation Bylaws and will ensure continuity in the oversight of Foundation matters.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader

Authorized Signature

4/26/2017

Date

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017 **Regular Meeting of the CalOptima Board of Directors**

Consent Calendar

4. Consider Appointment of Director to the CalOptima Foundation Board of Directors

Contact

Michael Schrader, Chief Executive Officer, (714) 246-8400

Recommended Actions

1. Appoint the following member to the Foundation Board of Directors of the CalOptima Foundation:
 - Richard Sanchez (non-voting member)
2. The following nine members shall continue to serve on the Board of Directors of the CalOptima Foundation:
 - Paul Yost, M.D., Chairperson
 - Lee Penrose, Vice Chairperson
 - Supervisor Lisa Bartlett
 - Ria Berger
 - Ron DiLuigi
 - Supervisor Andrew Do
 - Dr. Nikan Khatibi
 - Alexander Nguyen, M.D.
 - J. Scott Schoeffel

Background and Discussion

The Bylaws of the CalOptima Foundation provide that the initial members of the Board of Directors of CalOptima Foundation are the Board of Directors of CalOptima until their successors have been elected and seated. The Foundation Bylaws also provide that the CalOptima Foundation Board of Directors shall be elected by the Foundation's Sole Statutory Member, which is CalOptima. To date, members of the CalOptima Board have served as members of the Foundation Board. Until such time as the CalOptima Board of Directors establishes a different structure for the Foundation Board, it is recommended that the Foundation Board continue to be comprised of the members of the CalOptima Board of Directors.

Fiscal Impact

There is no fiscal impact.

Rationale for Recommendation

Pursuant to the Bylaws of the Foundation, CalOptima as the Sole Statutory Member of the CalOptima Foundation must elect the members of the Board of Directors of the Foundation.

CalOptima Board Action Agenda Referral
Appoint New Director to the CalOptima Foundation
Board of Directors
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017

Regular Meeting of the CalOptima Board of Directors

Consent Calendar

5. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts, Except Those Associated With the University of California-Irvine and St. Joseph Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect, and PACE Clinic contracts, except for those associated with the University of California-Irvine and St. Joseph Healthcare and its affiliates, that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with several clinics to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect and PACE members. A contract is offered to any willing provider, as long as they meet credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the Board.

The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

This staff recommendation impacts all CalOptima FFS Clinic contracts except those associated with St. Joseph Healthcare and its affiliates

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend clinic contracts for one year is a budgeted item with no additional fiscal impact.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal,
OneCare, OneCare Connect and PACE Community Health Center
(Clinic) Contracts, Except Those Associated With the University of
California-Irvine and St. Joseph Healthcare and its Affiliates, That
Expire During Fiscal Year 2017-18
Page 2

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017
Regular Meeting of the CalOptima Board of Directors

Consent Calendar

6. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts Associated With the University of California-Irvine That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Clinic contracts associated with the University of California-Irvine that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with several clinics to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect and PACE members. A contract is offered to any willing provider, as long as they meet credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

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The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

This staff recommendation impacts all CalOptima FFS Clinic contracts except those associated with St. Joseph Healthcare and its affiliates

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend clinic contracts for one year is a budgeted item with no additional fiscal impact.

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral

Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect, and PACE Community Health Center (Clinic) Contracts, Except Those Associated With the University of California-Irvine and St. Joseph Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017

Regular Meeting of the CalOptima Board of Directors

Consent Calendar

7. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Community Health Center (Clinic) Contracts Associated With St. Joseph Health That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Clinic contracts associated with St. Joseph Health that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with several clinics to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect and PACE members. A contract is offered to any willing provider, as long as they meet credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the Board.

The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

This staff recommendation impacts all CalOptima FFS Clinic contracts except those associated with St. Joseph Healthcare and its affiliates

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend clinic contracts for one year is a budgeted item with no additional fiscal impact.

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare,
OneCare Connect and PACE Community Health Center (Clinic)
Contracts Associated with St. Joseph Health That Expire During
Fiscal Year 2017-18
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017

Regular Meeting of the CalOptima Board of Directors

Consent Calendar

8. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts, Except Those Associated With the University of California-Irvine and St. Joseph Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE PCP (other than clinic) contracts, except for those associated with the University of California Irvine and St. Joseph Healthcare and its affiliates, that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with many individual physicians and physicians groups to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect, and PACE members. A contract is offered to any willing provider meeting credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the Board.

The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

Discussion

This staff recommendation impacts all CalOptima FFS PCP contracts.

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend CalOptima FFS PCP contracts for one year is a budgeted item with no additional fiscal impact.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare,
OneCare Connect and PACE FFS PCP Contracts, Except Those
Associated with the University of California-Irvine and St. Joseph
Healthcare and its Affiliates, That Expire During Fiscal Year 2017-18
Page 2

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017
Regular Meeting of the CalOptima Board of Directors

Consent Calendar

9. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts Associated With the University of California-Irvine That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE PCP (other than clinic) associated with the University of California-Irvine that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with many individual physicians and physicians groups to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect and PACE members. A contract is offered to any willing provider meeting credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the Board.

The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

Discussion

This staff recommendation impacts all CalOptima FFS PCP contracts.

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend CalOptima FFS PCP contracts for one year is a budgeted item with no additional fiscal impact.

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare,
OneCare Connect and PACE FFS PCP Contracts Associated With the
University of California-Irvine That Expire During Fiscal Year 2017-18
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017

Regular Meeting of the CalOptima Board of Directors

Consent Calendar

10. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Fee-For-Service (FFS) Primary Care Physician (PCP) Contracts Associated With St. Joseph Healthcare and its Affiliates That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO) to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE PCP (other than clinic) associated with St. Joseph Healthcare and its affiliates that expire during Fiscal Year (FY) 2017-18 through June 30, 2018.

Background/Discussion

CalOptima currently contracts with many individual physicians and physicians groups to provide primary care services on a fee-for-service (FFS) basis to Medi-Cal, OneCare, OneCare Connect and PACE members. A contract is offered to any willing provider meeting credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon approval from the CalOptima Board of Directors.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the Board.

The continued renewal of the contracts will support the stability of CalOptima's contracted provider network and allow the Board to preside over contracting directives. Contract language allows for CalOptima and the providers to terminate individual contracts with or without cause.

Discussion

This staff recommendation impacts all CalOptima FFS PCP contracts.

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 Operating Budget. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend CalOptima FFS PCP contracts for one year is a budgeted item with no additional fiscal impact.

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare,
OneCare Connect and PACE FFS PCP Contracts Associated With
St. Joseph Healthcare and its Affiliates That Expire During Fiscal
Year 2017-18
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

Continued to a future Board of Directors Meeting

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017

Regular Meeting of the CalOptima Board of Directors

Consent Calendar

11. Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE Contracts for Ancillary Services That Expire During Fiscal Year 2017-18

Contact

Michelle Laughlin, Executive Director, Network Operations, (714) 246-8400

Recommended Action

Authorize the Chief Executive Officer (CEO), with the assistance of Legal Counsel, to extend the CalOptima Medi-Cal, OneCare, OneCare Connect and PACE contracts with ancillary services providers that expire during Fiscal Year (FY) 2017-18 for one year.

Background/ Discussion

CalOptima currently contracts with many ancillary providers to provide health care services on a fee-for-service basis to Medi-Cal, OneCare, OneCare Connect, and PACE Members. Ancillary services include, but are not limited to, laboratory, imaging, durable medical equipment, home health, and transportation. A contract is offered to any willing provider, as long as they meet credentialing and participation requirements. These provider contracts extend on an annual basis contingent upon Board approval.

Extending contracts per Board approval was first authorized in 2010. Prior to that year, all contracts included firm termination dates. In 2012, CalOptima added contract language indicating that contracts will be renewed under the same terms and conditions for an additional one-year term, upon approval by the CalOptima Board of Directors

The renewal of these contracts with existing providers will support the stability of CalOptima's contracted provider network. Contract language does not guarantee any provider any particular volume or exclusivity, and allows for CalOptima and the providers to terminate the contracts with or without cause.

This staff recommendation impacts fee-for-service ancillary services contracts.

Fiscal Impact

Management will include expenses associated with the extended contracts in the CalOptima FY 2017-18 and/or FY 2018-19 Operating Budgets. Assuming continuance of the contracts under the same terms and conditions, the recommended action to extend ancillary contracts for one year is a budgeted item with no additional fiscal impact.

Rationale for Recommendation

CalOptima staff recommends this action to maintain and continue the contractual relationship with the provider network and to fulfill regulatory and CalOptima policy requirements.

Continued to a future Board of Directors Meeting

CalOptima Board Action Agenda Referral
Consider Authorizing Extension of the CalOptima Medi-Cal, OneCare,
OneCare Connect and PACE Contracts for Ancillary Services That
Expire During Fiscal Year 2017-18
Page 2

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017 Regular Meeting of the CalOptima Board of Directors

Report Item

12. Consider Adoption of Resolution Approving Updated Human Resources Policies

Contact

Ladan Khamseh, Chief Operations Officer, (714) 246-8400

Vicki Hewlett, Interim Director Human Resources, (714) 246-8400

Recommended Action

Adopt Resolution Approving CalOptima's Updated Human Resources Policies.

Background

On November 1, 1994, the Board of Directors delegated authority to the Chief Executive Officer to promulgate employee policies and procedures, and to amend these policies from time to time, subject to annual presentation of the policies and procedures, with specific emphasis on any changes thereto, to the Board of Directors or a committee appointed by the Board of Directors for that purpose. On December 6, 1994, the Board adopted CalOptima's Bylaws, which requires, pursuant to section 13.1, that the Board of Directors adopt by resolution, and from time to time amend, procedures, practices and policies for, among other things, hiring employees and managing personnel.

Pursuant to the California Code of Regulations, Title 2, Section 570.5, CalOptima is required to adopt a publicly available pay schedule that meets the requirements set forth by the California Public Employees' Retirement System (CalPERS) to reflect recent changes, including the addition or deletion of positions and revisions to wage grades for certain positions.

The following table lists existing Human Resources policies that have been updated and are being presented for review and approval.

	Policy No./Name	Summary of Changes	Reason for Change
1.	GA.8012 Conflicts of Interest	<ul style="list-style-type: none">• Minor language and formatting changes• Form name changes and electronic version updates	<ul style="list-style-type: none">-Annual review with minor updates and formatting changes-Process updates since last approval date.
2.	GA.8037 Leave of Absence	<ul style="list-style-type: none">• Minor language and formatting changes• Added Child-Related Activities language• Holiday Pay change for employees on Leave• Bereavement Pay change to require supporting documentation	<ul style="list-style-type: none">-Annual review with minor updates and formatting changes-Labor code section 230.8-HR/Legal recommendations

	Policy No./Name	Summary of Changes	Reason for Change
		<ul style="list-style-type: none"> • Addition of terms and definitions • Revise definitions consistent with HR policies 	-Need to update new terms, definitions and/or revised definitions
3.	GA. 8058: Salary Schedule	<ul style="list-style-type: none"> • This policy focuses solely on CalOptima’s Salary Schedule and requirements under CalPERS regulations. • Attachment 1 – Salary Schedule has been revised in order to reflect recent changes to the Salary Schedule, including changes to, and the addition and deletion of positions. A summary of the changes to the Salary Schedule is included for reference. 	- Pursuant to CalPERS requirement, 2 CCR §570.5, CalOptima periodically updates the salary schedule to reflect current job titles and pay rates for each job position. - There are changes to one (1) position indicated on the attached revised Salary Schedule that is related to a change in wage grade to reflect market changes.

Equity & Market Adjustment

Staff recommends a salary grade increase for one (1) position, Personal Care Attendant, and one (1) market adjustment for Director Audit & Oversight. The Human Resources Department conducted a market study resulting in the recommendation to adjust target compensation to reflect increased subject matter complexity and job scope.

Fiscal Impact

The total cost for the salary grade increase and salary adjustment effective on or after the pay period ending May 13, 2017, through June 30, 2017, is \$1,569.23. The estimated annual cost is \$10,200.00. Unspent budgeted funds for salaries and benefits approved in the CalOptima FY 2016-17 Operating Budget on June 2, 2016, will fund the salary adjustments.

Rationale for Recommendation

The recommended wage grade increase is to attract and retain well qualified staff. Pursuant to the Compensation Administration Guidelines, adopted as part of CalOptima Policy GA. 8057: Compensation Program, approval by the Board of Directors is required as part of the process for market adjustments, which are not part of the regular merit process. Recommendations are made based on extensive review by CalOptima’s Resources Workgroup consistent with the market adjustment process to ensure that CalOptima remains competitive with market trends and meets its ongoing obligation to provide structure and clarity on employment matters, consistent with applicable federal, state, and local laws and regulations. These policies serve as a framework for CalOptima’s operations.

Concurrence

Gary Crockett, Chief Counsel

Attachments

1. Resolution No. 17-0504, Approve Updated Human Resources Policies
2. Revised CalOptima Policies:
 - a. GA.8012 Conflicts of Interest (redlined and clean) with Attachments
 - b. GA. 8037 Leave of Absence (redlined and clean)
 - c. GA.8058 Salary Schedule – with revised Attachment
3. Summary of Changes to the Salary Schedule

/s/ Michael Schrader
Authorized Signature

4/26/2017
Date

RESOLUTION NO. 17-0504

**RESOLUTION OF THE BOARD OF DIRECTORS
ORANGE COUNTY HEALTH AUTHORITY
d.b.a. CalOptima**

APPROVE UPDATED HUMAN RESOURCES POLICIES

WHEREAS, section 13.1 of the Bylaws of the Orange County Health Authority, dba CalOptima, provide that the Board of Directors shall adopt by resolution, and may from time to time amend, procedures, practices and policies for, inter alia, hiring employees, and managing personnel; and

WHEREAS, in 1994, the Board of Directors designated the Chief Executive Officer as the Appointing Authority with full power to hire and terminate CalOptima employees at will, to set compensation within the boundaries of the budget limits set by the Board, to promulgate employee policies and procedures, and to amend said policies and procedures from time to time, subject to annual review by the Board of Directors, or a committee appointed by the Board for that purpose; and

WHEREAS, California Code of Regulations, Title 2, Section 570.5, requires CalOptima to adopt a publicly available pay schedule that identifies the position title and pay rate for every employee position, and CalOptima regularly reviews CalOptima's salary schedule accordingly.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That the Board of Directors hereby approves and adopts the attached updated Human Resources Policies: GA.8012 Conflicts of Interest; GA.8037 Leave of Absence; and GA.8058 Salary Schedule.

APPROVED AND ADOPTED by the Board of Directors of the Orange County Health Authority, d.b.a., CalOptima this 4th day of May, 2017.

AYES:
NOES:
ABSENT:
ABSTAIN:

/s/ _____
Title: Chair, Board of Directors
Printed Name and Title: Paul Yost M.D., Chair, CalOptima Board of Directors

Attest:
/s/ _____
Suzanne Turf, Clerk of the Board



~~Program: Administrative/Internal~~
~~Policy #: GA.8012~~
~~Title: Conflicts of Interest~~
~~Dept.: Human Resources~~
~~Section: Not Applicable~~
~~Board of Directors/CEO: Richard Chambers~~
~~Effective Date: 2/00 Revised: 7/1/07~~



Policy #: GA.8012
Title: **Conflicts of Interest**
Department: Human Resources
Section: Not Applicable

CEO Approval: Michael Schrader

Effective Date: 02/01/00
Last Review Date: 05/04/17
Last Revised Date: 05/04/17

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I. PURPOSE

~~To clarify~~ This policy clarifies the responsibility of all CalOptima ~~employees~~ Employees to avoid conflicts of interest.

II. POLICY

- A. CalOptima ~~employees~~ Employees shall avoid any conflict between their personal interests and the interests of CalOptima.
- B. All ~~employees~~ CalOptima Employees shall comply with Code of Conduct and CalOptima ~~Policy~~ Policies AA.1204: Gifts, Honoraria and Travel Payments and ~~CalOptima Policy~~ AA.1216: ~~Solicitation~~ Solicitation and Receipt of Gifts to CalOptima.
- C. All ~~employees~~ CalOptima Employees shall be aware of what may conflict with or detract from their effectiveness in employment with CalOptima, and shall agree to avoid such conflicts.
- D. CalOptima Employees shall report all potential conflicts of interest.
- E. Designated ~~employees~~ CalOptima Employees in those positions listed in the CalOptima Conflict of Interest Code shall complete ~~Statements~~ Form 700 Statement of Economic Interests, ~~FPPC~~ and the Supplement to Form 700. Designated ~~employees~~ CalOptima Employees include those employees who make decisions which foreseeably may have a substantial economic impact and are in positions designated in the CalOptima Conflict of Interest Code.
- F. All other ~~employees~~ CalOptima Employees shall report their affiliations or interests in job-related businesses or organizations on ~~a Job-Related Personal~~ an Employee Report of Outside Interest Form and/or Other Employment form provided by Human Resources (HR).

- 1
2 G. Allowing conflicts to exist and interfere with one's responsibilities at CalOptima may result in
3 discipline, including termination or legal action.
4
5 H. CalOptima Employees unsure as to whether a certain transaction, activity, or relationship
6 constitutes a conflict of interest should discuss it with their supervisor or HR for clarification.
7

8 III. PROCEDURE

9 A. Human Resources shall:

- 10
11
12 1. Inform all new ~~employees~~CalOptima Employees regarding the terms and conditions of this
13 policy.
14
15 2. Provide each designated ~~employee~~CalOptima Employee with a copy of the Conflict of Interest
16 Code and a link to the County of Orange's eDisclosure System to the Form 700 Statement of
17 Economic Interest Form, FPPC 700 Interests, to complete when assuming office, annually, and
18 upon termination of employment. HR will also provide the Supplement to Form 700 upon hire
19 and annually.
20
21 3. Make the ~~Job Related Personal Interests Form~~Employee Report of Outside Interest and/or
22 Other Employment form available to all ~~non-designated employees.~~CalOptima Employees.
23

24 B. All CalOptima ~~employees~~Employees shall:

- 25
26 1. Read and comply with the Conflict of Interest provisions in ~~the all applicable~~ CalOptima
27 Employee Policies/policies, including but not limited to, the Code of Conduct ; and Procedures
28 Manual; and
29
30 2. Report any job related personal interest on the ~~Job Related Personal~~Employee Report of
31 Outside Interest Form or Statement of Economic Interest Form, FPPC 700 and/or Other
32 Employment form.
33

34 C. Designated ~~employees~~CalOptima Employees shall:

- 35
36 1. ~~1.~~ Upon assuming office, annually, and upon termination of employment complete ~~and return~~ a
37 Form 700 Statement of Economic Interests on the County of Orange eDisclosure system
38 (<https://cobcoi.ocgov.com/edisclosure/>). Complete <https://cobcoi.ocgov.com/edisclosure/>).
39 Complete a Supplement to Form 700 upon hire and annually.
40

41 IV. ATTACHMENTS

- 42
43 A. Form 700 Statement of Economic Interest Form, FPPC 700, to HR Interests
44

45 IV. FORMS

- 46
47 A. Statement of Economic Interest, FPPC Form 700
48 B. Supplement to Form 700

~~B.C.~~ Employee Report of ~~Job-Related Personal~~Outside Interest and/or Other Employment Form

~~V. REFERENCE~~

V. REFERENCES

- A. CalOptima Conflict of Interest Code
- B. CalOptima Employee Policies and Procedures ~~(Article XVIII)~~
- C. CalOptima Policy AA.1204: Gifts, Honoraria and Travel Payments
- D. CalOptima Policy AA.1216: Solicitation and Receipt of Gifts to CalOptima.
- E. Political Reform Act, Government Code ~~Sections~~§§-81000-9101591014
- F. Title 2, California Code of Regulations (C.C.R.), ~~Section~~§§-18730 and 18730.1

VI. REGULATORY AGENCY APPROVALS

None to Date

VII. BOARD ACTIONS

- A. 05/04/17: -Regular Meeting of the CalOptima Board of Directors
- B. 01/08/09: Regular Meeting of the CalOptima Board of Directors

VIII. REVIEW/REVISION HISTORY

<u>Version</u>	<u>Date</u>	<u>Policy Number</u>	<u>Policy Title</u>	<u>Line(s) of Business</u>
<u>Effective</u>	<u>02/01/2000</u>	<u>GA.8012</u>	<u>Conflicts of Interest</u>	<u>Administrative</u>
<u>Revised</u>	<u>07/01/2007</u>	<u>GA.8012</u>	<u>Conflicts of Interest</u>	<u>Administrative</u>
<u>Revised</u>	<u>05/04/2017</u>	<u>GA.8012</u>	<u>Conflicts of Interest</u>	<u>Administrative</u>

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IX. GLOSSARY

<u>Term</u>	<u>Definition</u>
<u>CalOptima Employees</u>	<u>For purposes of this policy, include, but are not limited to, all full-time and part-time regular CalOptima employees, all temporary employees, interns, CalOptima Board members, and applicable contractors and consultants.</u>

F.

DRAFT



Policy #: GA.8012
Title: **Conflicts of Interest**
Department: Human Resources
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 02/01/00
Last Review Date: 05/04/17
Last Revised Date: 05/04/17

1 **I. PURPOSE**

2
3 This policy clarifies the responsibility of all CalOptima Employees to avoid conflicts of interest.

4
5 **II. POLICY**

- 6
7 A. CalOptima Employees shall avoid any conflict between their personal interests and the interests of
8 CalOptima.
9
10 B. All CalOptima Employees shall comply with Code of Conduct and CalOptima Policies AA.1204:
11 Gifts, Honoraria and Travel Payments and AA.1216: Solicitation and Receipt of Gifts to
12 CalOptima.
13
14 C. All CalOptima Employees shall be aware of what may conflict with or detract from their
15 effectiveness in employment with CalOptima, and shall agree to avoid such conflicts.
16
17 D. CalOptima Employees shall report all potential conflicts of interest.
18
19 E. Designated CalOptima Employees in those positions listed in the CalOptima Conflict of Interest
20 Code shall complete Form 700 Statement of Economic Interests, and the Supplement to Form
21 700. Designated CalOptima Employees include those employees who make decisions which
22 foreseeably may have a substantial economic impact and are in positions designated in the
23 CalOptima Conflict of Interest Code.
24
25 F. All other CalOptima Employees shall report their affiliations or interests in job-related businesses
26 or organizations on an Employee Report of Outside Interest and/or Other Employment form
27 provided by Human Resources (HR).
28
29 G. Allowing conflicts to exist and interfere with one's responsibilities at CalOptima may result in
30 discipline, including termination or legal action.
31
32 H. CalOptima Employees unsure as to whether a certain transaction, activity, or relationship
33 constitutes a conflict of interest should discuss it with their supervisor or HR for clarification.
34

35 **III. PROCEDURE**

- 36 A. Human Resources shall:
37

- 1
- 2 1. Inform all new CalOptima Employees regarding the terms and conditions of this policy.
- 3
- 4 2. Provide each designated CalOptima Employee with a copy of the Conflict of Interest Code and
- 5 a link to the County of Orange's eDisclosure System to the Form 700 Statement of Economic
- 6 Interests, to complete when assuming office, annually, and upon termination of
- 7 employment. HR will also provide the Supplement to Form 700 upon hire and annually.
- 8
- 9 3. Make the Employee Report of Outside Interest and/or Other Employment form available to all
- 10 CalOptima Employees.
- 11

12 B. All CalOptima Employees shall:

- 13
- 14 1. Read and comply with the Conflict of Interest provisions in all applicable CalOptima
- 15 Employee policies, including but not limited to, the Code of Conduct ; and
- 16
- 17 2. Report any job related personal interest on the Employee Report of Outside Interest and/or
- 18 Other Employment form.
- 19

20 C. Designated CalOptima Employees shall:

- 21
- 22 1. Upon assuming office, annually, and upon termination of employment complete a Form 700
- 23 Statement of Economic Interests on the County of Orange eDisclosure system
- 24 (<https://cobcoi.ocgov.com/edisclosure/>). Complete a Supplement to Form 700 upon hire
- 25 and annually.
- 26

27 **IV. ATTACHMENTS**

- 28
- 29 A. Form 700 Statement of Economic Interests
- 30 B. Supplement to Form 700
- 31 C. Employee Report of Outside Interest and/or Other Employment Form
- 32

33 **V. REFERENCES**

- 34
- 35 A. CalOptima Conflict of Interest Code
- 36 B. CalOptima Employee Policies and Procedures
- 37 C. CalOptima Policy AA.1204: Gifts, Honoraria and Travel Payments
- 38 D. CalOptima Policy AA.1216: Solicitation and Receipt of Gifts to CalOptima.
- 39 E. Political Reform Act, Government Code §§81000-91014
- 40 F. Title 2, California Code of Regulations (C.C.R.), §§18730 and 18730.1
- 41

42 **VI. REGULATORY AGENCY APPROVALS**

43 None to Date

44 **VII. BOARD ACTIONS**

- 45
- 46
- 47
- 48 A. 05/04/17: Regular Meeting of the CalOptima Board of Directors
- 49 B. 01/08/09: Regular Meeting of the CalOptima Board of Directors

1
2 **VIII. REVIEW/REVISION HISTORY**
3

Version	Date	Policy Number	Policy Title	Line(s) of Business
Effective	02/01/2000	GA.8012	Conflicts of Interest	Administrative
Revised	07/01/2007	GA.8012	Conflicts of Interest	Administrative
Revised	05/04/2017	GA.8012	Conflicts of Interest	Administrative

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IX. GLOSSARY

Term	Definition
CalOptima Employees	For purposes of this policy, include, but are not limited to, all full-time and part-time regular CalOptima employees, all temporary employees, interns, CalOptima Board members, and applicable contractors and consultants.

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Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Associate Director, Customer Service	OC-41	COB
Associate Director, Human Resources	OC-11	COB
Associate Director, Information Services	OC-08	COB
Buyer	OC-01	COB
Buyer, Int.	OC-01	COB
Buyer, Sr.	OC-01	COB
Chief Counsel	OC-01	COB
Chief Information Officer	OC-01	COB
Chief Medical Officer	OC-01	COB
Chief Operating Officer	OC-01	COB
Clerk of the Board	OC-06	COB
Clinical Pharmacist	OC-20	COB
Consultant	OC-30	Agency
Contract Administrator	OC-06	COB
Contracts Manager	OC-06	COB
Contracts Specialist	OC-06	COB
Contracts Specialist Int.	OC-06	COB
Contracts Specialist Sr.	OC-06	COB
Controller	OC-01	COB
Deputy Chief Counsel	OC-01	COB
Deputy Chief Medical Officer	OC-01	COB
Director, Accounting	OC-01	COB
Director, Applications Management	OC-08	COB
Director, Audit and Oversight	OC-01	COB
Director, Behavioral Health Services	OC-41	COB
Director, Budget & Procurement	OC-01	COB
Director, Business Development	OC-41	COB
Director, Business Integration	OC-41	COB
Director, Case Management	OC-41	COB
Director, Claims Administration	OC-41	COB
Director, Clinical Outcomes	OC-01	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Director, Clinical Pharmacy	OC-01	COB
Director, Coding Initiatives	OC-06	COB
Director, Communications	OC-13	COB
Director, Community Relations	OC-41	COB
Director, Configuration & Coding	OC-06	COB
Director, Contracting	OC-01	COB
Director, COREC	OC-08	COB
Director, Customer Service	OC-41	COB
Director, Electronic Business	OC-06	COB
Director, Enterprise Analytics	OC-06	COB
Director, Facilities	OC-41	COB
Director, Finance & Procurement	OC-01	COB
Director, Financial Analysis	OC-01	COB
Director, Financial Compliance	OC-01	COB
Director, Fraud, Waste & Abuse and Privacy	OC-01	COB
Director, Government Affairs	OC-41	COB
Director, Grievance & Appeals	OC-41	COB
Director, Health Education & Disease Management	OC-41	COB
Director, Health Services	OC-41	COB
Director, Human Resources	OC-11	COB
Director, Information Services	OC-08	COB
Director, Long Term Support Services	OC-41	COB
Director, Medi-Cal Plan Operations	OC-41	COB
Director, Network Management	OC-41	COB
Director, OneCare Operations	OC-41	COB
Director, Organizational Training & Education	OC-11	COB
Director, PACE Program	OC-41	COB
Director, Process Excellence	OC-41	COB
Director, Program Implementation	OC-41	COB
Director, Project Management	OC-41	COB
Director, Provider Data Quality	OC-41	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Director, Provider Services	OC-41	COB
Director, Public Policy	OC-41	COB
Director, Quality (LTSS)	OC-41	COB
Director, Quality Analytics	OC-06	COB
Director, Quality Improvement	OC-41	COB
Director, Regulatory Affairs and Compliance	OC-01	COB
Director, Strategic Development	OC-41	COB
Director, Systems Development	OC-08	COB
Director, Utilization Management	OC-41	COB
Director, Vendor Management	OC-01	COB
Enterprise Analytics Manager	OC-06	COB
Executive Director, Behavioral Health Integration	OC-41	COB
Executive Director, Clinical Operations	OC-01	COB
Executive Director, Compliance	OC-01	COB
Executive Director, Human Resources	OC-01	COB
Executive Director, Network Operations	OC-01	COB
Executive Director, Operations	OC-01	COB
Executive Director, Program Implementation	OC-01	COB
Executive Director, Public Affairs	OC-01	COB
Executive Director, Quality Analytics	OC-06	COB
Financial Analyst	OC-01	COB
Financial Analyst, Sr.	OC-01	COB
Financial Reporting Analyst	OC-01	COB
General Counsel	OC-01	COB
Litigation Support Specialist	OC-41	COB
Manager, Accounting	OC-01	COB
Manager, Actuary	OC-01	COB
Manager, Applications Management	OC-08	COB
Manager, Audit and Oversight	OC-01	COB
Manager, Behavioral Health	OC-06	COB
Manager, Business Integration	OC-06	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Manager, Case Management	OC-41	COB
Manager, Claims	OC-41	COB
Manager, Clinic Operations	OC-06	COB
Manager, Clinical Pharmacists	OC-20	COB
Manager, Coding Quality	OC-06	COB
Manager, Communications	OC-13	COB
Manager, Community Relations	OC-06	COB
Manager, Contracting	OC-41	COB
Manager, Creative Branding	OC-13	COB
Manager, Cultural & Linguistics	OC-06	COB
Manager, Customer Service	OC-41	COB
Manager, Decision Support	OC-06	COB
Manager, Disease Management	OC-41	COB
Manager, Electronic Business	OC-06	COB
Manager, Employment Services	OC-11	COB
Manager, Encounters	OC-06	COB
Manager, Environmental Health & Safety	OC-06	COB
Manager, Facilities	OC-41	COB
Manager, Finance	OC-01	COB
Manager, Financial Analysis	OC-01	COB
Manager, Government Affairs	OC-41	COB
Manager, Grievance and Appeals	OC-41	COB
Manager, Health Education	OC-41	COB
Manager, HEDIS	OC-06	COB
Manager, Human Resources	OC-11	COB
Manager, Information Services	OC-08	COB
Manager, Information Technology	OC-08	COB
Manager, Integration Government Liaison	OC-41	COB
Manager, Long Term Support Services	OC-41	COB
Manager, Marketing and Enrollment	OC-06	COB
Manager, Medical Data Management	OC-06	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Manager, Medi-Cal Program Operations	OC-41	COB
Manager, Member Liaison Program	OC-41	COB
Manager, Member Outreach & Education	OC-41	COB
Manager, Member Outreach, Education and Provider Relations	OC-41	COB
Manager, MSSP	OC-41	COB
Manager, OneCare (Clinical, Customer Service, or Sales)	OC-41	COB
Manager, OneCare Regulatory	OC-41	COB
Manager, Outreach & Enrollment	OC-13	COB
Manager, PACE Center	OC-06	COB
Manager, Payroll & Benefits	OC-01	COB
Manager, Pharmacy Operations	OC-20	COB
Manager, Process Excellence	OC-41	COB
Manager, Program Implementation	OC-06	COB
Manager, Project Management	OC-06	COB
Manager, Provider Data Management Services	OC-41	COB
Manager, Provider Network	OC-41	COB
Manager, Provider Relations	OC-41	COB
Manager, Provider Services	OC-41	COB
Manager, Purchasing	OC-01	COB
Manager, QI Initiatives	OC-41	COB
Manager, Quality Analytics	OC-06	COB
Manager, Quality Improvement	OC-41	COB
Manager, Regulatory Affairs and Compliance	OC-41	COB
Manager, Reporting & Financial Compliance	OC-01	COB
Manager, Strategic Development	OC-41	COB
Manager, Strategic Operations	OC-41	COB
Manager, Utilization Management	OC-06	COB
Medical Case Manager	OC-41	COB
Medical Director	OC-01	COB
OneCare Operations Manager	OC-41	COB
Pharmacy Services Specialist	OC-20	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Pharmacy Services Specialist, Int.	OC-20	COB
Pharmacy Services Specialist, Sr.	OC-20	COB
Program Manager	OC-06	COB
Project Manager	OC-06	COB
Project Manager, Lead	OC-06	COB
Project Manager, Sr.	OC-06	COB
QI Nurse Specialist (RN or LVN)	OC-06	COB
Regulatory Affairs and Compliance Analyst	OC-41	COB
Regulatory Affairs and Compliance Analyst Sr	OC-41	COB
Regulatory Affairs and Compliance Lead	OC-41	COB
Senior Manager, Government Affairs	OC-06	COB
Special Counsel	OC-01	COB
Staff Attorney	OC-01	COB
Supervisor, Social Work (PACE)	OC-41	COB
Supervisor, Accounting	OC-01	COB
Supervisor, Audit and Oversight	OC-01	COB
Supervisor, Budgeting	OC-01	COB
Supervisor, Case Management	OC-41	COB
Supervisor, Claims	OC-06	COB
Supervisor, Coding Initiatives	OC-06	COB
Supervisor, Customer Service	OC-06	COB
Supervisor, Data Entry	OC-06	COB
Supervisor, Day Center (PACE)	OC-06	COB
Supervisor, Encounters	OC-06	COB
Supervisor, Facilities	OC-41	COB
Supervisor, Finance	OC-01	COB
Supervisor, Grievance and Appeals	OC-41	COB
Supervisor, Health Education	OC-06	COB
Supervisor, Health Services	OC-06	COB
Supervisor, Information Services	OC-08	COB
Supervisor, Long Term Support Services	OC-41	COB



Conflict of Interest Code EXHIBIT A

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Position	Disclosure Category	Files With
Supervisor, Member Outreach and Education	OC-41	COB
Supervisor, MSSP	OC-06	COB
Supervisor, OneCare Customer Service	OC-06	COB
Supervisor, Payroll	OC-06	COB
Supervisor, Pharmacist	OC-20	COB
Supervisor, Pharmacy Services	OC-20	COB
Supervisor, Provider Enrollment	OC-06	COB
Supervisor, Quality Analytics	OC-06	COB
Supervisor, Quality Improvement	OC-41	COB
Supervisor, Regulatory Affairs and Compliance	OC-06	COB
Supervisor, Systems Development	OC-08	COB
Supervisor, Therapy Services (PACE)	OC-41	COB
Supervisor, Utilization Management	OC-06	COB

Total: 199

OFFICIALS WHO ARE SPECIFIED IN GOVERNMENT CODE SECTION 87200

Officials who are specified in Government Code section 87200 (including officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701 (b)), are NOT subject to the Agency's Conflict of Interest Code, but are subject to the disclosure requirements of the Political Reform Act, Government Code section 87100, et seq. Gov't Code § 87203. These positions are listed here for informational purposes only.

The positions listed below are officials who are specified in Government Code section 87200:

Alternate Member of the Board of Directors	Files with	COB
Chief Executive Officer	Files with	COB
Chief Financial Officer	Files with	COB
Member of the Board of Directors	Files with	COB

The disclosure requirements for these positions are set forth in Government Code section 87200, et seq. They require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions and sources of income (including gifts, loans and travel payments).



Disclosure Descriptions EXHIBIT B

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Disclosure Category	Disclosure Description
87200 Filer	Form 87200 filers shall complete all schedules for Form 700 and disclose all reportable sources of income, interests in real property, investments and business positions in business entities, if applicable, pursuant to Government Code Section 87200 <i>et seq.</i> .
OC-01	All interests in real property in Orange County, the authority or the District as applicable, as well as investments, business positions and sources of income (including gifts, loans and travel payments).
OC-06	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that provide leased facilities and goods, supplies, equipment, vehicles, machinery or services (including training and consulting services) of the types used by the County Department, Authority or District, as applicable.
OC-08	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that develop or provide computer hardware/software, voice data communications, or data processing goods, supplies, equipment, or services (including training and consulting services) used by the County Department, Authority or District, as applicable.
OC-11	All interests in real property in Orange County or located entirely or partly within the Authority or District boundaries as applicable, as well as investments in, business positions with and income (including gifts, loans and travel payments) from sources that are engaged in the supply of equipment related to recruitment, employment search & marketing, classification, training, or negotiation with personnel; employee benefits, and health and welfare benefits.
OC-13	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that produce or provide promotional items for public outreach programs; present, facilitate, market or otherwise act as agent for media relations with regard to public relations; provide printing, copying, or mail services; or provide training for or development of customer service representatives.
OC-20	All investments in, business positions with and income (including gifts, loans and travel payments) from sources that provide pharmaceutical services, supplies, materials or equipment.
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The County Department Head/Director/General Manager/Superintendent/etc. may determine that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.



Disclosure Descriptions EXHIBIT B

Entity: Other misc authorities, districts and commissions

Agency: CalOptima

Disclosure Category	Disclosure Description
OC-41	All interests in real property in Orange County, the District or Authority, as applicable, as well as investments in, business positions with and income (including gifts, loans and travel payments) from sources that provide services, supplies, materials, machinery, vehicles, or equipment (including training and consulting services) used by the County Department, Authority or District, as applicable.

Grand Total: 9

SUPPLEMENT TO FORM 700

CALOPTIMA

Please print:

Name: _____

The purpose of this disclosure form is to ensure that decisions are in the best interest of CalOptima and that no individual achieves personal gain because of his / her position with or without knowledge of CalOptima.

Please complete the following:

1. Are you or anyone in your family a director, officer, employee or owner in any business or entity (e.g., bank, real estate brokerage firm, consulting firm, construction company, insurance broker, architectural, law firm, medical group, etc.) which has done business in the past 12 months with CalOptima, or currently is or contemplates doing business with CalOptima in the next 12 months? _____ (yes or no) Entity for these purposes includes any for profit, non-profit or public entity. *If yes, please disclose at end.*

Please explain your relationship with such business or entity and the transaction with CalOptima.

2. Are there any circumstances or other matters of a personal or family nature, direct or indirect, which could conflict with the interests of CalOptima? _____ (yes or no). *If yes, please disclose at end.*

3. Disclose any other activities which you or anyone in your family are engaging in, or are considering engaging in, which may be deemed by CalOptima's management or Board to present a potential conflict of interest.

Signature

Date

Please disclose any information here:

(Please attach additional sheets if needed)

Employee Report of Outside Interest and/or Other Employment

Employees are required to submit this form to Human Resources in the event of:

- A) Any other job being held while employed with CalOptima, and/or;
- B) Any outside interest(s) he/she may have which might be foreseeable, or could be perceived as a potential conflict of interest with his/her employment with CalOptima.

It is understood that not all personal outside interest(s) which may interact with and/or relate to CalOptima employment constitute a conflict of interest. By reporting any such related outside interest(s), it is hoped that any potential conflict may be avoided.

Name _____ **Position** _____

Department _____ **Supervisor** _____

A) **Other Job / Position:** _____
 Place of Employment _____
 Hours/Schedule _____

B) **Outside Interest:** Describe the nature of your association/position in which you have an outside interest, which may have a real or perceived connection, influence or interaction with your employment/position at CalOptima:

Explain any actions/precautions that you will take to avoid any conflict of interest with your CalOptima employment:

I understand that it is my responsibility to ensure there are no conflicts of interest with my CalOptima employment:

Employee Name (please print): _____

Employee signature _____ **Date** _____

Approved by:

Manager/Executive _____ **Date** _____

Compliance _____ **Date** _____

Human Resources _____ **Date** _____

Legal (if necessary) _____ **Date** _____

This form must be typed. Signatures need to be in blue or black ink.

Additional Comments:

Policy #: GA.8037
 Title: **Leave of Absence**
 Department: Human Resources
 Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: ~~1/5~~ **R 2/1/14**
~~01/05/12~~ **ev**
 Last Review Date: ~~05/04/17~~ **is**
 Last Revised Date: ~~05/04/17~~ **ed**
 ÷

1
2 **I. PURPOSE**

3
4 ~~To outline~~ This policy outlines the general rules and restrictions applicable to a ~~leave~~ Leave of
5 ~~absence~~ Absence.

6
7 **II. POLICY**

- 8
9 A. Granting a Leave of Absence:- CalOptima will grant a Leave of Absence (LOA) to eligible
10 employees in accordance with CalOptima’s respective policies and procedures. For leaves specified
11 herein, an employee must submit a LOA request form to the Human Resources ~~(HR)~~ Department
12 ~~(HR)~~.
- 13
14 B. An employee’s manager may approve up to five (5) ~~business~~ scheduled work days of excused
15 absences for an illness or pre-planned surgery; however, absences of more than five (5) scheduled
16 work days for illnesses or pre-planned surgery, must be submitted to and approved by HR. -Use of
17 PTO time for pre-planned vacations does not require HR approval.
- 18
19 C. If an employee requires additional time off work beyond the amount of time authorized herein, and
20 his or her manager and HR grant Personal LOA pursuant to CalOptima Policy #: GA.-8038:
21 Personal Leave of Absence, the Personal LOA will start on the first day after the termination of
22 LOA granted pursuant to one (1) of the leaves authorized herein.
- 23
24 D. Types of LOA:
- 25
26 1. Pregnancy Disability Leave (PDL):- Under California Pregnancy Regulations, employers must
27 provide up to four (4) months (calculated based on number of days or hours the employee
28 would normally work within four (4) calendar months) of unpaid disability leave per pregnancy
29 to women requiring time off work because of a disability caused by an employee’s pregnancy,
30 childbirth, or a related medical condition as described in CalOptima Policy GA.8039:
31 Pregnancy Disability Leave of Absence.
- 32
33 2. Family and Medical Leave: -Under the Family and Medical Leave Act (FMLA), employers
34 must provide eligible employees with up to twelve (12) weeks of unpaid, job-protected leave
35 per twelve (12) month period. - In most circumstances, FMLA leave will run at the same time as
36 Pregnancy Disability Leave or California Family Rights Act (CFRA) leave (see below), where
37 applicable, and is not in addition to those leaves. ~~-(See, as outlined in~~ CalOptima Policy
38 GA.8040: Family and Medical Leave Act (FMLA) and CFRA Leaves of Absence~~-).~~

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- 3. California Family Rights Leave:- The California Family Rights Act (CFRA) provides eligible employees with up to twelve (12) weeks of unpaid, job-protected leave per twelve (12) month period. ~~(See, as detailed in CalOptima Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leaves of Absence.)~~
- 4. Military Family Leave:- Eligible employees may take an unpaid leave of absence under FMLA and CFRA to care for a spouse, child or parent who is on covered active duty or has been notified of an impending call or order to active duty. - FMLA also includes a special leave entitlement for eligible employees to take up to twenty-six (26) weeks of unpaid leave to care for a covered service-member with a qualifying serious injury or illness during a single twelve (12) month period. ~~(See, as outlined in CalOptima Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leaves of Absence.)~~
- 5. Military Service Leave:- The Uniformed Services Employment and Reemployment Rights Act (USERRA) is a Federal law that provides a cumulative of five (5) years of leave (with certain exceptions) and ~~reemployment~~ ~~re-employment~~ rights for veterans and members of the National Guard and Reserve following qualifying military service. USERRA requires that a person ~~reemployed~~ ~~re-employed~~ under its provisions be given credit for any months he or she would have been employed but for the military service in determining eligibility for FMLA leave. A person ~~reemployed~~ ~~re-employed~~ following military service should be given credit for the period of military service towards the months-of-employment eligibility requirement.
 - a. Salary and Compensation for First Thirty (30) Calendar Days for Military Service LOA: Pursuant to Military and ~~Veteran's~~ Veterans Code ~~sections,~~ Sections 395.01 and 395.05, an employee may be entitled to his or her full salary, or compensation, including all appropriate benefits, for the first thirty (30) calendar days of his or her absence while he or she is engaged in the performance of ordered duty, active military training, inactive duty training, encampment, naval cruises, special exercises, or like activity. Pay under this provision is limited to not more than thirty (30) calendar days in any given fiscal year.
 - b. Supplemental Compensation and Continuation of Benefits for Military Service LOA resulting from the National Emergency declared as a Result of the War on Terror: -Upon the exhaustion of pay and benefits for the first thirty (30) calendar days, an employee called to active duty or active training duty with the U.S. Armed Forces or National Guard as a result of the National Emergency, may receive supplemental pay in an amount equal to the difference between the amount of the employee's military pay, including any allotments or additional allowances paid to their families, as calculated at the beginning of the employee's leave, and the amount the employee earned as base salary at CalOptima in the month prior to the leave of absence, assuming the amount the employee earned at CalOptima is greater than his or her military pay. The employee is also authorized to receive a continuation of appropriate benefits, including CalOptima's payment of the employer cost for applicable health insurance premiums for employees and, if applicable, their dependents. In the event the employee's military pay is greater than their CalOptima base salary, CalOptima will continue the employee's eligible benefits, if elected, and pay for the employee's cost of such benefits without seeking reimbursement. -In instances where training or service with the U.S. Armed Forces is not mandatory and is not covered by state, or federal law, the leave of absence will be unpaid.

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- 6. Military Spouse Leave: -Pursuant to Military & Veterans Code ~~section, Section~~ 395.10, eligible employees may take up to ten (10) scheduled work days of unpaid leave when their spouse is on leave from active duty in the U.S. Armed forces, Reserves or National Guard. Employee may use accrued paid time off (PTO) if sufficient PTO is accrued or may take this time as unpaid.
- 7. Workers' Compensation: -In accordance with state law, CalOptima provides Workers' Compensation insurance coverage for employees in case of work-related injury.- CalOptima may grant a leave of absence subject to any limitations permitted by law for work-related injuries.- (See, in accordance with CalOptima Policy GA.8041: Workers' Compensation Leave of Absence)-.
- 8. Jury or Witness Duty Leave: Employees may be granted a LOA with regular pay for those hours that coincide with the employee's regularly-scheduled working hours for jury duty, provided they remit the jury fee, excluding payments for mileage, to CalOptima. -CalOptima may grant an employee a LOA with pay to appear as a witness in court, other than as a litigant, or to respond to an official order from another governmental jurisdiction for reasons not brought about through the connivance or misconduct of the employee. -On days employees are not required to report to court, or on days when the court either dismisses the employee early or requests that the employee report at a later time, whenever practical, the employee must report to work to perform regular duties prior to or after completing jury duty or appearing as a witness, unless the employee's manager approves that the remaining work time is less than reasonable travel time to court and work location. -Employees are expected to work with and coordinate with their manager to ensure that their time away from work does not adversely impact business needs, their coworkers, or CalOptima's members.
- 9. Parental School Attendance: -Pursuant to Labor Code ~~section, Section~~ 230.8, employees can take time off up to eight (8) hours in one (1) month or forty (40) hours each year to participate in ~~school activities of their children~~Child-Related Activities, subject to ~~conditions.~~limitations under applicable laws. Pursuant to Labor Code ~~section, Section~~ 230.7, employees can take time off to appear in the school pursuant to a request made under Education Code ~~section, Section~~ 48900.1 (suspension of pupil), subject to ~~conditions.~~Employee may use accrued limitations under applicable laws. Accrued paid time off (PTO) if sufficient PTO is accrued shall automatically be used for time-off for Child-Related Activities and/or may to appear in a pupil's school, subject to the limitations under applicable laws. Otherwise, the Employee may take this time as unpaid (See if there is not enough accrued PTO available in accordance with CalOptima Policy GA.8018: Paid Time Off (PTO) and the CalOptima Employee Handbook under Time Off to Appear in Pupil's School)-.
- 10. Bereavement Leave: ~~;~~ With approval of an employee's manager, an employee may take up to three (3) scheduled workdays off with pay (maximum of twenty-four (24) hours) in the event of a death of an employee's: current spouse; registered domestic partner; biological, adopted, step or foster child; biological, adopted, step or foster parent; legal guardian; siblings, including step brother; and step sister; grandparent; grandchild; parents-in-law; siblings-in-law; or child-in-law.- Supporting documentation for bereavement leave must be submitted to Payroll within thirty (30) days of leave. The employee's manager may approve additional time off of up to five (5) business-scheduled work days to be taken as either PTO, or unpaid time off.- An employee must submit a LOA request form to HR and request a Personal LOA pursuant to CalOptima

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Policy #—GA. 8038: Personal Leave of Absence if the employee plans to take additional unpaid time off exceeding five (5) scheduled work days.

11. Victims of Domestic Violence, Sexual Assault or Stalking Leave: -Subject to the requirements under Labor Code ~~sections, Sections~~ 230 and 230.1, an employee who is a victim of domestic violence, sexual assault, or stalking, may, with reasonable advance notice, unless the advance notice is not feasible, request a LOA.- Employees may elect to use accrued PTO, if available, when a LOA is granted; however, the PTO cannot be used to adjust the start date and will count as part of the LOA. —After an employee exhausts his or her PTO accruals, if elected, the remaining time off will be unpaid. LOAs under this paragraph may be granted for any of the following:
 - a. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
 - b. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking;
 - c. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking;
 - d. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation; and/or
 - e. To obtain relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relieve, to help ensure the health, safety, or welfare of the employee, or his or her child.
12. Victims of Crime Leave:- An employee who is a victim of a crime or whose immediate family member(s) is/are a crime victim may take time off, subject to the procedural conditions imposed pursuant to Labor Code ~~section, Section~~ 230.2, -to attend judicial proceedings related to that crime.- A copy of the official notice to the victim of each scheduled legal, or judicial, proceeding, or documentation substantiating the employee’s attendance at a judicial proceeding is required for this leave. The employee can elect to use accrued PTO for the absence.
13. Volunteer Civil Service Leave:- A Civil Service LOA for an unlimited duration may be granted for employees who are required to perform emergency duty as a volunteer firefighter, a reserve police officer, or emergency rescue personnel. An employee who performs duty as a volunteer firefighter, a reserve peace officer, or as emergency rescue personnel is also permitted to take a LOA, not to exceed an aggregate of fourteen (14) scheduled work days per calendar years for the purpose of fire, law enforcement, or emergency rescue training.- LOAs under this paragraph can be unpaid unless the employee elects to use accrued PTO.- However, an employee cannot use PTO to adjust the start date of the LOA authorized under this paragraph, and the time covered by the PTO will be counted towards the LOA.
14. -Civil Air Patrol Leave: -Employees who have been employed for at least ninety (90) calendar days may request a maximum total of ten (10) scheduled work days per calendar year (three (3)

scheduled work days- maximum for a single emergency operational mission, unless otherwise authorized by HR) for Civil Air Patrol duty.- LOAs under this paragraph can be unpaid unless the employee elects to use accrued PTO.- However, an employee cannot use PTO to adjust the start date of the LOA authorized under this paragraph, and the time covered by the PTO will be counted towards the LOA.

E. Except as required by federal or state law, or as necessary to protect the employee’s safety in the workplace, CalOptima management and HR shall reasonably maintain the confidentiality, to the extent possible under the circumstances, of any employee requesting time off pursuant to a LOA described herein.

F. Other Leaves: Please refer to CalOptima Policy #: GA.8038: Personal Leave of Absence.

G. To the extent that this policy conflicts with CalOptima Policies GA.8038: Personal Leave of Absence, GA.8039: Pregnancy Disability Leave, or GA.8040: Family and Medical Leave Act and California Family Rights Act Leave, those specific policies shall supersede. -To the extent this policy conflicts with the CalOptima Employee Handbook, this policy shall supersede.

III. PROCEDURE

A. Reinstatement:- When an employee is placed on a LOA, CalOptima shall make an effort to hold the employee’s position open for the period of the approved leave, with the exception of Personal LOAs in which there is no guarantee of reinstatement.- However, to meet business needs, CalOptima may need to fill such positions. If an employee’s former position is unavailable when the employee returns promptly to work upon the expiration of an approved LOA, CalOptima shall make every effort to place the employee in a comparable position for which the employee is qualified. If such a position is not available, the employee will be offered the next suitable position for which the employee is qualified that becomes available. In addition, CalOptima will attempt to reasonably accommodate employees who are released for partial or modified duty. An employee who does not accept a position offered by CalOptima is considered to have voluntarily terminated employment, effective the day such refusal is made. Employees returning from a LOA related to the employee’s own medical condition must obtain a release to return to work from his or her health care provider (where applicable) stating that he or she is able to resume work. CalOptima also reserves the right to require employees to participate in a fitness for duty examination at the expense of CalOptima prior to return to work.

B. Paid Time Off (PTO) accruals:- PTO only accrues during the time period an employee is on active duty, or utilizing PTO for an approved LOA. Once an employee elects not to use PTO accruals or exhausts all PTO accruals, the remaining time off for an approved LOA shall not be considered time worked for purposes of accruing PTO hours.

C. Holidays:- If a paid holiday occurs during the period an employee is on a LOA, the employee may ~~or may not~~ be eligible for the holiday pay- if PTO is being used for the LOA the day before and the day after the holiday and the holiday pay will be prorated based on the PTO hours used the day preceding and following the holiday. If a holiday falls on a day in which the employee would have been regularly scheduled to work, the holiday will count against the employee’s LOA entitlement.

D. Documentation: Failure to provide all the required information and/or documentation within the requested or required timeframe may result in: a delay in CalOptima’s approval of the LOA request; CalOptima’s denial of the employee’s request for a LOA; an impact to the employee’s ability to take a LOA as requested; and/or disciplinary action, up to and including termination.

~~D.E.~~ Failure to return promptly:- If an employee fails to return to work upon the expiration of an approved LOA and has not obtained an extension from HR prior to such expiration date, the employee will be considered to have voluntarily resigned.

~~E.F.~~ Misrepresentations: -Misrepresenting reasons for applying for a LOA will result in disciplinary action, up to and including termination.

~~E.G.~~ Health benefits for PDL, FMLA, CFRA, Military Service or Workers’ Compensation Leaves of Absence: -Employer payments towards health benefits (medical, vision, and dental) for PDL, FMLA, CFRA, Military Service, or Workers’ Compensation LOAs, will not continue beyond the FMLA/CFRA covered period pursuant to CalOptima Policy GA.8040: Family and Medical Leave Act and California Family Rights Act Leave. Employees may elect to purchase continuation of such health benefits coverage through COBRA. When an employee returns to work, the eligibility and accrual dates for such benefits may be adjusted to reflect the period of the LOA.

~~G.H.~~ Other benefits: -All other benefits not specified herein provided by CalOptima shall be administered according to HR procedures.

~~H.I.~~ Eligibility and Specific Leave Requirements: -Refer to specific CalOptima policies listed below for detailed information about eligibility and other leave requirements:

1. CalOptima Policy GA.8018: Paid Time Off (PTO);

~~1.2.~~ CalOptima Policy GA.8038: Personal Leave of Absence;

3. CalOptima Policy GA.8039: Pregnancy Disability Leave of Absence;

~~2.~~

~~3.4.~~ CalOptima Policy GA.8040: Family and Medical Leave Act and California Family Rights Act Leave; and/or

~~4.5.~~ CalOptima Policy GA.8041: Workers’ Compensation.

IV. ATTACHMENTS

A. Leave of Absence Request Form

~~V.~~ **DEFINITIONS**

Not Applicable

~~VI.V.~~ **REFERENCES**

~~A. 29, C.F.R., Part 825 (FMLA Regulations)~~

~~Policy~~ GA.8037

~~Policy #:~~

Title: Leave of Absence

Revised Date: 05/04/17~~2/1/14~~

- ~~B. 29, U.S.C. Section, §2601 et seq. (FMLA)~~
- ~~C. 38, U.S.C. section, §4301 et seq. (USSERA)~~
- ~~D.A. CalOptima Employee Handbook~~
- ~~B. CalOptima Policy GA.8018: Paid Time Off (PTO)~~
- ~~E.C. CalOptima Policy GA.8038: Personal Leave of Absence~~
- ~~F.D. CalOptima Policy GA.8039: Pregnancy Disability Leave of Absence~~
- ~~G.E. CalOptima Policy GA.8040: Family and Medical Leave Act and California Family Rights Act Leave~~
- ~~H.F. Government Code section, §12945.1 et seq. (CFRA)~~
- ~~I.G. Labor Code section, §230 et seq. (Jury service and other leaves)~~
- ~~J.H. Military & Veterans Code section, §395.10 (Military Service Leave)~~
- ~~K.I. Title 2, California Code of Regulations (C.C.R.) section, §7291.2 et seq. (Pregnancy Regulations)~~
- ~~J. Title 2, California Code of Regulations (C.C.R.) section, §7293.5 et seq. (Disability Regulations)~~
- ~~K. Title 29, Code of Federal Regulations (C.F.R.), Part 825 (FMLA Regulations)~~
- ~~L. Title 29, United States Code (U.S.C.), §2601 et seq. (FMLA)~~
- ~~L.M. Title 38, United States Code (U.S.C.), §4301 et seq. (USSERA)~~

VI. REGULATORY AGENCY APPROVALS OR

None to Date

VII. BOARD ACTION ACTIONS

- ~~A. 05/04/17: Regular Meeting of the CalOptima Board of Directors~~
- ~~A. 01/5/12: Regular CalOptima Board Meeting~~
- ~~B. 8/07/14: Regular Meeting of the CalOptima Board of Directors~~
- ~~B.C. 01/05/12: Regular Meeting of the CalOptima Board Meeting of Directors~~

VIII. REVIEW/REVISION HISTORY

- ~~A. 1/5/12: GA.8037: Leave of Absence~~
- ~~B. 2/1/14: GA.8037: Leave of Absence~~

IX. KEYWORDS

- ~~Disability~~
- ~~California Family Rights Act (CFRA)~~
- ~~Family and Medical Leave Act (FMLA)~~
- ~~Physician Certification~~

<u>Version</u>	<u>Date</u>	<u>Policy Number</u>	<u>Policy Title</u>	<u>Line(s) of Business</u>
<u>Effective</u>	<u>01/05/2012</u>	<u>GA.8037</u>	<u>Leave of Absence</u>	<u>Administrative</u>
<u>Revised</u>	<u>02/01/2014</u>	<u>GA.8037</u>	<u>Leave of Absence</u>	<u>Administrative</u>
<u>Revised</u>	<u>05/04/2017</u>	<u>GA.8037</u>	<u>Leave of Absence</u>	<u>Administrative</u>

~~Policy~~ GA.8037

~~Policy~~

Policy #:

Title: Leave of Absence

Revised Date: 05/04/17~~2/1/14~~

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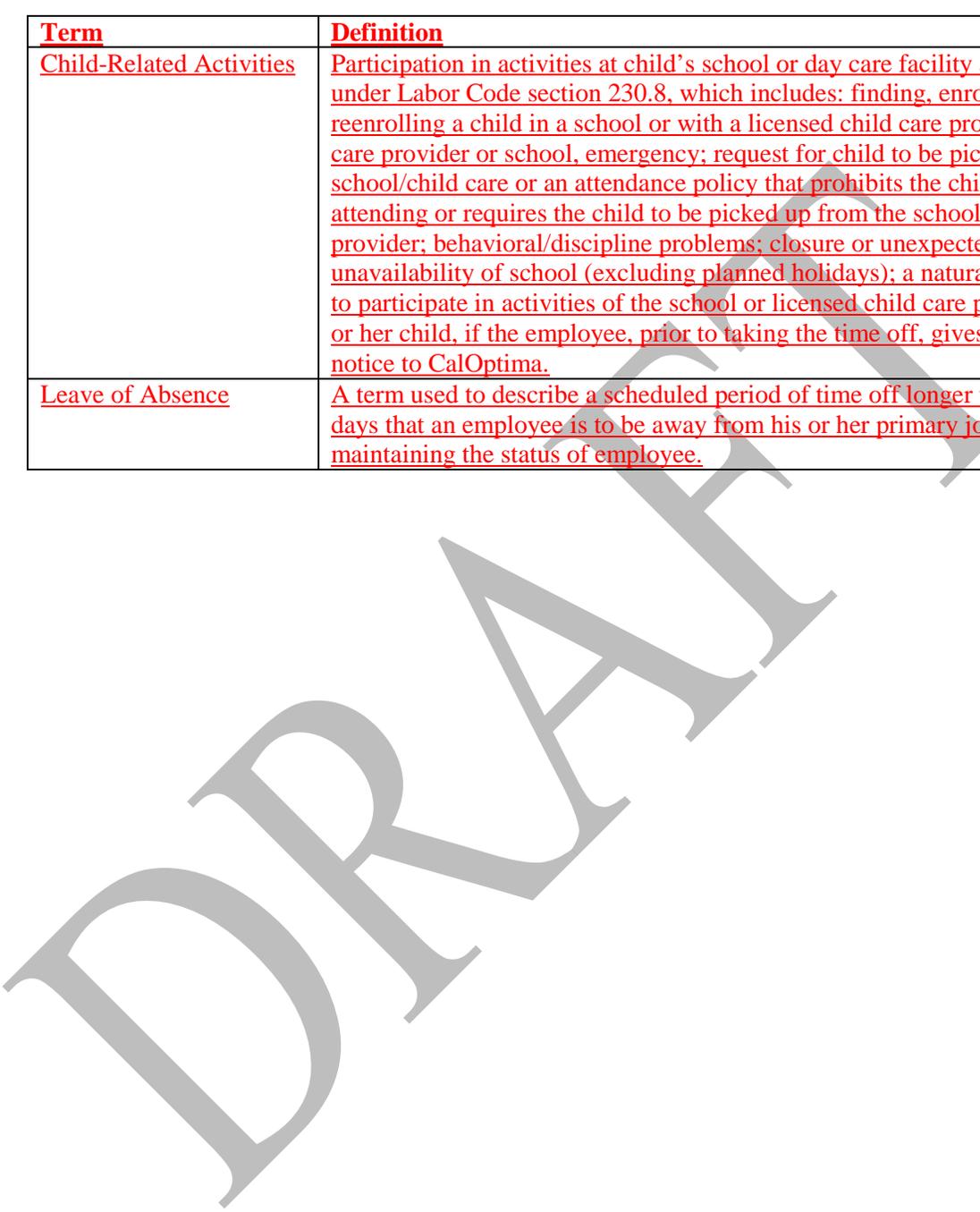
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IX. GLOSSARY

<u>Term</u>	<u>Definition</u>
<u>Child-Related Activities</u>	<u>Participation in activities at child’s school or day care facility as permitted under Labor Code section 230.8, which includes: finding, enrolling, or reenrolling a child in a school or with a licensed child care provider; child care provider or school, emergency; request for child to be picked up from school/child care or an attendance policy that prohibits the child from attending or requires the child to be picked up from the school or child care provider; behavioral/discipline problems; closure or unexpected unavailability of school (excluding planned holidays); a natural disaster; or to participate in activities of the school or licensed child care provider of his or her child, if the employee, prior to taking the time off, gives reasonable notice to CalOptima.</u>
<u>Leave of Absence</u>	<u>A term used to describe a scheduled period of time off longer than five (5) days that an employee is to be away from his or her primary job, while maintaining the status of employee.</u>

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Policy #: GA.8037
Title: **Leave of Absence**
Department: Human Resources
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 01/05/12
Last Review Date: 05/04/17
Last Revised Date: 05/04/17

1 **I. PURPOSE**

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3 This policy outlines the general rules and restrictions applicable to a Leave of Absence.

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5 **II. POLICY**

- 6
7 A. Granting a Leave of Absence: CalOptima will grant a Leave of Absence (LOA) to eligible
8 employees in accordance with CalOptima’s respective policies and procedures. For leaves specified
9 herein, an employee must submit a LOA request form to the Human Resources (HR) Department.
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11 B. An employee’s manager may approve up to five (5) scheduled work days of excused absences for
12 an illness or pre-planned surgery; however, absences of more than five (5) scheduled work days for
13 illnesses or pre-planned surgery, must be submitted to and approved by HR. Use of PTO time for
14 pre-planned vacations does not require HR approval.
15
16 C. If an employee requires additional time off work beyond the amount of time authorized herein, and
17 his or her manager and HR grant Personal LOA pursuant to CalOptima Policy: GA.8038: Personal
18 Leave of Absence, the Personal LOA will start on the first day after the termination of LOA granted
19 pursuant to one (1) of the leaves authorized herein.
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21 D. Types of LOA:
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23 1. Pregnancy Disability Leave (PDL): Under California Pregnancy Regulations, employers must
24 provide up to four (4) months (calculated based on number of days or hours the employee
25 would normally work within four (4) calendar months) of unpaid disability leave per pregnancy
26 to women requiring time off work because of a disability caused by an employee’s pregnancy,
27 childbirth, or a related medical condition as described in CalOptima Policy GA.8039:
28 Pregnancy Disability Leave of Absence.
29
 - 30 2. Family and Medical Leave: Under the Family and Medical Leave Act (FMLA), employers must
31 provide eligible employees with up to twelve (12) weeks of unpaid, job-protected leave per
32 twelve (12) month period. In most circumstances, FMLA leave will run at the same time as
33 Pregnancy Disability Leave or California Family Rights Act (CFRA) leave (see below), where
34 applicable, and is not in addition to those leaves, as outlined in CalOptima Policy GA.8040:
35 Family and Medical Leave Act (FMLA) and CFRA Leaves of Absence.
36
 - 37 3. California Family Rights Leave: The California Family Rights Act (CFRA) provides eligible
38 employees with up to twelve (12) weeks of unpaid, job-protected leave per twelve (12) month
39 period, as detailed in CalOptima Policy GA.8040: Family and Medical Leave Act (FMLA) and
40 California Family Rights Act (CFRA) Leaves of Absence.

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4. Military Family Leave: Eligible employees may take an unpaid leave of absence under FMLA and CFRA to care for a spouse, child or parent who is on covered active duty or has been notified of an impending call or order to active duty. FMLA also includes a special leave entitlement for eligible employees to take up to twenty-six (26) weeks of unpaid leave to care for a covered service-member with a qualifying serious injury or illness during a single twelve (12) month period, as outlined in CalOptima Policy GA.8040: Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) Leaves of Absence.
5. Military Service Leave: The Uniformed Services Employment and Reemployment Rights Act (USERRA) is a Federal law that provides a cumulative of five (5) years of leave (with certain exceptions) and re-employment rights for veterans and members of the National Guard and Reserve following qualifying military service. USERRA requires that a person re-employed under its provisions be given credit for any months he or she would have been employed but for the military service in determining eligibility for FMLA leave. A person re-employed following military service should be given credit for the period of military service towards the months-of-employment eligibility requirement.
- a. Salary and Compensation for First Thirty (30) Calendar Days for Military Service LOA: Pursuant to Military and Veterans Code, Sections 395.01 and 395.05, an employee may be entitled to his or her full salary, or compensation, including all appropriate benefits, for the first thirty (30) calendar days of his or her absence while he or she is engaged in the performance of ordered duty, active military training, inactive duty training, encampment, naval cruises, special exercises, or like activity. Pay under this provision is limited to not more than thirty (30) calendar days in any given fiscal year.
 - b. Supplemental Compensation and Continuation of Benefits for Military Service LOA resulting from the National Emergency declared as a Result of the War on Terror: Upon the exhaustion of pay and benefits for the first thirty (30) calendar days, an employee called to active duty or active training duty with the U.S. Armed Forces or National Guard as a result of the National Emergency, may receive supplemental pay in an amount equal to the difference between the amount of the employee's military pay, including any allotments or additional allowances paid to their families, as calculated at the beginning of the employee's leave, and the amount the employee earned as base salary at CalOptima in the month prior to the leave of absence, assuming the amount the employee earned at CalOptima is greater than his or her military pay. The employee is also authorized to receive a continuation of appropriate benefits, including CalOptima's payment of the employer cost for applicable health insurance premiums for employees and, if applicable, their dependents. In the event the employee's military pay is greater than their CalOptima base salary, CalOptima will continue the employee's eligible benefits, if elected, and pay for the employee's cost of such benefits without seeking reimbursement. In instances where training or service with the U.S. Armed Forces is not mandatory and is not covered by state, or federal law, the leave of absence will be unpaid.
6. Military Spouse Leave: Pursuant to Military & Veterans Code, Section 395.10, eligible employees may take up to ten (10) scheduled work days of unpaid leave when their spouse is on leave from active duty in the U.S. Armed forces, Reserves or National Guard. Employee may use accrued paid time off (PTO) if sufficient PTO is accrued or may take this time as unpaid.

- 1 7. Workers' Compensation: In accordance with state law, CalOptima provides Workers'
2 Compensation insurance coverage for employees in case of work-related injury. CalOptima may
3 grant a leave of absence subject to any limitations permitted by law for work-related injuries, in
4 accordance with CalOptima Policy GA.8041: Workers' Compensation Leave of Absence.
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- 6 8. Jury or Witness Duty Leave: Employees may be granted a LOA with regular pay for those
7 hours that coincide with the employee's regularly-scheduled working hours for jury duty,
8 provided they remit the jury fee, excluding payments for mileage, to CalOptima. CalOptima
9 may grant an employee a LOA with pay to appear as a witness in court, other than as a litigant,
10 or to respond to an official order from another governmental jurisdiction for reasons not brought
11 about through the connivance or misconduct of the employee. On days employees are not
12 required to report to court, or on days when the court either dismisses the employee early or
13 requests that the employee report at a later time, whenever practical, the employee must report
14 to work to perform regular duties prior to or after completing jury duty or appearing as a
15 witness, unless the employee's manager approves that the remaining work time is less than
16 reasonable travel time to court and work location. Employees are expected to work with and
17 coordinate with their manager to ensure that their time away from work does not adversely
18 impact business needs, their coworkers, or CalOptima's members.
19
- 20 9. Parental School Attendance: Pursuant to Labor Code, Section 230.8, employees can take time
21 off up to eight (8) hours in one (1) month or forty (40) hours each year to participate in Child-
22 Related Activities, subject to limitations under applicable laws. Pursuant to Labor Code,
23 Section 230.7, employees can take time off to appear in the school pursuant to a request made
24 under Education Code, Section 48900.1 (suspension of pupil), subject to limitations under
25 applicable laws. Accrued paid time off (PTO) shall automatically be used for time-off for Child-
26 Related Activities and/or to appear in a pupil's school, subject to the limitations under
27 applicable laws. Otherwise, the Employee may take this time as unpaid if there is not enough
28 accrued PTO available in accordance with CalOptima Policy GA.8018: Paid Time Off (PTO)
29 and the CalOptima Employee Handbook under Time Off to Appear in Pupil's School.
30
- 31 10. Bereavement Leave: With approval of an employee's manager, an employee may take up to
32 three (3) scheduled workdays off with pay (maximum of twenty-four (24) hours) in the event of
33 a death of an employee's: current spouse; registered domestic partner; biological, adopted, step
34 or foster child; biological, adopted, step or foster parent; legal guardian; siblings, including step
35 brother and step sister; grandparent; grandchild; parents-in-law; siblings-in-law; or child-in-law.
36 Supporting documentation for bereavement leave must be submitted to Payroll within thirty
37 (30) days of leave. The employee's manager may approve additional time off of up to five (5)
38 scheduled work days to be taken as either PTO, or unpaid time off. An employee must submit a
39 LOA request form to HR and request a Personal LOA pursuant to CalOptima Policy GA. 8038:
40 Personal Leave of Absence if the employee plans to take additional unpaid time off exceeding
41 five (5) scheduled work days.
42
- 43 11. Victims of Domestic Violence, Sexual Assault or Stalking Leave: Subject to the requirements
44 under Labor Code, Sections 230 and 230.1, an employee who is a victim of domestic violence,
45 sexual assault, or stalking, may, with reasonable advance notice, unless the advance notice is
46 not feasible, request a LOA. Employees may elect to use accrued PTO, if available, when a
47 LOA is granted; however, the PTO cannot be used to adjust the start date and will count as part
48 of the LOA. After an employee exhausts his or her PTO accruals, if elected, the remaining time
49 off will be unpaid. LOAs under this paragraph may be granted for any of the following:
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- 1 a. To seek medical attention for injuries caused by domestic violence, sexual assault, or
2 stalking;
- 3
- 4 b. To obtain services from a domestic violence shelter, program, or rape crisis center as a
5 result of domestic violence, sexual assault, or stalking;
- 6
- 7 c. To obtain psychological counseling related to an experience of domestic violence, sexual
8 assault, or stalking;
- 9
- 10 d. To participate in safety planning and take other actions to increase safety from future
11 domestic violence, sexual assault, or stalking, including temporary or permanent relocation;
12 and/or
- 13
- 14 e. To obtain relief, including, but not limited to, a temporary restraining order, restraining
15 order, or other injunctive relieve, to help ensure the health, safety, or welfare of the
16 employee, or his or her child.
- 17
- 18 12. Victims of Crime Leave: An employee who is a victim of a crime or whose immediate family
19 member(s) is/are a crime victim may take time off subject to the procedural conditions imposed
20 pursuant to Labor Code, Section 230.2, to attend judicial proceedings related to that crime. A
21 copy of the official notice to the victim of each scheduled legal, or judicial, proceeding, or
22 documentation substantiating the employee's attendance at a judicial proceeding is required for
23 this leave. The employee can elect to use accrued PTO for the absence.
- 24
- 25 13. Volunteer Civil Service Leave: A Civil Service LOA for an unlimited duration may be granted
26 for employees who are required to perform emergency duty as a volunteer firefighter, a reserve
27 police officer, or emergency rescue personnel. An employee who performs duty as a volunteer
28 firefighter, a reserve peace officer, or as emergency rescue personnel is also permitted to take a
29 LOA, not to exceed an aggregate of fourteen (14) scheduled work days per calendar years for
30 the purpose of fire, law enforcement, or emergency rescue training. LOAs under this paragraph
31 can be unpaid unless the employee elects to use accrued PTO. However, an employee cannot
32 use PTO to adjust the start date of the LOA authorized under this paragraph, and the time
33 covered by the PTO will be counted towards the LOA.
- 34
- 35 14. Civil Air Patrol Leave: Employees who have been employed for at least ninety (90) calendar
36 days may request a maximum total of ten (10) scheduled work days per calendar year (three (3)
37 scheduled work days maximum for a single emergency operational mission, unless otherwise
38 authorized by HR) for Civil Air Patrol duty. LOAs under this paragraph can be unpaid unless
39 the employee elects to use accrued PTO. However, an employee cannot use PTO to adjust the
40 start date of the LOA authorized under this paragraph, and the time covered by the PTO will be
41 counted towards the LOA.
- 42
- 43 E. Except as required by federal or state law, or as necessary to protect the employee's safety in the
44 workplace, CalOptima management and HR shall reasonably maintain the confidentiality, to the
45 extent possible under the circumstances, of any employee requesting time off pursuant to a LOA
46 described herein.
- 47
- 48 F. Other Leaves: Please refer to CalOptima Policy GA.8038: Personal Leave of Absence.
- 49

1 G. To the extent that this policy conflicts with CalOptima Policies GA.8038: Personal Leave of
2 Absence, GA.8039: Pregnancy Disability Leave, or GA.8040: Family and Medical Leave Act and
3 California Family Rights Act Leave, those specific policies shall supersede. To the extent this
4 policy conflicts with the CalOptima Employee Handbook, this policy shall supersede.
5

6 **III. PROCEDURE**
7

8 A. Reinstatement: When an employee is placed on a LOA, CalOptima shall make an effort to hold the
9 employee's position open for the period of the approved leave, with the exception of Personal LOAs
10 in which there is no guarantee of reinstatement. However, to meet business needs, CalOptima may
11 need to fill such positions. If an employee's former position is unavailable when the employee
12 returns promptly to work upon the expiration of an approved LOA, CalOptima shall make every
13 effort to place the employee in a comparable position for which the employee is qualified. If such a
14 position is not available, the employee will be offered the next suitable position for which the
15 employee is qualified that becomes available. In addition, CalOptima will attempt to reasonably
16 accommodate employees who are released for partial or modified duty. An employee who does not
17 accept a position offered by CalOptima is considered to have voluntarily terminated employment,
18 effective the day such refusal is made. Employees returning from a LOA related to the employee's
19 own medical condition must obtain a release to return to work from his or her health care provider
20 (where applicable) stating that he or she is able to resume work. CalOptima also reserves the right
21 to require employees to participate in a fitness for duty examination at the expense of CalOptima
22 prior to return to work.
23

24 B. Paid Time Off (PTO) accruals: PTO only accrues during the time period an employee is on active
25 duty, or utilizing PTO for an approved LOA. Once an employee elects not to use PTO accruals or
26 exhausts all PTO accruals, the remaining time off for an approved LOA shall not be considered time
27 worked for purposes of accruing PTO hours.
28

29 C. Holidays: If a paid holiday occurs during the period an employee is on a LOA, the employee may
30 be eligible for the holiday pay if PTO is being used for the LOA the day before and the day after the
31 holiday and the holiday pay will be prorated based on the PTO hours used the day preceding and
32 following the holiday. If a holiday falls on a day in which the employee would have been regularly
33 scheduled to work, the holiday will count against the employee's LOA entitlement.
34

35 D. Documentation: Failure to provide all the required information and/or documentation within the
36 requested or required timeframe may result in: a delay in CalOptima's approval of the LOA request;
37 CalOptima's denial of the employee's request for a LOA; an impact to the employee's ability to
38 take a LOA as requested; and/or disciplinary action, up to and including termination.
39

40 E. Failure to return promptly: If an employee fails to return to work upon the expiration of an approved
41 LOA and has not obtained an extension from HR prior to such expiration date, the employee will be
42 considered to have voluntarily resigned.
43

44 F. Misrepresentations: Misrepresenting reasons for applying for a LOA will result in disciplinary
45 action, up to and including termination.
46

47 G. Health benefits for PDL, FMLA, CFRA, Military Service or Workers' Compensation Leaves of
48 Absence: Employer payments towards health benefits (medical, vision, and dental) for PDL,
49 FMLA, CFRA, Military Service, or Workers' Compensation LOAs, will not continue beyond the
50 FMLA/CFRA covered period pursuant to CalOptima Policy GA.8040: Family and Medical Leave

1 Act and California Family Rights Act Leave. Employees may elect to purchase continuation of
2 such health benefits coverage through COBRA. When an employee returns to work, the eligibility
3 and accrual dates for such benefits may be adjusted to reflect the period of the LOA.
4

5 H. Other benefits: All other benefits not specified herein provided by CalOptima shall be administered
6 according to HR procedures.
7

8 I. Eligibility and Specific Leave Requirements: Refer to specific CalOptima policies listed below for
9 detailed information about eligibility and other leave requirements:
10

- 11 1. CalOptima Policy GA.8018: Paid Time Off (PTO);
- 12 2. CalOptima Policy GA.8038: Personal Leave of Absence;
- 13 3. CalOptima Policy GA.8039: Pregnancy Disability Leave of Absence;
- 14 4. CalOptima Policy GA.8040: Family and Medical Leave Act and California Family Rights Act
15 Leave; and/or
- 16 5. CalOptima Policy GA.8041: Workers' Compensation.
17
18
19
20
21

22 **IV. ATTACHMENTS**

23
24 A. Leave of Absence Request Form
25

26 **V. REFERENCES**

- 27
28 A. CalOptima Employee Handbook
- 29 B. CalOptima Policy GA.8018: Paid Time Off (PTO)
- 30 C. CalOptima Policy GA.8038: Personal Leave of Absence
- 31 D. CalOptima Policy GA.8039: Pregnancy Disability Leave of Absence
- 32 E. CalOptima Policy GA.8040: Family and Medical Leave Act and California Family Rights Act
33 Leave
- 34 F. Government Code, §12945.1 *et seq.* (CFRA)
- 35 G. Labor Code, §230 *et seq.* (Jury service and other leaves)
- 36 H. Military & Veterans Code, §395.10 (Military Service Leave)
- 37 I. Title 2, California Code of Regulations (C.C.R.), §7291.2 *et seq.* (Pregnancy Regulations)
- 38 J. Title 2, California Code of Regulations (C.C.R.), §7293.5 *et seq.* (Disability Regulations)
- 39 K. Title 29, Code of Federal Regulations (C.F.R.), Part 825 (FMLA Regulations)
- 40 L. Title 29, United States Code (U.S.C.), §2601 *et seq.* (FMLA)
- 41 M. Title 38, United States Code (U.S.C.), §4301 *et seq.* (USSERA)
42

43 **VI. REGULATORY AGENCY APPROVALS**

44
45 None to Date
46

47 **VII. BOARD ACTIONS**

- 48
49 A. 05/04/17: Regular Meeting of the CalOptima Board of Directors
- 50 B. 08/07/14: Regular Meeting of the CalOptima Board of Directors

1 C. 01/05/12: Regular Meeting of the CalOptima Board of Directors
2

3

4 **VIII. REVIEW/REVISION HISTORY**

Version	Date	Policy Number	Policy Title	Line(s) of Business
Effective	01/05/2012	GA.8037	Leave of Absence	Administrative
Revised	02/01/2014	GA.8037	Leave of Absence	Administrative
Revised	05/04/2017	GA.8037	Leave of Absence	Administrative

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1 **IX. GLOSSARY**
2

Term	Definition
Child-Related Activities	Participation in activities at child’s school or day care facility as permitted under Labor Code section 230.8, which includes: finding, enrolling, or reenrolling a child in a school or with a licensed child care provider; child care provider or school, emergency; request for child to be picked up from school/child care or an attendance policy that prohibits the child from attending or requires the child to be picked up from the school or child care provider; behavioral/discipline problems; closure or unexpected unavailability of school (excluding planned holidays); a natural disaster; or to participate in activities of the school or licensed child care provider of his or her child, if the employee, prior to taking the time off, gives reasonable notice to CalOptima.
Leave of Absence	A term used to describe a scheduled period of time off longer than five (5) days that an employee is to be away from his or her primary job, while maintaining the status of employee.

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LEAVE OF ABSENCE REQUEST FORM

SECTION I – EMPLOYEE’S STATEMENT

Contact Phone Number: _____

Employee Name: _____ Employee ID #: _____

Department: _____ Position: _____

Requested dates of absence: First day off work ___/___/___ Expected Return Date: ___/___/___

Is Illness/Injury Work Related?

Yes No

REASON FOR LEAVE

- Employee Medical (FMLA/CFRA)** - Attach Medical Certification
- Family Medical (FMLA/CFRA)** - Attach Medical Certification
- *Baby Bonding** (within 1 year of birth or placement of adoption/foster care)
- Other** - _____ (Attach Supporting Documentation)
- Pregnancy Disability (PDL)** - Attach Medical Certification
- Military Leave (FMLA or Spouse Leave)** - Attach Supporting Documentation
- Personal Leave** – Must be approved by Manager/Director

Note: Additional documentation regarding types of leaves of absence can be found on the Human Resources page of the Infonet.

EXPLANATION: _____

(FOR UNPAID LEAVE REQUESTS) To continue employee paid Health Insurance you should contact Human Resources to make arrangements for payment in advance

Employee’s Signature: _____ Date: ___/___/___

SECTION II – MANAGER OR DIRECTOR ACKNOWLEDGMENT (CONTACT HUMAN RESOURCES TO DISCUSS OPTIONS)

Manager/Director Signature: _____ Date: ___/___/___

HUMAN RESOURCES USE ONLY

SECTION III – HUMAN RESOURCES REVIEW

You are eligible not eligible for leave under the FMLA/CFRA FMLA/CFRA Hours Balance Available _____

Last Day Worked _____ Return from Leave Date _____

Human Resources Signature: _____ Date: ___/___/___

COMMENTS _____

Policy #: GA.8058
Title: **Salary Schedule**
Department: Human Resources
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 05/01/14
Last Review Date: ~~03/05/020~~
Last Revised Date: ~~4/17~~
~~03/05/020~~
~~4/17~~

1 | **I. PURPOSE**

- 2
3 A. This policy maintains a CalOptima Salary Schedule that lists all active job classifications
4 including job title, salary grade, and salary ranges (minimum, midpoint, and maximum pay
5 rate amounts).
6
7 B. This policy ensures the salary schedule is publicly available pursuant to the requirements of
8 Title 2, California Code of Regulations (CCR) §570.5 so that employees who are members of
9 the California Public Employees Retirement System (CalPERS) have their compensation
10 considered qualified for pension calculation under CalPERS regulations.

11 | **II. POLICY**

- 12 A. Pursuant to the requirements under Title 2, California Code of Regulations (CCR) §570.5,
13 CalOptima has established the attached salary schedule for each CalOptima job position. In order
14 for CalPERS member's pay rates to be credited by CalPERS, the Human Resources Department
15 (HR) shall maintain a salary schedule that meets the following eight (8) separate criteria:
16
17 1. Approval and adoption by the governing body in accordance with requirements
18 applicable to public meetings laws;
19
20 2. Identification of position titles for every employee position;
21
22 3. Listing of pay rate for each identified position, which may be stated as a single amount
23 or as multiple amounts with a range;
24
25 4. Specifies the time base, including, but not limited to, whether the time base is hourly, daily,
26 bi-weekly, monthly, bi-monthly, or annually;
27
28 5. Posted at the employer's office or immediately accessible and available for public review
29 from the employer during normal business hours or posted on the employer's internet
30 website;
31
32 6. Indicates the effective date and date of any revisions;
33
34 7. Retained by the employer and available for public inspection for not less than five (5) years;
35 and
36
37

8. Does not reference another document in lieu of disclosing the pay rate.

B. The Chief Executive Officer (CEO) is authorized and directed to take all steps necessary and proper to implement the salary schedule for all other employees not inconsistent therewith.

III. PROCEDURE

A. The Human Resources Department (HR) will ensure that the salary schedule, meeting the requirements above, are available at CalOptima's offices and immediately accessible for public review during normal business hours or posted on CalOptima's internet website.

B. HR shall retain the salary schedule for not less than five (5) years.

C. HR shall review the salary schedule and provide recommendations to maintain the competitiveness of the salary schedule to market pay levels.

D. Any adjustments to the salary schedule requires that the Executive Director of HR make a recommendation to the CEO for approval, with the CEO taking the recommendation to the CalOptima Board of Directors for final approval. No changes to the salary schedule, or CEO compensation, shall be effective unless and until approved by the CalOptima Board of Directors.

IV. ATTACHMENTS

A. CalOptima - Salary Schedule (Revised as of ~~03/025/04/17~~)

V. REFERENCES

A. Title 2, California Code of Regulations, §570.5

VI. REGULATORY AGENCY APPROVALS

None to Date

VII. BOARD ACTIONS

~~A.~~ A. 05/04/17: Regular Meeting of the CalOptima Board of Directors

~~A.B.~~ A.B. 03/02/17: Regular Meeting of the CalOptima Board of Directors

~~B.C.~~ B.C. 12/01/16: Regular Meeting of the CalOptima Board of Directors

~~C.D.~~ C.D. 11/03/16: Regular Meeting of the CalOptima Board of Directors

~~D.E.~~ D.E. 10/06/16: Regular Meeting of the CalOptima Board of Directors

~~E.F.~~ E.F. 09/01/16: Regular Meeting of the CalOptima Board of Directors

~~F.G.~~ F.G. 08/04/16: Regular Meeting of the CalOptima Board of Directors

~~G.H.~~ G.H. 06/02/16: Regular Meeting of the CalOptima Board of Directors

~~H.I.~~ H.I. 03/03/16: Regular Meeting of the CalOptima Board of Directors

~~I.J.~~ I.J. 12/03/15: Regular Meeting of the CalOptima Board of Directors

~~J.K.~~ J.K. 10/01/15: Regular Meeting of the CalOptima Board of Directors

~~K.L.~~ K.L. 06/04/15: Regular Meeting of the CalOptima Board of Directors

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VIII. REVIEW/REVISION HISTORY

Version	Date	Policy Number	Policy Title	Line(s) of Business
Effective	05/01/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	08/07/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	11/06/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	12/04/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	03/05/2015	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	06/04/2015	GA.8058	Salary Schedule	Administrative
Revised	10/01/2015	GA.8058	Salary Schedule	Administrative
Revised	12/03/2015	GA.8058	Salary Schedule	Administrative
Revised	03/03/2016	GA.8058	Salary Schedule	Administrative
Revised	06/02/2016	GA.8058	Salary Schedule	Administrative
Revised	08/04/2016	GA.8058	Salary Schedule	Administrative
Revised	09/01/2016	GA.8058	Salary Schedule	Administrative
Revised	10/06/2016	GA.8058	Salary Schedule	Administrative
Revised	11/03/2016	GA.8058	Salary Schedule	Administrative
Revised	12/01/2016	GA.8058	Salary Schedule	Administrative
Revised	03/02/2017	GA.8058	Salary Schedule	Administrative
<u>Revised</u>	<u>05/04/2017</u>	<u>GA.8058</u>	<u>Salary Schedule</u>	<u>Administrative</u>

4

- 1 **IX. GLOSSARY**
- 2
- 3 Not Applicable
- 4

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Policy #: GA.8058
Title: **Salary Schedule**
Department: Human Resources
Section: Not Applicable

CEO Approval: Michael Schrader _____

Effective Date: 05/01/14
Last Review Date: 05/04/17
Last Revised Date: 05/04/17

1 **I. PURPOSE**

- 2
- 3 A. This policy maintains a CalOptima Salary Schedule that lists all active job classifications
- 4 including job title, salary grade, and salary ranges (minimum, midpoint, and maximum pay
- 5 rate amounts).
- 6
- 7 B. This policy ensures the salary schedule is publicly available pursuant to the requirements of
- 8 Title 2, California Code of Regulations (CCR) §570.5 so that employees who are members of
- 9 the California Public Employees Retirement System (CalPERS) have their compensation
- 10 considered qualified for pension calculation under CalPERS regulations.

11

12 **II. POLICY**

- 13
- 14 A. Pursuant to the requirements under Title 2, California Code of Regulations (CCR) §570.5,
- 15 CalOptima has established the attached salary schedule for each CalOptima job position. In order
- 16 for CalPERS member's pay rates to be credited by CalPERS, the Human Resources Department
- 17 (HR) shall maintain a salary schedule that meets the following eight (8) separate criteria:
- 18
- 19 1. Approval and adoption by the governing body in accordance with requirements
- 20 applicable to public meetings laws;
- 21
- 22 2. Identification of position titles for every employee position;
- 23
- 24 3. Listing of pay rate for each identified position, which may be stated as a single amount
- 25 or as multiple amounts with a range;
- 26
- 27 4. Specifies the time base, including, but not limited to, whether the time base is hourly, daily,
- 28 bi-weekly, monthly, bi-monthly, or annually;
- 29
- 30 5. Posted at the employer's office or immediately accessible and available for public review
- 31 from the employer during normal business hours or posted on the employer's internet
- 32 website;
- 33
- 34 6. Indicates the effective date and date of any revisions;
- 35
- 36 7. Retained by the employer and available for public inspection for not less than five (5) years;
- 37 and
- 38
- 39 8. Does not reference another document in lieu of disclosing the pay rate.

- 1
2 B. The Chief Executive Officer (CEO) is authorized and directed to take all steps necessary and proper
3 to implement the salary schedule for all other employees not inconsistent therewith.
4

5 **III. PROCEDURE**
6

- 7 A. The Human Resources Department (HR) will ensure that the salary schedule, meeting the
8 requirements above, are available at CalOptima's offices and immediately accessible for public
9 review during normal business hours or posted on CalOptima's internet website.
10
11 B. HR shall retain the salary schedule for not less than five (5) years.
12
13 C. HR shall review the salary schedule and provide recommendations to maintain the competitiveness
14 of the salary schedule to market pay levels.
15
16 D. Any adjustments to the salary schedule requires that the Executive Director of HR make a
17 recommendation to the CEO for approval, with the CEO taking the recommendation to the
18 CalOptima Board of Directors for final approval. No changes to the salary schedule, or CEO
19 compensation, shall be effective unless and until approved by the CalOptima Board of Directors.
20

21 **IV. ATTACHMENTS**
22

- 23 A. CalOptima - Salary Schedule (Revised as of 05/04/17)
24

25 **V. REFERENCES**
26

- 27 A. Title 2, California Code of Regulations, §570.5
28

29 **VI. REGULATORY AGENCY APPROVALS**
30

31 None to Date
32

33 **VII. BOARD ACTIONS**
34

- 35 A. 05/04/17: Regular Meeting of the CalOptima Board of Directors
36 B. 03/02/17: Regular Meeting of the CalOptima Board of Directors
37 C. 12/01/16: Regular Meeting of the CalOptima Board of Directors
38 D. 11/03/16: Regular Meeting of the CalOptima Board of Directors
39 E. 10/06/16: Regular Meeting of the CalOptima Board of Directors
40 F. 09/01/16: Regular Meeting of the CalOptima Board of Directors
41 G. 08/04/16: Regular Meeting of the CalOptima Board of Directors
42 H. 06/02/16: Regular Meeting of the CalOptima Board of Directors
43 I. 03/03/16: Regular Meeting of the CalOptima Board of Directors
44 J. 12/03/15: Regular Meeting of the CalOptima Board of Directors
45 K. 10/01/15: Regular Meeting of the CalOptima Board of Directors
46 L. 06/04/15: Regular Meeting of the CalOptima Board of Directors
47

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VIII. REVIEW/REVISION HISTORY

Version	Date	Policy Number	Policy Title	Line(s) of Business
Effective	05/01/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
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Revised	12/04/2014	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	03/05/2015	GA.8057	Compensation Program and Salary Schedule	Administrative
Revised	06/04/2015	GA.8058	Salary Schedule	Administrative
Revised	10/01/2015	GA.8058	Salary Schedule	Administrative
Revised	12/03/2015	GA.8058	Salary Schedule	Administrative
Revised	03/03/2016	GA.8058	Salary Schedule	Administrative
Revised	06/02/2016	GA.8058	Salary Schedule	Administrative
Revised	08/04/2016	GA.8058	Salary Schedule	Administrative
Revised	09/01/2016	GA.8058	Salary Schedule	Administrative
Revised	10/06/2016	GA.8058	Salary Schedule	Administrative
Revised	11/03/2016	GA.8058	Salary Schedule	Administrative
Revised	12/01/2016	GA.8058	Salary Schedule	Administrative
Revised	03/02/2017	GA.8058	Salary Schedule	Administrative
Revised	05/04/2017	GA.8058	Salary Schedule	Administrative

4

- 1 **IX. GLOSSARY**
- 2
- 3 Not Applicable
- 4

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

Effective as of May 1, 2014

Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Accountant	K	39	\$47,112	\$61,360	\$75,504	
Accountant Int	L	634	\$54,288	\$70,512	\$86,736	
Accountant Sr	M	68	\$62,400	\$81,120	\$99,840	
Accounting Clerk	I	334	\$37,128	\$46,384	\$55,640	
Actuarial Analyst	L	558	\$54,288	\$70,512	\$86,736	
Actuarial Analyst Sr	M	559	\$62,400	\$81,120	\$99,840	
Actuary	O	357	\$82,576	\$107,328	\$131,976	
Administrative Assistant	H	19	\$33,696	\$42,224	\$50,648	
Analyst	K	562	\$47,112	\$61,360	\$75,504	
Analyst Int	L	563	\$54,288	\$70,512	\$86,736	
Analyst Sr	M	564	\$62,400	\$81,120	\$99,840	
Applications Analyst	K	232	\$47,112	\$61,360	\$75,504	
Applications Analyst Int	L	233	\$54,288	\$70,512	\$86,736	
Applications Analyst Sr	M	298	\$62,400	\$81,120	\$99,840	
Associate Director Customer Service	O	593	\$82,576	\$107,328	\$131,976	
Associate Director Information Services	Q	557	\$114,400	\$154,440	\$194,480	
Associate Director Provider Network	O	647	\$82,576	\$107,328	\$131,976	
Auditor	K	565	\$47,112	\$61,360	\$75,504	
Auditor Sr	L	566	\$54,288	\$70,512	\$86,736	
Behavioral Health Manager	N	383	\$71,760	\$93,184	\$114,712	
Biostatistics Manager	N	418	\$71,760	\$93,184	\$114,712	
Board Services Specialist	J	435	\$40,976	\$53,352	\$65,624	
Business Analyst	J	40	\$40,976	\$53,352	\$65,624	
Business Analyst Sr	M	611	\$62,400	\$81,120	\$99,840	
Business Systems Analyst Sr	M	69	\$62,400	\$81,120	\$99,840	
Buyer	J	29	\$40,976	\$53,352	\$65,624	
Buyer Int	K	49	\$47,112	\$61,360	\$75,504	
Buyer Sr	L	67	\$54,288	\$70,512	\$86,736	
Care Transition Intervention Coach (RN)	N	417	\$71,760	\$93,184	\$114,712	
Certified Coder	K	399	\$47,112	\$61,360	\$75,504	
Certified Coding Specialist	K	639	\$47,112	\$61,360	\$75,504	
Certified Coding Specialist Sr	L	640	\$54,288	\$70,512	\$86,736	
Change Control Administrator	L	499	\$54,288	\$70,512	\$86,736	
Change Control Administrator Int	M	500	\$62,400	\$81,120	\$99,840	
Change Management Analyst Sr	N	465	\$71,760	\$93,184	\$114,712	
** Chief Counsel	T	132	\$197,704	\$266,968	\$336,024	
** Chief Executive Officer	V	138	\$319,740	\$431,600	\$543,600	
** Chief Financial Officer	U	134	\$237,224	\$320,216	\$403,312	
** Chief Information Officer	T	131	\$197,704	\$266,968	\$336,024	
** Chief Medical Officer	U	137	\$237,224	\$320,216	\$403,312	
** Chief Operating Officer	U	136	\$237,224	\$320,216	\$403,312	
Claims - Lead	J	574	\$40,976	\$53,352	\$65,624	
Claims Examiner	H	9	\$33,696	\$42,224	\$50,648	
Claims Examiner - Lead	J	236	\$40,976	\$53,352	\$65,624	
Claims Examiner Sr	I	20	\$37,128	\$46,384	\$55,640	
Claims QA Analyst	I	28	\$37,128	\$46,384	\$55,640	
Claims QA Analyst Sr.	J	540	\$40,976	\$53,352	\$65,624	
Claims Recovery Specialist	I	283	\$37,128	\$46,384	\$55,640	
Claims Resolution Specialist	I	262	\$37,128	\$46,384	\$55,640	
Clerk of the Board	O	59	\$82,576	\$107,328	\$131,976	
Clinical Auditor	M	567	\$62,400	\$81,120	\$99,840	
Clinical Auditor Sr	N	568	\$71,760	\$93,184	\$114,712	
Clinical Documentation Specialist (RN)	O	641	\$82,576	\$107,328	\$131,976	

[Back to Agenda](#)

CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

Effective as of May 1, 2014

Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Clinical Pharmacist	P	297	\$95,264	\$128,752	\$162,032	
Clinical Systems Administrator	M	607	\$62,400	\$81,120	\$99,840	
Clinician (Behavioral Health)	M	513	\$62,400	\$81,120	\$99,840	
Communications Specialist	J	188	\$40,976	\$53,352	\$65,624	
Community Partner	K	575	\$47,112	\$61,360	\$75,504	
Community Partner Sr	L	612	\$54,288	\$70,512	\$86,736	
Community Relations Specialist	J	288	\$40,976	\$53,352	\$65,624	
Community Relations Specialist Sr	K	646	\$47,112	\$61,360	\$75,504	
Compliance Claims Auditor	K	222	\$47,112	\$61,360	\$75,504	
Compliance Claims Auditor Sr	L	279	\$54,288	\$70,512	\$86,736	
Contract Administrator	M	385	\$62,400	\$81,120	\$99,840	
Contracts Manager	N	207	\$71,760	\$93,184	\$114,712	
Contracts Specialist	K	257	\$47,112	\$61,360	\$75,504	
Contracts Specialist Int	L	469	\$54,288	\$70,512	\$86,736	
Contracts Specialist Sr	M	331	\$62,400	\$81,120	\$99,840	
* Controller	Q	464	\$114,400	\$154,440	\$194,480	
Credentialing Coordinator	J	41	\$40,976	\$53,352	\$65,624	
Credentialing Coordinator - Lead	J	510	\$40,976	\$53,352	\$65,624	
Customer Service Coordinator	J	182	\$40,976	\$53,352	\$65,624	
Customer Service Rep	H	5	\$33,696	\$42,224	\$50,648	
Customer Service Rep - Lead	J	482	\$40,976	\$53,352	\$65,624	
Customer Service Rep Sr	I	481	\$37,128	\$46,384	\$55,640	
Data Analyst	K	337	\$47,112	\$61,360	\$75,504	
Data Analyst Int	L	341	\$54,288	\$70,512	\$86,736	
Data Analyst Sr	M	342	\$62,400	\$81,120	\$99,840	
Data and Reporting Analyst - Lead	O	TBD	\$82,576	\$107,328	\$131,976	
Data Entry Tech	F	3	\$27,872	\$34,840	\$41,808	
Data Warehouse Architect	O	363	\$82,576	\$107,328	\$131,976	
Data Warehouse Programmer/Analyst	O	364	\$82,576	\$107,328	\$131,976	
Data Warehouse Project Manager	O	362	\$82,576	\$107,328	\$131,976	
Data Warehouse Reporting Analyst	N	412	\$71,760	\$93,184	\$114,712	
Data Warehouse Reporting Analyst Sr	O	522	\$82,576	\$107,328	\$131,976	
Database Administrator	M	90	\$62,400	\$81,120	\$99,840	
Database Administrator Sr	O	179	\$82,576	\$107,328	\$131,976	
** Deputy Chief Counsel	S	160	\$164,736	\$222,352	\$280,072	
** Deputy Chief Medical Officer	T	561	\$197,704	\$266,968	\$336,024	
* Director Accounting	P	122	\$95,264	\$128,752	\$162,032	
* Director Applications Management	R	170	\$137,280	\$185,328	\$233,376	
* Director Audit & Oversight	Q	546	\$114,400	\$154,440	\$194,480	
* Director Behavioral Health Services	P	392	\$95,264	\$128,752	\$162,032	
* Director Budget and Procurement	Q	527	\$114,400	\$154,440	\$194,480	
* Director Business Development	P	351	\$95,264	\$128,752	\$162,032	
* Director Business Integration	Q	543	\$114,400	\$154,440	\$194,480	
* Director Case Management	Q	318	\$114,400	\$154,440	\$194,480	
* Director Claims Administration	P	112	\$95,264	\$128,752	\$162,032	
* Director Clinical Outcomes	Q	602	\$114,400	\$154,440	\$194,480	
* Director Clinical Pharmacy	R	129	\$137,280	\$185,328	\$233,376	
* Director Coding Initiatives	P	375	\$95,264	\$128,752	\$162,032	
* Director Communications	P	361	\$95,264	\$128,752	\$162,032	
* Director Community Relations	P	292	\$95,264	\$128,752	\$162,032	
* Director Configuration & Coding	Q	596	\$114,400	\$154,440	\$194,480	
* Director Contracting	P	184	\$95,264	\$128,752	\$162,032	
* Director COREC	Q	369	\$114,400	\$154,440	\$194,480	

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

Effective as of May 1, 2014

Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
* Director Customer Service	P	118	\$95,264	\$128,752	\$162,032	
* Director Electronic Business	P	358	\$95,264	\$128,752	\$162,032	
* Director Enterprise Analytics	Q	520	\$114,400	\$154,440	\$194,480	
* Director Facilities	P	428	\$95,264	\$128,752	\$162,032	
* Director Finance & Procurement	P	157	\$95,264	\$128,752	\$162,032	
* Director Financial Analysis	R	374	\$137,280	\$185,328	\$233,376	
* Director Financial Compliance	P	460	\$95,264	\$128,752	\$162,032	
* Director Fraud Waste & Abuse and Privacy	Q	581	\$114,400	\$154,440	\$194,480	
* Director Government Affairs	P	277	\$95,264	\$128,752	\$162,032	
* Director Grievance & Appeals	P	528	\$95,264	\$128,752	\$162,032	
* Director Health Education & Disease Management	Q	150	\$114,400	\$154,440	\$194,480	
* Director Health Services	Q	328	\$114,400	\$154,440	\$194,480	
* Director Human Resources	Q	322	\$114,400	\$154,440	\$194,480	
* Director Information Services	R	547	\$137,280	\$185,328	\$233,376	
* Director Long Term Support Services	Q	128	\$114,400	\$154,440	\$194,480	
* Director Medi-Cal Plan Operations	P	370	\$95,264	\$128,752	\$162,032	
* Director Network Management	P	125	\$95,264	\$128,752	\$162,032	
* Director OneCare Operations	P	425	\$95,264	\$128,752	\$162,032	
* Director Organizational Training & Education	P	579	\$95,264	\$128,752	\$162,032	
* Director PACE Program	Q	449	\$114,400	\$154,440	\$194,480	
* Director Process Excellence	Q	447	\$114,400	\$154,440	\$194,480	
* Director Program Implementation	Q	489	\$114,400	\$154,440	\$194,480	
* Director Project Management	Q	447	\$114,400	\$154,440	\$194,480	
* Director Provider Data Quality	Q	TBD	\$114,400	\$154,440	\$194,480	
* Director Provider Services	P	597	\$95,264	\$128,752	\$162,032	
* Director Public Policy	P	459	\$95,264	\$128,752	\$162,032	
* Director Quality (LTSS)	Q	613	\$114,400	\$154,440	\$194,480	
* Director Quality Analytics	Q	591	\$114,400	\$154,440	\$194,480	
* Director Quality Improvement	Q	172	\$114,400	\$154,440	\$194,480	
* Director Regulatory Affairs and Compliance	Q	625	\$114,400	\$154,440	\$194,480	
* Director Strategic Development	P	121	\$95,264	\$128,752	\$162,032	
* Director Systems Development	R	169	\$137,280	\$185,328	\$233,376	
* Director Utilization Management	Q	265	\$114,400	\$154,440	\$194,480	
Disease Management Coordinator	M	70	\$62,400	\$81,120	\$99,840	
Disease Management Coordinator - Lead	M	472	\$62,400	\$81,120	\$99,840	
EDI Project Manager	O	403	\$82,576	\$107,328	\$131,976	
Enrollment Coordinator (PACE)	K	441	\$47,112	\$61,360	\$75,504	
Enterprise Analytics Manager	P	582	\$95,264	\$128,752	\$162,032	
Executive Assistant	K	339	\$47,112	\$61,360	\$75,504	
Executive Assistant to CEO	L	261	\$54,288	\$70,512	\$86,736	
** Executive Director Clinical Operations	S	501	\$164,736	\$222,352	\$280,072	
** Executive Director Compliance	S	493	\$164,736	\$222,352	\$280,072	
** Executive Director Human Resources	S	494	\$164,736	\$222,352	\$280,072	
** Executive Director Network Operations	S	632	\$164,736	\$222,352	\$280,072	
** Executive Director Operations	S	276	\$164,736	\$222,352	\$280,072	
** Executive Director Program Implementation	S	490	\$164,736	\$222,352	\$280,072	
** Executive Director Public Affairs	S	290	\$164,736	\$222,352	\$280,072	
** Executive Director Quality Analytics	S	601	\$164,736	\$222,352	\$280,072	
** Executive Director, Behavioral Health Integration	S	614	\$164,736	\$222,352	\$280,072	
Facilities & Support Services Coord - Lead	J	631	\$40,976	\$53,352	\$65,624	
Facilities & Support Services Coordinator	J	10	\$40,976	\$53,352	\$65,624	
Facilities Coordinator	J	438	\$40,976	\$53,352	\$65,624	
Financial Analyst	L	51	\$54,288	\$70,512	\$86,736	

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

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Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Financial Analyst Sr	M	84	\$62,400	\$81,120	\$99,840	
Financial Reporting Analyst	L	475	\$54,288	\$70,512	\$86,736	
Gerontology Resource Coordinator	M	204	\$62,400	\$81,120	\$99,840	
Graphic Designer	M	387	\$62,400	\$81,120	\$99,840	
Grievance & Appeals Nurse Specialist	N	226	\$71,760	\$93,184	\$114,712	
Grievance Resolution Specialist	J	42	\$40,976	\$53,352	\$65,624	
Grievance Resolution Specialist - Lead	L	590	\$54,288	\$70,512	\$86,736	
Grievance Resolution Specialist Sr	K	589	\$47,112	\$61,360	\$75,504	
Health Coach	M	556	\$62,400	\$81,120	\$99,840	
Health Educator	K	47	\$47,112	\$61,360	\$75,504	
Health Educator Sr	L	355	\$54,288	\$70,512	\$86,736	
Health Network Liaison Specialist (RN)	N	524	\$71,760	\$93,184	\$114,712	
Health Network Oversight Specialist	M	323	\$62,400	\$81,120	\$99,840	
HEDIS Case Manager	N	443	\$71,760	\$93,184	\$114,712	
HEDIS Case Manager (LVN)	M	552	\$62,400	\$81,120	\$99,840	
Help Desk Technician	J	571	\$40,976	\$53,352	\$65,624	
Help Desk Technician Sr	K	573	\$47,112	\$61,360	\$75,504	
HR Assistant	I	181	\$37,128	\$46,384	\$55,640	
HR Business Partner	M	584	\$62,400	\$81,120	\$99,840	
HR Coordinator	J	316	\$40,976	\$53,352	\$65,624	
HR Representative	L	278	\$54,288	\$70,512	\$86,736	
HR Representative Sr	M	350	\$62,400	\$81,120	\$99,840	
HR Specialist	K	505	\$47,112	\$61,360	\$75,504	
HR Specialist Sr	L	608	\$54,288	\$70,512	\$86,736	
HRIS Analyst Sr	M	468	\$62,400	\$81,120	\$99,840	
ICD-10 Project Manager	O	411	\$82,576	\$107,328	\$131,976	
Infrastructure Systems Administrator	J	541	\$40,976	\$53,352	\$65,624	
Infrastructure Systems Administrator Int	K	542	\$47,112	\$61,360	\$75,504	
Inpatient Quality Coding Auditor	L	642	\$54,288	\$70,512	\$86,736	
Intern	E	237	\$25,272	\$31,720	\$37,960	
Investigator Sr	L	553	\$54,288	\$70,512	\$86,736	
IS Coordinator	J	365	\$40,976	\$53,352	\$65,624	
IS Project Manager	O	424	\$82,576	\$107,328	\$131,976	
IS Project Manager Sr	P	509	\$95,264	\$128,752	\$162,032	
IS Project Specialist	M	549	\$62,400	\$81,120	\$99,840	
IS Project Specialist Sr	N	550	\$71,760	\$93,184	\$114,712	
Kitchen Assistant	E	585	\$25,272	\$31,720	\$37,960	
Legislative Program Manager	N	330	\$71,760	\$93,184	\$114,712	
Licensed Clinical Social Worker	L	598	\$54,288	\$70,512	\$86,736	
Litigation Support Specialist	M	588	\$62,400	\$81,120	\$99,840	
LVN (PACE)	M	533	\$62,400	\$81,120	\$99,840	
Mailroom Clerk	E	1	\$25,272	\$31,720	\$37,960	
Manager Accounting	N	98	\$71,760	\$93,184	\$114,712	
Manager Actuary	P	453	\$95,264	\$128,752	\$162,032	
Manager Applications Management	P	271	\$95,264	\$128,752	\$162,032	
Manager Audit & Oversight	O	539	\$82,576	\$107,328	\$131,976	
Manager Behavioral Health	O	633	\$82,576	\$107,328	\$131,976	
Manager Business Integration	O	544	\$82,576	\$107,328	\$131,976	
Manager Case Management	O	270	\$82,576	\$107,328	\$131,976	
Manager Claims	N	92	\$71,760	\$93,184	\$114,712	
Manager Clinic Operations	O	551	\$82,576	\$107,328	\$131,976	
Manager Clinical Pharmacist	Q	296	\$114,400	\$154,440	\$194,480	
Manager Coding Quality	N	382	\$71,760	\$93,184	\$114,712	

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

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Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Manager Communications	N	398	\$71,760	\$93,184	\$114,712	
Manager Community Relations	M	384	\$62,400	\$81,120	\$99,840	
Manager Contracting	O	329	\$82,576	\$107,328	\$131,976	
Manager Creative Branding	N	430	\$71,760	\$93,184	\$114,712	
Manager Cultural & Linguistic	N	349	\$71,760	\$93,184	\$114,712	
Manager Customer Service	N	94	\$71,760	\$93,184	\$114,712	
Manager Decision Support	O	454	\$82,576	\$107,328	\$131,976	
Manager Disease Management	O	372	\$82,576	\$107,328	\$131,976	
Manager Electronic Business	O	422	\$82,576	\$107,328	\$131,976	
Manager Employment Services	N	420	\$71,760	\$93,184	\$114,712	
Manager Encounters	N	516	\$71,760	\$93,184	\$114,712	
Manager Environmental Health & Safety	N	495	\$71,760	\$93,184	\$114,712	
Manager Facilities	N	209	\$71,760	\$93,184	\$114,712	
Manager Finance	N	148	\$71,760	\$93,184	\$114,712	
Manager Financial Analysis	O	356	\$82,576	\$107,328	\$131,976	
Manager Government Affairs	N	437	\$71,760	\$93,184	\$114,712	
Manager Grievance & Appeals	N	426	\$71,760	\$93,184	\$114,712	
Manager Health Education	N	173	\$71,760	\$93,184	\$114,712	
Manager HEDIS	O	427	\$82,576	\$107,328	\$131,976	
Manager Human Resources	O	526	\$82,576	\$107,328	\$131,976	
Manager Information Services	P	560	\$95,264	\$128,752	\$162,032	
Manager Information Technology	P	110	\$95,264	\$128,752	\$162,032	
Manager Integration Government Liaison	N	455	\$71,760	\$93,184	\$114,712	
Manager Long Term Support Services	O	200	\$82,576	\$107,328	\$131,976	
Manager Marketing & Enrollment (PACE)	O	414	\$82,576	\$107,328	\$131,976	
Manager Medical Data Management	O	519	\$82,576	\$107,328	\$131,976	
Manager Medi-Cal Program Operations	N	483	\$71,760	\$93,184	\$114,712	
Manager Member Liaison Program	N	354	\$71,760	\$93,184	\$114,712	
Manager Member Outreach & Education	N	616	\$71,760	\$93,184	\$114,712	
Manager Member Outreach Education & Provider Relations	O	576	\$82,576	\$107,328	\$131,976	
Manager MSSP	O	393	\$82,576	\$107,328	\$131,976	
Manager OneCare Clinical	O	359	\$82,576	\$107,328	\$131,976	
Manager OneCare Customer Service	N	429	\$71,760	\$93,184	\$114,712	
Manager OneCare Regulatory	N	197	\$71,760	\$93,184	\$114,712	
Manager OneCare Sales	O	248	\$82,576	\$107,328	\$131,976	
Manager Outreach & Enrollment	N	477	\$71,760	\$93,184	\$114,712	
Manager PACE Center	O	432	\$82,576	\$107,328	\$131,976	
Manager Payroll & Benefits	N	144	\$71,760	\$93,184	\$114,712	
Manager Process Excellence	O	622	\$82,576	\$107,328	\$131,976	
Manager Program Implementation	O	488	\$82,576	\$107,328	\$131,976	
Manager Project Management	O	532	\$82,576	\$107,328	\$131,976	
Manager Provider Data Management Services	N	TBD	\$71,760	\$93,184	\$114,712	
Manager Provider Network	O	191	\$82,576	\$107,328	\$131,976	
Manager Provider Relations	N	171	\$71,760	\$93,184	\$114,712	
Manager Provider Services	O	TBD	\$82,576	\$107,328	\$131,976	
Manager Purchasing	N	275	\$71,760	\$93,184	\$114,712	
Manager QI Initiatives	N	433	\$71,760	\$93,184	\$114,712	
Manager Quality Analytics	O	617	\$82,576	\$107,328	\$131,976	
Manager Quality Improvement	O	104	\$82,576	\$107,328	\$131,976	
Manager Regulatory Affairs and Compliance	O	626	\$82,576	\$107,328	\$131,976	
Manager Reporting & Financial Compliance	O	572	\$82,576	\$107,328	\$131,976	
Manager Strategic Development	O	603	\$82,576	\$107,328	\$131,976	
Manager Strategic Operations	N	446	\$71,760	\$93,184	\$114,712	

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

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Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Manager Systems Development	P	515	\$95,264	\$128,752	\$162,032	
Manager Utilization Management	O	250	\$82,576	\$107,328	\$131,976	
Marketing and Outreach Specialist	J	496	\$40,976	\$53,352	\$65,624	
Medical Assistant	H	535	\$33,696	\$42,224	\$50,648	
Medical Authorization Asst	H	11	\$33,696	\$42,224	\$50,648	
Medical Case Manager	N	72	\$71,760	\$93,184	\$114,712	
Medical Case Manager (LVN)	L	444	\$54,288	\$70,512	\$86,736	
* Medical Director	S	306	\$164,736	\$222,352	\$280,072	
Medical Records & Health Plan Assistant	G	548	\$30,576	\$38,272	\$45,968	
Medical Records Clerk	E	523	\$25,272	\$31,720	\$37,960	
Medical Services Case Manager	K	54	\$47,112	\$61,360	\$75,504	
Member Liaison Specialist	I	353	\$37,128	\$46,384	\$55,640	
MMS Program Coordinator	K	360	\$47,112	\$61,360	\$75,504	
Nurse Practitioner (PACE)	P	635	\$95,264	\$128,752	\$162,032	
Occupational Therapist	N	531	\$71,760	\$93,184	\$114,712	
Occupational Therapist Assistant	M	623	\$62,400	\$81,120	\$99,840	
Office Clerk	C	335	\$21,008	\$26,208	\$31,408	
OneCare Operations Manager	O	461	\$82,576	\$107,328	\$131,976	
OneCare Partner - Sales	K	230	\$47,112	\$61,360	\$75,504	
OneCare Partner - Sales (Lead)	K	537	\$47,112	\$61,360	\$75,504	
OneCare Partner - Service	I	231	\$37,128	\$46,384	\$55,640	
OneCare Partner (Inside Sales)	J	371	\$40,976	\$53,352	\$65,624	
Outreach Specialist	I	218	\$37,128	\$46,384	\$55,640	
Paralegal/Legal Secretary	K	376	\$47,112	\$61,360	\$75,504	
Payroll Specialist	J	554	\$40,976	\$53,352	\$65,624	
Performance Analyst	L	538	\$54,288	\$70,512	\$86,736	
Personal Care Attendant	E	485	\$25,272	\$31,720	\$37,960	Grade Change
Personal Care Attendant - Lead	E	498	\$25,272	\$31,720	\$37,960	
Personal Care Coordinator	I	525	\$37,128	\$46,384	\$55,640	
Pharmacy Resident	K	379	\$47,112	\$61,360	\$75,504	
Pharmacy Services Specialist	I	23	\$37,128	\$46,384	\$55,640	
Pharmacy Services Specialist Int	J	35	\$40,976	\$53,352	\$65,624	
Pharmacy Services Specialist Sr	K	507	\$47,112	\$61,360	\$75,504	
Physical Therapist	N	530	\$71,760	\$93,184	\$114,712	
Physical Therapist Assistant	M	624	\$62,400	\$81,120	\$99,840	
Policy Advisor Sr	O	580	\$82,576	\$107,328	\$131,976	
Privacy Manager	N	536	\$71,760	\$93,184	\$114,712	
Privacy Officer	P	648	\$95,264	\$128,752	\$162,032	
Process Excellence Manager	O	529	\$82,576	\$107,328	\$131,976	
Program Assistant	I	24	\$37,128	\$46,384	\$55,640	
Program Coordinator	I	284	\$37,128	\$46,384	\$55,640	
Program Development Analyst Sr	M	492	\$62,400	\$81,120	\$99,840	
Program Manager	M	421	\$62,400	\$81,120	\$99,840	
Program Manager Sr	O	594	\$82,576	\$107,328	\$131,976	
Program Specialist	J	36	\$40,976	\$53,352	\$65,624	
Program Specialist Int	K	61	\$47,112	\$61,360	\$75,504	
Program Specialist Sr	L	508	\$54,288	\$70,512	\$86,736	
Program/Policy Analyst	K	56	\$47,112	\$61,360	\$75,504	
Program/Policy Analyst Sr	M	85	\$62,400	\$81,120	\$99,840	
Programmer	L	43	\$54,288	\$70,512	\$86,736	
Programmer Int	N	74	\$71,760	\$93,184	\$114,712	
Programmer Sr	O	80	\$82,576	\$107,328	\$131,976	
Project Manager	M	81	\$62,400	\$81,120	\$99,840	

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CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

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Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Project Manager - Lead	M	467	\$62,400	\$81,120	\$99,840	
Project Manager Sr	O	105	\$82,576	\$107,328	\$131,976	
Project Specialist	K	291	\$47,112	\$61,360	\$75,504	
Project Specialist Sr	L	503	\$54,288	\$70,512	\$86,736	
Projects Analyst	K	254	\$47,112	\$61,360	\$75,504	
Provider Enrollment Data Coordinator	I	12	\$37,128	\$46,384	\$55,640	
Provider Enrollment Data Coordinator Sr	J	586	\$40,976	\$53,352	\$65,624	
Provider Enrollment Manager	K	190	\$47,112	\$61,360	\$75,504	
Provider Network Rep Sr	L	391	\$54,288	\$70,512	\$86,736	
Provider Network Specialist	K	44	\$47,112	\$61,360	\$75,504	
Provider Network Specialist Sr	L	595	\$54,288	\$70,512	\$86,736	
Provider Office Education Manager	L	300	\$54,288	\$70,512	\$86,736	
Provider Relations Rep	K	205	\$47,112	\$61,360	\$75,504	
Provider Relations Rep Sr	L	285	\$54,288	\$70,512	\$86,736	
Publications Coordinator	J	293	\$40,976	\$53,352	\$65,624	
QA Analyst	L	486	\$54,288	\$70,512	\$86,736	
QA Analyst Sr	N	380	\$71,760	\$93,184	\$114,712	
QI Nurse Specialist	N	82	\$71,760	\$93,184	\$114,712	
QI Nurse Specialist (LVN)	M	445	\$62,400	\$81,120	\$99,840	
Receptionist	F	140	\$27,872	\$34,840	\$41,808	
Recreational Therapist	L	487	\$54,288	\$70,512	\$86,736	
Recruiter	L	406	\$54,288	\$70,512	\$86,736	
Recruiter Sr	M	497	\$62,400	\$81,120	\$99,840	
Registered Dietitian	L	57	\$54,288	\$70,512	\$86,736	
Regulatory Affairs and Compliance Analyst	K	628	\$47,112	\$61,360	\$75,504	
Regulatory Affairs and Compliance Analyst Sr	L	629	\$54,288	\$70,512	\$86,736	
Regulatory Affairs and Compliance Lead	M	630	\$62,400	\$81,120	\$99,840	
RN (PACE)	N	480	\$71,760	\$93,184	\$114,712	
Security Analyst Int	N	534	\$71,760	\$93,184	\$114,712	
Security Analyst Sr	O	474	\$82,576	\$107,328	\$131,976	
Security Officer	F	311	\$27,872	\$34,840	\$41,808	
SharePoint Developer/Administrator Sr	O	397	\$82,576	\$107,328	\$131,976	
Social Worker	K	463	\$47,112	\$61,360	\$75,504	
* Special Counsel	R	317	\$137,280	\$185,328	\$233,376	
Sr Manager Human Resources	P	649	\$95,264	\$128,752	\$162,032	
Sr Manager Information Services	Q	650	\$114,400	\$154,440	\$194,480	
Sr Manager Government Affairs	O	451	\$82,576	\$107,328	\$131,976	
Sr Manager Provider Network	O	651	\$82,576	\$107,328	\$131,976	
Staff Attorney	P	195	\$95,264	\$128,752	\$162,032	
Supervisor Accounting	M	434	\$62,400	\$81,120	\$99,840	
Supervisor Audit and Oversight	N	618	\$71,760	\$93,184	\$114,712	
Supervisor Budgeting	M	466	\$62,400	\$81,120	\$99,840	
Supervisor Case Management	N	86	\$71,760	\$93,184	\$114,712	
Supervisor Claims	K	219	\$47,112	\$61,360	\$75,504	
Supervisor Coding Initiatives	M	502	\$62,400	\$81,120	\$99,840	
Supervisor Customer Service	K	34	\$47,112	\$61,360	\$75,504	
Supervisor Data Entry	K	192	\$47,112	\$61,360	\$75,504	
Supervisor Day Center (PACE)	K	619	\$47,112	\$61,360	\$75,504	
Supervisor Dietary Services (PACE)	M	643	\$62,400	\$81,120	\$99,840	
Supervisor Disease Management	N	644	\$71,760	\$93,184	\$114,712	
Supervisor Encounters	L	253	\$54,288	\$70,512	\$86,736	
Supervisor Facilities	L	162	\$54,288	\$70,512	\$86,736	
Supervisor Finance	N	419	\$71,760	\$93,184	\$114,712	

[Back to Agenda](#)

CalOptima - Annual Base Salary Schedule - Revised May 4, 2017

Effective as of May 1, 2014

Job Title	Pay Grade	Job Code	Min	Mid	Max	For Approval
Supervisor Grievance and Appeals	M	620	\$62,400	\$81,120	\$99,840	
Supervisor Health Education	M	381	\$62,400	\$81,120	\$99,840	
Supervisor Information Services	N	457	\$71,760	\$93,184	\$114,712	
Supervisor Long Term Support Services	N	587	\$71,760	\$93,184	\$114,712	
Supervisor Member Outreach and Education	L	592	\$54,288	\$70,512	\$86,736	
Supervisor MSSP	N	348	\$71,760	\$93,184	\$114,712	
Supervisor OneCare Customer Service	K	408	\$47,112	\$61,360	\$75,504	
Supervisor Payroll	M	517	\$62,400	\$81,120	\$99,840	
Supervisor Pharmacist	P	610	\$95,264	\$128,752	\$162,032	
Supervisor Provider Enrollment	K	439	\$47,112	\$61,360	\$75,504	
Supervisor Provider Relations	M	652	\$62,400	\$81,120	\$99,840	
Supervisor Quality Analytics	M	609	\$62,400	\$81,120	\$99,840	
Supervisor Quality Improvement	N	600	\$71,760	\$93,184	\$114,712	
Supervisor Regulatory Affairs and Compliance	N	627	\$71,760	\$93,184	\$114,712	
Supervisor Social Work (PACE)	L	636	\$54,288	\$70,512	\$86,736	
Supervisor Systems Development	O	456	\$82,576	\$107,328	\$131,976	
Supervisor Therapy Services (PACE)	N	645	\$71,760	\$93,184	\$114,712	
Supervisor Utilization Management	N	637	\$71,760	\$93,184	\$114,712	
Systems Manager	N	512	\$71,760	\$93,184	\$114,712	
Systems Network Administrator Int	M	63	\$62,400	\$81,120	\$99,840	
Systems Network Administrator Sr	N	89	\$71,760	\$93,184	\$114,712	
Systems Operations Analyst	J	32	\$40,976	\$53,352	\$65,624	
Systems Operations Analyst Int	K	45	\$47,112	\$61,360	\$75,504	
Technical Analyst Int	L	64	\$54,288	\$70,512	\$86,736	
Technical Analyst Sr	M	75	\$62,400	\$81,120	\$99,840	
Technical Writer	L	247	\$54,288	\$70,512	\$86,736	
Technical Writer Sr	M	470	\$62,400	\$81,120	\$99,840	
Therapy Aide	J	521	\$40,976	\$53,352	\$65,624	
Training Administrator	L	621	\$54,288	\$70,512	\$86,736	
Training Program Coordinator	K	471	\$47,112	\$61,360	\$75,504	
Translation Specialist	G	241	\$30,576	\$38,272	\$45,968	
Web Architect	O	366	\$82,576	\$107,328	\$131,976	

* These positions are identified for the purposes of CalOptima Policy GA. 8042: Supplemental Compensation as Director level and above positions for which eligible employees may qualify for Employer-Paid Member Contribution.

** These positions are identified for the purposes of CalOptima Policy GA. 8042: Supplemental Compensation as Director level and above positions for which eligible employees may qualify for Employer-Paid Member Contribution and are also Chief or Executive Director level positions.

Text in red indicates new changes to the salary schedule proposed for Board approval.

Summary of Changes to Salary Schedule

For May 2017 Board Meeting:

Title	Old Wage Grade	New Job Code / Wage Grade	Notes / Reason	Salary Adjustment (% Increase)	Month Added/Changed
Personal Care Attendant	C	E	Market competitive pay equitable to Certified Nursing Assistants. This position is responsible for providing personal care services to CalOptima PACE participants. Incumbents do not require pay adjustments at this time.	N/A	May 2017

Summary of Market Adjustment Changes

For May 2017 Board Meeting:

Title	Old Wage Grade	New Job Code / Wage Grade	Notes / Reason	Salary Adjustment (% Increase)	Month Added/Changed
Director Audit & Oversight	Q	N/A	Market adjustment due to change in job scope.	1 Director Audit & Oversight will receive an 8.17% adjustment. The total impact for the current fiscal year is \$1,569.23. The annual cost is \$10,200.00.	May 2017

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken May 4, 2017 **Regular Meeting of the CalOptima Board of Directors**

Report Item

13. Consider Authorizing and Directing the Chairman of the CalOptima Board of Directors to Execute Amendment A03 to the Agreement with the California Department of Health Care Services (DHCS) for the CalOptima Program of All-Inclusive Care for the Elderly (PACE)

Contact

Nancy Huang, Interim Chief Financial Officer, (714) 246-8400

Recommended Action

Authorize and direct the Chairman of the Board of Directors (Board) to execute Amendment A03 to the PACE Agreement between DHCS and CalOptima (“DHCS Agreement”).

Background

Since October 2009, the Board has taken numerous actions related to the CalOptima PACE program. On June 6, 2013, the Board approved the execution of the DHCS Agreement as well as the agreement with the Centers for Medicare & Medicaid Services (CMS) for the operation of the CalOptima PACE site. On September 3, 2015, the Board approved execution of amendments A01 and A02 to the DHCS Agreement for the CY 2014 and CY 2015 rates, respectively. On December 1, 2016, the Board authorized CalOptima PACE to pursue a Waiver to allow Nurse Practitioners to provide primary care at PACE, which was approved on March 30, 2017 and incorporated an amendment to CalOptima’s CMS PACE Agreement.

The CalOptima DHCS PACE Agreement specifies, among other terms and conditions, the capitation payment rates CalOptima receives from DHCS to provide health care services. This Agreement is set to expire December 31, 2017, while the capitation rates are meant to be renewed on a calendar year basis.

Discussion

On March 29, 2017, DHCS provided CalOptima with Amendment A03 for the DHCS Agreement that includes the updates discussed below.

Rate Revisions – Calendar Year 2016

This amendment retroactively implements the 2016 capitation rates to January 1, 2016 and provides that the Managed Care Organization (MCO) Tax is to be reflected for the following periods:

1. For the period of January 1, 2016 through June 30, 2016, the Full Duals and Non-Duals capitation rates are implemented without the MCO tax;
2. The MCO tax applies to capitation for the July 1, 2016 through December 31, 2016 period; and
3. Beginning on January 1, 2017 and onward, the rates revert back to the non-MCO tax period rates in effect from January 1, 2016 through June 30, 2016, until the 2017 rates are developed and implemented with a future amendment to the CalOptima DHCS PACE Agreement.

Exhibit H - HIPAA Business Associate Addendum

Additionally, this Amendment incorporates a revised HIPAA Business Associate Addendum, Exhibit H, to replace the former Exhibit G, as of the Amendment effective date, which will require compliance with DHCS' revised data security standards. These provisions mirror the current Medi-Cal requirements, and CalOptima management does not foresee any concerns with ensuring compliance with these requirements.

All other terms and conditions in the CalOptima DHCS PACE Agreement remain the same.

Fiscal Impact

The CalOptima Fiscal Year (FY) 2015-16 Operating Budget approved by the Board on June 4, 2015, incorporated the draft CY 2015 PACE rates received from DHCS on May 18, 2015. The CalOptima Fiscal Year (FY) 2016-17 Operating Budget, approved by the Board on June 2, 2016, incorporated the draft CY 2016 PACE rates received from DHCS on September 30, 2015.

Upon analysis, staff estimates the retroactive application of the revised capitation rates and actual PACE enrollment for the period of January 1, 2016 through December 31, 2016, results in a net increase of approximately \$923,000, or 10.5% in Medi-Cal revenues, as compared to the originally budgeted rates.

There is no anticipated fiscal impact as a result of incorporating the revised HIPAA Business Associate Addendum.

Rationale for Recommendation

CalOptima's FY 2016-17 and FY 2017-18 Operating Budgets incorporated draft CY 2016 rates for the PACE program based on the prior year's capitation. Execution of the rate amendment will ensure that revenues and cash payments are consistent with the approved budgets.

Concurrence

Gary Crockett, Chief Counsel

Attachments

None

/s/ Michael Schrader

Authorized Signature

4/26/2017

Date

AGENDA ITEM 14 TO FOLLOW CLOSED SESSION

Consider Authorizing the Chief Executive Officer (CEO) to Submit OneCare Bid for Calendar Year 2018 and Execute Contract with the Centers for Medicare & Medicaid Services (CMS); Authorize the CEO to Amend/Execute OneCare Health Network Contracts and Take Other Actions as Necessary to Implement

Board of Directors Meeting May 4, 2017

Member Advisory Committee Update

The Member Advisory Committee (MAC) did not have a meeting scheduled in April, as the committee meets bi-monthly. The next scheduled MAC meeting is May 11, 2017, and MAC will provide an update at the June 1, 2017 Board of Directors meeting.

The MAC Goals and Objectives Ad Hoc Subcommittee, composed of members Sally Molnar, Patty Mouton and Christine Tolbert, met to propose goals and objectives for FY 2017-18. The MAC members will consider the proposed goals and objectives at the May 11, 2017 MAC meeting and will subsequently forward them to the Board of Directors as an information item.

The MAC Nominations Ad Hoc Subcommittee, including members Connie Gonzalez, Sally Molnar and Velma Shivers, convened to select a slate of candidates. MAC will consider the proposed candidates at the May 11, 2017 MAC meeting. Following the meeting, MAC will forward the recommended slate of candidates to the Board of Directors for consideration at the June 1, 2017 meeting.

The MAC appreciates the opportunity to provide the CalOptima Board with input and updates on the MAC's activities.

**Board of Directors Meeting
May 4, 2017**

Provider Advisory Committee (PAC) Update

April 13, 2017 PAC Meeting

Eleven (11) PAC members were in attendance at the March PAC meeting.

The PAC approved its FY 2016-17 Accomplishments. In addition to meeting on a monthly basis over the course of the FY 2016-17, PAC members have participated in at least eight (8) ad hoc subcommittees and dedicated approximately 331 hours or the equivalent of 41 business days. This does not account for the time spent preparing for meetings, reviewing reports, participating in their professional associations and communicating with CalOptima Staff and their respective constituencies.

PAC members recognize the importance of continuing to meet on a monthly basis and approved the PAC Meeting Schedule for the 2017-18 fiscal year, reflecting meetings on the second Thursday of each month, with the exception of July 2017 and January 2018.

PAC approved its FY 2017-18 Goals and Objectives, which are aligned with CalOptima's Strategic Plan. PAC members will track progress of their activities at a minimum on a quarterly basis.

PAC members received reports from the Chief Executive Officer, Chief Operating Officer and the Interim Chief Financial Officer, along with an update report on the opioid epidemic and how it is affecting California and in particular Orange County, as well as the trickle-down effect to CalOptima. PAC also received a Federal and State Legislative report along with a review of the handouts supplied by Government Affairs.

Vice Chair Richards formed an ad hoc to recommend agenda items for the joint MAC/PAC meeting scheduled on September 14, 2017. The ad hoc is composed of Chair Miranti, Vice Chair Richards and Member Pimentel. The ad hoc will meet with the MAC ad hoc prior to the September meeting.

Once again, the PAC appreciates and thanks the CalOptima Board for the opportunity to present input and updates on the PAC's current activities.

Board of Directors Meeting May 4, 2017

OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan) Member Advisory Committee Update

At the March 23, 2017 OneCare Connect Member Advisory Committee (OCC MAC) meeting, Tracy Hitzeman, Executive Director, Clinical Operations, presented an overview of the Home and Community-Based Services' Assisted Living Waiver (ALW) program. Ms. Hitzeman reported that ALW was developed to facilitate the transition of eligible Medi-Cal members from a nursing facility to a community home-like setting, utilizing ALW services and providing care coordination, assisted living services, nursing facility transition coordination, and environmental accessibility adaptations.

OCC MAC members received a presentation on the results of the 2016 Community Based Adult Services (CBAS) and skilled nursing facilities (SNF) surveys from Laura Guest, Supervisor, Quality Improvement. Ms. Guest reported that 100% of the CBAS centers had an overall satisfaction rate of over 90% and the SNF survey results had an overall satisfaction rate of 77%. OCC MAC members were pleased with these results.

Also at the March meeting, OCC MAC members received the Chief Executive Officer, Chief Medical Officer and State and Federal Legislative updates. OCC MAC members learned about potential changes to Medicaid from the proposed efforts to repeal and replace the Affordable Care Act. Following discussion, the committee requested CalOptima to keep them apprised of developments.

The OCC MAC Goals and Objectives Ad Hoc Subcommittee, including members Christine Chow, Sara Lee and Erin Ulibarri, met to propose activities for FY 2017-18. OCC MAC members considered and approved the goals and objectives, which will be submitted to the Board of Directors as an information item.

The OCC MAC Nominations Ad Hoc Subcommittee, consisting of members Lena Berlove, Ted Chigaros and Patty Mouton, recommended a slate of candidates for the OCC MAC to consider at the April 27, 2017 meeting. The OCC MAC will forward the recommended slate of candidates to the Board of Directors for consideration at the June 1, 2017 meeting.

The OCC MAC appreciates the opportunity to provide the CalOptima Board with input and updates on OCC MAC activities.



CalOptima
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A Primer to the FY 2017-18 CalOptima Budget

**Board of Directors Meeting
May 4, 2017**

**Nancy Huang
Interim Chief Financial Officer**

Overview

- Lines of Business
- FY 2017-18 Program Changes/Delays
- Operating Budget Assumptions
 - Enrollment
 - Revenue
 - Medical Expense
 - Administrative Expense
 - Capital Budget
- Timeline

Lines of Business

	Start Date	Program Type	Contractor/ Regulator
 <p>Medi-Cal CalOptima A Public Agency Better. Together.</p>	October 1995	California's Medicaid program	California Department of Health Care Services (DHCS)
 <p>OneCare (HMO SNP) CalOptima A Public Agency Better. Together.</p>	October 2005	Medicare Advantage Special Needs Plan (SNP)	Centers for Medicare & Medicaid Services (CMS)
 <p>PACE CalOptima A Public Agency Better. Together.</p>	October 2013	Medicare and Medicaid Program	Three-way contract: CMS, DHCS and CalOptima
 <p>OneCare Connect CalOptima A Public Agency Better. Together.</p>	July 2015	Medicare and Medicaid Duals Demonstration	Three-way contract: CMS, DHCS and CalOptima

- Medi-Cal program includes: (1) Classic and (2) Medi-Cal Expansion

FY 2017-18 Program Changes/Delays

- Coordinated Care Initiative

- Cal MediConnect will continue through 12/31/19
- Jan 2018: Removes IHSS financing from managed care

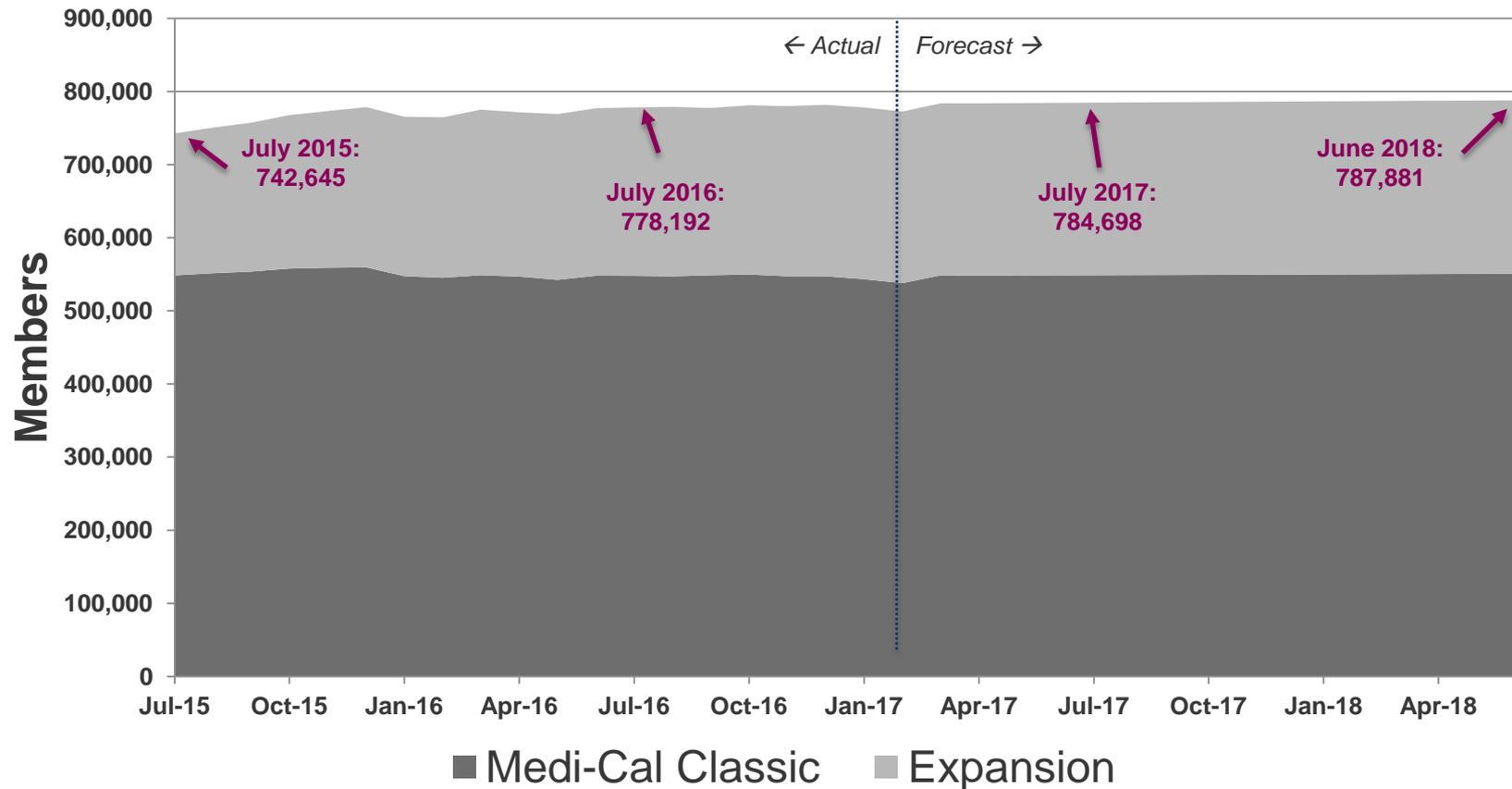
- Program Delays

Program	Implementation Date
Palliative Care	<ul style="list-style-type: none">• No sooner than 7/1/18
Whole-Child Model (CCS Redesign)	<ul style="list-style-type: none">• Phase 1: No sooner than 7/1/18• Phase 2 (includes Orange County): No sooner than 1/1/19
Health Homes Program	<ul style="list-style-type: none">• Phase 1: No sooner than 7/1/18
Whole Person Care Pilots	<ul style="list-style-type: none">• No sooner than 1/1/18

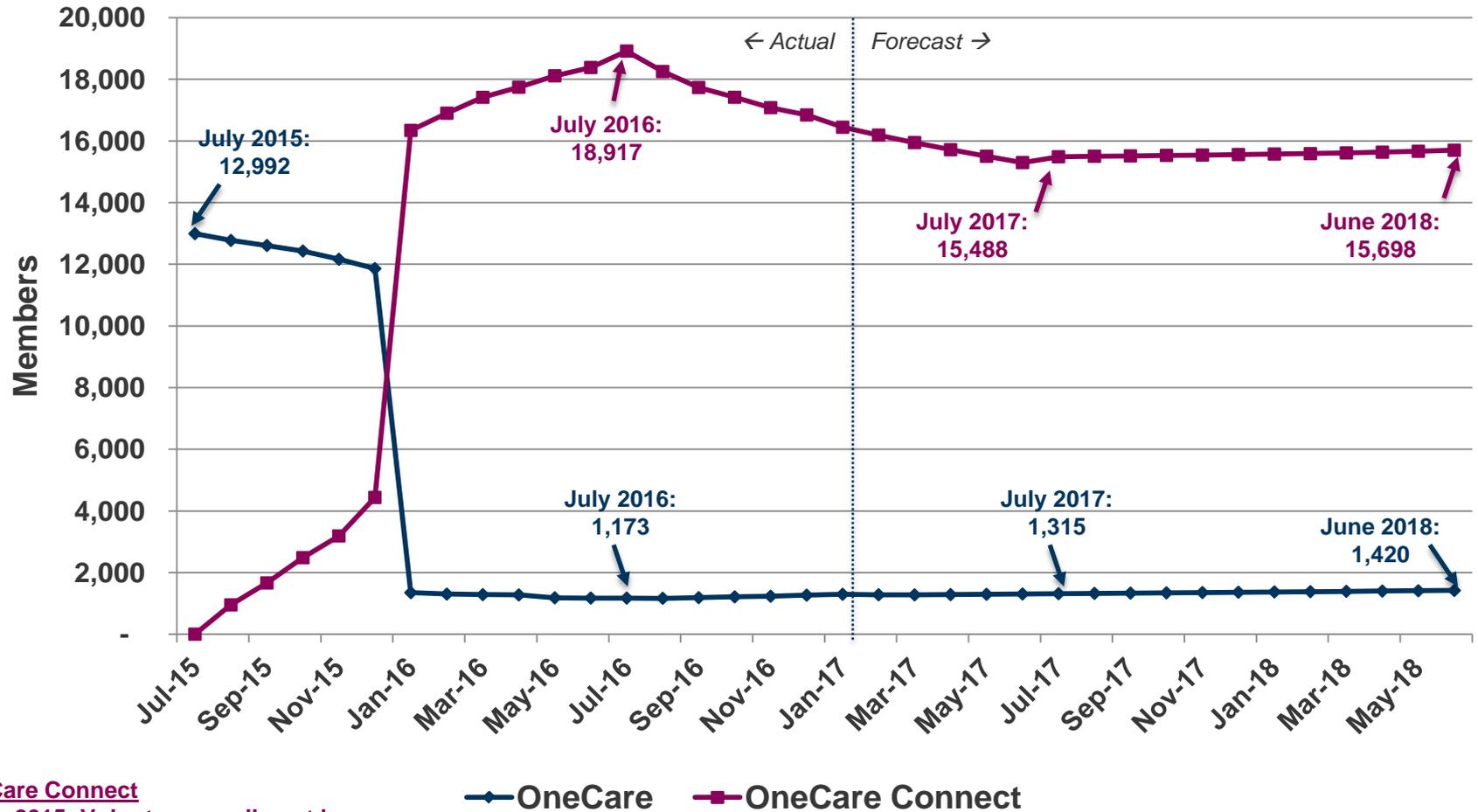
- Budget uncertainty

- State payment reconciliation for Medi-Cal Expansion and IHSS

Enrollment: Medi-Cal Classic & Expansion



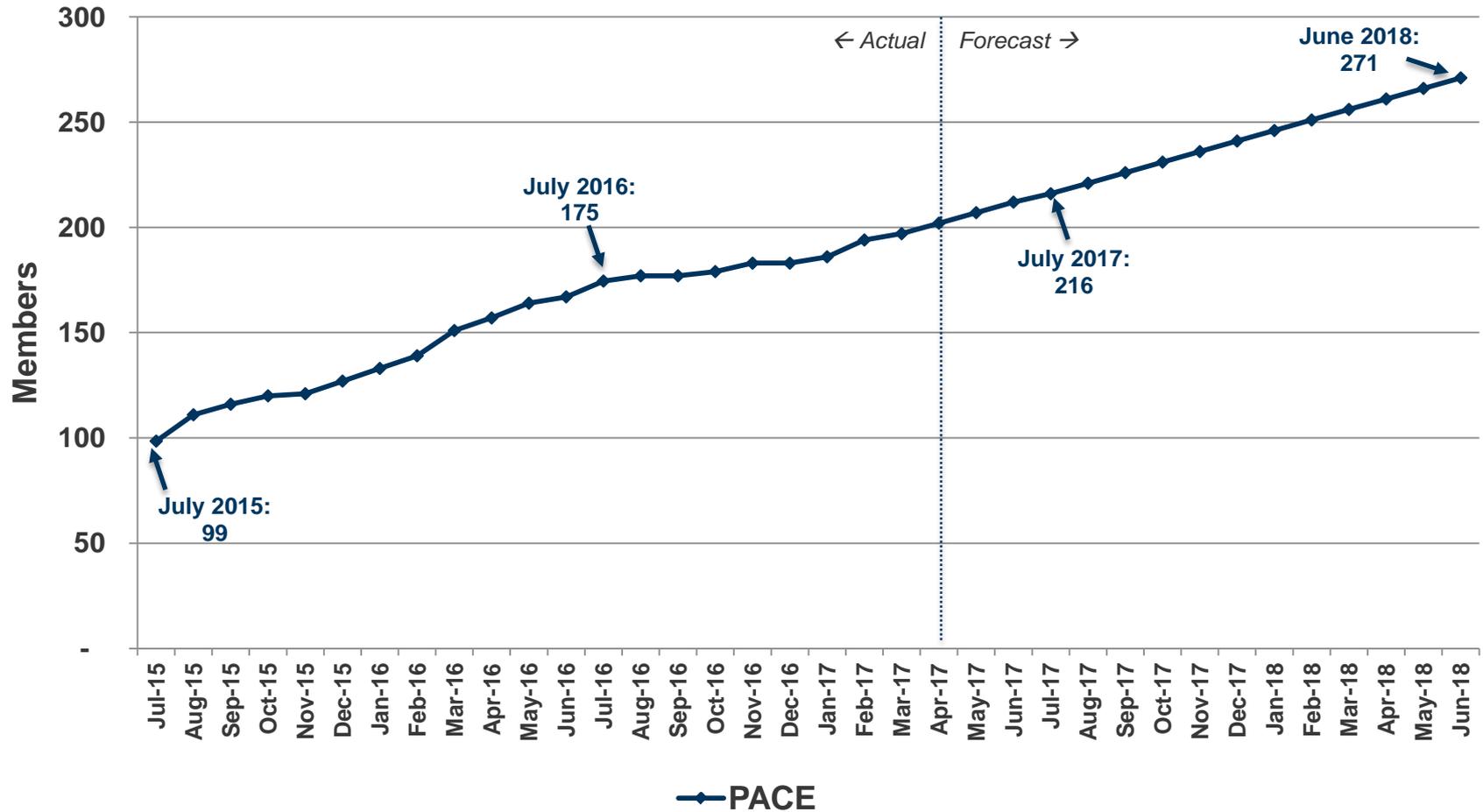
Enrollment: OneCare & OneCare Connect



OneCare Connect

- July 2015: Voluntary enrollment began
- Jan 2016: Passive enrollment began

Enrollment: PACE



Revenue Assumptions

Program	Assumption	
Medi-Cal	<ul style="list-style-type: none"> • Uses FY 2017-18 Preliminary rates for Classic population • Uses FY 2017-18 Preliminary rates for MCE population • Uses CY 2015 Preliminary rates for CCI population 	
OneCare Connect	<p>Medicare</p> <ul style="list-style-type: none"> • Uses CY 2017 Part C and Part D base rates • Project 3% trend in CY 2018 • Project RAF improvement 	<p>Medi-Cal</p> <ul style="list-style-type: none"> • Uses CY 2015 rates applied to current enrollment cohort mix
OneCare	<ul style="list-style-type: none"> • Uses CY 2017 Part C and Part D base rates for CY 2017 • Project 3% trend in CY 2018 • Project RAF improvement 	
PACE	<p>Medicare</p> <ul style="list-style-type: none"> • Uses CY 2017 actuals for Part C and Part D base rates • Project 2.2% trend in CY18 	<p>Medi-Cal</p> <ul style="list-style-type: none"> • Uses CY 2016 rates for Full Dual and Non-Dual

Provider Reimbursement Types

- Capitation

- Provider paid a per member per month payment for each enrolled member
- Receives payment regardless of whether or not a member seeks care
- At-risk arrangement

- Fee-for-Service

- Provider paid a fee for each particular service rendered
- Receives payment for each visit
- No risk arrangement

- Shared Risk

- Capitation and Fee-for Service arrangement

Provider Reimbursement: CalOptima

Model	Professional	Hospital	Pharmacy	Other Medical
Kaiser	Capitation	Capitation	Capitation	Capitation
HMO	Capitation	Capitation	Fee-For-Service	Fee-For-Service
PHC	Capitation	Capitation	Fee-For-Service	Fee-For-Service
SRG	Capitation	Fee-For-Service	Fee-For-Service	Fee-For-Service
CCN	Fee-For-Service	Fee-For-Service	Fee-For-Service	Fee-For-Service

Medical Expense Assumptions

Program	Assumption
Medi-Cal	<ul style="list-style-type: none">• Uses historical data to project FFS utilization• Capitation expenses uses current rates applied to enrollment
OneCare Connect	Medicare <ul style="list-style-type: none">• Assumes percent of premium for professional and facility capitation rates• Medical expenses based on historical OCC utilization Medi-Cal <ul style="list-style-type: none">• Bases capitation expense on contracted PMPM rates• MLTSS expenses based on historical data
OneCare	<ul style="list-style-type: none">• Professional capitation paid at percent of premium• Uses historical data to project FFS expenses• Supplemental benefit medical expenses based on existing provider reimbursement rates
PACE	<ul style="list-style-type: none">• Uses historical data to project FFS utilization• Reclassifies center support costs to medical

Administrative Expense Assumptions

- Forecasted based on a 12 month rolling actual*
- Purchasing Department reviewed all contract encumbrances
- Internal departments identified resource requirements based on enrollment, regulatory changes and organizational needs
- Budget divided into 2 major categories
 - Labor
 - Non-labor

* 12 month rolling actual forecasting methodology will take into consideration seasonal and cyclical spending patterns

Capital Budget Assumptions

- Budget divided into 3 major categories
 - Information Systems: Departments submit requests for capital projects based on strategic and operational needs
 - 505 Facility
 - PACE Center

Timeline

Date	Meeting
May 18, 2017	Present FY 2017-18 budgets to Finance and Audit Committee
June 1, 2017	Present FY 2017-18 budgets to CalOptima Board of Directors
July 1, 2017	Beginning of Fiscal Year 2017-18

Board of Directors Meeting May 4, 2017

Intergovernmental Transfer (IGT) 6 and 7 Update

On January 26, 2017, CalOptima received notification of the Voluntary Intergovernmental Transfer (IGT) Rate Range Program for Rate Years 2015-16 (IGT 6) and 2016-17 (IGT 7) from the California Department of Health Care Services (DHCS). At the March 2, 2017 CalOptima Board of Directors meeting, the Board authorized staff to submit a proposal to DHCS to participate in IGT 6 and IGT 7, authorize IGT funding partnerships with University of California-Irvine, the Children and Families Commission, the County of Orange, the City of Orange, and the City of Newport Beach, and to execute agreements with the funding entities/providers. Staff is working diligently with the identified funding entities, designated providers, and regulatory agencies to secure available IGT funds for IGT 6 and IGT 7.

Purpose of IGT

The Medi-Cal program is funded by the state and federal governments, with funds designated to be used to provide enhanced benefits to existing CalOptima Medi-Cal beneficiaries. The IGT process enables CalOptima to secure additional federal revenue to increase California's historically low Medi-Cal managed care capitation rates. There is no guarantee of future availability of the IGT Rate Range program, thus funds are best suited for one-time investments or as seed capital for new services or initiatives for the benefit of Medi-Cal beneficiaries.

Anticipated CalOptima IGT Share Totals for IGT 6 and 7

IGTs	CalOptima Share
IGT 6	\$9.9 M
IGT 7	\$12.1 M
Total	\$22.0 M*

**Estimate dependent on total IGT 6 and 7 amounts*

Anticipated Cumulative Funds Flow for IGT 6 and 7

Estimates Based On DHCS Approved Funding Entities' Contribution	Amount
1. Funding Entities' Initial Contribution to DHCS (IGT)	\$55,284,627
2. - an additional 20% admin fee is paid by each funder to DHCS (\$11.06M)	\$55,284,627
3. Federal Match of Funding Entities' IGT	\$55,284,627
4. IGT Funds Available	\$110,569,254
5. CalOptima Pays Original Funds to Funding Entities' Designated Providers (Initial Contribution + 20% State Fee of \$11.06M)	(\$66,341,552)
6. Net IGT Revenue for Transaction to Orange County	\$44,227,702

Estimates Based On DHCS Approved Funding Entities' Contribution	Amount
50% Share for Funding Entities' Designated Providers	\$22,113,851
50% Share for CalOptima	\$22,113,851

Proposed IGT 6 and 7 Funding Categories

Staff proposes to expend the amount retained in support of Medi-Cal beneficiaries and the Medi-Cal program to make improvements in one or more of the following areas subject to approval by the CalOptima Board of Directors as follows:

1. Community health investment as identified by the Member Health Needs Assessment being conducted in CY 2017. Investments may include programs addressing opioid overuse, homeless health care access, children’s mental health, adult mental health, childhood obesity, strengthening the safety net, children’s health, older adult health and other areas as identified.
2. Additionally, up to three percent (3%) of the amount retained by CalOptima will be expended on administration of the IGT program and CalOptima administered programs developed within the community health investment areas noted.

Staff will return to the Board with a proposed expenditure plan with recommendations following the completion of the member health needs assessment.

IGT 6 and 7 Anticipated 2017 Timeline

Date	Activity
January 26, 2017	Received Notification of IGT Application from DHCS
March 2	Board of Directors Approved Submission of Proposal to Participate
April 8	Funding Entities Receive Agreement Templates and CMS Questionnaire from DHCS
June 2	Funding Entities Submit Signed Agreements to DHCS
June and July	PAC/MAC/OCC-MAC Review
August	Board of Directors Approval of IGT Expenditure Plan
September 7 (IGT 6)	Funding Entities Receive Wire Request from DHCS
December (IGT 7)	Funding Entities Receive Wire Request from DHCS
December 7	Present Key Findings from CalOptima Member Health Needs Assessment
December (IGT 6)	Total Funds Returned to CalOptima
March 2018 (IGT 7)	Total Funds Returned to CalOptima

Please note that all timeframes are estimates and are subject to change by DHCS. Staff will provide regular updates regarding the IGT 6 and 7 transactions to the Board of Directors as additional information becomes available.



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Financial Summary

March 2017

Board of Directors Meeting
May 4, 2017

Nancy Huang
Interim Chief Financial Officer

FY 2016-17: Consolidated Enrollment

- March 2017 MTD:
 - Overall enrollment was 793,442 member months
 - Actual lower than budget by 13,721 or 1.7%
 - Medi-Cal: unfavorable variance of 8,296 members
 - Medi-Cal Expansion (MCE) favorable to budget by 12,083 members
 - SPD enrollment is favorable to budget by 5,384
 - TANF unfavorable variance of 26,277 members
 - OneCare Connect: unfavorable variance of 5,540 members
 - 0.3% or 2,339 increase from prior month
 - Medi-Cal: increase of 2,475 from February
 - OneCare Connect: decrease of 136 from February
 - OneCare: decrease of 3 from February
 - PACE: increase of 3 from February

FY 2016-17: Consolidated Enrollment

- March 2017 YTD:

- Overall enrollment was 7,172,126 member months
 - Actual lower than budget by 54,328 or 0.8%
 - Medi-Cal: unfavorable variance of 11,955 members
 - Medi-Cal Expansion (MCE) growth higher than budget by 88.2K
 - SPD enrollment higher than budget by 39.7K due to less than anticipated dual eligible members transferring to OneCare Connect
 - Offset by lower than budget TANF enrollment of 144.9K
 - OneCare Connect: unfavorable variance of 42,648 members or 21.6%
 - PACE: unfavorable variance of 9 members or 0.5%
 - OneCare: favorable variance of 284 members or 2.6%

FY 2016-17: Consolidated Revenues

- March 2017 MTD:
 - Actual higher than budget by \$22.7 million or 8.0%
 - Medi-Cal: favorable to budget by \$42.4 million or 17.9%
 - Price related favorable variance of \$44.9 million due to:
 - \$6.5 million of LTC revenue for non-LTC members
 - \$14.2 million for YTD CCI revenue true-up
 - Remaining from member mix difference versus budget
 - Volume related unfavorable variance of \$2.5 million
 - OneCare Connect: unfavorable variance of \$20.5 million or 47.3%
 - Unfavorable volume variance of \$11.1 million
 - Unfavorable price variance of \$9.4 million
 - OCC Medicare Part A and B revenue decreases due to base rate and RAF score changes
 - OCC Medi-Cal adjustments related to prior year updates.
 - OCC Medi-Cal cohorts mix true-up for prior periods

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

- March 2017 YTD:

- Actual lower than budget by \$9.1 million or 0.4%
 - Medi-Cal: favorable to budget by \$130.5 million or 6.2%
 - OneCare Connect: unfavorable variance of \$140.8 million or 34.9%
 - Medi-Cal revenue unfavorable \$47.8 million
 - Medicare revenue unfavorable \$93.0 million
 - OneCare: favorable \$0.4 million or 3.2%
 - PACE: favorable \$0.8 million

FY 2016-17: Consolidated Medical Expenses

- March 2017 MTD:
 - Actual higher than budget by \$24.1 million or 8.8%
 - Medi-Cal: unfavorable variance of \$39.8 million
 - MLTSS unfavorable variance \$18.3 million
 - LTC unfavorable variance \$9.3 million
 - IHSS related unfavorable variance approximately \$8.7 million
 - Provider Capitation unfavorable variance of \$15.0 million
 - \$12.5 million due to one shared risk network move to HMO model in February
 - \$2.3 million unfavorable variance related to Kaiser capitation reconciliation
 - Facilities expenses unfavorable variance of \$5.6 million due to IBNR restatement in current month relating to prior periods
 - OneCare Connect: favorable variance of \$15.9 million
 - Favorable volume variance of \$10.7 million
 - Favorable price variance of \$5.2 million
 - Lower than budget prescription drugs and LTC costs

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

- March 2017 YTD:

- Actual higher than budget by \$23.1 million or 1.0%
 - Medi-Cal: unfavorable variance of \$147.4 million
 - Unfavorable price variance of \$150.8 million
 - IHSS estimated expense \$51.4 million higher than budget
 - Long Term Care expense \$50.0 million higher than budget
 - Favorable volume variance of \$3.4 million
 - OneCare Connect: favorable variance of \$123.1 million
 - Favorable volume variance of \$82.1 million
 - Favorable price variance of \$41.0 million

- Medical Loss Ratio (MLR):

- March 2017 MTD: Actual: 97.7% Budget: 97.0%
- March 2017 YTD: Actual: 96.8% Budget: 95.6%

FY 2016-17: Consolidated Administrative Expenses

- March 2017 MTD:

- Actual lower than budget by \$2.8 million or 23.4%
 - Salaries and Benefits: favorable variance of \$1.7 million
 - Other categories: favorable variance of \$1.0 million

- March 2017 YTD:

- Actual lower than budget by \$21.7 million or 20.8%
 - Salaries and Benefits: favorable variance of \$14.6 million driven by lower than budgeted FTE
 - Other categories: favorable variance of \$7.2 million

- Administrative Loss Ratio (ALR):

- March 2017 MTD: Actual: 3.0% Budget: 4.2%
- March 2017 YTD: Actual: 3.3% Budget: 4.1%

FY 2016-17: Change in Net Assets

- March 2017 MTD:

- \$0.9 million deficit
- \$2.5 million favorable to budget
 - Higher than budgeted revenue of \$22.7 million
 - Higher than budgeted medical expenses of \$24.1 million
 - Lower than budgeted administrative expenses of \$2.8 million
 - Higher than budgeted investment income of \$1.1 million

- March 2017 YTD:

- \$6.2 million surplus
- \$2.9 million unfavorable to budget
 - Lower than budgeted revenue of \$9.1 million
 - Higher than budgeted medical expenses of \$23.1 million
 - Lower than budgeted administrative expenses of \$21.7 million
 - Higher than budgeted investment income of \$7.0 million

Enrollment Summary: March 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
59,945	56,019	3,926	7.0%	Aged	528,179	498,540	29,639	5.9%
617	679	(62)	(9.1%)	BCCTP	5,592	6,094	(502)	(8.2%)
48,820	47,300	1,520	3.2%	Disabled	437,298	426,754	10,544	2.5%
328,225	344,010	(15,785)	(4.6%)	TANF Child	2,995,530	3,068,664	(73,134)	(2.4%)
98,235	108,727	(10,492)	(9.6%)	TANF Adult	912,453	984,138	(71,685)	(7.3%)
3,249	2,735	514	18.8%	LTC	29,350	24,316	5,034	20.7%
236,790	224,707	12,083	5.4%	MCE	2,096,198	2,008,048	88,150	4.4%
775,881	784,177	(8,296)	(1.1%)	Medi-Cal	7,004,600	7,016,555	(11,955)	(0.2%)
16,086	21,626	(5,540)	(25.6%)	OneCare Connect	154,757	197,406	(42,648)	(21.6%)
197	205	(8)	(3.9%)	PACE	1,656	1,665	(9)	(0.5%)
1,278	1,155	123	10.6%	OneCare	11,113	10,829	284	2.6%
793,442	807,163	(13,721)	(1.7%)	CalOptima Total	7,172,126	7,226,455	(54,328)	(0.8%)

Financial Highlights: March 2017

Month-to-Date					Year-to-Date			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
793,442	807,163	(13,721)	(1.7%)	Member Months	7,172,126	7,226,454	(54,328)	(0.8%)
304,813,539	282,139,998	22,673,541	8.0%	Revenues	2,527,406,241	2,536,467,681	(9,061,440)	(0.4%)
297,912,863	273,806,051	(24,106,812)	(8.8%)	Medical Expenses	2,447,047,392	2,423,945,257	(23,102,135)	(1.0%)
9,098,588	11,875,544	2,776,955	23.4%	Administrative Expenses	82,929,848	104,665,680	21,735,832	20.8%
(2,197,912)	(3,541,597)	1,343,684	(37.9%)	Operating Margin	(2,570,998)	7,856,744	(10,427,742)	(132.7%)
1,306,382	134,754	1,171,628	869.5%	Non Operating Income (Loss)	8,796,549	1,259,488	7,537,061	598.4%
(891,530)	(3,406,842)	2,515,312	73.8%	Change in Net Assets	6,225,551	9,116,232	(2,890,681)	(31.7%)
97.7%	97.0%	(0.7%)		Medical Loss Ratio	96.8%	95.6%	(1.3%)	
3.0%	4.2%	1.2%		Administrative Loss Ratio	3.3%	4.1%	0.8%	
<u>(0.7%)</u>	<u>(1.3%)</u>	0.5%		Operating Margin Ratio	<u>(0.1%)</u>	<u>0.3%</u>	(0.4%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

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

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
2.2	(2.6)	4.8	Medi-Cal	6.5	7.3	(0.8)
0.7	0.0	0.7	OneCare	0.4	0.2	0.2
(4.8)	(0.7)	(4.1)	OCC	(10.0)	2.3	(12.3)
<u>(0.3)</u>	<u>(0.2)</u>	<u>(0.1)</u>	PACE	<u>0.4</u>	<u>(2.0)</u>	<u>2.4</u>
(2.2)	(3.5)	1.3	Operating	(2.7)	7.9	(10.5)
<u>1.3</u>	<u>0.1</u>	<u>1.2</u>	Inv./Rental Inc, MCO tax	<u>8.9</u>	<u>1.3</u>	<u>7.6</u>
1.3	0.1	1.2	Non-Operating	8.9	1.3	7.6
(0.9)	(3.4)	2.5	TOTAL	6.2	9.1	(2.9)

Consolidated Revenue & Expense: March 2017 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	539,091	236,790	775,881	1,278	16,086	197	793,442
REVENUES							
Capitation Revenue	\$ 189,280,126	\$ 89,162,436	\$ 278,442,561	\$ 2,237,364	\$ 22,893,140	\$ 1,240,473	\$ 304,813,539
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>189,280,126</u>	<u>89,162,436</u>	<u>278,442,561</u>	<u>2,237,364</u>	<u>22,893,140</u>	<u>1,240,473</u>	<u>304,813,539</u>
MEDICAL EXPENSES							
Provider Capitation	47,225,846	43,347,983	90,573,829	352,383	8,653,359	-	99,579,571
Facilities	37,644,775	25,855,002	63,499,777	292,873	9,499,937	316,334	73,608,921
Ancillary	-	-	-	57,503	1,035,401	-	1,092,904
Skilled Nursing	-	-	-	45,814	-	-	45,814
Professional Claims	5,454,626	12,055,982	17,510,608	-	-	343,049	17,853,657
Prescription Drugs	19,744,177	18,206,918	37,951,096	626,505	6,637,343	151,816	45,366,760
Long-term Care Facility Payments	53,528,133	2,541,154	56,069,287	-	(1,142,264)	14,771	54,941,794
Medical Management	3,085,647	-	3,085,647	18,288	1,131,471	443,480	4,678,885
Reinsurance & Other	(593,434)	1,095,710	502,276	6,034	88,809	147,438	744,556
Total Medical Expenses	<u>166,089,770</u>	<u>103,102,750</u>	<u>269,192,520</u>	<u>1,399,399</u>	<u>25,904,056</u>	<u>1,416,888</u>	<u>297,912,863</u>
Medical Loss Ratio	87.7%	115.6%	96.7%	62.5%	113.2%	114.2%	97.7%
GROSS MARGIN	23,190,355	(13,940,314)	9,250,041	837,965	(3,010,916)	(176,415)	6,900,676
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,344,552	46,408	751,099	110,778	6,252,836
Professional fees			184,134	10,344	1,563	10,128	206,168
Purchased services			515,663	25,103	114,067	3,250	658,084
Printing and Postage			105,618	1,045	20,839	352	127,854
Depreciation and Amortization			429,717	-	-	2,087	431,804
Other expenses			1,021,156	0	49,717	22,536	1,093,409
Indirect cost allocation, Occupancy expense			(582,577)	30,641	877,727	2,643	328,434
Total Administrative Expenses			<u>7,018,262</u>	<u>113,540</u>	<u>1,815,011</u>	<u>151,775</u>	<u>9,098,588</u>
Admin Loss Ratio			2.5%	5.1%	7.9%	12.2%	3.0%
INCOME (LOSS) FROM OPERATIONS			2,231,779	724,425	(4,825,926)	(328,190)	(2,197,912)
INVESTMENT INCOME			-	-	-	-	1,296,868
NET RENTAL INCOME			-	-	-	-	5,100
NET GRANT INCOME			4,048	-	-	-	4,048
OTHER INCOME			366	-	-	-	366
CHANGE IN NET ASSETS			<u>\$ 2,236,193</u>	<u>\$ 724,425</u>	<u>\$ (4,825,926)</u>	<u>\$ (328,190)</u>	<u>\$ (891,530)</u>
BUDGETED CHANGE IN ASSETS			(2,600,178)	2,883	(727,120)	(217,182)	(3,406,842)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>4,836,371</u>	<u>721,542</u>	<u>(4,098,806)</u>	<u>(111,008)</u>	<u>2,515,312</u>

Consolidated Revenue & Expense: March 2017 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Total Medi-Cal	OneCare	OneCare Connect	PACE	Consolidated
Member Months	4,908,402	2,096,198	7,004,600	11,113	154,757	1,656	7,172,126
REVENUES							
Capitation Revenue	\$ 1,294,049,487	\$ 946,419,582	\$ 2,240,469,069	\$ 12,882,666	\$ 262,713,586	\$ 11,340,920	\$ 2,527,406,241
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>1,294,049,487</u>	<u>946,419,582</u>	<u>2,240,469,069</u>	<u>12,882,666</u>	<u>262,713,586</u>	<u>11,340,920</u>	<u>2,527,406,241</u>
MEDICAL EXPENSES							
Provider Capitation	312,814,056	387,527,553	700,341,609	3,601,167	67,104,447	-	771,047,223
Facilities	258,731,928	265,358,263	524,090,192	2,854,681	80,867,861	2,366,081	610,178,814
Ancillary	-	-	-	390,044	7,081,208	-	7,471,252
Skilled Nursing	-	-	-	512,745	-	-	512,745
Professional Claims	79,643,775	81,415,199	161,058,975	-	-	2,027,091	163,086,065
Prescription Drugs	164,020,120	150,704,470	314,724,591	4,026,370	45,884,211	827,470	365,462,642
Long-term Care Facility Payments	418,330,806	18,697,236	437,028,042	-	46,197,448	58,151	483,283,640
Medical Management	26,250,586	-	26,250,586	198,831	9,053,759	3,599,473	39,102,649
Reinsurance & Other	(4,282,400)	9,284,985	5,002,584	42,805	823,110	1,033,862	6,902,361
Total Medical Expenses	<u>1,255,508,871</u>	<u>912,987,707</u>	<u>2,168,496,578</u>	<u>11,626,643</u>	<u>257,012,044</u>	<u>9,912,127</u>	<u>2,447,047,392</u>
Medical Loss Ratio	97.0%	96.5%	96.8%	90.3%	97.8%	87.4%	96.8%
GROSS MARGIN	38,540,616	33,431,875	71,972,491	1,256,023	5,701,542	1,428,793	80,358,849
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			47,463,677	179,536	7,154,431	846,784	55,644,428
Professional Fees			1,195,359	144,614	318,115	43,933	1,702,021
Purchased services			6,254,076	214,162	1,202,054	37,942	7,708,235
Printing and Postage			1,785,569	71,016	510,651	2,617	2,369,853
Depreciation and Amortization			2,958,702	-	-	18,465	2,977,167
Other expenses			8,950,587	2,071	339,385	79,076	9,371,119
Indirect cost allocation, Occupancy expense			(3,278,297)	216,371	6,197,848	21,102	3,157,025
Total Administrative Expenses			<u>65,329,675</u>	<u>827,769</u>	<u>15,722,485</u>	<u>1,049,918</u>	<u>82,929,848</u>
Admin Loss Ratio			2.9%	6.4%	6.0%	9.3%	3.3%
INCOME (LOSS) FROM OPERATIONS			6,642,816	428,254	(10,020,943)	378,875	(2,570,998)
INVESTMENT INCOME			-	-	-	-	8,860,931
NET RENTAL INCOME			-	-	-	-	47,070
NET GRANT INCOME			(112,664)	-	-	-	(112,664)
OTHER INCOME			1,213	-	-	-	1,213
CHANGE IN NET ASSETS			<u>\$ 6,531,364</u>	<u>\$ 428,254</u>	<u>\$ (10,020,943)</u>	<u>\$ 378,875</u>	<u>\$ 6,225,552</u>
BUDGETED CHANGE IN ASSETS			7,339,669	202,859	2,291,562	(1,977,345)	9,116,232
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(808,305)</u>	<u>225,395</u>	<u>(12,312,504)</u>	<u>2,356,220</u>	<u>(2,890,680)</u>

Balance Sheet: As of March 2017

ASSETS

Current Assets

Operating Cash	\$499,619,891
Catastrophic Reserves	11,173,846
Investments	1,434,341,743
Capitation receivable	296,898,752
Receivables - Other	18,564,393
Prepaid Expenses	12,421,963

Total Current Assets 2,273,020,588

Capital Assets Furniture and equipment	35,790,228
Leasehold improvements	6,419,233
505 City Parkway West	49,271,389
	<u>91,480,850</u>
Less: accumulated depreciation	(36,638,498)
Capital assets, net	<u>54,842,352</u>

Other Assets Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	11,633,228
Long term investments	521,415,794
Total Board-designated Assets	<u>533,049,022</u>
Total Other Assets	<u>533,349,022</u>

Deferred outflows of Resources - Pension Contributions	3,787,544
Deferred outflows of Resources - Difference in Experience	1,215,473

TOTAL ASSETS & OUTFLOWS 2,866,214,979

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$38,879,762
Medical claims liability	680,912,203
Accrued payroll liabilities	10,627,236
Deferred revenue	907,321,771
Deferred lease obligations	216,199
Capitation and withholds	517,833,992

Total Current Liabilities 2,155,791,162

Other employment benefits liability	29,750,410
Net Pension Liabilities	12,626,137
Long Term Liabilities	100,000

TOTAL LIABILITIES 2,198,267,709

Deferred inflows of Resources - Excess Earnings	502,900
Deferred inflows of Resources - changes in Assumptions	1,651,640

Tangible net equity (TNE)	95,386,676
Funds in excess of TNE	570,406,054

Net Assets 665,792,730

TOTAL LIABILITIES, INFLOWS & FUND BALANCES 2,866,214,979

Board Designated Reserve and TNE Analysis As of March 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	145,711,189				
	Tier 1 - Logan Circle	145,451,948				
	Tier 1 - Wells Capital	145,463,504				
Board-designated Reserve		436,626,641	313,071,502	488,125,007	123,555,138	(51,498,367)
TNE Requirement	Tier 2 - Logan Circle	96,422,381	95,386,676	95,386,676	1,035,705	1,035,705
	Consolidated:	533,049,022	408,458,178	583,511,683	124,590,844	(50,462,661)
	<i>Current reserve level</i>	<i>1.83</i>	<i>1.40</i>	<i>2.00</i>		



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UNAUDITED FINANCIAL STATEMENTS

March 2017

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**CalOptima - Consolidated
Financial Highlights
For the Nine Months Ended March 31, 2017**

Month-to-Date				Year-to-Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
793,442	807,163	(13,721)	(1.7%)	Member Months	7,172,126	7,226,454	(54,328)	(0.8%)
304,813,539	282,139,998	22,673,541	8.0%	Revenues	2,527,406,241	2,536,467,681	(9,061,440)	(0.4%)
297,912,863	273,806,051	(24,106,812)	(8.8%)	Medical Expenses	2,447,047,392	2,423,945,257	(23,102,135)	(1.0%)
9,098,588	11,875,544	2,776,955	23.4%	Administrative Expenses	82,929,848	104,665,680	21,735,832	20.8%
(2,197,912)	(3,541,597)	1,343,684	(37.9%)	Operating Margin	(2,570,998)	7,856,744	(10,427,742)	(132.7%)
1,306,382	134,754	1,171,628	869.5%	Non Operating Income (Loss)	8,796,549	1,259,488	7,537,061	598.4%
(891,530)	(3,406,842)	2,515,312	73.8%	Change in Net Assets	6,225,551	9,116,232	(2,890,681)	(31.7%)
97.7%	97.0%	(0.7%)		Medical Loss Ratio	96.8%	95.6%	(1.3%)	
3.0%	4.2%	1.2%		Administrative Loss Ratio	3.3%	4.1%	0.8%	
<u>(0.7%)</u>	<u>(1.3%)</u>	0.5%		Operating Margin Ratio	<u>(0.1%)</u>	<u>0.3%</u>	(0.4%)	
100.0%	100.0%			Total Operating	100.0%	100.0%		

**CalOptima
Financial Dashboard
For the Nine Months Ended March 31, 2017**

MONTH

Enrollment					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	775,881	784,177	↓	(8,296)	(1.1%)
OneCare	1,278	1,155	↑	123	10.6%
OneCare Connect	16,086	21,626	↓	(5,540)	(25.6%)
PACE	197	205	↓	(8)	(3.9%)
Total	793,442	807,163	↓	(13,721)	(1.7%)

Change in Net Assets (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 2,236	\$ (2,600)	↑	\$ 4,836	186.0%
OneCare	724	3	↑	722	25024.1%
OneCare Connect	(4,826)	(727)	↓	(4,099)	(563.7%)
PACE	(328)	(217)	↓	(111)	(51.1%)
505 Bldg.	5	(74)	↑	79	106.9%
Investment Income & Other	1,297	208	↑	1,089	522.5%
Total	\$ (892)	\$ (3,407)	↑	\$ 2,515	73.8%

MLR				
	Actual	Budget	% Point Var	
Medi-Cal	96.7%	97.2%	↑	0.5
OneCare	62.5%	90.7%	↑	28.1
OneCare Connect	113.2%	96.3%	↓	(16.9)

Administrative Cost (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 7,018	\$ 9,275	↑	\$ 2,257	24.3%
OneCare	114	123	↑	9	7.5%
OneCare Connect	1,815	2,348	↑	533	22.7%
PACE	152	129	↓	(23)	(17.5%)
Total	\$ 9,099	\$ 11,876	↑	\$ 2,777	23.4%

Total FTE's Month				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	845	886		41
OneCare	4	3		(1)
OneCare Connect	231	239		7
PACE	47	59		12
Total	1,128	1,186		58

MM per FTE				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	918	885		33
OneCare	319	385		(66)
OneCare Connect	69	91		(21)
PACE	4	4		1
Total	1,311	1,364		(53)

YEAR - TO - DATE

Year To Date Enrollment					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	7,004,600	7,016,555	↓	(11,955)	(0.2%)
OneCare	11,113	10,829	↑	284	2.6%
OneCare Connect	154,757	197,405	↓	(42,648)	(21.6%)
PACE	1,656	1,665	↓	(9)	(0.5%)
Total	7,172,126	7,226,454	↓	(54,328)	(0.8%)

Change in Net Assets (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 6,531	\$ 7,340	↓	\$ (808)	(11.0%)
OneCare	428	203	↑	225	111.1%
OneCare Connect	(10,021)	2,292	↓	(12,313)	(537.3%)
PACE	379	(1,977)	↑	2,356	119.2%
505 Bldg.	47	(616)	↑	663	107.6%
Investment Income & Other	8,861	1,875	↑	6,986	372.6%
Total	\$ 6,226	\$ 9,116	↓	\$ (2,891)	(31.7%)

MLR				
	Actual	Budget	% Point Var	
Medi-Cal	96.8%	95.8%	↓	(1.0)
OneCare	90.3%	90.8%	↑	0.5
OneCare Connect	97.8%	94.2%	↓	(3.6)

Administrative Cost (\$000)					
	Actual	Budget	Fav / (Unfav)		
Medi-Cal	\$ 65,330	\$ 81,538	↑	\$ 16,208	19.9%
OneCare	828	949	↑	121	12.7%
OneCare Connect	15,722	21,102	↑	5,379	25.5%
PACE	1,050	1,077	↑	27	2.5%
Total	\$ 82,930	\$ 104,666	↑	\$ 21,736	20.8%

Total FTE's YTD				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	7,580	7,973		393
OneCare	33	27		(6)
OneCare Connect	2,037	2,147		110
PACE	379	515		135
Total	9,908	10,662		754

MM per FTE				
	Actual	Budget	Fav / (Unfav)	
Medi-Cal	924	880		44
OneCare	333	401		(68)
OneCare Connect	76	92		(16)
PACE	4	3		1
Total	1,338	1,376		(39)

CalOptima - Consolidated
Statement of Revenue and Expenses
For the One Month Ended March 31, 2017

	Actual		Month Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	793,442		807,163		(13,721)	
Revenues						
Medi-Cal	\$ 278,442,561	\$ 358.87	\$ 236,069,830	\$ 301.04	\$ 42,372,732	\$ 57.83
OneCare	2,237,364	1,750.68	1,345,621	1,165.04	891,743	585.64
OneCare Connect	22,893,140	1,423.17	43,439,106	2,008.65	(20,545,966)	(585.48)
PACE	1,240,473	6,296.82	1,285,441	6,270.44	(44,968)	26.37
Total Operating Revenue	<u>304,813,539</u>	<u>384.17</u>	<u>282,139,998</u>	<u>349.55</u>	<u>22,673,541</u>	<u>34.62</u>
Medical Expenses						
Medi-Cal	269,192,520	346.95	229,394,757	292.53	(39,797,763)	(54.42)
OneCare	1,399,399	1,094.99	1,220,000	1,056.28	(179,399)	(38.71)
OneCare Connect	25,904,056	1,610.35	41,817,866	1,933.68	15,913,810	323.34
PACE	1,416,888	7,192.32	1,373,427	6,699.64	(43,461)	(492.68)
Total Medical Expenses	<u>297,912,863</u>	<u>375.47</u>	<u>273,806,051</u>	<u>339.22</u>	<u>(24,106,812)</u>	<u>(36.25)</u>
Gross Margin	6,900,676	8.70	8,333,947	10.32	(1,433,271)	(1.63)
Administrative Expenses						
Salaries and Benefits	6,252,836	7.88	7,987,216	9.90	1,734,380	2.01
Professional fees	206,168	0.26	445,418	0.55	239,250	0.29
Purchased services	658,084	0.83	1,051,208	1.30	393,125	0.47
Printing and Postage	127,854	0.16	475,204	0.59	347,350	0.43
Depreciation and Amortization	431,804	0.54	385,117	0.48	(46,686)	(0.07)
Other	1,093,409	1.38	1,104,075	1.37	10,667	(0.01)
Indirect cost allocation, Occupancy expense	328,434	0.41	427,305	0.53	98,871	0.12
Total Administrative Expenses	<u>9,098,588</u>	<u>11.47</u>	<u>11,875,544</u>	<u>14.71</u>	<u>2,776,955</u>	<u>3.25</u>
Income (Loss) From Operations	(2,197,912)	(2.77)	(3,541,597)	(4.39)	1,343,684	1.62
Investment income						
Interest income	2,043,846	2.58	208,333	0.26	1,835,513	2.32
Realized gain/(loss) on investments	(230,282)	(0.29)	-	-	(230,282)	(0.29)
Unrealized gain/(loss) on investments	(516,696)	(0.65)	-	-	(516,696)	(0.65)
Total Investment Income	<u>1,296,868</u>	<u>1.63</u>	<u>208,333</u>	<u>0.26</u>	<u>1,088,535</u>	<u>1.38</u>
Net Rental Income	5,100	0.01	(73,579)	(0.09)	78,679	0.10
Total Net Grant Income	4,048	0.01	-	-	4,048	0
Other Income	366	0.00	-	-	366	0.00
Change In Net Assets	<u>(891,530)</u>	<u>(1.12)</u>	<u>(3,406,842)</u>	<u>(4.22)</u>	<u>2,515,312</u>	<u>3.10</u>
Medical Loss Ratio	97.7%		97.0%		(0.7%)	
Administrative Loss Ratio	3.0%		4.2%		1.2%	

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

** Includes MSSP

**CalOptima - Consolidated - Year to Date
Statement of Revenue and Expenses
For the Nine Months Ended March 31, 2017**

	Actual		Year to Date Budget		Variance	
	\$	PMPM*	\$	PMPM*	\$	PMPM
Member Months**	7,172,126		7,226,454		(54,328)	
Revenues						
Medi-Cal	\$ 2,240,469,069	\$ 319.86	\$ 2,109,976,285	\$ 300.71	\$ 130,492,784	\$ 19.14
OneCare	12,882,666	1,159.24	12,482,727	1,152.71	399,939	6.53
OneCare Connect	262,713,586	1,697.59	403,508,157	2,044.06	(140,794,571)	(346.47)
PACE	11,340,920	6,848.38	10,500,512	6,306.61	840,407	541.77
Total Operating Revenue	2,527,406,241	352.39	2,536,467,681	351.00	(9,061,440)	1.40
Medical Expenses						
Medi-Cal	2,168,496,578	309.58	2,021,098,521	288.05	(147,398,057)	(21.53)
OneCare	11,626,643	1,046.22	11,331,153	1,046.37	(295,490)	0.15
OneCare Connect	257,012,044	1,660.75	380,114,724	1,925.56	123,102,680	264.81
PACE	9,912,127	5,985.58	11,400,859	6,847.36	1,488,732	861.78
Total Medical Expenses	2,447,047,392	341.19	2,423,945,257	335.43	(23,102,135)	(5.76)
Gross Margin	80,358,849	11.20	112,522,424	15.57	(32,163,575)	(4.37)
Administrative Expenses						
Salaries and Benefits	55,644,428	7.76	70,220,128	9.72	14,575,701	1.96
Professional fees	1,702,021	0.24	3,744,267	0.52	2,042,246	0.28
Purchased services	7,708,235	1.07	8,705,888	1.20	997,653	0.13
Printing and Postage	2,369,853	0.33	4,197,315	0.58	1,827,462	0.25
Depreciation and Amortization	2,977,167	0.42	3,466,055	0.48	488,888	0.06
Other	9,371,119	1.31	10,481,433	1.45	1,110,314	0.14
Indirect cost allocation, Occupancy expense	3,157,025	0.44	3,850,593	0.53	693,568	0.09
Total Administrative Expenses	82,929,848	11.56	104,665,680	14.48	21,735,832	2.92
Income (Loss) From Operations	(2,570,998)	(0.36)	7,856,744	1.09	(10,427,742)	(1.45)
Investment income						
Interest income	13,653,663	1.90	1,875,001	0.26	11,778,662	1.64
Realized gain/(loss) on investments	(25,923)	(0.00)	-	-	(25,923)	(0.00)
Unrealized gain/(loss) on investments	(4,766,808)	(0.66)	-	-	(4,766,808)	(0.66)
Total Investment Income	8,860,931	1.24	1,875,001	0.26	6,985,931	0.98
Net Rental Income	47,070	0.01	(615,513)	(0.09)	662,583	0.09
Total Net Grant Income	(112,664)	(0)	-	-	(112,664)	(0)
Other Income	1,213	0.00	-	-	1,213	0.00
Change In Net Assets	6,225,552	0.87	9,116,232	1.26	(2,890,680)	(0.39)
Medical Loss Ratio	96.8%		95.6%		(1.3%)	
Administrative Loss Ratio	3.3%		4.1%		0.8%	

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

** Includes MSSP

**CalOptima - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended March 31, 2017**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare</u>	<u>OneCare Connect</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	539,091	236,790	775,881	1,278	16,086	197	793,442
REVENUES							
Capitation Revenue	\$ 189,280,126	\$ 89,162,436	\$ 278,442,561	\$ 2,237,364	\$ 22,893,140	\$ 1,240,473	\$ 304,813,539
Other Income	-	-	-	-	-	-	-
Total Operating Revenues	<u>189,280,126</u>	<u>89,162,436</u>	<u>278,442,561</u>	<u>2,237,364</u>	<u>22,893,140</u>	<u>1,240,473</u>	<u>304,813,539</u>
MEDICAL EXPENSES							
Provider Capitation	47,225,846	43,347,983	90,573,829	352,383	8,653,359	-	99,579,571
Facilities	37,644,775	25,855,002	63,499,777	292,873	9,499,937	316,334	73,608,921
Ancillary	-	-	-	57,503	1,035,401	-	1,092,904
Skilled Nursing	-	-	-	45,814	-	-	45,814
Professional Claims	5,454,626	12,055,982	17,510,608	-	-	343,049	17,853,657
Prescription Drugs	19,744,177	18,206,918	37,951,096	626,505	6,637,343	151,816	45,366,760
Long-term Care Facility Payments	53,528,133	2,541,154	56,069,287	-	(1,142,264)	14,771	54,941,794
Medical Management	3,085,647	-	3,085,647	18,288	1,131,471	443,480	4,678,885
Reinsurance & Other	(593,434)	1,095,710	502,276	6,034	88,809	147,438	744,556
Total Medical Expenses	<u>166,089,770</u>	<u>103,102,750</u>	<u>269,192,520</u>	<u>1,399,399</u>	<u>25,904,056</u>	<u>1,416,888</u>	<u>297,912,863</u>
Medical Loss Ratio	87.7%	115.6%	96.7%	62.5%	113.2%	114.2%	97.7%
GROSS MARGIN	23,190,355	(13,940,314)	9,250,041	837,965	(3,010,916)	(176,415)	6,900,676
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			5,344,552	46,408	751,099	110,778	6,252,836
Professional fees			184,134	10,344	1,563	10,128	206,168
Purchased services			515,663	25,103	114,067	3,250	658,084
Printing and Postage			105,618	1,045	20,839	352	127,854
Depreciation and Amortization			429,717	-	-	2,087	431,804
Other expenses			1,021,156	0	49,717	22,536	1,093,409
Indirect cost allocation, Occupancy expense			(582,577)	30,641	877,727	2,643	328,434
Total Administrative Expenses			<u>7,018,262</u>	<u>113,540</u>	<u>1,815,011</u>	<u>151,775</u>	<u>9,098,588</u>
Admin Loss Ratio			2.5%	5.1%	7.9%	12.2%	3.0%
INCOME (LOSS) FROM OPERATIONS			2,231,779	724,425	(4,825,926)	(328,190)	(2,197,912)
INVESTMENT INCOME			-	-	-	-	1,296,868
NET RENTAL INCOME			-	-	-	-	5,100
NET GRANT INCOME			4,048	-	-	-	4,048
OTHER INCOME			366	-	-	-	366
CHANGE IN NET ASSETS			<u>\$ 2,236,193</u>	<u>\$ 724,425</u>	<u>\$ (4,825,926)</u>	<u>\$ (328,190)</u>	<u>\$ (891,530)</u>
BUDGETED CHANGE IN ASSETS			(2,600,178)	2,883	(727,120)	(217,182)	(3,406,842)
VARIANCE TO BUDGET - FAV (UNFAV)			<u>4,836,371</u>	<u>721,542</u>	<u>(4,098,806)</u>	<u>(111,008)</u>	<u>2,515,312</u>

**CalOptima - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Nine Months Ended March 31, 2017**

	<u>Medi-Cal Classic</u>	<u>Medi-Cal Expansion</u>	<u>Total Medi-Cal</u>	<u>OneCare</u>	<u>OneCare Connect</u>	<u>PACE</u>	<u>Consolidated</u>
Member Months	4,908,402	2,096,198	7,004,600	11,113	154,757	1,656	7,172,126
REVENUES							
Capitation Revenue	\$ 1,294,049,487	\$ 946,419,582	\$ 2,240,469,069	\$ 12,882,666	\$ 262,713,586	\$ 11,340,920	\$ 2,527,406,241
Other Income	-	-	-	-	0	-	-
Total Operating Revenues	<u>1,294,049,487</u>	<u>946,419,582</u>	<u>2,240,469,069</u>	<u>12,882,666</u>	<u>262,713,586</u>	<u>11,340,920</u>	<u>2,527,406,241</u>
MEDICAL EXPENSES							
Provider Capitation	312,814,056	387,527,553	700,341,609	3,601,167	67,104,447	-	771,047,223
Facilities	258,731,928	265,358,263	524,090,192	2,854,681	80,867,861	2,366,081	610,178,814
Ancillary	-	-	-	390,044	7,081,208	-	7,471,252
Skilled Nursing	-	-	-	512,745	-	-	512,745
Professional Claims	79,643,775	81,415,199	161,058,975	-	-	2,027,091	163,086,065
Prescription Drugs	164,020,120	150,704,470	314,724,591	4,026,370	45,884,211	827,470	365,462,642
Long-term Care Facility Payments	418,330,806	18,697,236	437,028,042	-	46,197,448	58,151	483,283,640
Medical Management	26,250,586	-	26,250,586	198,831	9,053,759	3,599,473	39,102,649
Reinsurance & Other	(4,282,400)	9,284,985	5,002,584	42,805	823,110	1,033,862	6,902,361
Total Medical Expenses	<u>1,255,508,871</u>	<u>912,987,707</u>	<u>2,168,496,578</u>	<u>11,626,643</u>	<u>257,012,044</u>	<u>9,912,127</u>	<u>2,447,047,392</u>
Medical Loss Ratio	97.0%	96.5%	96.8%	90.3%	97.8%	87.4%	96.8%
GROSS MARGIN	38,540,616	33,431,875	71,972,491	1,256,023	5,701,542	1,428,793	80,358,849
ADMINISTRATIVE EXPENSES							
Salaries, Wages & Benefits			47,463,677	179,536	7,154,431	846,784	55,644,428
Professional Fees			1,195,359	144,614	318,115	43,933	1,702,021
Purchased services			6,254,076	214,162	1,202,054	37,942	7,708,235
Printing and Postage			1,785,569	71,016	510,651	2,617	2,369,853
Depreciation and Amortization			2,958,702			18,465	2,977,167
Other expenses			8,950,587	2,071	339,385	79,076	9,371,119
Indirect cost allocation, Occupancy expense			(3,278,297)	216,371	6,197,848	21,102	3,157,025
Total Administrative Expenses			<u>65,329,675</u>	<u>827,769</u>	<u>15,722,485</u>	<u>1,049,918</u>	<u>82,929,848</u>
Admin Loss Ratio			2.9%	6.4%	6.0%	9.3%	3.3%
INCOME (LOSS) FROM OPERATIONS			6,642,816	428,254	(10,020,943)	378,875	(2,570,998)
INVESTMENT INCOME			-	-	-	-	8,860,931
NET RENTAL INCOME			-	-	-	-	47,070
NET GRANT INCOME			(112,664)	-	-	-	(112,664)
OTHER INCOME			1,213	-	-	-	1,213
CHANGE IN NET ASSETS			<u>\$ 6,531,364</u>	<u>\$ 428,254</u>	<u>\$ (10,020,943)</u>	<u>\$ 378,875</u>	<u>\$ 6,225,552</u>
BUDGETED CHANGE IN ASSETS			7,339,669	202,859	2,291,562	(1,977,345)	9,116,232
VARIANCE TO BUDGET - FAV (UNFAV)			<u>(808,305)</u>	<u>225,395</u>	<u>(12,312,504)</u>	<u>2,356,220</u>	<u>(2,890,680)</u>

March 31, 2017 Unaudited Financial Statements

SUMMARY

MONTHLY RESULTS:

- Change in Net Assets is (\$0.9) million, \$2.5 million favorable to budget
- Operating deficit is \$2.2 million with a surplus in non-operating of \$1.3 million

YEARLY RESULTS:

- Change in Net Assets is \$6.2 million, \$2.9 million unfavorable to budget
- Operating deficit is \$2.6 million with a surplus in non-operating of \$8.8 million

Change in Net Assets by LOB (\$millions)

MONTH-TO-DATE				YEAR-TO-DATE		
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
2.2	(2.6)	4.8	Medi-Cal	6.5	7.3	(0.8)
0.7	0.0	0.7	OneCare	0.4	0.2	0.2
(4.8)	(0.7)	(4.1)	OCC	(10.0)	2.3	(12.3)
<u>(0.3)</u>	<u>(0.2)</u>	<u>(0.1)</u>	PACE	<u>0.4</u>	<u>(2.0)</u>	<u>2.4</u>
(2.2)	(3.5)	1.3	Operating	(2.6)	7.9	(10.4)
<u>1.3</u>	<u>0.1</u>	<u>1.2</u>	Inv./Rental Inc, MCO tax	<u>8.8</u>	<u>1.3</u>	<u>7.5</u>
1.3	0.1	1.2	Non-Operating	8.8	1.3	7.5
(0.9)	(3.4)	2.5	TOTAL	6.2	9.1	(2.9)

CalOptima
Enrollment Summary
For the Nine Months Ended March 31, 2017

Month-to-Date				Enrollment (By Aid Category)	Year-to-Date			
Actual	Budget	Variance	%		Actual	Budget	Variance	%
59,945	56,019	3,926	7.0%	Aged	528,179	498,540	29,639	5.9%
617	679	(62)	(9.1%)	BCCTP	5,592	6,094	(502)	(8.2%)
48,820	47,300	1,520	3.2%	Disabled	437,298	426,754	10,544	2.5%
328,225	344,010	(15,785)	(4.6%)	TANF Child	2,995,530	3,068,664	(73,134)	(2.4%)
98,235	108,727	(10,492)	(9.6%)	TANF Adult	912,453	984,138	(71,685)	(7.3%)
3,249	2,735	514	18.8%	LTC	29,350	24,316	5,034	20.7%
236,790	224,707	12,083	5.4%	MCE	2,096,198	2,008,048	88,150	4.4%
775,881	784,177	(8,296)	(1.1%)	Medi-Cal	7,004,600	7,016,555	(11,955)	(0.2%)
16,086	21,626	(5,540)	(25.6%)	OneCare Connect	154,757	197,406	(42,648)	(21.6%)
197	205	(8)	(3.9%)	PACE	1,656	1,665	(9)	(0.5%)
1,278	1,155	123	10.6%	OneCare	11,113	10,829	284	2.6%
793,442	807,163	(13,721)	(1.7%)	CalOptima Total	7,172,126	7,226,455	(54,328)	(0.8%)

Enrollment (By Network)								
137,033	49,658	87,375	176.0%	HMO	614,792	433,407	181,385	41.9%
222,645	236,463	(13,818)	(5.8%)	PHC	2,057,767	2,115,027	(57,260)	(2.7%)
241,027	339,926	(98,899)	(29.1%)	Shared Risk Group	2,867,751	3,064,554	(196,803)	(6.4%)
175,176	158,130	17,046	10.8%	Fee for Service	1,464,290	1,403,575	60,715	4.3%
775,881	784,177	(8,296)	(1.1%)	Medi-Cal	7,004,600	7,016,555	(11,955)	(0.2%)
16,086	21,626	(5,540)	(25.6%)	OneCare Connect	154,757	197,406	(42,648)	(21.6%)
197	205	(8)	(3.9%)	PACE	1,656	1,665	(9)	(0.5%)
1,278	1,155	123	10.6%	OneCare	11,113	10,829	284	2.6%
793,442	807,163	(13,721)	(1.7%)	CalOptima Total	7,172,126	7,226,455	(54,328)	(0.8%)

CalOptima
Enrollment Trend by Network Type
Fiscal Year 2017

Network Type	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	MMs
HMO													
Aged	351	350	355	368	363	381	379	3,103	3,062	-	-	-	8,712
BCCTP	1	1	1	(8)	2	1	1	1	1	-	-	-	1
Disabled	1,799	1,797	1,813	1,866	1,853	1,858	1,875	5,780	5,752	-	-	-	24,393
TANF Child	24,211	24,455	24,733	24,928	24,987	25,083	24,928	53,811	53,432	-	-	-	280,568
TANF Adult	7,929	7,872	7,914	7,850	8,029	7,967	7,871	25,446	25,155	-	-	-	106,033
LTC	-	-	-	-	-	-	-	3	4	-	-	-	7
MCE	12,989	13,224	13,464	14,034	13,897	14,116	14,200	49,527	49,627	-	-	-	195,078
	47,280	47,699	48,280	49,038	49,131	49,406	49,254	137,671	137,033	-	-	-	614,792
PHC													
Aged	1,495	1,464	1,488	1,458	1,427	1,419	1,408	1,439	1,420	-	-	-	13,018
BCCTP	-	-	-	1	-	-	-	-	-	-	-	-	1
Disabled	7,903	7,872	7,862	7,865	7,804	7,779	7,783	7,751	7,741	-	-	-	70,360
TANF Child	169,358	168,529	169,733	169,714	168,615	168,294	165,979	164,330	163,343	-	-	-	1,507,895
TANF Adult	15,260	14,945	14,649	14,593	14,161	13,880	13,457	13,195	13,019	-	-	-	127,159
LTC	-	-	-	4	-	-	-	-	-	-	-	-	4
MCE	38,002	38,200	37,601	38,070	37,874	37,886	37,361	37,214	37,122	-	-	-	339,330
	232,018	231,010	231,333	231,705	229,881	229,258	225,988	223,929	222,645	-	-	-	2,057,767
Shared Risk Group													
Aged	7,658	7,627	7,635	7,726	7,528	7,546	7,501	4,834	4,813	-	-	-	62,868
BCCTP	-	-	-	8	1	-	-	-	-	-	-	-	9
Disabled	14,428	14,307	14,189	14,253	14,073	14,084	14,005	10,083	10,022	-	-	-	119,444
TANF Child	118,748	118,149	118,421	117,922	116,971	116,744	114,746	84,105	83,246	-	-	-	989,052
TANF Adult	63,849	62,814	62,579	62,266	61,355	60,893	59,355	40,848	40,247	-	-	-	514,206
LTC	-	-	-	3	3	3	5	3	5	-	-	-	22
MCE	140,640	140,811	137,172	139,776	139,565	140,094	138,165	103,233	102,694	-	-	-	1,182,150
	345,323	343,708	339,996	341,954	339,496	339,364	333,777	243,106	241,027	-	-	-	2,867,751
Fee for Service (Dual)													
Aged	43,684	45,173	45,173	45,522	46,007	46,233	46,592	46,682	46,856	-	-	-	411,922
BCCTP	27	26	24	23	23	23	25	27	27	-	-	-	225
Disabled	19,790	20,086	20,071	20,264	20,375	20,497	20,471	20,510	20,662	-	-	-	182,726
TANF Child	3	2	2	3	4	3	3	2	2	-	-	-	24
TANF Adult	1,179	1,162	1,184	1,197	1,181	1,216	1,220	1,200	1,211	-	-	-	10,750
LTC	2,868	2,910	2,941	2,906	2,940	2,914	2,914	2,913	2,887	-	-	-	26,193
MCE	2,960	2,975	2,721	2,750	2,822	2,893	2,818	2,842	2,852	-	-	-	25,633
	70,511	72,334	72,116	72,665	73,352	73,779	74,043	74,176	74,497	-	-	-	657,473
Fee for Service (Non-Dual)													
Aged	3,746	2,850	3,183	3,608	3,450	3,667	3,600	3,761	3,794	-	-	-	31,659
BCCTP	606	608	598	589	594	595	587	590	589	-	-	-	5,356
Disabled	4,533	4,269	4,390	4,368	4,488	4,548	4,567	4,569	4,643	-	-	-	40,375
TANF Child	22,710	23,011	22,504	23,069	23,658	23,949	25,193	25,695	28,202	-	-	-	217,991
TANF Adult	15,792	16,253	16,501	17,109	17,090	17,340	17,949	17,668	18,603	-	-	-	154,305
LTC	368	370	362	314	334	328	357	338	353	-	-	-	3,124
MCE	35,946	36,543	37,812	36,999	38,607	39,499	42,203	41,903	44,495	-	-	-	354,007
	83,701	83,904	85,350	86,056	88,221	89,926	94,456	94,524	100,679	-	-	-	806,817
MEDI-CAL TOTAL													
Aged	56,934	57,464	57,834	58,682	58,775	59,246	59,480	59,819	59,945	-	-	-	528,179
BCCTP	634	635	623	613	620	619	613	618	617	-	-	-	5,592
Disabled	48,453	48,331	48,325	48,616	48,593	48,766	48,701	48,693	48,820	-	-	-	437,298
TANF Child	335,030	334,146	335,393	335,636	334,235	334,073	330,849	327,943	328,225	-	-	-	2,995,530
TANF Adult	104,009	103,046	102,827	103,015	101,816	101,296	99,852	98,357	98,235	-	-	-	912,453
LTC	3,236	3,280	3,303	3,227	3,277	3,245	3,276	3,257	3,249	-	-	-	29,350
MCE	230,537	231,753	228,770	231,629	232,765	234,488	234,747	234,719	236,790	-	-	-	2,096,198
	778,833	778,655	777,075	781,418	780,081	781,733	777,518	773,406	775,881	-	-	-	7,004,600
PACE													
	177	179	179	180	183	183	184	194	197	-	-	-	1,656
OneCare													
	1,171	1,164	1,192	1,220	1,228	1,275	1,304	1,281	1,278	-	-	-	11,113
OneCare Connect													
	18,902	18,245	17,727	17,352	17,067	16,810	16,346	16,222	16,086	-	-	-	154,757
TOTAL	799,083	798,243	796,173	800,170	798,559	800,001	795,352	791,103	793,442	-	-	-	7,172,126

ENROLLMENT:

Overall MTD enrollment was 793,442

- Unfavorable to budget by 13,721
- Increased 2,339 or 0.3% from prior month
- Increased 573 or 0.1% from prior year (March 2016)

Medi-Cal enrollment was 775,881

- Unfavorable to budget by 8,296
 - Expansion favorable by 12,083
 - SPD favorable by 5,384
 - LTC favorable by 514
 - TANF unfavorable by 26,277
- Increased 2,475 from prior month

OneCare Connect enrollment was 16,086

- Unfavorable to budget by 5,540
- Decreased 136 from prior month

OneCare enrollment was 1,278

- Favorable to budget by 123
- Decreased 3 from prior month

PACE enrollment at 197

- Unfavorable to budget by 8
- Increased 3 from prior month

**CalOptima - Medi-Cal Total
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017**

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
775,881	784,177	(8,296)	(1.1%)	Member Months	7,004,600	7,016,555	(11,955)	(0.2%)
278,442,561	236,069,830	42,372,732	17.9%	Revenues	2,240,469,069	2,109,976,285	130,492,784	6.2%
278,442,561	236,069,830	42,372,732	17.9%	Capitation revenue	2,240,469,069	2,109,976,285	130,492,784	6.2%
90,573,829	75,530,838	(15,042,991)	(19.9%)	Total Operating Revenues	2,240,469,069	2,109,976,285	130,492,784	6.2%
63,499,777	57,857,604	(5,642,174)	(9.8%)	Medical Expenses	2,168,496,578	2,021,098,521	(147,398,057)	(7.3%)
17,510,608	18,252,565	741,957	4.1%	Provider capitation	700,341,609	676,164,147	(24,177,463)	(3.6%)
37,951,096	35,316,888	(2,634,208)	(7.5%)	Facilities	524,090,192	507,891,674	(16,198,517)	(3.2%)
56,069,287	37,732,246	(18,337,041)	(48.6%)	Professional Claims	161,058,975	155,362,298	(5,696,676)	(3.7%)
3,085,647	4,687,950	1,602,303	34.2%	Prescription drugs	314,724,591	308,081,210	(6,643,381)	(2.2%)
502,276	16,667	(485,609)	(2,913.7%)	MLTSS	437,028,042	333,175,414	(103,852,628)	(31.2%)
269,192,520	229,394,757	(39,797,763)	(17.3%)	Medical Management	26,250,586	40,273,778	14,023,192	34.8%
9,250,041	6,675,073	2,574,969	38.6%	Reinsurance & other	5,002,584	150,000	(4,852,584)	(3,235.1%)
5,344,552	6,877,656	1,533,104	22.3%	Total Medical Expenses	2,168,496,578	2,021,098,521	(147,398,057)	(7.3%)
184,134	329,611	145,477	44.1%	Gross Margin	71,972,491	88,877,764	(16,905,273)	(19.0%)
515,663	829,632	313,968	37.8%	Administrative Expenses	65,329,675	81,538,095	16,208,419	19.9%
105,618	310,442	204,824	66.0%	Salaries, wages & employee benefits	47,463,677	60,617,207	13,153,530	21.7%
429,717	383,061	(46,656)	(12.2%)	Professional fees	1,195,359	2,828,042	1,632,682	57.7%
1,021,156	1,085,551	64,396	5.9%	Purchased services	6,254,076	6,846,476	592,399	8.7%
(582,577)	(540,702)	41,875	7.7%	Printing and postage	1,785,569	2,811,495	1,025,925	36.5%
7,018,262	9,275,251	2,256,988	24.3%	Depreciation & amortization	2,958,702	3,447,550	488,847	14.2%
10,198,945	8,881,828	(1,317,117)	(14.8%)	Other operating expenses	8,950,587	9,848,796	898,209	9.1%
10,201,625	0	(10,201,625)	0.0%	Indirect cost allocation	(3,278,297)	(4,861,470)	(1,583,173)	(32.6%)
(2,680)	8,881,828	8,884,508	100.0%	Total Administrative Expenses	65,329,675	81,538,095	16,208,419	19.9%
0	0	0	0.0%	Operating Tax	12,081,759	79,535,921	67,454,162	84.8%
(203,750)	287,500	(491,250)	(170.9%)	Tax Revenue	104,180,927	79,535,921	(24,645,006)	(31.0%)
(233,750)	250,000	483,750	193.5%	Premium tax expense	92,099,168	0	(92,099,168)	0.0%
25,952	37,500	11,548	30.8%	Sales tax expense	12,081,759	79,535,921	67,454,162	84.8%
4,048	0	4,048	0.0%	Total Net Operating Tax	0	0	0	0.0%
366	0	366	0.0%	Grant Income	180,727	337,500	156,773	46.5%
2,236,193	(2,600,178)	4,836,371	186.0%	Grant Revenue	453,750	2,587,500	(2,133,750)	(82.5%)
96.7%	97.2%	0.5%	0.5%	Grant expense - Service Partner	385,688	2,250,000	1,864,313	82.9%
2.5%	3.9%	1.4%	35.8%	Grant expense - Administrative	180,727	337,500	156,773	46.5%
				Total Net Grant Income	(112,664)	0	(112,664)	0.0%
				Other income	1,213	0	1,213	0.0%
				Change in Net Assets	6,531,365	7,339,669	(808,304)	(11.0%)
				Medical Loss Ratio	96.8%	95.8%	-1.0%	-1.0%
				Admin Loss Ratio	2.9%	3.9%	0.9%	24.5%

MEDI-CAL INCOME STATEMENT – MARCH MONTH:

REVENUES of \$278.4 million are favorable to budget by \$42.4 million, driven by:

- Price related favorable variance of \$44.9 million due to:
 - \$6.5 million of LTC revenue for non-LTC members
 - \$14.2 million for IHSS
 - Remaining from member mix
- Volume related unfavorable variance of: \$2.5 million

MEDICAL EXPENSES: Overall \$269.2 million, unfavorable to budget by \$39.8 million due to:

- **Long term care claim payments (MLTSS)** are unfavorable to budget \$18.3 million due to:
 - LTC unfavorable variance of \$9.3 million driven by:
 - Higher LTC claim expense due to less than anticipated members enrolling in OneCare Connect
 - IHSS related unfavorable variance of approximately \$8.7 million
- **Provider Capitation** are unfavorable to budget \$15.0 million due to:
 - \$12.5 million unfavorable variance due to one shared risk network move to HMO model in February
 - \$2.3 million unfavorable variance from Kaiser's rate increase
- **Facilities** expenses are unfavorable to budget \$5.6 million due to:
 - Unfavorable variance due to \$5 million of claims in the current month relating to prior periods due to system error

ADMINISTRATIVE EXPENSES are \$7 million, favorable to budget \$2.3 million, driven by:

- Salary & Benefits: \$1.5 million favorable to budget
- Non-Salary: \$0.7 million favorable to budget

CHANGE IN NET ASSETS is \$2.2 million for the month, favorable to budget by \$4.8 million

**CalOptima - OneCare Connect
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017**

Month				Year - To - Date			
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance
16,086	21,626	(5,540)	(25.6%)	154,757	197,405	(42,648)	(21.6%)
				Member Months			
				Revenues			
4,131,036	11,464,262	(7,333,226)	(64.0%)	59,108,220	106,870,626	(47,762,406)	(44.7%)
18,762,105	31,974,844	(13,212,739)	(41.3%)	203,605,366	296,637,531	(93,032,165)	(31.4%)
22,893,140	43,439,106	(20,545,966)	(47.3%)	262,713,586	403,508,157	(140,794,571)	(34.9%)
				Total Operating Revenue			
				Medical Expenses			
8,653,359	9,566,654	913,295	9.5%	67,104,447	88,855,536	21,751,089	24.5%
9,499,937	11,234,538	1,734,601	15.4%	80,867,861	102,513,511	21,645,649	21.1%
1,035,401	676,670	(358,732)	(53.0%)	7,081,208	6,176,747	(904,461)	(14.6%)
(1,142,264)	10,215,045	11,357,309	111.2%	46,197,448	93,244,513	47,047,066	50.5%
6,637,343	8,192,064	1,554,721	19.0%	45,884,211	72,423,619	26,539,408	36.6%
1,131,471	1,310,093	178,622	13.6%	9,053,759	11,215,765	2,162,005	19.3%
88,809	622,802	533,994	85.7%	823,110	5,685,033	4,861,923	85.5%
25,904,056	41,817,866	15,913,810	38.1%	257,012,044	380,114,724	123,102,680	32.4%
				Total Medical Expenses			
(3,010,916)	1,621,240	(4,632,156)	(285.7%)	5,701,542	23,393,433	(17,691,891)	(75.6%)
				Gross Margin			
				Administrative Expenses			
751,099	990,128	239,029	24.1%	7,154,431	8,570,668	1,416,237	16.5%
1,563	86,521	84,958	98.2%	318,115	699,083	380,968	54.5%
114,067	181,216	67,149	37.1%	1,202,054	1,615,914	413,860	25.6%
20,839	149,345	128,506	86.0%	510,651	1,253,130	742,479	59.2%
49,717	3,660	(46,057)	(1,258.4%)	339,385	525,660	186,275	35.4%
877,727	937,491	59,764	6.4%	6,197,848	8,437,416	2,239,568	26.5%
1,815,011	2,348,360	533,349	22.7%	15,722,485	21,101,871	5,379,386	25.5%
				Total Administrative Expenses			
				Operating Tax			
(883)	0	(883)	0.0%	(465,917)	0	(465,917)	0.0%
(883)	0	883	0.0%	(465,917)	0	465,917	0.0%
				Total Net Operating Tax			
0	0	0	0.0%	0	0	0	0.0%
(4,825,926)	(727,120)	(4,098,806)	(563.7%)	(10,020,943)	2,291,562	(12,312,504)	(537.3%)
				Change in Net Assets			
113.2%	96.3%	-16.9%	-17.5%	97.8%	94.2%	-3.6%	-3.9%
7.9%	5.4%	-2.5%	-46.7%	6.0%	5.2%	-0.8%	-14.4%
				Medical Loss Ratio			
				Admin Loss Ratio			

ONECARE CONNECT INCOME STATEMENT – MARCH MONTH:

REVENUES of \$22.9 million are unfavorable to budget by \$20.5 million driven by:

- Volume related unfavorable variance of \$11.1 million due to lower enrollment
- Price related unfavorable variance of \$9.4 million due:
 - CMC Medicare Part A and B rate decreases due to base rate and RAF score changes
 - CMC Medi-Cal member mix true-up

MEDICAL EXPENSES are favorable to budget \$15.9 million due to:

- Volume related favorable variance of \$10.7 million across all categories related to the provider group moving to HMO in February as well as lower long term care expenses
- Price related favorable variance of \$5.2 million

ADMINISTRATIVE EXPENSES are favorable to budget by \$0.5 million

CHANGE IN NET ASSETS is (\$4.8) million, \$4.1 million unfavorable to budget

**CalOptima - OneCare
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017**

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
1,278	1,155	123	10.6%	Member Months	11,113	10,829	284	2.6%
2,237,364	1,345,621	891,743	66.3%	Revenues				
				Capitation revenue	12,882,666	12,482,727	399,939	3.2%
2,237,364	1,345,621	891,743	66.3%	Total Operating Revenue	12,882,666	12,482,727	399,939	3.2%
<hr/>				Medical Expenses	<hr/>			
352,383	367,622	15,239	4.1%	Provider capitation	3,601,167	3,395,858	(205,309)	(6.0%)
292,873	300,962	8,089	2.7%	Inpatient	2,854,681	2,775,960	(78,721)	(2.8%)
57,503	46,173	(11,330)	(24.5%)	Ancillary	390,044	425,854	35,810	8.4%
45,814	21,977	(23,837)	(108.5%)	Skilled nursing facilities	512,745	202,339	(310,406)	(153.4%)
626,505	441,507	(184,998)	(41.9%)	Prescription drugs	4,026,370	4,137,952	111,582	2.7%
18,288	50,848	32,561	64.0%	Medical management	198,831	311,701	112,870	36.2%
6,034	(9,089)	(15,123)	(166.4%)	Other medical expenses	42,805	81,489	38,684	47.5%
1,399,399	1,220,000	(179,399)	(14.7%)	Total Medical Expenses	11,626,643	11,331,153	(295,490)	(2.6%)
<hr/>				Gross Margin	<hr/>			
837,965	125,621	712,345	567.1%	Administrative Expenses				
46,408	22,453	(23,955)	(106.7%)	Salaries, wages & employee benefits	179,536	193,791	14,255	7.4%
10,344	17,619	7,275	41.3%	Professional fees	144,614	137,143	(7,471)	(5.4%)
25,103	39,373	14,270	36.2%	Purchased services	214,162	234,462	20,299	8.7%
1,045	13,710	12,666	92.4%	Printing and postage	71,016	117,080	46,065	39.3%
0	89	89	100.0%	Other operating expenses	2,071	797	(1,273)	(159.7%)
30,641	29,494	(1,147)	(3.9%)	Indirect cost allocation, Occupancy Expense	216,371	265,442	49,071	18.5%
113,540	122,737	9,197	7.5%	Total Administrative Expenses	827,769	948,715	120,946	12.7%
<hr/>				Change in Net Assets	<hr/>			
724,425	2,883	721,542	25,024.1%		428,254	202,859	225,395	111.1%
<hr/>				Medical Loss Ratio	<hr/>			
62.5%	90.7%	28.1%	31.0%		90.3%	90.8%	0.5%	0.6%
5.1%	9.1%	4.0%	44.4%	Admin Loss Ratio	6.4%	7.6%	1.2%	15.5%

**CalOptima - PACE
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017**

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
197	205	(8)	(3.9%)	Member Months	1,656	1,665	(9)	(0.5%)
997,717	918,103	79,614	8.7%	Revenues	8,618,792	7,451,814	1,166,979	15.7%
242,756	367,338	(124,582)	(33.9%)	Medi-Cal capitation revenue	2,722,127	3,048,699	(326,571)	(10.7%)
1,240,473	1,285,441	(44,968)	(3.5%)	Medicare capitation revenue				
				Total Operating Revenues	11,340,920	10,500,512	840,407	8.0%
				Medical Expenses				
346,932	422,265	75,333	17.8%	Clinical salaries & benefits	2,673,948	3,614,342	940,393	26.0%
0	0	0	0.0%	Pace Center Support salaries & benefits	0	0	0	0.0%
316,334	266,882	(49,452)	(18.5%)	Claims payments to hospitals	2,366,081	2,127,283	(238,797)	(11.2%)
343,049	286,287	(56,761)	(19.8%)	Professional Claims	2,027,091	2,259,149	232,058	10.3%
151,816	137,774	(14,042)	(10.2%)	Prescription drugs	827,470	1,173,879	346,408	29.5%
14,771	27,333	12,562	46.0%	Long-term care facility payments	58,151	217,871	159,720	73.3%
89,493	84,847	(4,646)	(5.5%)	Patient Transportation	719,798	676,304	(43,494)	(6.4%)
50,090	49,349	(741)	(1.5%)	Depreciation & amortization	443,153	444,141	988	0.2%
37,655	37,214	(441)	(1.2%)	Occupancy expenses	340,044	334,926	(5,118)	(1.5%)
8,728	13,833	5,105	36.9%	Utilities & Facilities Expense	141,139	124,497	(16,642)	(13.4%)
75	311	236	75.9%	Purchased Services	1,189	2,478	1,289	52.0%
25,778	24,547	(1,231)	(5.0%)	Indirect Allocation	166,420	220,923	54,503	24.7%
0	0	0	0.0%	Reinsurance	0	0	0	0.0%
32,167	22,785	(9,382)	(41.2%)	Other Expenses	147,644	205,066	57,422	28.0%
1,416,888	1,373,427	(43,461)	(3.2%)	Total Medical Expenses	9,912,127	11,400,859	1,488,732	13.1%
(176,415)	(87,986)	(88,429)	(100.5%)	Gross Margin	1,428,793	(900,347)	2,329,140	258.7%
110,778	96,979	(13,799)	(14.2%)	Administrative Expenses				
10,128	11,667	1,539	13.2%	Salaries, wages & employee benefits	846,784	838,463	(8,321)	(1.0%)
3,250	988	(2,262)	(229.0%)	Professional fees	43,933	80,000	36,067	45.1%
352	1,708	1,355	79.4%	Purchased services	37,942	9,036	(28,906)	(319.9%)
2,087	2,056	(31)	(1.5%)	Printing and postage	2,617	15,610	12,993	83.2%
22,536	14,775	(7,761)	(52.5%)	Depreciation & amortization	18,465	18,505	41	0.2%
2,643	1,023	(1,620)	(158.4%)	Other operating expenses	79,076	106,180	27,104	25.5%
151,775	129,196	(22,579)	(17.5%)	Indirect cost allocation, Occupancy Expense	21,102	9,205	(11,897)	(129.3%)
				Total Administrative Expenses	1,049,918	1,076,999	27,081	2.5%
14,215	0	14,215	0.0%	Operating Tax				
14,215	0	(14,215)	0.0%	Tax Revenue	14,215	0	14,215	0.0%
0	0	0	0.0%	Premium tax expense	14,215	0	(14,215)	0.0%
(328,190)	(217,182)	(111,008)	(51.1%)	Total Net Operating Tax	0	0	0	0.0%
				Change in Net Assets	378,875	(1,977,345)	2,356,220	119.2%
114.2%	106.8%	-7.4%	-6.9%	Medical Loss Ratio	87.4%	108.6%	21.2%	19.5%
12.2%	10.1%	-2.2%	-21.7%	Admin Loss Ratio	9.3%	10.3%	1.0%	9.7%

**CalOptima - Building 505 City Parkway
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017**

Actual	Month		% Variance
	Budget	\$ Variance	
24,056	21,285	2,772	13.0%
24,056	21,285	2,772	13.0%
1,525	2,085	560	26.8%
29,505	22,405	(7,101)	(31.7%)
158,697	210,141	51,444	24.5%
16,000	14,300	(1,700)	(11.9%)
110,500	198,033	87,533	44.2%
28,984	0	(28,984)	0.0%
(326,256)	(352,100)	(25,844)	(7.3%)
18,957	94,864	75,907	80.0%
5,100	(73,579)	78,679	106.9%

	Year - To - Date			% Variance
	Actual	Budget	\$ Variance	
Revenues				
Rental income	217,406	191,564	25,842	13.5%
Total Operating Revenue	217,406	191,564	25,842	13.5%
Administrative Expenses				
Professional fees	13,147	18,765	5,618	29.9%
Purchase services	269,060	201,643	(67,417)	(33.4%)
Depreciation & amortization	1,414,671	1,891,267	476,596	25.2%
Insurance expense	144,004	128,702	(15,302)	(11.9%)
Repair and maintenance	885,290	1,735,599	850,308	49.0%
Other Operating Expense	375,736	0	(375,736)	0.0%
Indirect allocation, Occupancy Expense	(2,931,573)	(3,168,898)	(237,326)	(7.5%)
Total Administrative Expenses	170,336	807,077	636,741	78.9%
Change in Net Assets	47,070	(615,513)	662,583	107.6%

OTHER STATEMENTS – MARCH MONTH:

ONECARE INCOME STATEMENT

REVENUES of \$2.2 million; \$0.9 million are favorable to budget

MEDICAL EXPENSES are \$1.4 million, \$0.2 million unfavorable to budget

CHANGE IN NET ASSETS is \$0.7 million; \$0.7 million favorable to budget

PACE INCOME STATEMENT

CHANGE IN NET ASSETS for the month is (\$0.3) million; \$0.1 million unfavorable to budget

505 CITY PARKWAY BUILDING INCOME STATEMENT

CHANGE IN NET ASSETS for the month is \$5.1 thousand; \$78.7 thousand favorable to budget

**CalOptima
BALANCE SHEET
March 31, 2017**

ASSETS

Current Assets

Operating Cash	\$499,619,891
Catastrophic Reserves	11,173,846
Investments	1,434,341,743
Capitation receivable	296,898,752
Receivables - Other	18,564,393
Prepaid Expenses	12,421,963

Total Current Assets 2,273,020,588

Capital Assets Furniture and equipment

Furniture and equipment	35,790,228
Leasehold improvements	6,419,233
505 City Parkway West	49,271,389
	<u>91,480,850</u>
Less: accumulated depreciation	(36,638,498)
Capital assets, net	<u><u>54,842,352</u></u>

Other Assets Restricted deposit & Other

Restricted deposit & Other	300,000
Board-designated assets	
Cash and cash equivalents	11,633,228
Long term investments	521,415,794
Total Board-designated Assets	<u>533,049,022</u>

Total Other Assets 533,349,022

Deferred outflows of Resources - Pension Contributions	3,787,544
Deferred outflows of Resources - Difference in Experience	1,215,473

TOTAL ASSETS & OUTFLOWS 2,866,214,979

LIABILITIES & FUND BALANCES

Current Liabilities

Accounts payable	\$38,879,762
Medical claims liability	680,912,203
Accrued payroll liabilities	10,627,236
Deferred revenue	907,321,771
Deferred lease obligations	216,199
Capitation and withholds	517,833,992
Total Current Liabilities	<u><u>2,155,791,162</u></u>

Other employment benefits liability

29,750,410

Net Pension Liabilities

12,626,137

Long Term Liabilities

100,000

TOTAL LIABILITIES

2,198,267,709

Deferred inflows of Resources - Excess Earnings

502,900

Deferred inflows of Resources - changes in Assumptions

1,651,640

Tangible net equity (TNE)

95,386,676

Funds in excess of TNE

570,406,054

Net Assets

665,792,730

TOTAL LIABILITIES, INFLOWS & FUND BALANCES 2,866,214,979

CalOptima
Board Designated Reserve and TNE Analysis
as of March 31, 2017

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	145,711,189				
	Tier 1 - Logan Circle	145,451,948				
	Tier 1 - Wells Capital	145,463,504				
Board-designated Reserve						
		436,626,641	313,071,502	488,125,007	123,555,138	(51,498,367)
TNE Requirement	Tier 2 - Logan Circle	96,422,381	95,386,676	95,386,676	1,035,705	1,035,705
Consolidated:		533,049,022	408,458,178	583,511,683	124,590,844	(50,462,661)
	<i>Current reserve level</i>	<i>1.83</i>	<i>1.40</i>	<i>2.00</i>		

**CalOptima
Statement of Cash Flows
March 31, 2017**

	<u>Month Ended</u>	<u>Year-To-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	(891,530)	6,225,551
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,093,409	9,371,119
Changes in assets and liabilities:		
Prepaid expenses and other	(325,429)	(5,637,716)
Catastrophic reserves		
Capitation receivable	21,689,306	171,287,862
Medical claims liability	46,725,759	82,217,345
Deferred revenue	(10,504,394)	316,619,129
Payable to providers	276,878	116,007,690
Accounts payable	9,948,225	32,259,928
Other accrued liabilities	1,118,429	8,000,110
Net cash provided by/(used in) operating activities	<u>69,130,652</u>	<u>736,351,018</u>
 GASB 68 CalPERS Adjustments	 -	 -
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	92,746,981	(415,077,111)
Purchase of property and equipment	(1,026,104)	(9,217,906)
Change in Board designated reserves	(389,384)	(57,213,656)
Net cash provided by/(used in) investing activities	<u>91,331,492</u>	<u>(481,508,674)</u>
 NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	 160,462,144	 254,842,343
 CASH AND CASH EQUIVALENTS, beginning of period	 <u>\$350,331,592</u>	 <u>255,951,393</u>
 CASH AND CASH EQUIVALENTS, end of period	 <u>\$ 510,793,737</u>	 <u>\$ 510,793,737</u>

BALANCE SHEET:

ASSETS increased \$46.7 million from February

- **Cash and Cash Equivalents** increased by \$160.7million due to the timing of state checks received, month-end cut-off
- **Short-term Investments** decreased \$92.7 million due to payment receipt timing and cash funding requirements
- **Net Capitation Receivables** decreased \$20.2 million based upon payment receipt timing and receivables

LIABILITIES increased \$47.6 million from February

- **Deferred Revenue** decreased \$10.5 million driven by DHS overpayments
- **Medical Claims Liability** by LOB increased \$46.7 million driven by IBNR margins
- **Accrued Expenses** increased \$8.9 million based on the timing of sales tax payments

NET ASSETS are \$665.8 million

**CalOptima Foundation
Balance Sheet
March 31, 2017**

<u>ASSETS</u>		<u>LIABILITIES & NET ASSETS</u>	
Operating cash	2,893,139	Accounts payable-Current	0
Grants receivable	0	Deferred Revenue	0
Prepaid expenses	0	Payable to CalOptima	0
Total Current Assets	<u>2,893,139</u>	Grants-Foundation	0
		Total Current Liabilities	<u>0</u>
		Total Liabilities	<u>0</u>
		Net Assets	<u>2,893,139</u>
 TOTAL ASSETS	 <u><u>2,893,139</u></u>	 TOTAL LIABILITIES & NET ASSETS	 <u><u>2,893,139</u></u>

CalOptima Foundation
Statement of Revenues and Expenses
For the Nine Months Ended March 31, 2017
Consolidated

Month				Year - To - Date				
Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
				Revenues				
0	2,264	(2,264)	(100.0%)	Income - Grant	27,164	20,380	6,784	33.3%
2,084	0	2,084	100.0%	In Kind Revenue - HITEC Grant	72,413	0	72,413	100.0%
<hr/>				<hr/>				
2,084	2,264	(180)	(8.0%)	Total Operating Revenue	99,577	20,380	79,198	388.6%
<hr/>				<hr/>				
				Operating Expenditures				
0	6,184	6,184	100.0%	Personnel	27,195	55,658	28,463	51.1%
0	2,985	2,985	100.0%	Taxes and Benefits	26,240	26,863	623	2.3%
0	0	0	0.0%	Travel	(3)	0	3	0.0%
0	0	0	0.0%	Supplies	7,009	10,000	2,991	29.9%
0	0	0	0.0%	Contractual	20,388	17,174	(3,214)	(18.7%)
2,084	232,065	229,981	99.1%	Other	20,454	2,088,587	2,068,133	99.0%
<hr/>				<hr/>				
2,084	241,234	239,150	99.1%	Total Operating Expenditures	101,284	2,198,282	2,096,998	95.4%
<hr/>				<hr/>				
0	0	0	0.0%	Investment Income	0	0	0	0.0%
<hr/>				<hr/>				
0	(238,970)	(238,970)	(100.0%)	Program Income	(1,706)	(2,177,902)	(2,176,196)	(99.9%)
<hr/>				<hr/>				
=====	=====	=====	=====	=====	=====	=====	=====	=====

CALOPTIMA FOUNDATION – MARCH MONTH

INCOME STATEMENT:

Revenues

- Revenues from Health Information Technology for Economic and Clinical Health Act (HITECH) and in-kind contributions from CalOptima
- The Foundation recognized \$99,577 FY17 YTD in total operating revenues
 - HITECH Grant revenue totaled \$27,164 YTD which leaves \$0 remaining in HITECH Grant funding as of March 2017
 - CalOptima in-kind contribution totaled \$72,413 YTD
- Revenue budget variances attributed to:
 - YTD CalOptima grant budget is \$0, as the ONC grant funding was to have ended in the previous fiscal year. The grant was extended through September 26, 2016
 - CalOptima in-kind revenue was not included in FY17 budget

Expenses

- Operating expenses were \$101,284 for grant related activities incurred YTD FY17
- Expense categories include staff services, travel and miscellaneous supplies
 - \$2.1 million favorable variance YTD
 - FY17 budget was based on remaining fund balance in Foundation total assets
 - Actual expenses were much lower than anticipated for CalOptima support activities

BALANCE SHEET:

Assets

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

Liabilities

- \$0

Budget Allocation Changes
Reporting changes for March 2017

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	OneCare Connect	Office of Compliance - Professional Fees (Consultant for Annual CPE Audit & CMS Mock Audit)	Office of Compliance - Professional Fees - Consultant for DMHC Mock Audit	\$69,000	Re-purpose \$53,631 from Professional Fees (Consultant for Annual CPE Audit) and \$15,369 from Professional Fees (Consultant for CMS Mock Audit) to pay for consultant for DMHC Mock Audit	2017
July	COREC	REC - Other	REC - Comp Supply/Minor Equip	\$10,000	Re-allocate funds to cover costs for computer equipment upgrade which is approved ONC grant managers	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$63,810	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Ceridian Software Maintenance	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$15,010	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for FY17 Talentova Learning Management System	2017
July	Medi-Cal	IS-Application Development - Software Maintenance - Corporate Software Maintenance	IS-Application Development - Software Maintenance - Human Resources Corporate Application Software Maintenance	\$23,900	Re-purpose funds within Software Maintenance (from Corporate Software Maintenance to Human Resources Corporate Application Software Maintenance) to pay for Silk Road	2017
July	Medi-Cal	Claims Administration - Purchased Services - Integration of Claim Editing Software	Claims Administration - Purchased Services - LTC Rate Adjustments	\$98,000	Re-purpose funds from within Purchased Services (Integration of Claim Editing Software) to pay for LTC Adjustments (TriZetto Robot Process)	2017
July	Medi-Cal	Human Resources - Advertising, Travel, Comp Supply/Minor Equip, Subscriptions, Courier/Delivery	Human Resources - Professional Fees (Salary & Compensation Research), Public Activities, Office Supplies, Food Service Supplies, Professional Dues, Training & Seminars, Cert./Cont. Education	\$84,491	Re-allocate HR FY17 Budget based on HR dept's past spending trends to better meet department's need	2017
July	Medi-Cal	IS-Infrastructure - Telephone - General Telecommunication and Network Connectivity	IS-Infrastructure - Purchased Services - Disaster Recovery Services	\$35,575	Re-allocate funds from Telephone (General Telecommunication and Network Connectivity) to Purchased Services to pay for Disaster Recovery Services	2017
August	Medi-Cal	Other Pay	Quality Analytics - Purchased Services	\$67,000	Re-allocate funds to Quality Analytics Purchased Services for additional funds that is needed for CG-CAHPS survey	2017
August	Medi-Cal	Other Pay	Community Relations - Professional Fees & Printing	\$43,640	Re-allocate funds to Community Relations Professional Fees and Printing budgets for contracts with Tony Lam and Communications Lab and printing costs of Community Option Fair	2017
August	Medi-Cal	IS-Application Management - Purchased Services - Healthcare Productivity Automation	IS-Application Management - Purchased Services - Direct Hire Fees	\$10,957	Re-purpose funds from Purchased Services (Healthcare Productivity Automation) to pay for Direct Hire fees	2017
August	Medi-Cal	Other Pay	IS-Application Development - Comp Supplies/Minor Equipments	\$20,400	Re-allocate funds to cover costs of DocuSign, Box, and Primal Script 2016	2017
August	Medi-Cal	Claims Administration - Purchased Services	Claims Administration - Office Supplies, Training & Seminars, Printing	\$15,000	Re-allocate funds from Purchased Services (Integration of Claim Editing Software & Inventory Management Forecasting) to Office Supplies, Training & Seminars, and Printing to better meet department's needs	2017
September	Medi-Cal	Health Education & Disease Management - Professional Fees	Health Education & Disease Management - Other Operating Expenses	\$30,000	Re-allocate funds from Professional Fees (Childhood Obesity Program Design & Evaluation) to Member & Provider Incentives to support incentives for the Group Needs Assessment (GNA) and other Health Education / Disease Management activities.	2017
October	Capital	Facilities - Relocate Trash Enclosure	Facilities - 505 Sound Recording System	\$50,555	Re-allocate from Relocate Trash Enclosure project for additional funds that are needed for the 505 Sound Recording System project.	2017
October	Medi-Cal	IS-Infrastructure - Professional Fees - Enterprise Identity Access Management	IS-Infrastructure - HW/SW Maintenance - Information Security Data Loss Prevention Solution	\$21,041	Re-allocate from Professional Services for an Enterprise Identity Access Management to HW/SW Maintenance for Information Security Data Loss Prevention Solution Annual Maintenance on additional funds that are needed.	2017
October	Medi-Cal	Facilities - Computer Supply/Minor Equipment - Office Furniture & Equipment	Facilities - Computer Supply/Minor Equipment - Other Articles of Minor Equipment	\$27,000	Repurpose funds in Comp supply/minor equipment for re-upholstering chairs in the member service lobby and other minor equipment expenses to better meet the Department's need.	2017
December	Medi-Cal	Human Resources - Professional Fees - Executive Coaching	Human Resources - Professional Fees - Consultant Fees	\$20,000	Repurpose from Executive Coaching for interim director of HR consultant fees	2017
December	Medi-Cal	Health Education & Disease Management - Medical Management Activities	Health Education & Disease Management - Medical Management Activities	\$75,000	Repurpose funds for the department printing and postage needs	2017
January	Medi-Cal	IS-Application Development - Finance Reporting Tool to Great Plains	IS-Application Development - Great Plains Software Upgrade	\$20,000	Re-allocate funds from Finance Reporting Software for Great Plains budget to Great Plains Software Upgrade budget for additional funds are needed to complete the project.	2017
February	Medi-Cal	IS-Application Management - Purchased Services	IS-Application Development - Purchased Services	\$19,320	Re-allocate funds from IS Application Management Purchased Services budget for direct placement fee needed in the Department.	2017
February	Medi-Cal	IS-Application Management - Comp supply/Minor Equip	IS-Infrastructure - Subscriptions	\$30,000	Re-allocate funds from Computer Supply/Minor Equipment for Gartner Subscription needed in the Department.	2017
February	Medi-Cal	IS-Infrastructure - Training & Seminars	IS-Infrastructure - Subscriptions	\$30,000	Re-allocate funds from Training & Seminars for Gartner Subscription needed in the Department.	2017
February	Medi-Cal	IS-Application Management - Training & Seminars	IS-Infrastructure - Subscriptions	\$10,741	Re-allocate funds from Training & Seminars for Gartner Subscription needed in the Department.	2017
February	Medi-Cal	Accounting - Professional Fees	Facilities - Professional Fees	\$17,000	Re-allocate funds from Accounting Financial Audit budget to Facilities Professional Fees budget for consulting services related to restacking and other Facilities projects.	2017
February	Capital	IS-Application Development - Data Warehouse Enterprise Infrastructure Expansion	IS-Application Development - K2 Business Application Workflow Upgrade	\$47,300	Re-allocate funds from Data Warehouse Enterprise Infrastructure Expansion to K2 Business Application Workflow Upgrade for additional funds needed to complete the project.	2017
March	Medi-Cal	IS - Infrastructure - Telephone	IS-Application Management - Maintenance HW/SW	\$29,000	Re-allocate funds from Telephone Budget to HW/SW Maintenance budget for funds needed on Claim Editor Annual Renewal	2017
March	Medi-Cal	IS - Infrastructure - Professional Fees	IS - Infrastructure - Professional Fees	\$14,000	Repurpose funds from miscellaneous consulting/professional services at the CalOptima Data Center to support upcoming Microsoft 2016 upgrade.	2017

This report summarizes budget transfers between general ledger classes that are greater than \$10,000 and less than \$100,000. This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

Board of Directors' Meeting May 4, 2017

Monthly Compliance Report

The purpose of this report is to provide compliance updates to CalOptima's Board of Directors, including but may not be limited to, updates on internal and health network audits conducted by CalOptima's Audit & Oversight department, regulatory audits, privacy updates, fraud, waste, and abuse (FWA) updates, and any notices of non-compliance or enforcement action issued by regulators.

A. Updates on Regulatory Audits

1. OneCare Connect

- **Medicare-Medicaid Plan (MMP) Denial Letter Monitoring:** On 4/19/17, CMS' contractor, IMPAQ International (IMPAQ), notified all Medicare-Medicaid Plans (MMPs) of a new monitoring effort for MMP denial letters. This monitoring effort attempts to understand the frequency and types of errors, identify potential areas of risk to beneficiaries, capture best practices, and assess whether MMPs are implementing their plan decision letters in a manner compliant with CMS rules and regulations and three-way contracts. On 4/26/17, IMPAQ held a webinar presentation to provide an overview of the study and data collection materials. CalOptima must submit all required data for its OneCare Connect program by May 26, 2017.
- **CMS Mock Audit of Medication Therapy Management (MTM) Program:** In preparation for a CMS MTM program pilot audit, CalOptima has engaged a consultant to conduct a mock audit on its MTM program using the 2017 MTM regulatory audit protocols. The scope of the audit includes all OneCare Connect members who were enrolled in the MTM program during the look-back period of January 1, 2016 through December 31, 2016. The mock audit takes place from April through July 2017. The consultant, conducted its kick off meeting with CalOptima on April 19, 2017.
- **Medicare Data Validation Audit (DVA):** On an annual basis, CMS requires all plan sponsors to conduct a validation audit of all Parts C and D data reported via an independent consultant. CalOptima has contracted with a consultant, Advent Advisory Group, to conduct the validation audit for its OneCare Connect program. The validation audit started in March and is expected to end in June 2017. On April 20, 2017, Advent conducted the virtual onsite portion of the audit, which assessed and validated CalOptima's reporting procedures through staff interviews and source documentation review for the following measures:
 - Parts C & D Grievances
 - Organization Determinations and Reconsiderations
 - Coverage Determinations and Redeterminations
 - Medicare Therapy Management (MTM) Program
 - Sponsor Oversight of Agents

- Special Needs Plan (SNP) Care Management

2. OneCare

- Medicare Data Validation Audit (DVA): On an annual basis, CMS requires all plan sponsors to conduct a validation audit of all Parts C and D data reported via an independent consultant. CalOptima has contracted with a consultant, Advent Advisory Group, to conduct the validation audit for its OneCare program. The validation audit started in March and is expected to end in June 2017. On April 20, 2017, Advent conducted the virtual onsite portion of the audit, which assessed and validated CalOptima's reporting procedures through staff interviews and source documentation review for the following measures:
 - Parts C & D Grievances
 - Organization Determinations and Reconsiderations
 - Coverage Determinations and Redeterminations
 - Medicare Therapy Management (MTM) Program
 - Sponsor Oversight of Agents
 - Special Needs Plan (SNP) Care Management

3. PACE

- 2016 Annual PACE Audit: On September 29, 2016, CMS issued the final audit report to CalOptima PACE, which identified three (3) findings in the following areas --- Infection Control, Internal Quality Assessment and Performance Improvement Program Activities, and Transportation Services. Starting in December 2016, CalOptima began submitting monthly monitoring reports for the corrective action plan (CAP) issued related to transportation services. Between January and April 2017, there has been significant improvement in the transportation vendor's performance. CalOptima is pending closure of the CAP from CMS.
- DHCS Level of Care Audit: On April 27, 2017, DHCS clinical staff was onsite to conduct the 6-month documentation audit to verify the clinical assessments performed by PACE staff meets the Skilled Nursing Facility Level of Care criteria for enrollment. (pending findings – can add at the end of April for inclusion in May report).

B. Regulatory Compliance Notices

1. CalOptima did not receive any compliance notices from its regulators for the months of March and April 2017.

C. Updates on Internal and Health Network Audits

1. Internal Audits: Medi-Cal

- Medi-Cal Utilization Management (UM): Prior Authorization (PA) Requests

Month	Timeliness for Urgents	Clinical Decision Making (CDM) for Urgents	Letter Score for Urgents	Timeliness for Routine	Timeliness for Denials	CDM for Denials	Letter Score for Denials	Timeliness for Modified	CDM for Modified	Letter Score for Modified	Timeliness for Deferrals	CDM for Deferrals	Letter Score for Deferrals
November 2016	0%	N/A	N/A	0%	90%	87%	98%	100%	73%	99%	50%	58%	95%
December 2016	100%	93%	91%	20%	50%	83%	96%	71%	100%	98%	N/A	N/A	N/A
January 2017	80%	93%	91%	20%	90%	94%	83%	70%	77%	98%	0%	0%	0%

- The lower scores for timeliness were due to the following reasons:
 - Failure to meet timeframe for decision (Routine – 5 business days)
 - Failure to meet provider written notification timeframe (2 business days)
 - Failure to meet timeframe for provider initial notification to the requesting provider (24 hours)
 - Failure to meet timeframe for provider written notification (24 hours)
 - Failure to meet timeframe for extended decision (14 calendar days)
 - Failure to meet timeframe for member delay notification (5 business days)
 - Failure to meet timeframe for provider delay notification (5 business days)
- The lower scores for clinical decision making were due to the following reasons:
 - Failure to obtain adequate clinical information
 - Failure to have appropriate professional make decision
 - Failure to use criteria for decision
- The lower letter scores were due to the following reasons:
 - Failure to provide information on how to file a grievance
 - Failure to provide letter in member preferred language
 - Failure to provide language assistance program (LAP) insert with approved threshold languages
 - Failure to describe why the request did not meet criteria in lay language
 - Failure to provide description of services in lay language
 - Failure to provide peer to peer discussion with reviewer

- Medi-Cal Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2016	100%	100%	100%	100%
December 2016	100%	100%	100%	100%
January 2017	100%	100%	100%	100%

➤ The compliance rate for paid claims timeliness, paid claims accuracy, denied claims timeliness and denied claims accuracy has remained stable at 100% from November 2016 through January 2017.

- Medi-Cal Claims: Provider Dispute Resolutions (PDRs)

Month	Letter Accuracy	Determination Timeliness	Acknowledgement Timeliness
November 2016	100%	100%	100%
December 2016	100%	95%	100%
January 2017	100%	85%	100%

➤ The compliance rate for letter accuracy and acknowledgement timeliness has remained stable at 100% from November 2016 through January 2017.

➤ The compliance rate for determination timeliness has decreased from 95% in December 2016 to 85% in January 2017 due to failure to process PDRs within the required timeframe of 45 business days.

- Medi-Cal Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	Medi-Cal Call Center	Member Liaison Call Center
November 2016	99%	100%
December 2016	99%	99%
January 2017	99%	99%

- The compliance rate for both the Medi-Cal and Member Liaison Call Centers has remained stable at or above 99% from November 2016 through January 2017.

2. Internal Audits: OneCare

- OneCare Pharmacy: Formulary Rejected Claims Review

Month	% Claims Rejected in Error (Member Impact)
November 2016	0%
December 2016	0%
January 2017	0%

- No claims were rejected in error due to formulary restrictions from November 2016 through January 2017.

- OneCare Pharmacy: Coverage determination timeliness is reviewed on a daily basis to ensure that they are processed in the appropriate timeframe.

Month	% Compliant with Timeliness
November 2016	100%
December 2016	100%
January 2017	100%

- The compliance rate for coverage determination timeliness remained stable at 100% from November 2016 through January 2017.

- OneCare Pharmacy: Coverage determinations for protected classes of drugs are reviewed weekly to ensure that they are processed in accordance with regulatory requirements.

Month	Protected Drug Cases Reviewed	Protected Drug Cases Failed	Overall Compliance
November 2016	2	0	100%
December 2016	4	0	100%
January 2017	11	0	100%

➤ The compliance rate for protected classes of drugs has remained stable at 100% from November 2016 through January 2017.

- OneCare Pharmacy: Coverage determinations for unprotected classes of drugs are reviewed weekly to ensure that they are processed in accordance with regulatory requirements.

Month	Unprotected Drug Cases Reviewed	Unprotected Drug Cases Failed	Overall Compliance
November 2016	12	0	100%
December 2016	23	0	100%
January 2017	33	0	100%

➤ The compliance rate for unprotected classes of drugs has remained stable at 100% from November 2016 through January 2017.

- OneCare Utilization Management

Month	Timeliness for Expedited Initial Organization Determination (EIOD)	Clinical Decision Making for EIOD	Letter Score for EIOD	Timeliness for Standard Organization Determination (SOD)	Letter Score for SOD	Timeliness for Denials	Clinical Decision Making for Denials	Letter Score for Denials
November 2016	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report
December 2016	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report	Nothing to Report
January 2017	Nothing to Report	Nothing to Report	Nothing to Report	75%	0%	Nothing to Report	Nothing to Report	Nothing to Report

➤ The lower score for timeliness was due to failure to meet timeframe for provider notification.

- The lower letter score was due to the following reasons:
 - Failure to utilize CMS approved letter template
 - Failure to utilize CalOptima logo
 - Failure to provide description of services in lay language

- OneCare Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2016	100%	100%	100%	97%
December 2016	90%	90%	100%	90%
January 2017	100%	100%	100%	70%

- The compliance rate for paid claims timeliness and paid claims accuracy has increased from 90% in December 2016 to 100% January 2017.
- The compliance rate for denied claims timeliness has remained stable at 100% from November 2016 through January 2017.
- The compliance rate for denied claims accuracy decreased from 90% in December 2016 to 70% in January 2017 due to claim being denied in error for requesting authorization for emergency room services.

- OneCare Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Timeliness	Payment Accuracy	Letter Accuracy	Check Lag
November 2016	75%	100%	100%	100%
December 2016	100%	50%	100%	100%
January 2017	100%	50%	100%	100%

- The compliance rate for determination timeliness has remained stable at 100% from December 2016 through January 2017.
- The compliance rate for letter accuracy and check lag has remained stable at 100% from November 2016 through January 2017.
- The compliance rate for payment accuracy has remained at 50% from December 2016 through January 2017 due to inaccurate amounts paid for PDRs.

- OneCare Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	OneCare Customer Service
November 2016	100%
December 2016	100%
January 2017	100%

- The compliance rate for the OneCare Customer Service Call Center has remained stable at 100% from November 2016 through January 2017.

3. Internal Audits: OneCare Connect

- OneCare Connect Pharmacy: Formulary Rejected Claims Review

Month	% Claims Rejected in Error (Member Impact)
November 2016	0%
December 2016	0%
January 2017	0%

- No claims were rejected in error due to formulary restrictions from November 2016 through January 2017.

- OneCare Connect Pharmacy: Coverage determination timeliness is reviewed on a daily basis to ensure that they are processed in the appropriate timeframe.

Month	% Compliant with Timeliness
November 2016	100%
December 2016	99%
January 2017	99%

- The compliance rate for coverage determination timeliness remains at or above 99% from November 2016 through January 2017.

- OneCare Connect Pharmacy: Coverage determinations for protected classes of drugs are reviewed weekly to ensure that they are processed in accordance with regulatory requirements.

Month	Protected Drug Cases Reviewed	Protected Drug Cases Failed	Overall Compliance
November 2016	20	0	100%
December 2016	30	1	97%
January 2017	38	0	100%

- The compliance rate for coverage determinations for protected drug cases has increased from 97% in December 2016 to 100% in January 2017.

- OneCare Connect Pharmacy: Coverage determinations for unprotected classes of drugs are reviewed weekly to ensure that they are processed in accordance with regulatory requirements.

Month	Unprotected Drug Cases Reviewed	Unprotected Drug Cases Failed	Overall Compliance
November 2016	100	1	99%
December 2016	120	0	100%
January 2017	82	0	100%

- The compliance rate for coverage determinations for unprotected classes of drugs remained at or above 99% from November 2016 through January 2017.

- OneCare Connect Utilization Management: Prior Authorization (PA) Requests

Month	Timeliness for Urgents	Clinical Decision Making for Urgents	Letter Score for Urgents	Timeliness For Routine	Letter Score for Routine	Timeliness for Denials	Clinical Decision Making for Denials	Letter Score for Denials	Timeliness for Modified	Clinical Decision Making for Modified	Letter Score for Modified	Timeliness for Deferrals	Clinical Decision Making for Deferrals	Letter Score for Deferrals
November 2016	Nothing to Report	Nothing to Report	Nothing to Report	0%	80%	100%	100%	89%	N/A	N/A	N/A	N/A	N/A	N/A
December 2016	70%	Nothing to Report	95%	40%	30%	83%	78%	83%	N/A	N/A	N/A	N/A	N/A	N/A
January 2017	90%	N/A	30%	40%	35%	100%	100%	50%	N/A	N/A	N/A	N/A	N/A	N/A

- The lower scores for timeliness were due to failure to meet timeframe for decision (Routine - 5 business days).
- The lower scores for letter review were due to the following:
 - Failure to provide letter in member preferred language

- Failure to provide letter with description of services in lay language

- OneCare Connect Claims: Professional and Hospital Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2016	70%	93%	100%	100%
December 2016	100%	100%	100%	100%
January 2017	50%	80%	100%	80%

- The compliance rate for paid claims timeliness has decreased from 100% in December 2016 to 50% in January 2017 due to failure to meet timelines for paid claims (within 30 calendar days).
- The compliance rate for paid claims accuracy has decreased from 100% in December 2016 to 80% in January 2017 due to inaccurate interest payments.
- The compliance rate for denied claims timeliness has remained stable at 100% from November 2016 through January 2017.
- The compliance rate for denied claims accuracy has decreased from 100% in December 2016 to 80% in January 2017 due to inaccurate development of clean claims.

- OneCare Connect Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Timeliness	Payment Accuracy	Letter Accuracy	Check Lag
November 2016	93%	87%	100%	100%
December 2016	100%	94%	100%	100%
January 2017	100%	100%	100%	N/A

- The compliance rate for determination timeliness has remained stable at 100% from December 2016 to January 2017.
- The compliance rate for payment accuracy has increased from 94% in December 2016 to 100% in January 2017.
- The compliance rate for letter accuracy has remained stable at 100% from November 2016 to January 2017.

- OneCare Connect Customer Service: Call center activity is reviewed for appropriate classification, routing, and privacy handling.

Month	OneCare Connect Customer Service
November 2016	99%
December 2016	100%
January 2017	100%

- The compliance rate for the OneCare Connect Customer Service Call Center has remained stable at 100% from December 2016 to January 2017.

4. Internal Audits: PACE

- PACE Claims: Professional Claims

Month	Paid Claims Timeliness	Paid Claims Accuracy	Denied Claims Timeliness	Denied Claims Accuracy
November 2016	100%	100%	100%	100%
December 2016	100%	100%	100%	100%
January 2017	67%	100%	100%	100%

- The compliance rate for paid claims timeliness has decreased from 100% in December 2016 to 67% in January 2017 due to error in development of clean claims.
- The compliance rate for paid claims accuracy, denied claims timeliness, and denied claims accuracy has remained stable at 100% from November 2016 through January 2017.

- PACE Claims: Provider Dispute Resolutions (PDRs)

Month	Determination Accuracy	Letter Accuracy	Acknowledgement Timeliness	Check LAG
November 2016	83%	100%	100%	100%
December 2016	100%	100%	100%	100%
January 2017	100%	100%	100%	100%

- The compliance rate for determination accuracy has remained stable at 100% from December 2016 to January 2017.

- The compliance rate for letter accuracy, acknowledgement timeliness, and check lag remained stable at 100% from November 2016 through January 2017.

5. Health Network Audits: Medi-Cal, OneCare, and OneCare Connect

For the month of January 2017, monthly file reviews for health networks were suspended due to preparation for the Joint Medical Audit performed by the Department of Health Care Services (DHCS) and the Department of Managed Health Care (DMHC). Alternatively, CalOptima's Audit & Oversight Department conducted webinar reviews to assess the processing of utilization management files and claims from each health network's systems.

- Utilization Management (UM): Prior Authorization (PA) Requests

For UM, the following areas were reviewed --- timeliness, clinical decision making, and letter template. Webinar reviews assessed the processing of the UM files from health networks' medical management systems. Common issues identified across the health networks include:

- Failure to use most current letter template (OneCare and OneCare Connect only)
- Failure to use lay language
- Failure to provide proof of successful fax notification to the requesting provider
- Failure to issue letters in member primary language
- Failure to implement procedures in policies
- Failure to meet decision making timeliness

- Claims: Professional and Hospital Claims

For professional and hospital claims, the following areas were reviewed --- timeliness, accuracy, and misclassifications. Webinar reviews assessed the processing of professional and hospital claims from health networks' claims processing systems. Common issues identified across the health networks include:

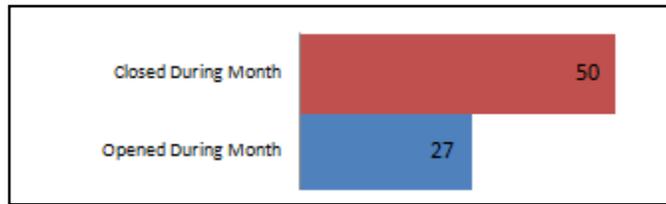
- Failure to pay claims timely
- Failure to pay interest on claims
- Inappropriate routing of claims to CalOptima for processing when the claims should have been processed by the health network (Medi-Cal only)
- Inappropriate application of two percent (2%) sequestration on non-contracted provider claims (OneCare and OneCare Connect only)
- Misclassified clean and non-clean claims on the original universe submission (OneCare and OneCare Connect only)

Please note, monthly file reviews for the respective audit areas have resumed for February 2017 files.

D. Special Investigations Unit (SIU) / Fraud, Waste & Abuse (FWA) Investigations
 (March 2017)

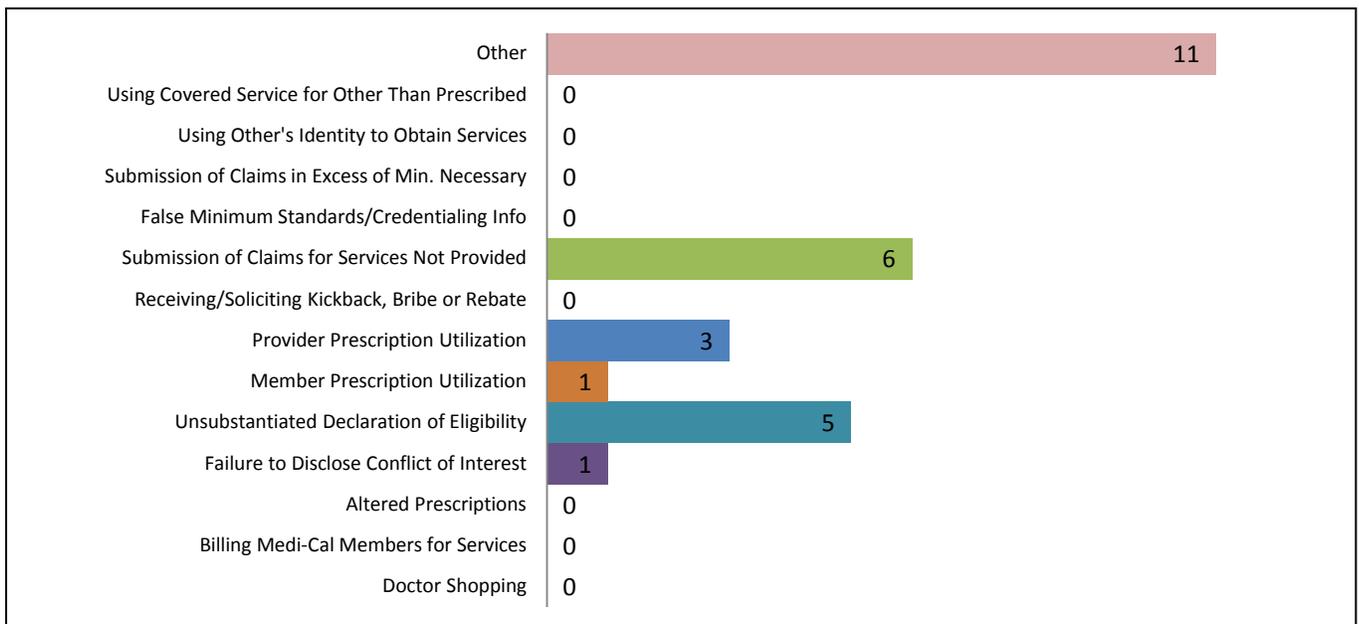
Case Status

Case status at the end of
 March 2017

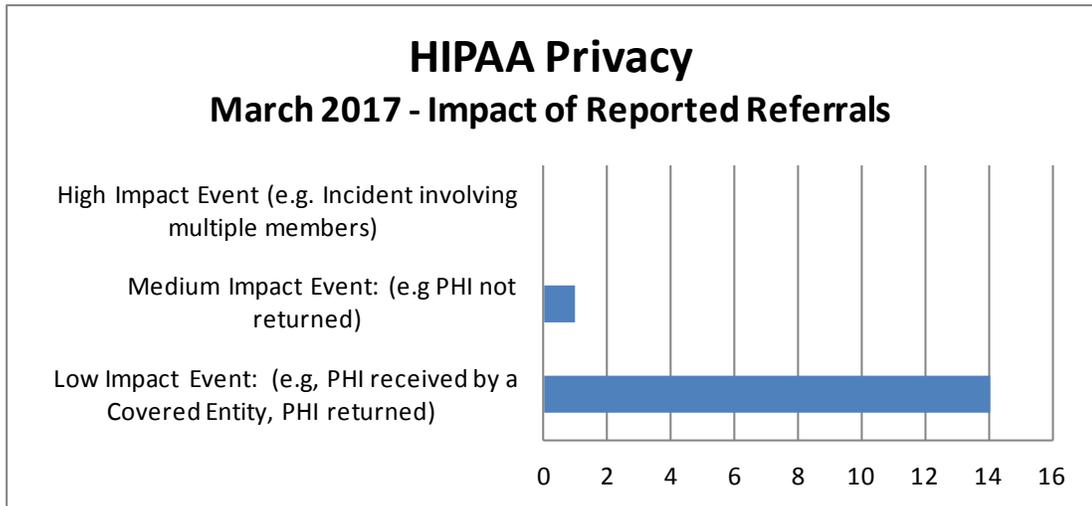
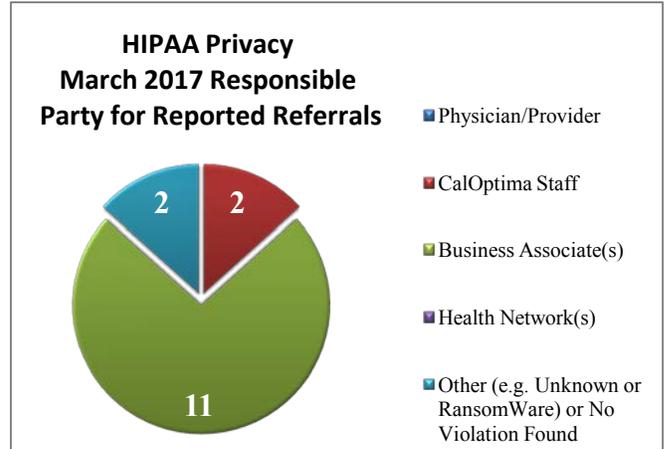
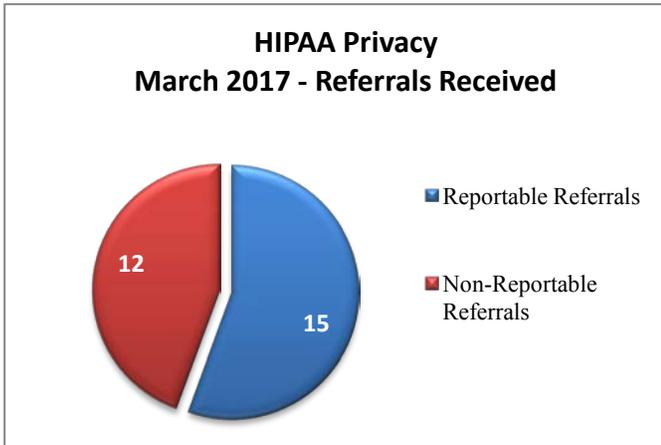


Note: Cases that are referred to DHCS or the MEDIC are not “closed” until CalOptima receives notification of case closure from the applicable government agency.

Types of FWA Cases: (Received in March 2017)



E. Privacy Update (March 2017)



PRIVACY STATISTICS

Total Number of Referrals Reported to DHCS (State)	14
Total Number of Referrals Reported to DHCS and Office for Civil Rights (OCR)	1
Total Number of Referrals Reported	15



CalOptima
Better. Together.

Federal & State Legislative Advocate Reports

**Board of Directors Meeting
May 4, 2017**

Akin Gump Strauss Hauer & Feld / Edelstein Gilbert Robson & Smith

M E M O R A N D U M

April 20, 2017

To: CalOptima
From: Akin Gump Strauss Hauer & Feld, LLP
Re: April Report

The month of April – dominated by a two week Congressional recess – saw legislators seek to regroup following the previous month’s push for and ultimate postponement of consideration of the American Health Care Act (AHCA). That bill’s contents and journey was covered in the previous month’s report as well as in a presentation by Akin Gump at the April CalOptima Board of Directors Meeting.

CalOptima Monthly Board Meeting

On Thursday, April 6, Geoff Verhoff and Josh Teitelbaum delivered a presentation to the CalOptima Board of Directors (BOD) on the politics and policy of the AHCA. Specifically, Akin Gump described the bill’s potential to transform Medicaid’s funding structure from an open-ended entitlement to a capped per capita amount. In addition, Akin Gump reviewed the political dynamic that moved the Medicaid provisions in a more restrictive direction over the bill’s 18 day consideration, including the addition of provisions to allow states to choose a block grant and work requirements for beneficiaries.

During the meeting, CalOptima board members asked about the growth rate for the per capita caps included in the legislation as well as the impact of the President’s proposed budget on discretionary programs administered by the Department of Health and Human Services. Akin Gump found the meeting to be a successful introduction to the board of directors as CalOptima’s new federal representatives and an effective opportunity to learn about CalOptima’s priorities and operations.

American Health Care Act Developments

Following the postponement of the AHCA vote on Friday, March 24, factions within the House Republican Conference – the conservative House Freedom Caucus and the moderate Tuesday Group – continued to meet to try to seek a deal that would revive consideration of the AHCA. Negotiations focused on changes to the consumer protections and insurance mandates of Title I of the Affordable Care Act (ACA). Community rating and guaranteed issue are among the most popular provisions of the law, ensuring that health plans must offer insurance to everyone in the individual market at similar prices. However, these insurance mandates, Freedom Caucus members argued, also raise premiums for healthier individuals. As a result, Freedom Caucus Members made repealing or modifying these provisions a key demand in the negotiations for their support. Yet, the more moderate House members viewed this as undermining their

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promise to insure individuals with pre-existing conditions and balked at supporting a bill that made such changes. Finding a balance between these two groups became the goal of the negotiations.

Pressure to reach a deal increased as President Trump made a number of public statements reiterating his desire to finish health care reform first in order to make it easier to pass comprehensive tax reform later. The AHCA would repeal a number of taxes included in the ACA. If the AHCA became law, it would lower the revenue baseline. Bills passed after that – like tax reform – would have to raise less revenue to achieve budget neutrality and comply with Congressional budget rules.

In order to show progress on repealing the ACA before returning to their districts for two weeks, House Republicans reconvened the House Rules Committee on April 6 and voted to add another amendment to the bill. This amendment established a federal risk-sharing fund and appropriated \$15 billion for the program from 2018 to 2026. The amendment was intended to reduce premiums for those with pre-existing conditions that may have been priced out of a plan under the AHCA's proposed subsidy structure.

Negotiations continued quietly during the recess until the morning of April 20, when Tuesday Group leader Rep. Tom MacArthur (R-NJ-03) circulated the summary of an amendment to the AHCA described as language that conservative Freedom Caucus members could support. The MacArthur Amendment would:

- Reinstatement of the Essential Health Benefits (EHBs) as the federal standard (i.e., the ACA Title I consumer protections and insurance mandates that had been modified for the conservative members before the AHCA vote was postponed);
- Create an option for states to obtain a waiver from the EHBs; and
- Require States to attest that the purpose of seeking a waiver from the EHBs was to reduce premiums, increase coverage, or advance another public interest.

Public reports on April 20 and private sources indicate that there is a real chance of a vote on the amendment when the House returns during the week of April 24. The White House and House Republican leadership are seeking a 216 vote majority for this package – a difficult feat complicated by the fact that federal funding will need to be reauthorized by April 28 to avoid a government shutdown.

There has been no indication of changes to the Medicaid provisions of the AHCA as members focus on the availability and affordability of the ACA marketplace plans.

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Federal Fiscal Year 2017 Funding

Issues with the ACA will also complicate attempts to avoid a federal government shutdown at the end of the month as authorization for discretionary under a temporary Continuing Resolution (CR) expires on Friday, April 28. An effort is underway to pass a measure that will fund the government through the remainder of Fiscal Year 2017, which runs through September 30. This effort is not without controversy, as the Trump Administration has not fully let go of its desire to appropriate funds to begin building a border wall. However, Republicans will need at least eight Senate Democrats to vote with them to pass the appropriations package, so bipartisan compromise will be required. There may be one or more short-term funding patches as Congress considers spending priorities.

One of the more challenging issues Congress and the Trump Administration face is what to do with the ACA subsidies that were meant to help reduce cost sharing (deductibles, co-payments) for low-income, non-Medicaid eligible individuals buying insurance on the exchange. House Republicans had successfully sued the Obama Administration in district court arguing that Congress must appropriate the money before the Cost Sharing Reduction (CSR) subsidies could be paid. With an injunction from the district court in place, Congress must decide whether to appropriate the money in the upcoming spending bill. Some Democrats have stated they will not vote to pass any appropriations package without funds for the CSR program included. Democrats are intent on demanding that the CSR program be funded and are strongly inclined to draw a line in the sand over its inclusion. If unified, this stance is significant as at least eight Democratic Senators will need to vote for cloture on any spending measure. Additionally, key defense hawks have signaled an unwillingness to support a straight CR for all agencies because of the negative impact on defense spending. The Administration appears open to including CSR subsidies as a negotiating tactic if Democrats will support the overall omnibus appropriations package including items such as increased funding for border security.

While bipartisan negotiations continue, we still believe it is more likely than not that Congress will be able to pass an omnibus appropriations package that includes several appropriations bills that can be successfully completed with a few controversial bills, including the Labor, Health and Human Services, Education, and Related Agencies (LHHS) appropriations bill, being passed as a CR through the duration of the fiscal year. However, Congress will likely need to pass a one-week CR to wrap up negotiations on the broader omnibus package.

If by some chance Republicans manage to pass a spending bill without funding the CSR subsidies, they would still be in a difficult quandary on the CSR program. Specifically, the President would then still have to decide whether to appeal the district court decision on May 22. If he chooses to accept the district court decision and there is no appropriation, the President

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could unilaterally shut down the CSR subsidy program. Under this approach, the Administration would make a calculation that the threat would help bring Democrats to the negotiating table for either the appropriations package or the repeal and replace battle.

CHRONIC Care Act

In developments unrelated to the AHCA, Senators Orrin Hatch (R-UT) and Ron Wyden (D-OR) reintroduced the CHRONIC Care Act, which would, among other things, permanently authorize Special Needs Plans (SNPs), including D-SNP plans if certain requirements are met. By 2020, a D-SNP contract would be required to have a unified grievances and appeals procedure in place, and by 2021, a D-SNP would be required to integrate Medicare and Medicaid long-term services and supports and/or behavioral health services by meeting one of three requirements. Without further action by Congress, authorization for SNPs ends on December 31, 2018. A majority of Senate Finance Committee members are now cosponsors of the bill, which is expected to be passed out of Committee in May and may be attached to other must-pass health care legislation like the CHIP-reauthorization, which must be passed by September 30, 2017.



CALOPTIMA LEGISLATIVE REPORT

By Don Gilbert and Trent Smith

April 20, 2017

The Legislature is racing to hear several hundred bills by April 28, the deadline to pass bills out of the first policy committee. This is the first major deadline on the Legislative calendar and traditionally one of the busiest times of the year. The good news from CalOptima's perspective is that there are very few bills that have been introduced that have a direct impact on the health plan. We continue to watch several bills that eventually could be amended to impact CalOptima, but so far nothing of concern has arisen.

As previously reported in February and March, the Senate and Assembly Health Committees met in an effort to learn more about the Centers for Medicare & Medicaid Services (CMS) Mega Regulations. It was at these hearings where the issue of Independent Medical Review (IMR) and Knox Keene Licensure were discussed. There have been no further hearings or discussions focusing on these issues, but that will likely change in the coming months. Meanwhile, AB 250 by Assembly Health Committee Chairman Wood and AB 171 by Senate Health Committee Chairman Hernandez have been designated as the bills that will be used to make the necessary statutory changes. Both bills were recently amended with identical language to address various issues including time and distance standards and public hospital payments. These two matters, especially the public hospital payments, are expected to be among the most difficult to reach a consensus.

Several bills focused on the high price of drugs are being debated in the health committees. Another major issue being debated is opioid addiction. While these issues do not directly impact CalOptima, they do impact the cost of health care and are part of larger national debates.

While budget committees have been meeting to debate various aspects of the Governor's Proposed State Budget, most of the real budget action will take place once the Governor releases his May Revise in a few weeks. The May Revise amends the Governor's Budget to more accurately reflect new revenue collected from April tax filings and new policy priorities. It is possible that new issues of importance to CalOptima could emerge in the May Revise, although we have not heard of anything at this point. The Legislature is required to pass the Budget by June 15 and the Governor must sign the Budget by the beginning of the fiscal year, which starts July 1.

Some significant news in the Medi-Cal world recently was announced by the Department of Health Care Services (DHCS). They announced that all Medi-Cal Managed care plans would have their contracts put out for competitive bid. DHCS is hoping to improve the quality of care and save additional money by seeking new bids. Incumbent health plans are welcome to bid. While this announcement does not directly impact CalOptima or the other COHS, it is creating a lot of buzz in the health plan community.

2017–18 Legislative Tracking Matrix

STATE BILLS

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Position
AB 15 (Maienschein)	This bill would require DHCS to increase the Denti-Cal provider reimbursement rates to the regional commercial rates for the 15 most common dental services. While the bill does not specify a dollar amount for the increase, it does note Denti-Cal's low utilization and funding levels, citing the need for increased reimbursement rates to attract additional providers. CalOptima members who receive Denti-Cal benefits outside of CalOptima may be affected by this proposed increase in funding. This bill would take effect on January 1, 2018.	03/22/2017 Passed out of Assembly Committee on Health, referred to Assembly Committee on Appropriations	Watch
AB 340 (Arambula)	This bill would require the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT) to include screenings for incidents of trauma that affect a child's mental or physical health. The EPSDT program is a comprehensive, preventive Medi-Cal benefit for children under the age of 21. CalOptima provides most EPSDT services, while the Orange County Health Care Agency (HCA) covers services not covered by CalOptima. Further clarification is needed in the bill to define whether trauma screening is considered a specialty mental health service offered by county mental health plans, or if Medi-Cal managed care plans would be responsible for providing these services.	03/22/2017 Passed out of Assembly Committee on Health, referred to Assembly Committee on Appropriations	Watch
AB 675 (Ridley-Thomas)	This bill would appropriate \$650 million of state General Fund dollars to DHCS in order to allow In-Home Supportive Services (IHSS) to continue as a Medi-Cal managed care benefit. The Coordinated Care Initiative (CCI) contained a "poison pill" that went into effect in January, meaning IHSS will no longer be a Medi-Cal managed care benefit beginning January 1, 2018. As a result, counties will absorb the responsibility of IHSS. This bill aims to retain the IHSS provision of CCI by shifting dollars from the General Fund to DHCS.	04/05/2017 Passed out of Assembly Committee on Human Services	Watch
SB 152 (Hernandez)	Based on the most recent guidance from DHCS, CalOptima will implement the Whole Child Model (WCM) no sooner than January 1, 2019. However, under current law, DHCS is required to submit a report to the Legislature no later than January 1, 2021 (two years after plan implementation). Since the WCM implementation date has been delayed, this bill has been introduced to allow plans the full three years to implement the WCM before DHCS submits its report to the Legislature.	04/13/2017 Passed Senate Committee on Health, referred to Senate Committee on Appropriations	Watch
SB 171/ AB 205 (Hernandez/Wood)	This bill would implement certain provisions of the CMS Medicaid managed care rules, making changes at the state level regarding Medi-Cal managed care plans and state fair hearings, time and distance requirements for providers, medical loss ratios, and public hospital financing.	04/06/2017 Hearing set for April 26	Watch
SB 223 (Atkins)	This bill would require Medi-Cal managed care plans to notify members of their nondiscriminatory protections, and translate its member materials into the top 15 languages as identified by the U.S. Census. Plans are currently required to translate materials into threshold languages based on regional population. It would also require interpreters to be deemed qualified by the state and receive additional ethics, conduct, and proficiency training.	04/05/2017 Referred to Senate Committee on Health	Watch

2017–18 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Position
SB 508 (Roth)	This bill would allow DHCS to create a dental health collaboration pilot program for Medi-Cal members in Riverside and San Bernardino counties. The program would coordinate efforts between health plans and DHCS to deliver more coordinated Denti-Cal services for Medi-Cal members and incentive based payment structures for Denti-Cal providers. According to the bill, this pilot program would be implemented for up to five years.	04/18/2017 Hearing set for April 26	Watch
State Budget Trailer Bill – Cal MediConnect	This trailer bill language (TBL) would establish statutory authority for the continuation of Cal MediConnect (CMC), which includes CalOptima’s OneCare Connect. CMC is currently part of the Coordinated Care Initiative (CCI), which operates in seven counties and consists of both CMC, and the integration of Medi-Cal long-term services and supports, including In-Home Supportive Services (IHSS), into managed care. Gov. Brown’s FY 2017–18 state budget proposed the continuation of CMC until December 31, 2019, even as the broader CCI is discontinued as of January 1, 2018. CCI’s discontinuation means that IHSS administration will be transferred back to counties from managed care plans and that new state legislation will be required to authorize the CMC program past January 1, 2018.	02/01/2017 Preliminary trailer bill language published by the Department of Finance	Watch

FEDERAL BILLS

Bill Number (Author)	Bill Summary	Bill Status	CalOptima Position
HR 1628 (Black)	The American Health Care Act (AHCA) would make sweeping changes to the national health care system. For CalOptima, the most significant changes would be 1) Changes to the Medicaid financing structure from the federal medical assistance percentage (FMAP) to a per capita cap system, 2) Decreased federal dollars for Medicaid expansion members who leave and return to the program, 3) Additional state authority to set “essential health benefit” requirements for Medicaid plans, and 4) Potentially decreased funding and additional restrictions for state waiver programs.	03/24/2017 Consideration of this bill has been postponed	Watch
S 191 (Cassidy)	The Patient Freedom Act would repeal several mandates in the Affordable Care Act (ACA), such as the individual and employer mandates, as well as the essential health benefit requirements. The bill retains most of the ACA consumer protections, such as prohibiting discrimination, pre-existing conditions exclusions, and annual/lifetime limits. Once the ACA provisions are repealed, the bill would provide greater state flexibility for their Medicaid and exchange programs. Specifically, states would be given three options after the ACA provisions are repealed: 1) A state-specific health system (excluding the repealed ACA provisions) with 95 percent of current federal funding available to states prior to implementation of this bill, 2) A state-based health care system with no federal financial assistance, or 3) Continue under current system at funding no more than option 1 (state legislatures would be required to reinstate the ACA requirements and mandates repealed by S. 191).	01/23/2017 Referred to Senate Committee on Finance	Watch

The CalOptima Legislative Tracking Matrix includes information regarding legislation that directly impacts CalOptima and our members. These bills are closely tracked and analyzed by CalOptima’s Government Affairs Department throughout the legislative session. All official “Support” and “Oppose” positions are approved by the CalOptima Board of Directors. Bills with a “Watch” position are monitored by staff to determine the level of impact.

2017 State Legislative Deadlines

January 4	Legislature reconvenes
February 17	Last day for legislation to be introduced
April 28	Last day for policy committees to hear and report bills to fiscal committees
May 12	Last day for policy committees to hear and report non-fiscal bills to the floor
May 26	Last day for fiscal committees to report fiscal bills to the floor
May 30–June 2	Floor session only
June 2	Last day to pass bills out of their house of origin
June 15	Budget bill must be passed by midnight
July 21–August 21	Summer recess
September 1	Last day for fiscal committees to report bills to the floor
September 5–15	Floor session only
September 15	Last day for bills to be passed. Interim recess begins
October 15	Last day for Governor to sign or veto bills passed by the Legislature

Sources: 2017 State Legislative Deadlines, California State Assembly: <http://assembly.ca.gov/legislativedeadlines>

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:

Phil Tsunoda

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Board of Directors Meeting May 4, 2017

CalOptima Community Outreach Summary — April 2017

Background

CalOptima is committed to serving our community by sharing information with current and potential members and strengthening relationships with our community partners. One of the ways CalOptima accomplishes this is through our participation in public events. CalOptima participates in public activities that meet at least one of the following criteria:

- Member interaction/enrollment: The event/activity attracts a significant number of CalOptima members and/or potential members who could enroll in any of CalOptima's programs.
- Branding: The event/activity promotes awareness of CalOptima in the community.
- Partnerships: The event/activity has the potential to create positive visibility for CalOptima and create a long-term collaborative partnership between CalOptima and the requesting entity.

We consider requests for sponsorship based on several factors including: the number of people the activity/event will reach; the marketing benefits for CalOptima; the strength of the partnership or level of involvement with the requesting entity; past participation; staff availability; and budget availability.

In addition to participating in community events, CalOptima staff actively participates in a number of community meetings including coalitions/collaboratives, committees and advisory groups focused on community health issues. CalOptima strives to address issues related to improving access to health care, reducing health disparities, strengthening the safety net system and promoting a healthier Orange County.

CalOptima Community Resource Fair

In collaboration with Case Management department, Community Relations department will host a Community Resource Fair on Tuesday, May 23, 2017, from 10 a.m. to 1 p.m. at CalOptima. The purpose of the resource fair is to increase the knowledge of CalOptima staff and our delegated health network partners of resources available in the community to better assist our members.

The resource fair is an excellent educational and networking opportunity. All CalOptima staff and the delegated health networks' case managers, personal care coordinators, social workers, referral specialists, and others who help members connect to community resources are invited to attend. Attendees will also have an opportunity to win several gift baskets.

Approximately 35 community partners will be available at the event to provide information on a wide variety of services and programs that could benefit our families and children member population. Community partners invited include non-profit community-based organizations, county agencies and other service providers.

For additional information or questions, please contact Tiffany Kaaiakamanu, manager of Community Relations at **657-235-6872** or email tkaaiakamanu@caloptima.org.

Summary of Public Activities

During April, CalOptima participated in 53 community events, coalition and committee meetings:

Date	Events/Meetings	Audience Reached
4/03/17	<ul style="list-style-type: none"> Orange County Health Care Agency Mental Health Services Act Steering Committee 	Health and Human Service Providers
4/04/17	<ul style="list-style-type: none"> Transitions of Care Health Fair hosted by Partners in Care of the West, Inc. (Registration Fee: \$295.00 included one table and two chairs for outreach) 	Health and Human Service Providers
4/05/17	<ul style="list-style-type: none"> Orange County Aging Services Collaborative Meeting Anaheim Human Services Network Orange County Healthy Aging Initiative Careers in Aging hosted by Cal State Fullerton Gerontology Honor Society 	Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers
4/06/17	<ul style="list-style-type: none"> Homeless Provider Forum 	Members/Potential Members
4/07/17	<ul style="list-style-type: none"> Help Me Grow Advisory Meeting 	Health and Human Service Providers
4/08/17	<ul style="list-style-type: none"> Spring Festival hosted by City of Westminster Health Walk hosted by Latino Health Access (Registration Fee: \$250.00 included one table and two chairs for outreach) Easter Eggcitement and Spring Carnival hosted by Placentia Library District Dia del Nino Celebration and Resource Fair hosted by KidWorks 	Health and Human Service Providers Members/Potential Members Members/Potential Members Members/Potential Members
4/10/17	<ul style="list-style-type: none"> Orange County Veterans and Military Families Collaborative Meeting Fullerton Collaborative Meeting 	Health and Human Service Providers Health and Human Service Providers
4/11/17	<ul style="list-style-type: none"> Orange County Strategic Plan for Aging Meeting Buena Clinton Neighborhood Coalition San Clemente Youth Wellness and Prevention Coalition Meeting 	Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers
4/12/17	<ul style="list-style-type: none"> Buena Park Collaborative Meeting Anaheim Homeless Collaborative Meeting Orange County Communication Workgroup Meeting State Council on Developmental Disabilities, 	Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers

Orange County Office — Health Care Task Force

4/13/17	<ul style="list-style-type: none">• Homeless Information System Ribbon Cutting Ceremony hosted by Future in Humanity• FOCUS Collaborative Meeting	Health and Human Service Providers Health and Human Service Providers
4/14/17	<ul style="list-style-type: none">• Covered Orange County General Meeting	Health and Human Service Providers
4/15/17	<ul style="list-style-type: none">• Annual Spring Family Eggstravaganza hosted by La Habra Family Resource Center and the City of La Habra• Resource Fair and Easter Egg Hunt hosted by City of Stanton	Members/Potential Members Members/Potential Members
4/18/17	<ul style="list-style-type: none">• North Orange County Senior Collaborative All Members Meeting• Vision Y Compromiso Orange County Committee — Ad Hoc Meeting• Placentia Community Collaborative Meeting	Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers
4/19/17	<ul style="list-style-type: none">• Mini Street Family Resource Center Professional Roundtable• Orange County Promotoras Meeting• Meet and Greet with Asian American Advancing Justice• Covered Orange County Steering Committee Meeting• Vision Y Compromiso Promotoras Meeting• Community Resource Fair hosted by the Wellness Center, Central Orange County	Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers Health and Human Service Providers Members/Potential Members
4/20/17	<ul style="list-style-type: none">• Orange County Children’s Partnership Committee Meeting• Surf City Senior Providers Network and Lunch	Health and Human Service Providers Health and Human Service Providers
4/21/17	<ul style="list-style-type: none">• Commission to End Homelessness — Bimonthly Full Group Implementation Meeting• Third Annual Orange County Leadership Forum on Aging hosted by Orange County Aging Services Collaborative (Sponsorship Fee: \$500 includes logo placement on all promotional materials, recognition on presentation slides, event program during welcome remarks, and one table for outreach)	Health and Human Service Providers Health and Human Service Providers
4/22/17	<ul style="list-style-type: none">• My Health My Family My Community Health Fair hosted by Cal State Fullerton Center for Healthy Neighborhoods	Members/Potential Members

	High 5-A-Thon and Music Festival hosted by El Foundation (Registration Fee: \$14 includes one table and two chairs for outreach)	Members/Potential Members
	• Annual Community Information and Resource Fair hosted by City of Anaheim	Members/Potential Members
4/23/17	• Health Fair hosted by Vietnamese Community Health at UC Los Angeles	Members/Potential Members
4/24/17	• Community Health Research and Exchange Meeting	Health and Human Service Providers
	• Stanton Collaborative Meeting	Health and Human Service Providers
4/25/17	• Orange County Senior Roundtable	Health and Human Service Providers
	• Orange County Transportation Authority Special Needs Advisory Committee	Health and Human Service Providers
	• Santa Ana Building Healthy Communities Meeting	Health and Human Service Providers
4/27/17	• Disability Coalition of Orange County Meeting	Health and Human Service Providers
	• 3rd Annual Month of the Military Child Celebration hosted by Orange County Veterans and Military Families Collaborative	Members/Potential Members
4/29/17	• First Interactive Video Conference for Parkinson’s Latino Community hosted by Give for a Smile (Sponsorship Fee: \$500 includes one table and two chairs for outreach and logo placement on promotional materials)	Members/Potential Members
	• Second Annual Special Needs Resource Fair hosted by the City of Lake Forest	Members/Potential Members
	• Community Resource Fair hosted by Families Forward and Irvine Valley College	Members/Potential Members

CalOptima organized or convened the following 20 community stakeholder events, meetings and presentations:

Date	Event/Meeting	Audience Reached
04/04/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You (Spanish)	Member/Potential Member Providers
4/05/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You (English)	Member/Potential Member Providers
4/06/17	• Community-based organization presentation for CalOptima Department of Health Education	Member/Potential Member Providers

Workshops — Topic: Healthy Weight Healthy You
(Spanish)

4/07/17	• Community-based organization presentation for Ruby Drive Elementary School — Topic: CalOptima Overview (Spanish)	Member/Potential Member Providers
4/11/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You (Spanish)	Member/Potential Member Providers
4/12/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You	Member/Potential Member Providers
4/14/17	• County Community Service Center education seminar — Topic: Good Oral Care: Understanding Your Denti-Cal Benefits and Accessing Dental Services (English)	Member/Potential Member Providers
4/18/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You (Spanish)	Member/Potential Member Providers
4/19/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You	Member/Potential Member Providers
4/20/19	• CalOptima Awareness and Education Seminar — Topic: HIV Among the Latino Population	Health and Human Service Providers
4/21/17	• County Community Service Center Education Seminar — Topic: Good Oral Care: Understanding Your Denti-Cal Benefits and Accessing Dental Services (Spanish)	Member/Potential Member Providers
4/24/17	• Community-based organization presentation for Rio Vista Elementary — Topic: CalOptima Overview	Member/Potential Member Providers
4/25/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You (Spanish)	Member/Potential Member Providers
	Community-based organization presentation for Westminster Family Resource Center — Topic: CalOptima Overview (English/Spanish)	Member/Potential Member Providers
4/26/17	• CalOptima Department of Health Education Workshops — Topic: Healthy Weight Healthy You	Member/Potential Member Providers
	• OneCare Connect Forum hosted for Cypress Senior Center — Topic: OneCare Connect	Member/Potential Member Providers

(English/Chinese)

4/27/17	• CalOptima New Member Orientation for Medi-Cal Members (Vietnamese)	Member/Potential Member Providers
4/28/17	• County Community Service Center Education Seminar — Topic: Good Oral Care: Understanding Your Denti-Cal Benefits and Accessing Dental Services (Vietnamese)	Member/Potential Member Providers
	• Community-based organization presentation for Topaz Elementary School — Topic: CalOptima Overview	Member/Potential Member Providers
	• Community-based organization presentation for Southland Integrated Services, Inc. — Topic: CalOptima Overview	Member/Potential Member Providers

CalOptima endorsed the following three events during this reporting period (e.g., letters of support, program/public activity event with support, or use of name/logo):

1. Use of CalOptima Medi-Cal, One Care and OneCare Connect logos for the AdaptiveRX's webpage.
2. Third Annual Orange County Leadership Forum on Aging hosted by Orange County Aging Services Collaborative (Listed in Public Activities)
3. First Interactive Video Conference for Parkinson's Latino Community hosted by Give for a Smile (Listed in Public Activities)

CalOptima Board of Directors Community Activities

For more information on the listed items, contact Tiffany Kaaiakamanu, Manager of Community Relations, at 657-235-6872 or by email at tkaaiakamanu@caloptima.org.

May

Thursday, 5/4 9-11am	++Homeless Provider Forum	Steering Committee Meeting: Open to Collaborative Members	Covenant Presbyterian Church 1855 N. Orange Olive Rd. Orange
Thursday, 5/4 9-11am	++Refugee Forum of OC	Steering Committee Meeting: Open to Collaborative Members	Access California Services 631 S. Brookhurst St. Anaheim
Thursday, 5/4 9:30-10:30am	*CalOptima New Member Orientation Presentation in Vietnamese	Community Presentation Open to the Public	County Community Service Center 15496 Magnolia Ave. Westminster
Friday, 5/5 9-10:30am	++Covered Orange County General Meeting	Steering Committee Meeting: Open to Collaborative Members	The Village 1505 E. 17th St. Santa Ana
Monday, 5/8 1-2:30pm	++OC Veterans and Military Families Collaborative	Steering Committee Meeting: Open to Collaborative Members	Child Guidance Center 525 N. Cabrillo Park Dr. Santa Ana
Monday, 5/8 2:30-3:30pm	++Fullerton Collaborative	Steering Committee Meeting: Open to Collaborative Members	Fullerton Library 353 W. Commonwealth Ave. Fullerton
Tuesday, 5/9 11:30am-12:30pm	++Buena Clinton Neighborhood Coalition	Steering Committee Meeting: Open to Collaborative Members	Buena Clinton Youth and Family Center 12661 Sunswept Ave. Garden Grove
Tuesday, 5/9 2-4pm	++Susan G. Komen Orange County Unidos Contra el Cancer del Seno Coalition	Steering Committee Meeting: Open to Collaborative Members	Susan G. Komen OC 3191-A Airport Loop Dr. Costa Mesa

* CalOptima Hosted

1 – Updated 2017-04-20

+ Exhibitor/Attendee
++ Meeting Attendee

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Tuesday, 5/9 4-5:30pm	++San Clemente Youth Wellness & Prevention Coalition	Steering Committee Meeting: Open to Collaborative Members	San Clemente High School 700 Avenida Pico San Clemente
Tuesday, 5/9 4:30-6pm	*Health Education Weight Control Class Presentation in Spanish	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Wednesday, 5/10 10-11:30am	++Buena Park Collaborative	Steering Committee Meeting: Open to Collaborative Members	Buena Park Library 7150 La Palma Ave. Buena Park
Wednesday, 5/10 12-1:30pm	++Anaheim Homeless Collaborative	Steering Committee Meeting: Open to Collaborative Members	Anaheim Central Library 500 W. Broadway Anaheim
Wednesday, 5/10 4:30-6pm	*Health Education Weight Control Class	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Friday, 5/12 9-10am	*Mental Health Wellness: Understanding and Accessing Behavioral Health Benefits and Services	Community Presentation Open to the Public	County Community Service Center 15496 Magnolia Ave. Westminster
Friday, 5/12 9:30-11am	++Senior Citizen Advisory Council Meeting	Steering Committee Meeting: Open to Collaborative Members	Varies
Saturday, 5/18 9am-1pm	+Consulate of Mexico Mental Health Awareness Resource Fair	Health/Resource Fair Open to the Public	2100 E. Fourth St. Santa Ana
Tuesday, 5/16 8:30-10am	++North OC Senior Collaborative	Steering Committee Meeting: Open to Collaborative Members	St. Jude Community Services 130 W. Bastanchury Rd. Fullerton
Tuesday, 5/16 9-10am and 2-3pm	++Vision Y Compromiso OC Committee Meeting	Steering Committee Meeting: Open to Collaborative Members	Council on Aging 2 Executive Circle Irvine
Tuesday, 5/16 10-11:30am	++Placentia Community Collaborative	Steering Committee Meeting: Open to Collaborative Members	Placentia Presbyterian Church 849 Bradford Ave. Placentia

* CalOptima Hosted

2 – Updated 2017-04-20

+ Exhibitor/Attendee
++ Meeting Attendee

Tuesday, 5/16 10-11:30am	++Orange County Cancer Coalition	Community Presentation Open to the Public <i>Registration required.</i>	American Cancer Society 1940 E. Deere Ave. Santa Ana
Tuesday, 5/16 4:30-6pm	*Health Education Weight Control Class Presentation in Spanish	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Wednesday, 5/17 9:15-11am	++Covered OC Steering Committee	Steering Committee Meeting: Open to Collaborative Members	The Village 1505 E. 17th St. Santa Ana
Wednesday, 5/17 11am-1pm	++Minnie Street Family Resource Center Professional Roundtable	Steering Committee Meeting: Open to Collaborative Members	Minnie Street Family Resource Center 1300 McFadden Ave. Santa Ana
Wednesday, 5/17 1-4pm	++Orange County Promotoras	Steering Committee Meeting: Open to Collaborative Members	Location Varies
Wednesday, 5/17 1:30-3pm	++La Habra Move More Eat Health Plan	Steering Committee Meeting: Open to Collaborative Members	Friends of Family Community Clinic 501 S. Idaho St. La Habra
Wednesday, 5/17 4:30-6pm	*Health Education Weight Control Class	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Thursday, 5/18 8:30-10am	++Orange County Children's Partnership Committee	Steering Committee Meeting: Open to Collaborative Members	OC Hall of Administration 10 Civic Center Plaza Santa Ana
Friday, 5/19 9-10am	*Mental Health Wellness: Understanding and Accessing Behavioral Health Benefits and Services Presentation in Spanish	Community Presentation Open to the Public	County Community Service Center 15496 Magnolia Ave. Westminster
Saturday, 5/20 9am-1pm	+CHOC Children's Breathmobile Air Power Game	Health/Resource Fair Open to the Public	Santa Ana College 1530 W. 17th St. Santa Ana
Sunday, 5/21 1-3pm	+South Coast Regional Project and Fairview Development Center Community Option Fair	Health/Resource Fair Open to the Public	Fairview Development Ctr. 2501 Harbor Blvd. Costa Mesa

* CalOptima Hosted

3 – Updated 2017-04-20

+ Exhibitor/Attendee
++ Meeting Attendee

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Monday, 5/22 12:30-1:30pm	++Stanton Collaborative	Steering Committee Meeting: Open to Collaborative Members	Stanton Civic Center 7800 Katella Ave. Stanton
Tuesday, 5/23 7:30-9am	++OC Senior Roundtable	Steering Committee Meeting: Open to Collaborative Members	Orange Senior Center 170 S. Olive Orange
Tuesday, 5/23 1-3pm	++OC Transportation Authority Special Needs Advisory Committee	Steering Committee Meeting: Open to Collaborative Members	OCTA 600 S. Main St. Orange
Tuesday, 5/23 3:30-4:30pm	++Santa Ana Building Healthy Communities	Steering Committee Meeting: Open to Collaborative Members	KidWorks 1902 W. Chestnut Ave. Santa Ana
Tuesday, 5/23 4:30-6pm	*Health Education Weight Control Class Presentation in Spanish	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Wednesday, 5/24 4:30-6pm	*Health Education Weight Control Class	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Thursday, 5/25 8:30-10am	++Disability Coalition of Orange County	Steering Committee Meeting: Open to Collaborative Members	Dayle McIntosh of OC 501N. Brookhurst St. Anaheim
Thursday, 5/25 9:30-10:30am	*CalOptima New Member Orientation Presentation in Vietnamese	Community Presentation Open to the Public	County Community Service Center 15496 Magnolia Ave. Westminster
Friday, 5/19 9-10am	*Mental Health Wellness: Understanding and Accessing Behavioral Health Benefits and Services Presentation in Vietnamese	Community Presentation Open to the Public	County Community Service Center 15496 Magnolia Ave. Westminster
Tuesday, 5/30 4:30-6pm	*Health Education Weight Control Class Presentation in Spanish	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150
Wednesday, 5/31 4:30-6pm	*Health Education Weight Control Class	Community Presentation Open to the Public <i>Registration required.</i>	CalOptima Rm 150

* CalOptima Hosted

4 – Updated 2017-04-20

+ Exhibitor/Attendee
++ Meeting Attendee

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MEMORANDUM

DATE: May 4, 2017
TO: CalOptima Board of Directors
FROM: Michael Schrader, CEO
SUBJECT: PACE Study Session
COPY: Suzanne Turf, Clerk of the Board

PACE Study Session

The central focus of our May 4 Board of Directors meeting will be a 2.5-hour PACE study session. The materials that follow this memo will be used during the session and/or provide information relevant to CalOptima PACE. They include:

- **Presentations**

- CalOptima — Richard Helmer, M.D., Chief Medical Officer
- Department of Health Care Services (DHCS) — Joseph Billingsley, Chief, Long-Term Services and Supports
- National PACE Association — Chris van Reenen, Vice President, Regulatory Affairs

- **Regulatory Guidance**

- DHCS Communication to CalPACE, April 20, 2017



PACE
CalOptima
Better. Together.

PACE Study Session

Board of Directors Meeting
May 4, 2017

Richard Helmer, M.D.
Chief Medical Officer

Agenda — CalOptima Presentation

- Program of All-Inclusive Care for the Elderly (PACE)
Overview
 - History
 - Basics
 - Trends

- CalOptima PACE Overview
 - PACE in a County Organized Health System (COHS)
 - Milestones
 - Efforts to Increase Access

Agenda — Guest Presentations

- Department of Health Care Services (DHCS)
 - Joseph Billingsley, Chief, Long-Term Services and Supports
 - How PACE fits into DHCS' vision of integrated care for seniors
 - Regulatory framework for PACE in a COHS

- National PACE Association
 - Chris van Reenen, Vice President, Regulatory Affairs
 - National perspective on PACE growth
 - Evolution of PACE
 - Value of alternative care settings (ACS)

PACE History

“...a nursing home would be financially infeasible and culturally inappropriate”

1971:

Begins as a local effort to address the needs of elders in the community

1971:

Incorporates as On Lok – a Cantonese term meaning “peaceful, happy abode”

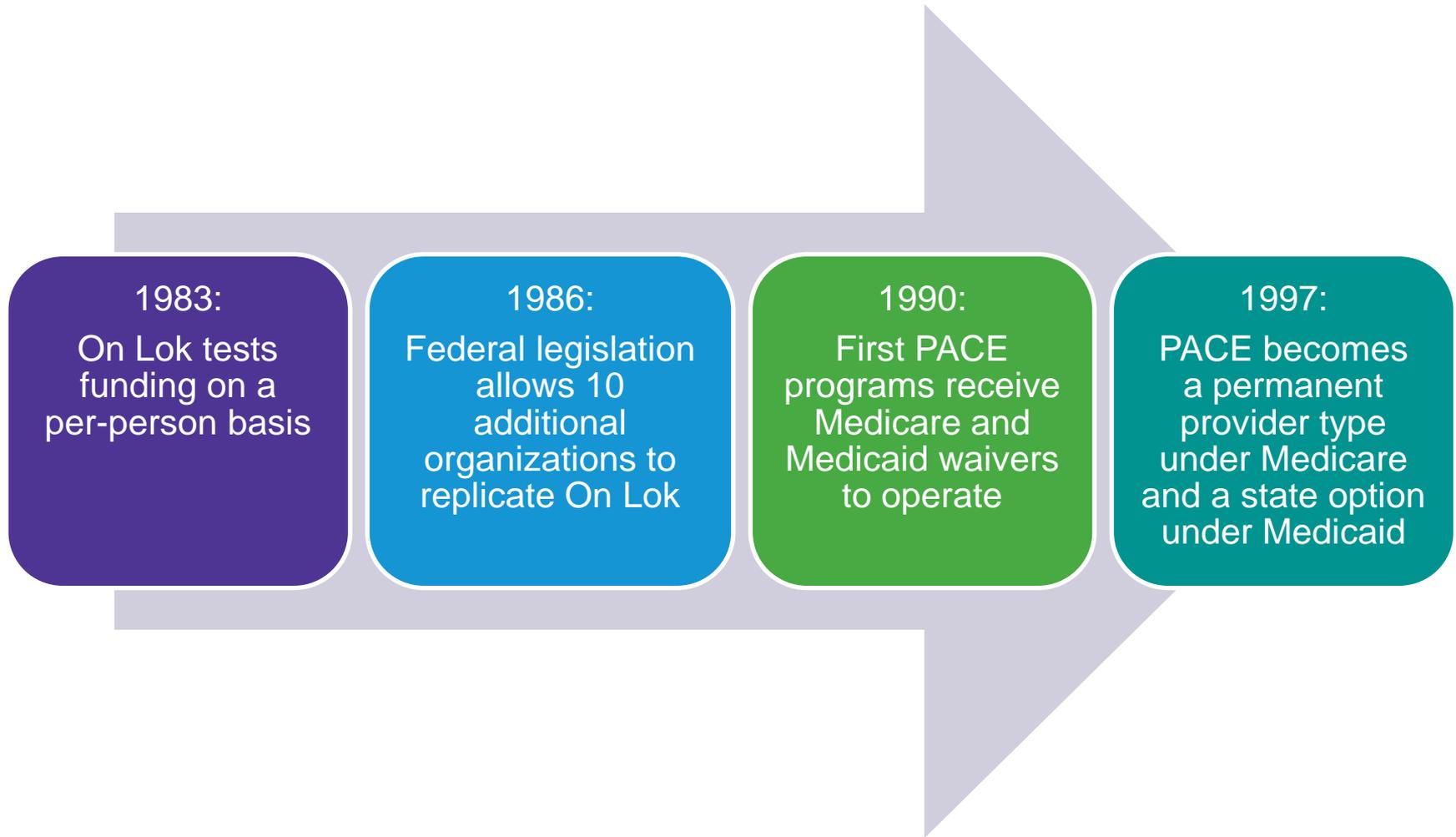
1973:

Opens one of the nation’s first adult day centers

1978:

Expands model to include medical care and social support

PACE History (Cont.)



PACE Basics

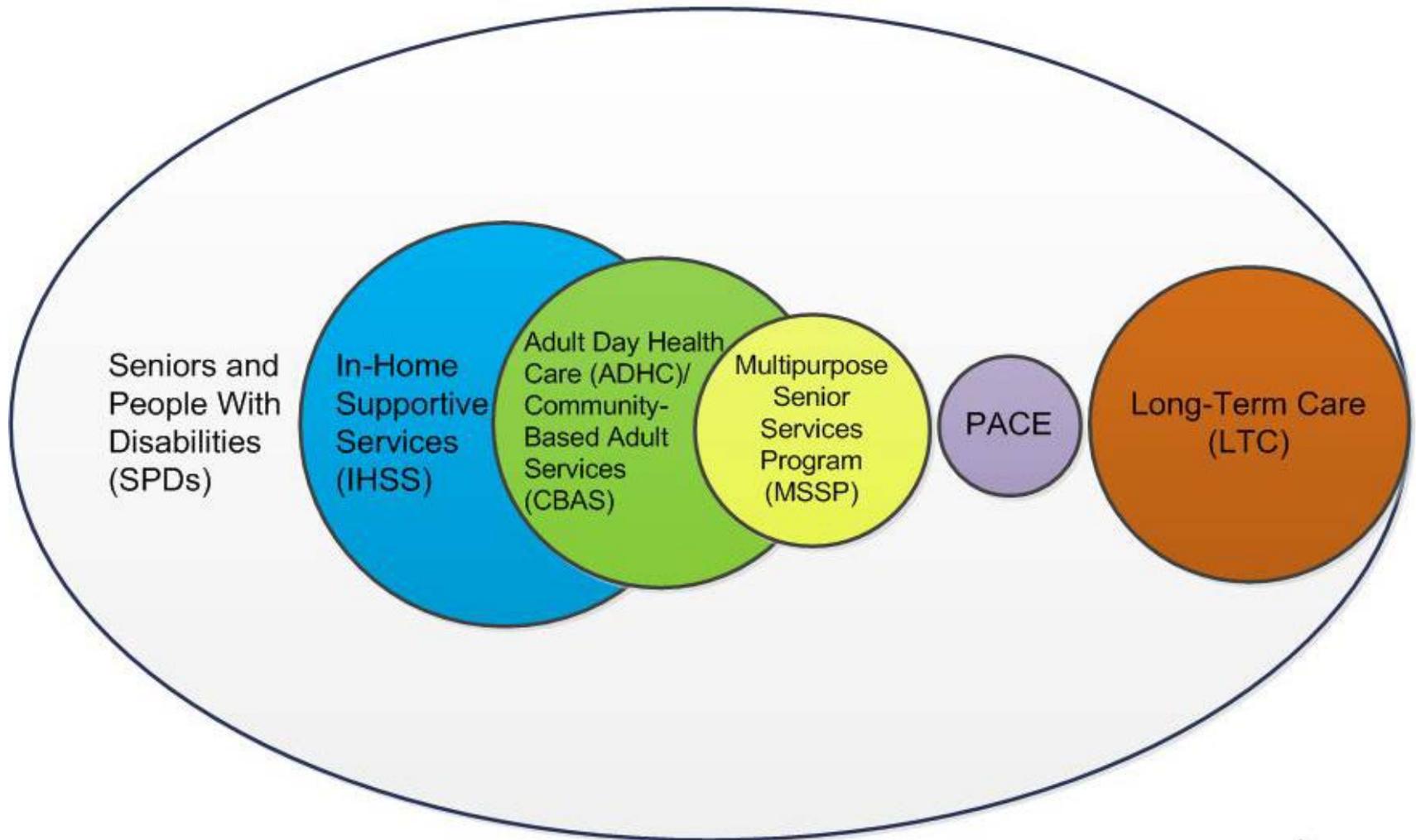
- The PACE Model of Care is based on the belief that seniors with chronic care needs are better served in the community whenever possible
 - Improved quality of life — person-centered care
 - Lower cost

- PACE is an alternative to institutional care

PACE Eligibility

- Eligible PACE participants must be:
 - Age 55 or older
 - Certified by the state to need nursing home care
 - Able to live safely in the community at the time of enrollment
 - Living in the PACE service area

PACE in the Continuum



PACE Enrollment

- PACE enrollment is a complex and lengthy process
- Required elements:
 - Home visit
 - Center visit
 - Comprehensive assessment
- Every participant requires review and approval by the state

PACE Participants

- Have multiple chronic conditions
 - Medical, such as diabetes, cardiovascular, pulmonary, arthritis, etc.
 - Behavioral, including dementia
- Need help with activities of daily living
 - Bathing, dressing, meals, medication management, etc.

PACE Services

- A PACE Organization (**PO**) is both an insurer and delivery system; a comprehensive program, not just a center
- Services span both medical and social needs

PACE Services		
Primary Care	Adult Day Health Care (ADHC)	End of Life Care
Medical Specialty Services	Nursing Home Services	Home Care
Prescription Drugs (including Medicare Part D drugs)	Nursing Services	Meals
Laboratory/X-Ray	Physical Therapy	Nutritional Counseling
Emergency Services	Occupational Therapy	Social Services
Dental Care	Recreational Therapy	Social Work Counseling
Hospital Care	Transportation	Personal Care Services

PACE Center

- Many services are provided at the PACE center
 - Primary care
 - ADHC-like services
- All POs must operate at least one PACE center
- The PACE center must provide:
 1. Primary care services, including physician and nursing services
 2. Social work services
 3. Restorative therapies, including physical therapy and occupational therapy
 4. Personal care and supportive services
 5. Nutritional counseling
 6. Recreational therapy
 7. Meals

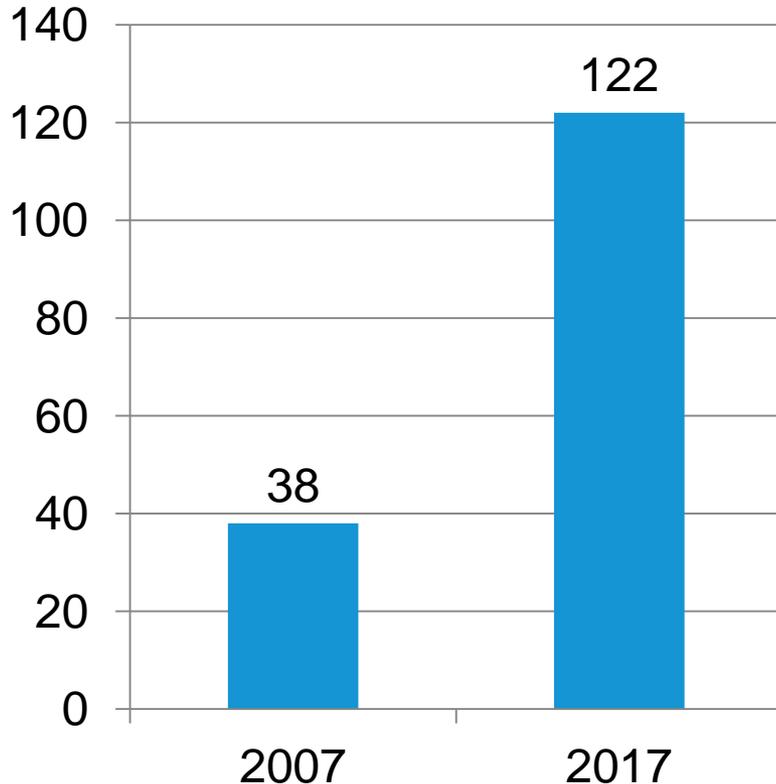
PACE Operations

- PACE is regulated by both federal and state agencies
- Operations must follow very detailed requirements
 - Staffing
 - Frequency of assessment
 - Interdisciplinary Team (IDT) composition

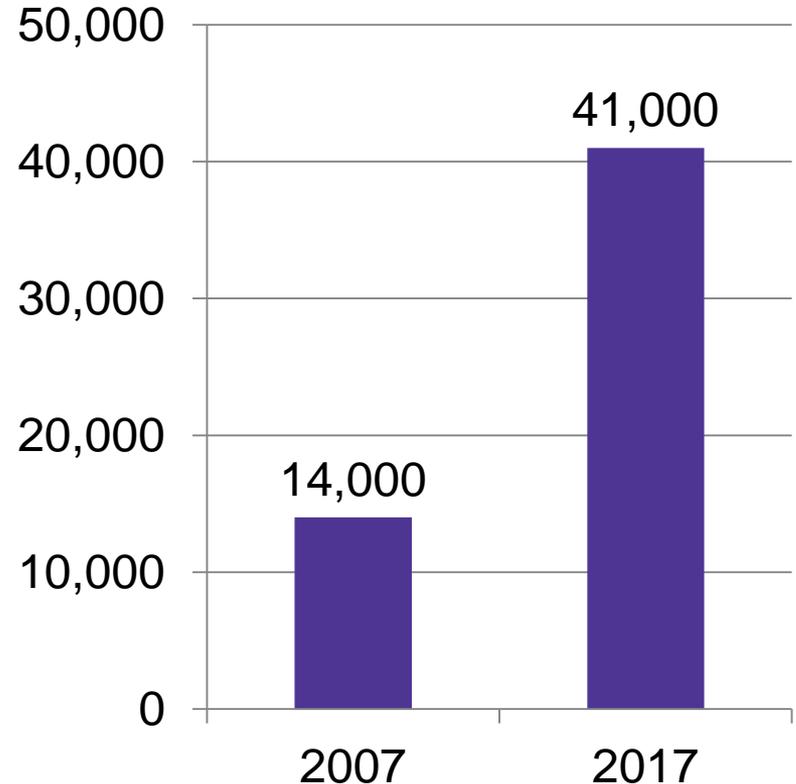
IDT Members	
Primary Care Physician	Dietitian
Registered Nurse	PACE Center Manager
Social Worker (master's level)	Home Care Coordinator
Physical Therapist	Personal Care Attendant or Representative
Occupational Therapist	Driver or Representative
Recreational Therapist or Activity Coordinator	

PACE Growth Trend — Nationwide

PACE Organizations



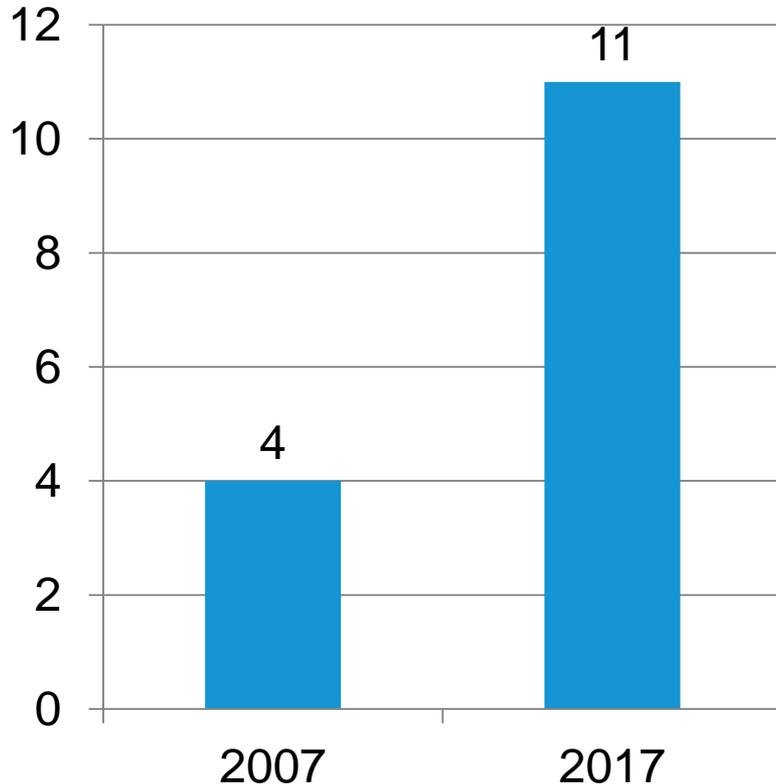
Participants



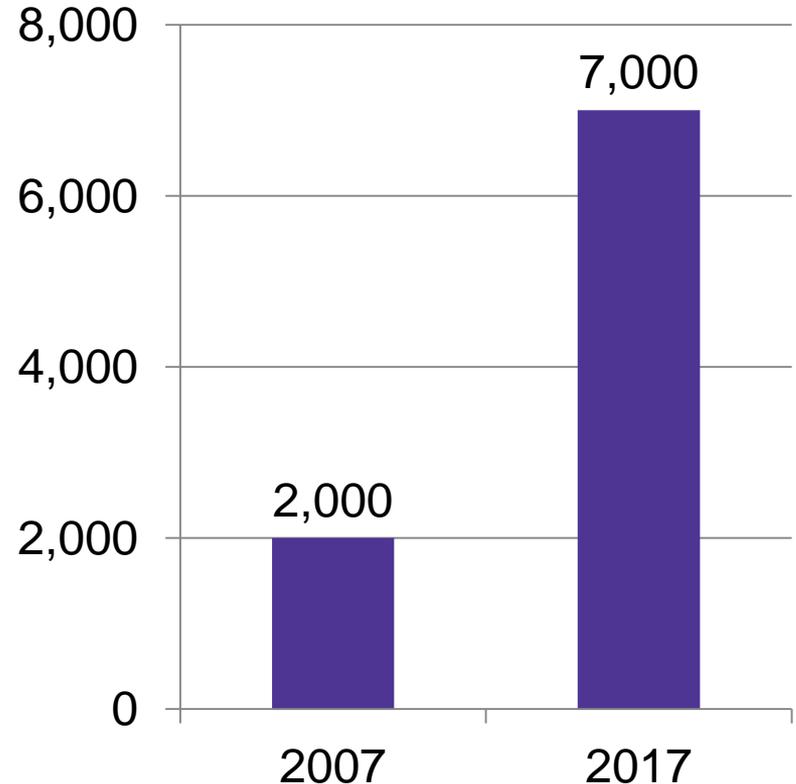
Source: National PACE Association

PACE Growth Trend — California

PACE Organizations



Participants



Source: CalPACE

Proposed Federal Regulations

- Recognition of need and value of current model
 - Growth of aging population
 - Desire to age in place

- Opportunity to leverage PO experiences with alternative approaches that better meet the preferences and needs of participants
 - More choice, i.e., community-based physicians
 - Increased convenience and appropriateness for participants
 - Condition(s)
 - Language and ethnicity
 - Place of residence

Proposed Federal Regulations (Cont.)

- Offers flexibility in key areas

Requirement	Proposed Regulation
Provision of primary care	Use community-based physicians and non-physician medical practitioners
Composition of Interdisciplinary Team	Allow flexibility in the configuration and frequency of meetings based on participants' needs
Services traditionally performed in PACE centers	Leverage adult day care centers or other sites, known as alternative care settings (ACS), to increase access and capacity, decrease travel time, and meet participant-specific needs



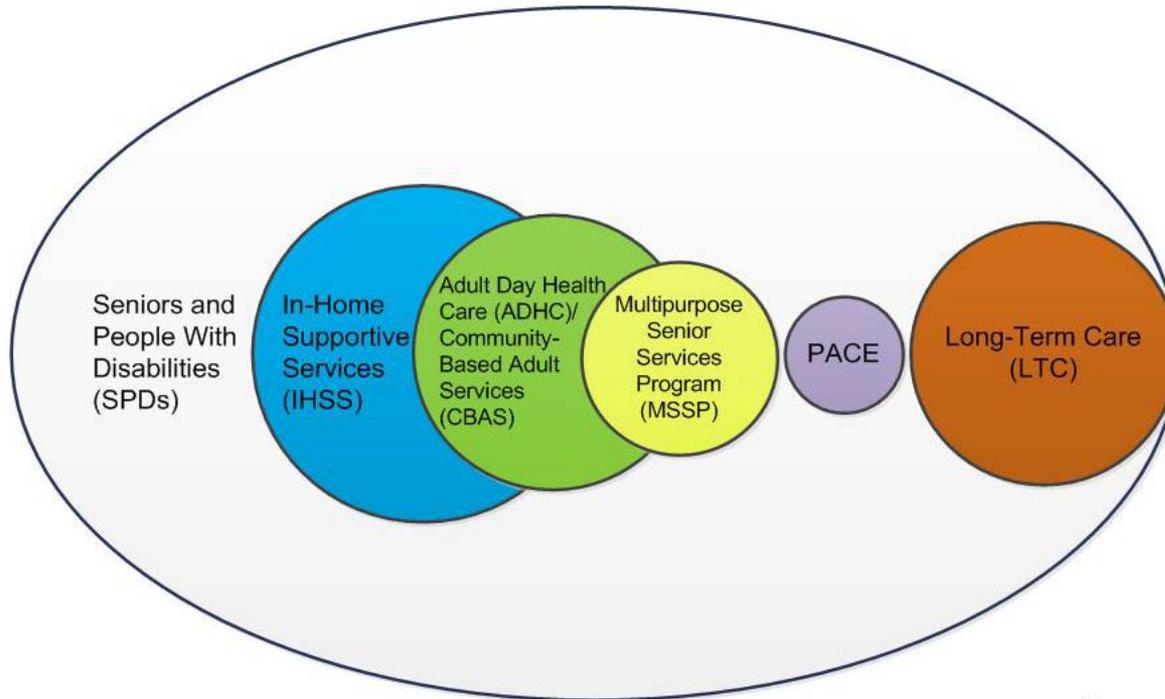
PACE
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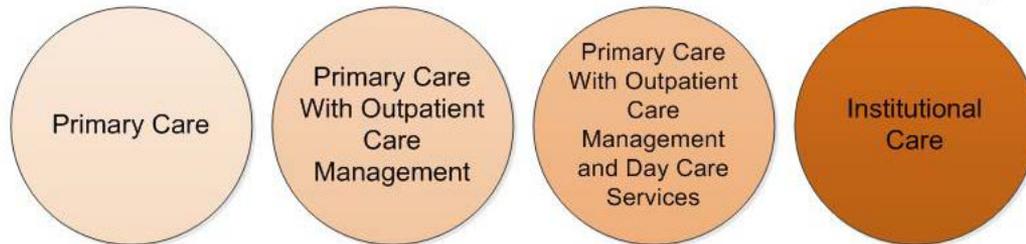
PACE in a County Organized Health System (COHS)

- Only a COHS may operate a PO in a COHS county
- Reconfirmed in recent communication from DHCS Director
 - “State law regarding the operation of Medi-Cal plans in COHS counties limits the existence of Medi-Cal plans, which includes PACE plans, to those operated by the COHS.”
- Provides consistency and enhances coordination in managing the LTSS benefit with the medical benefit
 - “POs are responsible for coordinating and delivering the medical and long-term care of frail and vulnerable elderly Californians...”

PACE in the Continuum



Frailty, Cost of Services and Need for Integration of Care



[Back to Agenda](#)

CalOptima PACE Milestones

October 2013:
Enrolls first
participant

September 2016:
Undergoes the
third and final
trial period audit

April 2017:
Enrolls 201st
participant

Diversity of Participants and Staff

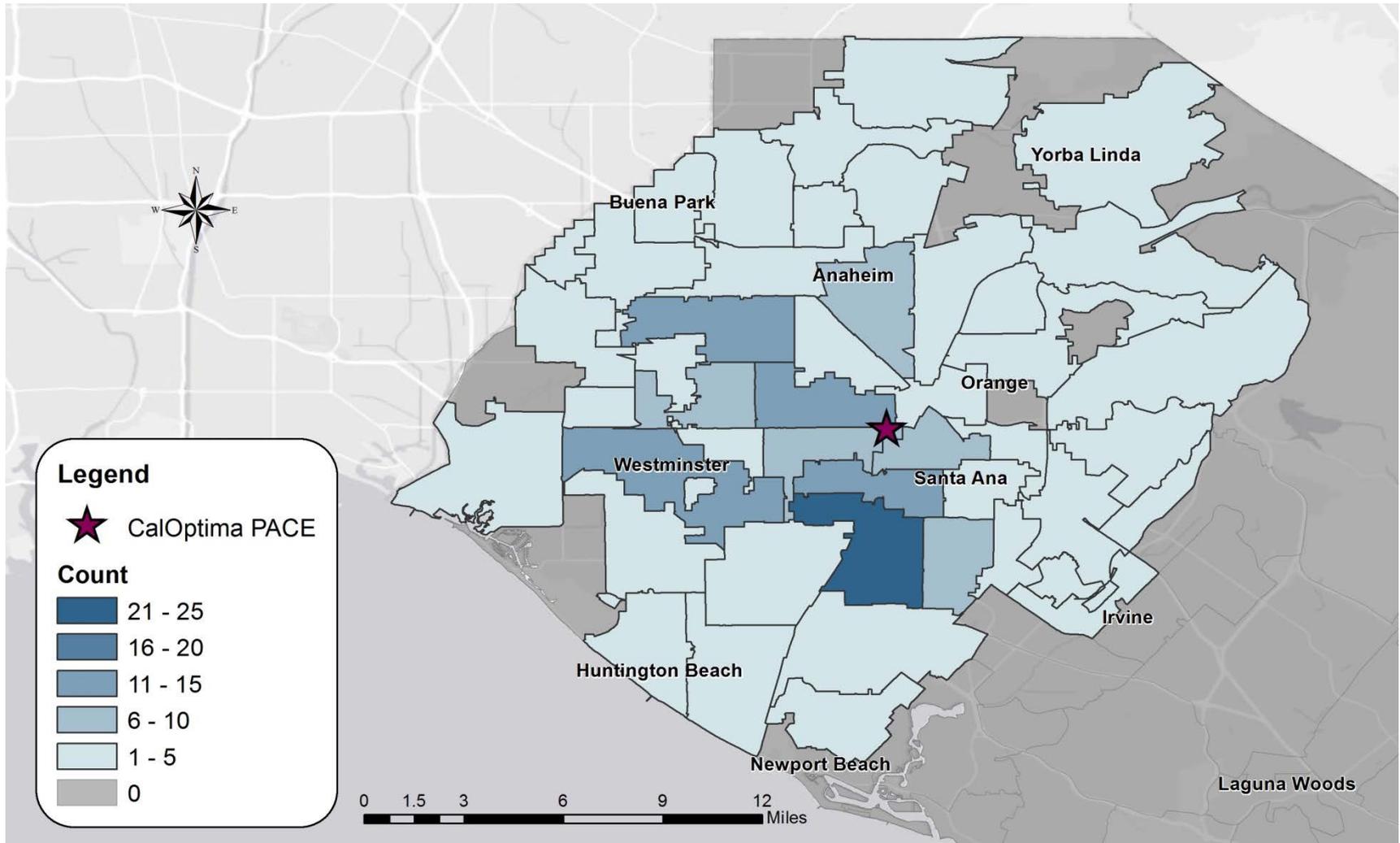
Participants

- Ages range from 57 to 98, with an average age of 73
- Represent 22 different ethnicities
- Speak eight languages
- 62 percent use English as a second language

Staff

- 72 percent are bilingual/multilingual
- Speak 11 languages

Current PACE Participants by ZIP Code



Providing PACE to More OC Seniors

- CalOptima’s Board of Directors authorized the following on February 4, 2016
 - “Submit a PACE Service Area Expansion (SAE) application to the Department of Health Care Services (DHCS) and Centers for Medicare & Medicaid Services (CMS) for South Orange County;
 - Initiate a Request for Proposal (RFP) process for Alternative Care Settings (ACS) model for PACE expansion satellite locations to include Community-Based Adult Services (CBAS) centers;
 - Staff to perform financial analysis of the CBAS business model and present to the Board of Directors’ Finance and Audit Committee (FAC) for review...;
 - When the Garden Grove PACE Center reaches 80 percent capacity, return to Board to consider authorizing RFP for one or more additional PACE centers.”

Financial Analysis

- Two presentations to Finance and Audit Committee
 - September 2016
 - February 2017
- Developed metrics and business plan to improve performance

Center Capacity

- Initial capacity estimate
 - Conservative, based on frequency and number of hours participants attend
- Revised capacity based on actual experience and national benchmarks
 - Participants average 2.6 days per week

Center Capacity

- There is no regulatory cap on enrollment
- Average daily attendance is 50 percent of enrollment and participants stay four to five hours per day
- Opportunities to maximize enrollment:
 - One shift = ~ 300 participants
 - Two shifts (AM and PM) = ~ 500 participants
 - Two shifts and six days per week = ~ 600 participants
 - Satellite sites = limited only by number of sites

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Finance and Audit Committee Presentation,
September 2016

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PACE Options to Increase Access

(Finance and Audit Committee Presentation, February 2017)

1. Terminate License
2. Continue Current Model
3. Full Delegation to Another Entity
4. Current Model and Delegate Expansion
5. Current Model and Open New PACE Center(s)
6. Current Model and Expand With ACS

Criteria for Assessing Options

- Geographic Coverage
- Delegation Oversight/Contract Compliance
- Alignment of Benefit and Care Management
- Leverage Network Capabilities
- Financial Risk
- Recoup Investment

Summary of Options

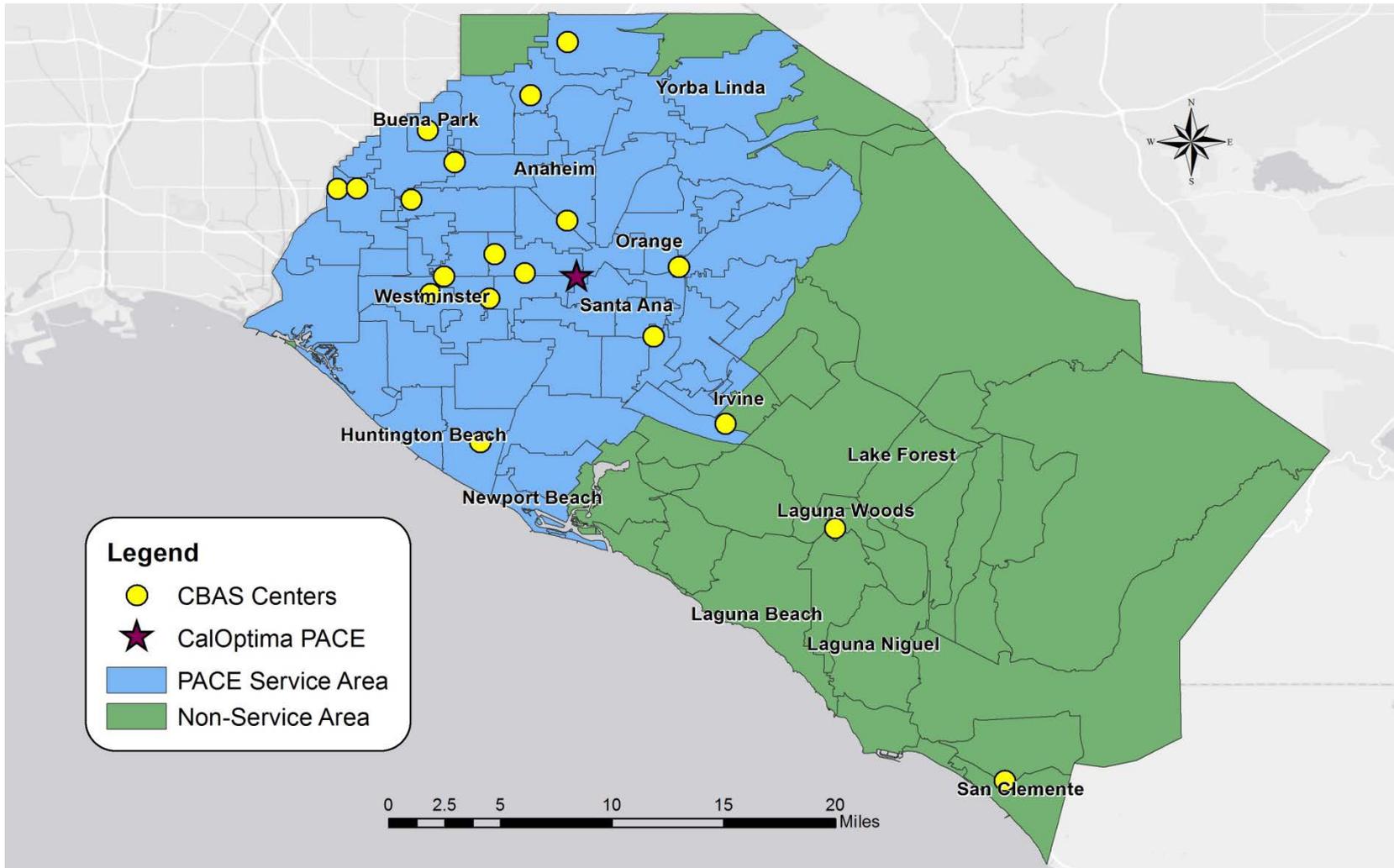
	Geographic Coverage	Delegation Oversight/ Contract Compliance	Alignment of Benefit and Care Management	Leverage Network Capabilities	Financial Risk	Recoup Investment	Score
Terminate License	1	5	1	1	5	1	14
Continue Current Model	2	5	4	2	5	5	23
Full Delegation to Another Entity	4	1	3	3	4	1	16
Current Model and Delegate Expansion	4	1	3	3	4	4	19
Current Model and Open New PACE Center(s)	4	5	5	2	1	3	20
Current Model and Expand With ACS	5	4	5	5	4	5	28

CBAS Centers

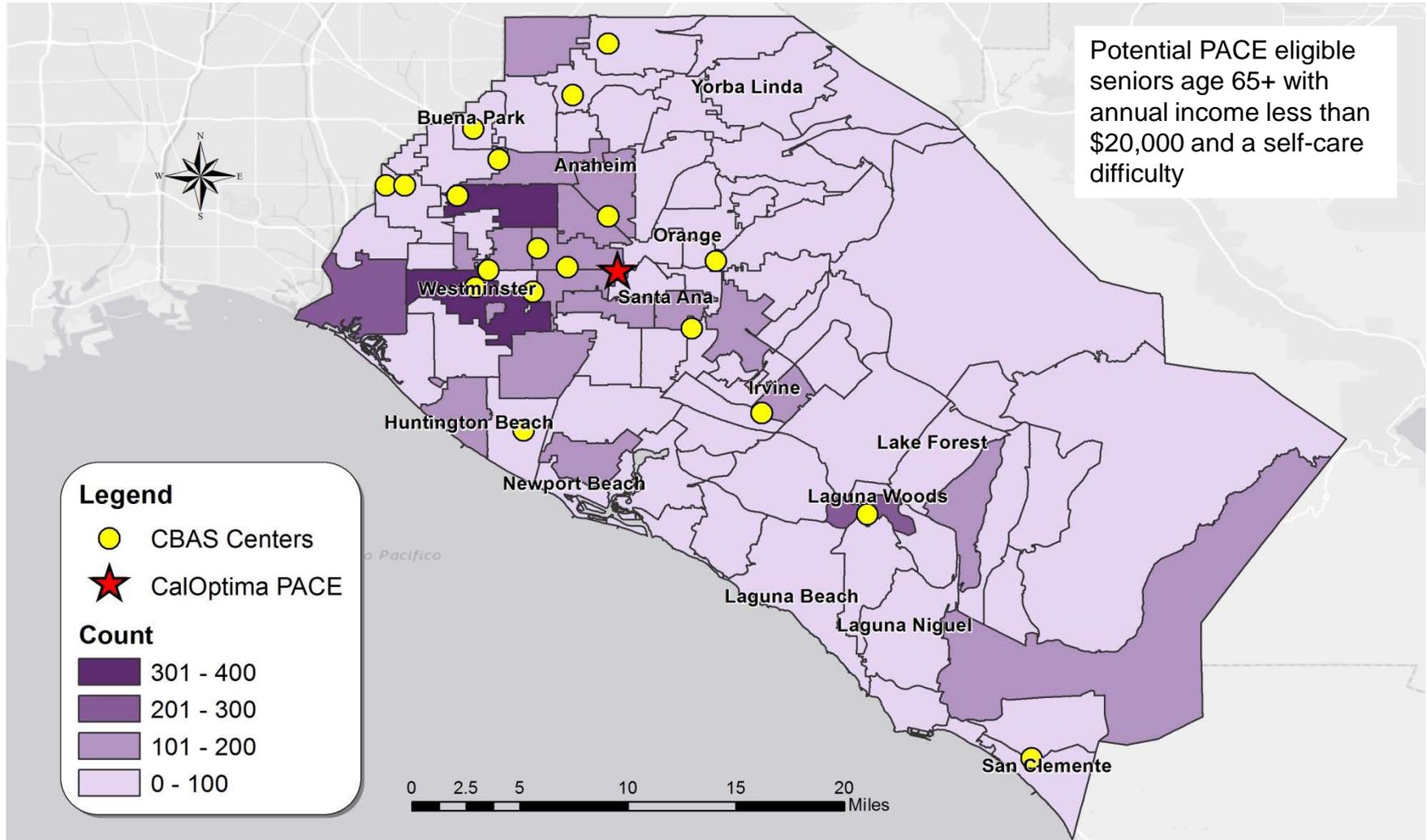
- Many specialize in meeting the unique cultural and language preferences or addressing specific medical conditions of their participants
- Provide wide geographic access
- Currently serve many potential PACE participants
- Contract and have strong working relationships with CalOptima

- CBAS centers are well-suited as ACS sites to help increase access to CalOptima PACE

CalOptima PACE Service Area



Potential Participants and CBAS Proximity





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CalOptima
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Department of Health Care Services

Joseph Billingsley
Chief, Long-Term Services and Supports

PACE in California

Presentation to CalOptima
Board of Directors Meeting
May 4, 2017



Discussion Overview

- How PACE Fits
- DHCS Letter on Delegating/Subcontracting Limitations and PACE Operation in COHS Counties
- PACE Flexibilities

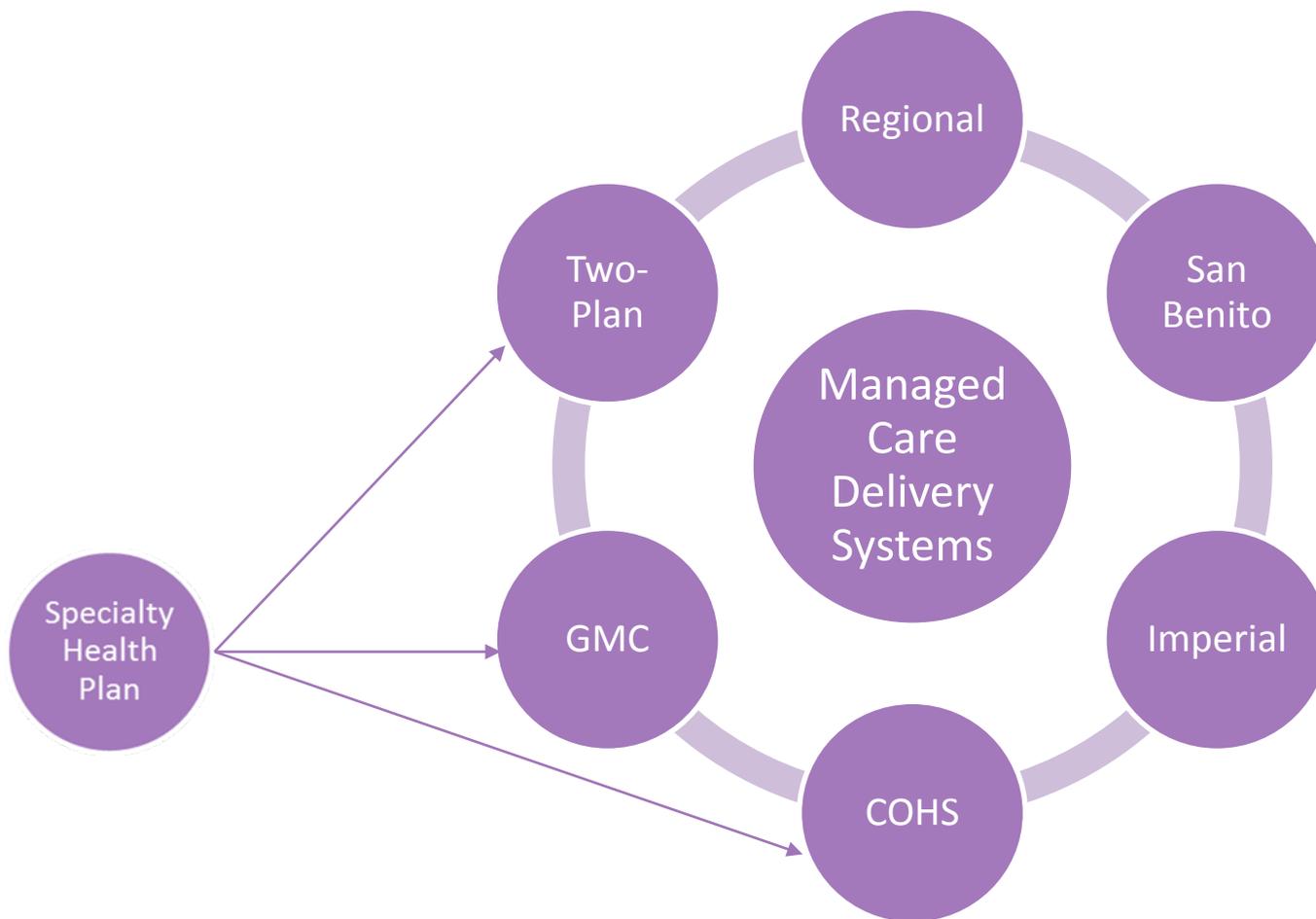


How does PACE fit?

- PACE is a Specialty Health Plan model that has the flexibility to operate in any of the Managed Care models
- Currently operates in Two-Plan, GMC and COHS counties
- Since 2010, DHCS has been engaging in a shift from a primarily FFS Delivery System → Managed Care Delivery System
 - Integration of SPD population
 - Expansion of Medi-Cal Managed Care to all 58 counties through Rural Expansion
 - Mandatory enrollment in Managed Care for non-duals
 - Coordinated Care Initiative requiring mandatory enrollment of all Medi-Cal beneficiaries in CCI counties
 - Cal MediConnect
 - MLTSS Managed Care



Managed Care Delivery Systems





PACE: Specialty Health Plan Model

- Fully integrated model
 - Medicare, Medi-Cal, LTSS/HCBS
- 3-way program agreement between CMS, DHCS and PACE Organization
- Integrated Financing
- Enhanced Eligibility Criteria: Frail seniors age 55+, determined by DHCS to be eligible for nursing home care, able to live safely in the community
- Designated service area: zip-code specific



What sets PACE apart?

- PACE Center: the focal point for coordination and provision of most PACE services:
 - Primary Care Clinic
 - Physical & Occupational Therapies
 - Dental and other specialty care
 - Activities and exercise
 - Socialization
 - Personal care
 - Meals
 - Transportation services
 - Medications
 - DME
- Interdisciplinary Team (IDT) model that comprehensively assesses the individual needs of each participant. IDT is composed of:
 - Primary Care Physician
 - Registered Nurse
 - Master's-level Social Worker
 - Physical Therapist
 - Occupational Therapist
 - Recreational Therapist or Activity Coordinator
 - Dietitian
 - PACE Center Manager
 - Home Care Coordinator
 - Personal Care Attendant
 - Driver



PACE Growth

- Significant growth of PACE in CA over the last 6 years
- Since 2011 the number of PACE Organizations in CA has increased from 5 to 11
- Overall PACE census in CA has increased almost 100% from 3,500 to over 6,000
- Continued growth of existing PACE Organizations



Focus on Growing the Program Right



Delegated Model Restrictions

- Prohibit existing POs from subcontracting with a separate entity to operate existing PACE Center(s) and Interdisciplinary Teams (IDT)
- Prohibit existing POs from subcontracting with a separate entity to operate additional (expansion) PACE Centers and IDTs
- Prohibit new (applicant) POs from subcontracting with a separate entity to operate initial PACE Center and IDT

Why?

- Allows DHCS to focus on PACE growth with an emphasis on:
 - Quality Assurance;
 - Sustainable Monitoring; and
 - Preservation of the unique core components that make the PACE model work



PACE in COHS Counties

State law regarding the operation of Medi-Cal plans in COHS counties limits the existence of Medi-Cal plans, including PACE, to those operated by the COHS

What does this Mean / Not Mean for PACE?



WHAT THIS DOES NOT MEAN

- PACE is not available to Medi-Cal beneficiaries residing in COHS counties
- No further growth of PACE in existing COHS counties
- PACE and COHS are incompatible

WHAT THIS DOES MEAN

- PACE currently operates in two COHS counties (Orange and Humboldt)
- PACE can be available as a product line of the COHS health plan in a COHS county
- Existing COHS health plans with PACE have the flexibility to expand the program within the County as determined by need



PACE Flexibilities

DHCS is committed to exploring flexibility options that incentivize PACE growth while maintaining the strength and core values of the PACE program

Opportunities for Flexibility



- Alternative Care Settings
- BIPA Waivers
- State licensure exemptions
- Streamlined application and waiver processes
- Proposed PACE Rule



BIPA Waivers

- Allow for waivers of certain regulatory provisions to meet the needs of PACE Organizations
 - Community Physician Waiver
 - IDT Position Waiver (i.e. Nurse Practitioner, etc.)
- Potential Benefits
 - Increase capacity to meet cultural/linguistic needs of participants
 - Potential for participants to keep their primary physician
 - Leverage NPs or PAs to provide primary care services



Alternative Care Settings

- A physical location in the organization's approved service area, where a participant receives services that supplement and do not replace services provided at the PACE Center
- Benefits
 - Expand network without high cost of SAE
 - Increase capacity to comply with travel time restrictions
 - Allow PACE Organizations to meet cultural/linguistic needs of participants
 - Flexibility in how ACS is set up (i.e. PACE operates as an ADHC/CBAS and converts to a full PACE Center once sustainable census achieved)



Questions?





Contact Information

Follow-up questions can be directed to:

Joseph Billingsley, Chief
LTSS Operations Branch
CA DHCS Long-Term Care Division
Joseph.Billingsley@dhcs.ca.gov ; or

Stryder Morissette, Chief
PACE Unit
CA DHCS Long-Term Care Division
Stryder.Morissette@dhcs.ca.gov



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National PACE Association

Chris van Reenen
Vice President, Regulatory Affairs

Opportunities for Variations on the “Traditional” PACE Model



Chris van Reenen
Vice President, Regulatory Affairs
National PACE Association



NATIONAL PACE ASSOCIATION

Advancing Programs of All-inclusive Care for the Elderly

www.NPAonline.org | (703) 535-1565

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Overview of Presentation

- Overview and growth of the PACE model
- Discussion of variations on the “traditional” PACE model
- PACE organizations’ use of regulatory waivers and alternative care settings to date
- Potential opportunities for flexibility resulting from the proposed PACE rule and PACE Innovation Act

Milestones in the PACE Model History



1986



Legislation authorizing PACE Demonstration

1990



First demonstration sites operational

1997



Congress authorizes permanent provider status

1999



Publication of interim final PACE regulations

2001



First program achieves permanent PACE provider status

2002



Publication of 2nd interim final PACE regulations enhancing opportunity for program flexibility

2006



Final PACE rule

2014



Reached first 100 PACE programs

2015



PACE Innovation Act is signed into law

2016



CMS issues proposed PACE rule

2017 ?

Awaiting release of PACE final rule allowing greater flexibility

Status of PACE Development

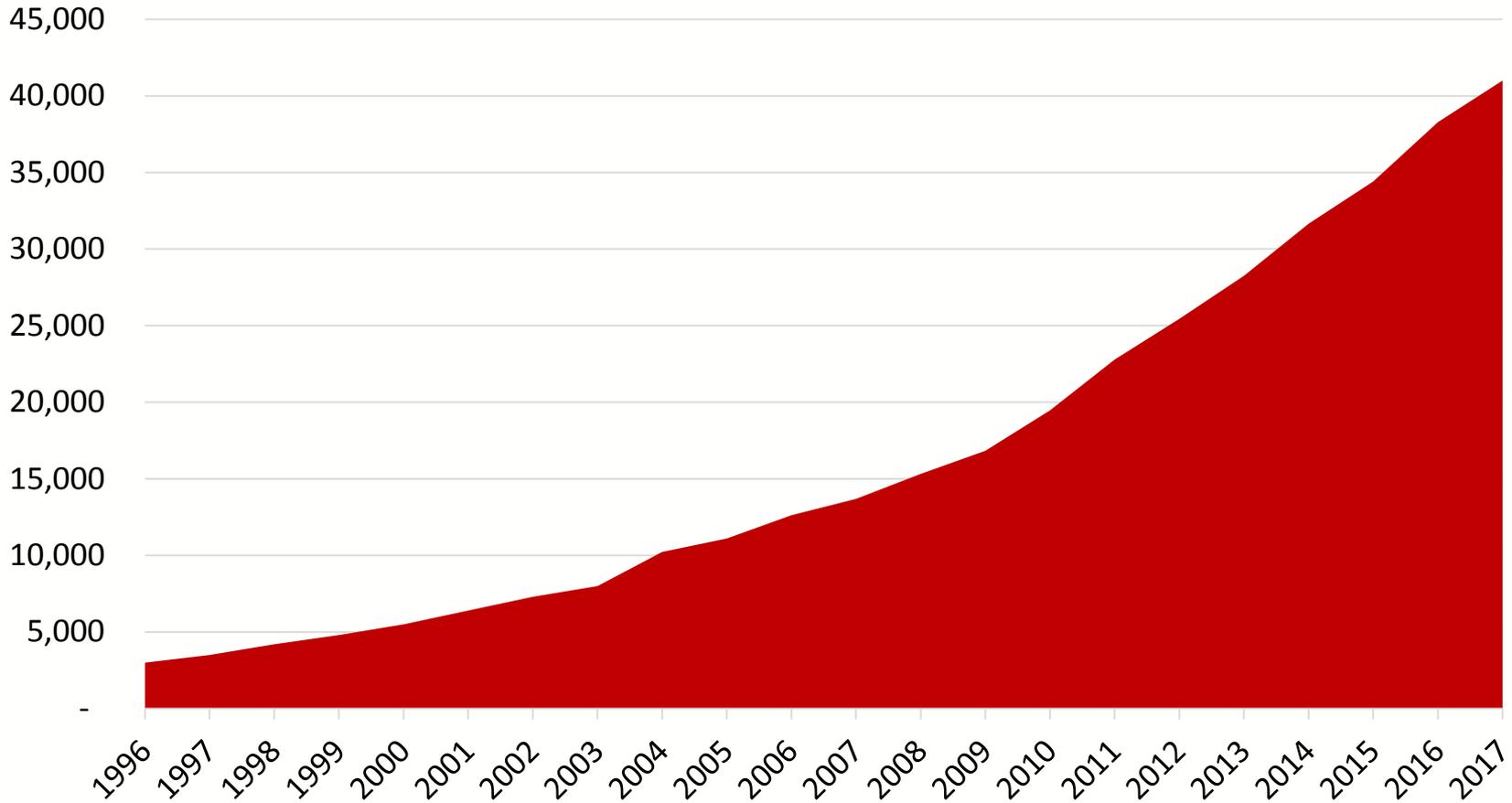
(as of April 2017)



- Over 233 PACE centers
- 122 PACE organizations
- Operating in 31 states
- Serving more than 40,000 participants

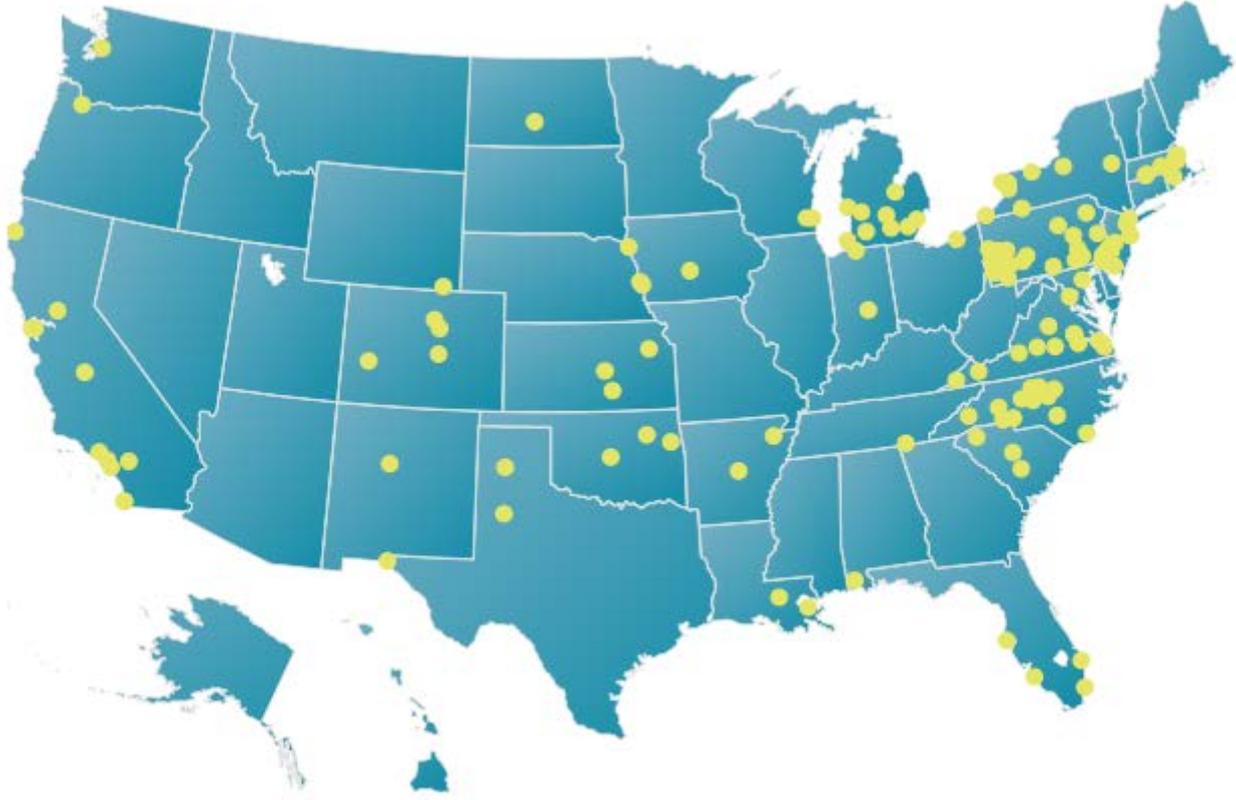
National Census Growth

1996–2017





PACE Programs Around the Country





PACE Core Competencies

- Provider-based model
- Highly integrated care coordination within a comprehensive delivery system
- Serves a nursing home eligible population largely in the community
- Good care outcomes, high enrollee satisfaction and low disenrollment rates
- Established program with a proven track record



Variations on the PACE Model

- Use of regulatory waivers to include community-based primary care physicians on the PACE interdisciplinary team
 - 21 of 118 POs in 2016 (13 of 84 POs in 2013)
- Use of regulatory waivers to include nurse practitioners on the PACE IDT
 - 73 of 118 POs in 2016 (24 of 84 POs in 2013)
- Use of alternative care settings
 - 31 of 118 POs in 2016 (19 of 84 POs in 2013)
- In 2016, 13 POs used both community-based primary care physicians and alternative care settings.

Variations on the PACE Model, cont.

- Although data are limited, no obvious differences have been found between programs with and without variations in terms of hospital readmission and disenrollment rates. Somewhat lower PMPM PACE center costs for POs using ACSs.*
- POs must have policies and procedures in place to ensure care coordination and quality of care that are trademarks of the PACE model are not compromised by variations from “traditional” model.

**Source: Model Variations Report: Maintaining High Quality Standards in PACE, NPA, November 2013*

Use of Alternative Care Settings in PACE

- ACSs are locations in which a PO may offer a subset of PACE services, *e.g. an adult day care center that meets individual participants' language/cultural needs or features a specialized dementia program, or a senior center that enhances access by reducing participants' transportation time.*
- Use of an ACS should improve a PACE participant's access to care, e.g., closer to home than PACE center, meets cultural or language needs, meets specific care needs.
- Use of services at an ACS must be based on participant's individualized care plan, reflecting his/her wishes and priorities, and approved by the participant's interdisciplinary team.

PACE Organizations' Experience with Alternative Care Settings

- As of 2016, 31 POs utilize alternative care settings
- Of the 31, 14 responded to a NPA survey with information on ACS use:
 - **Operation:** 6 POs operate ACS with staff; 6 POs contract for ACS services, typically with adult day care centers; 2 POs do both
 - **Range of services:** ACS services vary, but typically include personal care and supportive services, recreational therapy, meals, nursing, physical therapy
 - **Reason for use:** minimize transportation time, address participant health care/language/cultural needs
 - Half of POs reported that use of ACSs **led to census growth**
 - POs reported that use of ACS **allowed for better use of PACE Center capacity**



Opportunities for Flexibility in Proposed PACE Rule

- Expand definition of primary care provider to include NPs, PAs and community-based primary care physicians, eliminating the need for regulatory waivers
- Allow individual IDT members to fulfill up to two roles on IDT
- Allow for more flexibility in how IDT members participate in IDT discussions
- Allow for more flexibility in determining which IDT members participate in assessment and care planning processes in response to individual participant needs

Opportunities for Flexibility in Proposed PACE Rule, cont.



- NPA advocated for greater flexibility with regard to settings in which PACE IDT members provide PACE services and asked CMS to consider the following:
 - Recognize the PACE IDT and its role in assessment, care planning and service delivery as the core distinguishing feature of PACE
 - No longer require that PACE IDTs be assigned to PACE centers, allow for location in other settings and require processes to ensure effective communication
 - Require that PACE participants have access to a PACE center, but not require PACE center assignment in response to individual needs and preferences
 - Explicitly recognize ACSs in PACE regulation

PACE Innovation Act



- New law provides authority for CMS to develop PACE pilots for new populations, for example:
 - Adults under age 55 with physical disabilities
 - Medically complex, at-risk individuals
- CMS issued RFI related to potential future pilots on 12/23/2016 with 2/10/2017 deadline for responses
- Awaiting CMS decision to proceed

Questions?





Contact Information

- Chris van Reenen
- Vice President, Regulatory Affairs
- 703/535-1568
- chrisvr@npaonline.org
- www.npaonline.org

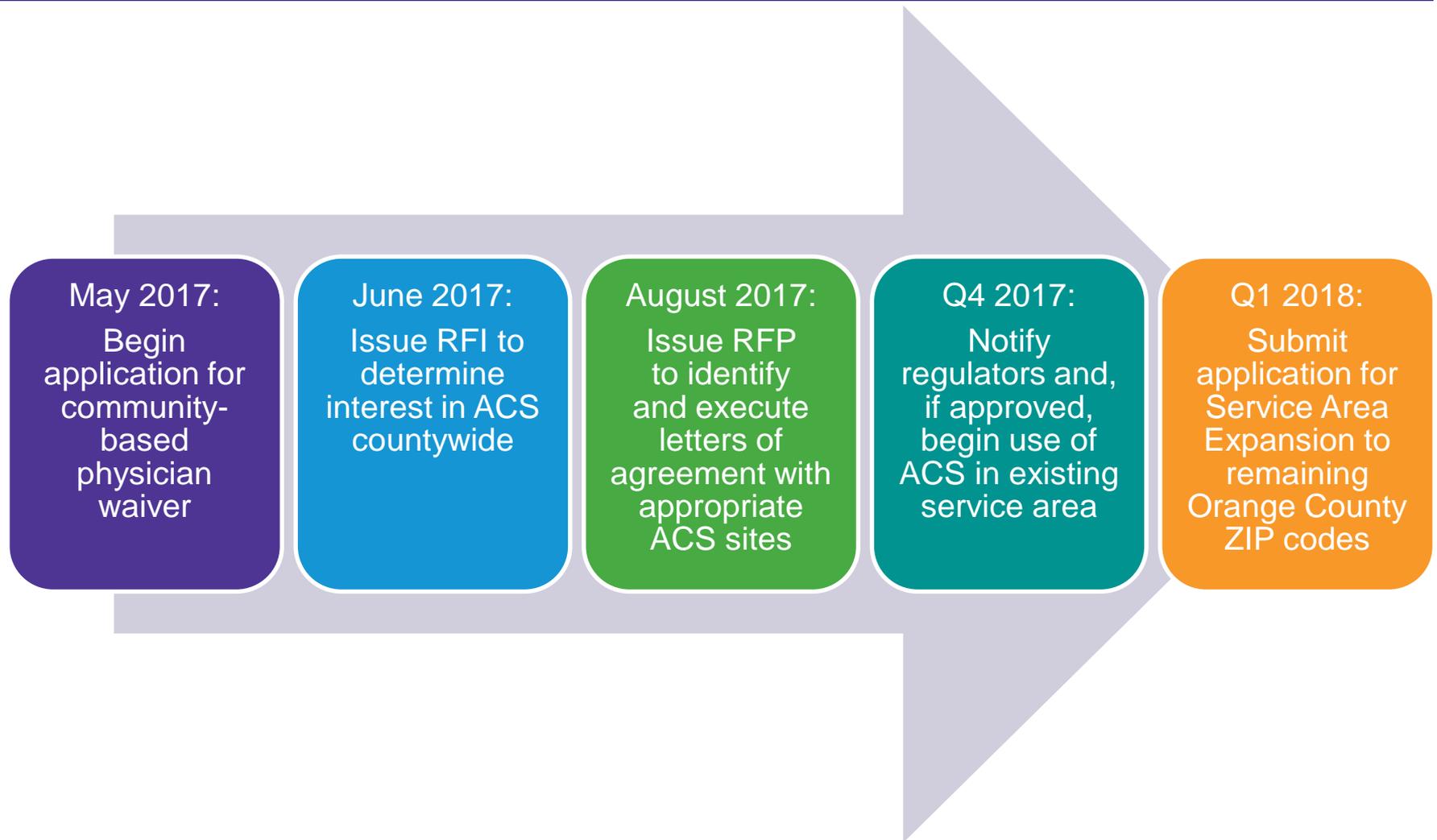


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Recommendation

Richard Helmer, M.D.
Chief Medical Officer

Timeline to Increase Access





State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

April 20, 2017

To: *Ca/PACE*

Re: Contract Renewal/Amendment Updates
Delegation/Subcontracting Limitations
PACE Organizations in COHS Counties

Delegation/Subcontracting Limitations

It has come to the attention of the California Department of Health Care Services (Department) that some PACE Organizations (POs) are considering, or have been requested to consider, delegating/subcontracting the responsibility for administering the PACE program and PACE centers to third parties. POs are responsible for coordinating and delivering the medical and long term care of frail and vulnerable elderly Californians so that they can remain living safely in their community rather than receiving institutional care. Because of the complexity of this responsibility, the Department has serious concerns with such third-party arrangements.

As you are aware, all delegations/subcontracts for POs require prior approval by the Department. To date, the Department has not approved any POs to delegate/subcontract the substantive responsibility for administering and operating their PACE centers and delivering services. To the extent that there is any ambiguity concerning permissive subcontracting arrangements, the Department intends to clarify its PACE agreements with the POs to explicitly limit subcontracting and delegation arrangements as follows:

- Prohibit existing POs from subcontracting with a separate entity to operate existing PACE Center(s) and Interdisciplinary Teams (IDT)
- Prohibit existing POs from subcontracting with a separate entity to operate additional (expansion) PACE Centers and IDTs
- Prohibit new (applicant) POs from subcontracting with a separate entity to operate initial PACE Center and IDT

Any PACE contracts that are being renewed in the immediate future will specifically include the above-described limitations. Any PACE contracts that are not scheduled for renewal in the immediate future will be amended to explicitly include the limitations.

There is one existing delegated delivery model within the PACE program. The On Lok delegation contract with the Institute of Aging was originally established on August 1, 1996. This model was identified as a contractual arrangement in place on or before July 1, 2000, and was confirmed as "grandfathered" in by CMS in a January 15, 2002, letter. Grandfathering was necessary as the arrangement was not explicitly allowed under the PACE permanent provider regulations at that time.

PACE Organizations in COHS Counties

State law regarding the operation of Medi-Cal plans in COHS counties limits the existence of Medi-Cal plans, which includes PACE plans, to those operated by the COHS. The only exception to that rule is Redwood Coast PACE operating in Humboldt County. Redwood Coast PACE was grandfathered in because its PACE application was submitted and accepted prior to the launch of the rural Medi-Cal managed care expansion. This exception was made possible by an amendment to California's existing 1115(a)(1) Bridge to Reform Demonstration Waiver.

If you have any questions or need any additional information, please contact Ms. Jacey Cooper, Assistant Deputy Directory, Health Care Delivery Systems, at (916) 440-7800 or by email at Jacey.Cooper@dhcs.ca.gov.

Sincerely,



Jennifer Kent
Director