



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

**THURSDAY, NOVEMBER 12, 2020
8:00 A.M.**

**CALOPTIMA
505 CITY PARKWAY WEST, SUITE 107-N
ORANGE, CALIFORNIA 92868**

AGENDA

This agenda contains a brief, general description of each item to be considered. The Committee may take any action on all items listed. Except as otherwise provided by law, no action shall be taken on any item not appearing in the following agenda.

Information related to this agenda may be obtained by contacting the CalOptima Clerk of the Board at 714.246.8806 or by visiting our website at www.caloptima.org. In compliance with the Americans with Disabilities Act, those requiring special accommodations for this meeting should notify the Clerk of the Board's office at 714.246.8806. Notification at least 72 hours prior to the meeting will allow time to make reasonable arrangements for accessibility to this meeting.

To ensure public safety and compliance with emergency declarations and orders related to the COVID-19 pandemic, individuals are encouraged not to attend the meeting in person. As an alternative, members of the public may:

- 1) Listen to the live audio at +1 (914) 614-3221 - Access Code: 445-068-535 or**
- 2) Participate via Webinar at: rather than attending in person. Webinar instructions are provided below. <https://attendee.gotowebinar.com/register/3210164245983174160>**

I. CALL TO ORDER

Pledge of Allegiance

II. ESTABLISH QUORUM

III. APPROVE MINUTES

- A. Approve Minutes of the September 10, 2020 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee
- B. Approve Minutes of the October 8, 2020 Joint Meeting of the Member Advisory Committee, OneCare Connect Member Advisory Committee, Provider Advisory Committee and Whole-Child Model Family Advisory Committee

IV. PUBLIC COMMENT

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

V. MANAGEMENT REPORTS

- A. Chief Executive Officer Report
- B. Chief Operating Officer Report
- C. Chief Medical Officer Report
- D. Chief Financial Officer Report

VII. INFORMATION ITEMS

- A. Program of All-Inclusive Care for the Elderly (PACE) Update
- B. OneCare Connect Transition Planning
- C. Federal and State Legislative Update
- D. Provider Advisory Committee Member Updates

VIII. COMMITTEE MEMBER COMMENTS

IX. ADJOURNMENT

Webinar Instructions

1. **Please register for the Provider Advisory Committee Meeting on November 12, 2020 at 8:00 AM PDT at: <https://attendee.gotowebinar.com/register/3210164245983174160>**
After registering, you will receive a confirmation email containing a link to join the webinar at the specified time and date.

Note: This link should not be shared with others; it is unique to you.

Before joining, be sure to [check system requirements](#) to avoid any connection issues.

2. **Choose one of the following audio options:**

TO USE YOUR COMPUTER'S AUDIO:

When the webinar begins, you will be connected to audio using your computer's microphone and speakers (VoIP). A headset is recommended.

--OR--

TO USE YOUR TELEPHONE:

If you prefer to use your phone, you must select "Use Telephone" after joining the webinar and call in using the numbers below.

United States: **+1 (914) 614-3221**

Access Code: **445-068-535**

Audio PIN: Shown after joining the webinar

MINUTES

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

September 10, 2020

A Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee (PAC) was held virtually via GoTo Webinar on Thursday, September 10, 2020, at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

PAC Chair Junie Lazo-Pearson, called the meeting to order at 8:04 a.m. and Vice Chair John Nishimoto, O.D., led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Junie Lazo-Pearson, Ph.D., Chair; John Nishimoto, O.D., Vice Chair; Amin Alpesh, M.D.; Anjan Batra, M.D.; Jennifer Birdsall, Ph.D.; Tina Bloomer, MHNP; Donald Bruhns; Andrew Inglis, M.D.; Jena Jensen; Peter Korchin; Teri Miranti; Alexander Rossel; Loc Tran, PharmD.; Christy Ward

Members Absent: John Kelly, M.D.

Others Present: Richard Sanchez, Interim Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; David Ramirez, M.D., Chief Medical Officer; Gary Crockett, Chief Counsel; Emily Fonda, M.D., Deputy Chief Medical Director; Candice Gomez, Executive Director, Program Implementation; Michelle Laughlin, Executive Director, Network Operations; Belinda Abeyta, Executive Director, Operations; TC Roady, Director Regulatory Affairs; Paul Jiang, Manager Quality Analytics; Cheryl Simmons, Staff to the Advisory Committees; Samantha Fontenot, Program Assistant.

MINUTES

Approve the Minutes of the August 13, 2020 Regular Meeting of the CalOptima Board of Directors' Provider Advisory Committee.

Action: On motion of Member Ward, seconded and carried, the Committee approved the minutes of the August 13, 2020 regular meeting. (Motion carried 14-0-0; Member Kelly absent)

PUBLIC COMMENTS

There were no public comments.

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Update

Richard Sanchez, Interim Chief Executive Officer (CEO), provided a brief update and told the committee that CalOptima's Board of Directors' had appointed a new Chair and Vice Chair. Supervisor Andrew Do was elected Chair and Isabel Becerra was elected Vice Chair. Mr. Sanchez also provided an update on the Department of Health Care Services (DHCS) Medi-Cal expansion rates.

Chief Medical Officer Update

David Ramirez, M.D., Chief Medical Officer, provided an update on the DHCS Pharmacy Portal, which will go into effect January 1, 2021. Dr. Ramirez notified the committee that the website and the portal is available for providers to register for the Medi-Cal Rx program including the training programs. He noted that members and providers will be sent 90, 60 and 30-day notices from DHCS and a 30-day notice from CalOptima. Dr. Ramirez also told the committee that the Long-Term Care at Home Program has been officially cancelled by DHCS.

Network Operations Update

Michelle Laughlin, Executive Director, Provider Network Operations, provide an update on the health network certification progress for DHCS.

INFORMATION ITEMS

Intergovernmental Transfer Funds (IGT) Update

Candice Gomez, Executive Director, Program Implementation, provided a update on Intergovernmental Transfer Funds (IGT). Ms. Gomez reminded the members that CalOptima's IGT 1-9 funds were available to provide enhanced benefits to existing CalOptima members and the funds must be used for CalOptima Medi-Cal covered services. She also discussed how IGT funds 5 and 7 had been impacted due to COVID-19. Ms. Gomez also reviewed the status of the IGT 10 funds which the CalOptima Board approved in February 2020.

Annual HEDIS Report

Paul Jiang, Manager, Quality Analytics, provided the Annual Health Effectiveness Data and Information Set (HEDIS) 2020 results.

Federal & State Legislative Update

TC Roady, Director, Regulatory Affairs, provided a brief verbal update on the Pharmacy Carve-Out which is slated to take effect January 1, 2021. Mr. Roady also discussed the Provider Relief Fund and the Federal and State Budget.

Member Advisory Committee (MAC) Update

Christine Tolbert, MAC Chair provided a brief update on the MAC initiatives for 2021 which included working more closely on items of interest with the PAC.

PAC Member Updates

Chair Lazo-Pearson reminded the members that their compliance courses were due by November 6, 2020 and to reach out to Cheryl Simmons if they had any questions or problems.

ADJOURNMENT

Chair Lazo-Pearson announced that the next meeting was a joint meeting with the Member Advisory Committee, OneCare Connect Member Advisory Committee and the Whole-Child Model Family Advisory Committee and was scheduled for Thursday, October 8, 2020 at 8:00 a.m. and that more information would be sent closer to that date.

Hearing no further business, Chair Lazo-Pearson adjourned the meeting at 9:41 a.m.

/s/ Cheryl Simmons

Cheryl Simmons
Staff to the Advisory Committees

Approved: November 12, 2020

MINUTES

**JOINT MEETING OF THE
CALOPTIMA BOARD OF DIRECTORS'
MEMBER ADVISORY COMMITTEE,
ONECARE CONNECT
CAL MEDICCONNECT PLAN (MEDICARE-MEDICAID PLAN)
MEMBER ADVISORY COMMITTEE,
PROVIDER ADVISORY COMMITTEE AND
WHOLE CHILD MODEL FAMILY ADVISORY COMMITTEE**

October 8, 2020

A Joint Meeting of the CalOptima Board of Directors' Member Advisory Committee (MAC), OneCare Connect Member Advisory Committee (OCC MAC), Provider Advisory Committee (PAC) and Whole-Child Model Advisory Committee (WCM FAC) was held on Thursday, October 8, 2020 via GoTo Webinar at the CalOptima offices located at 505 City Parkway West, Orange, California.

CALL TO ORDER

MAC Chair Tolbert called the meeting to order at 8:05 a.m., and WCM FAC Vice Chair Deeley led the Pledge of Allegiance.

ESTABLISH QUORUM

Member Advisory Committee

Members Present: Christine Tolbert, Chair; Maura Byron; Sandy Finestone; Connie Gonzalez; Hai Hoang; Sally Molnar; Patty Mouton; Melisa Nicholson; Kate Polezhaev; Sr. Mary Terese Sweeney; Steve Thronson

Members Absent: Pamela Pimentel, Vice Chair; Mallory Vega

OneCare Connect Member Advisory Committee

Members Present: Patty Mouton, Chair; Keiko Gamez, Vice Chair; Meredith Chillemi; Josefina Diaz; Eleni Hailemariam, M.D. (non-voting); Sandy Finestone; Sara Lee; Mario Parada; Donald Stukes

Members Absent: Jyothi Atluri (non-voting); Gio Corzo; Erin Ulibarri (non-voting)

Provider Advisory Committee

Members Present: Junie Lazo-Pearson, Ph.D., Chair; John Nishimoto, O.D., Vice Chair; Alpesh Amin, M.D.; Anjan Batra, M.D.; Jennifer Birdsall, Tina Bloomer; Donald Bruhns, Dr. Inglis, Jena Jensen; John Kelly, M.D.; Teri Miranti; Alex Rossel; Loc Tran, Pharm.D.

Members Absent: Peter Korchin; Christy Ward

Whole-Child Model Family Advisory Committee

Members Present: Brenda Deeley, Vice Chair; Maura Byron; Sandra Cortez-Schultz; Jacque Knudsen; Monica Maier; Malissa Watson;

Members Absent: Cathleen Collins, Kathleen Lear, Kristen Rogers
WCM FAC did not achieve a quorum.

Others Present: Richard Sanchez, Interim Chief Executive Officer; Ladan Khamseh, Chief Operating Officer; David Ramirez, M.D., Chief Medical Officer; Emily Fonda, M.D., Deputy Chief Medical Officer; Gary Crockett, Chief Counsel; Belinda Abeyta, Executive Director, Operations; Candice Gomez, Executive Director, Program Implementation; Betsy Ha, Executive Director, Quality and Population Health Management; Tracy Hitzeman, Executive Director Clinical Operations; Michelle Laughlin, Executive Director, Network Operations; Thanh-Tam Nguyen, M.D., Medical Director, Medical Management; Albert Cardenas, Director, Customer Service; Cheryl Simmons, Staff to the Advisory Committees; Samantha Fontenot, Program Assistant, Customer Service

PUBLIC COMMENT

There were no requests for public comment.

CHIEF EXECUTIVE OFFICER WELCOME

Richard Sanchez, Interim Chief Executive Officer, welcomed members from the four Board Advisory Committees.

INFORMATION ITEMS

25th Anniversary Presentation

Ladan Khamseh, Chief Operating Officer, provided a brief review of CalOptima's first 25 years. Ms. Khamseh thanked the Chairs, Vice Chairs and members of the advisory committees as well as the providers who have served since CalOptima's inception in 1995. Ms. Khamseh suggested that the members review the full presentation at their leisure.

WCM FAC Vice Chair Deeley reordered the agenda to hear V.C Medi-Cal Rx ahead of the Be Well OC presentation to allow time to address technical issues related to that presentation.

Medi-Cal Rx

OCC MAC Vice Chair Keiko Gamez introduced Emily Fonda, M.D., Deputy Chief Medical Officer. Dr. Fonda provided an overview of the Department of Health Care Services' (DHCS)

plan to transition of the Medi-Cal Pharmacy benefit from the Managed Care Plans (MCPs) (including CalOptima) to Medi-Cal fee-for-service (FFS) program effective January 1, 2021. Dr. Fonda noted that there would be no change to OneCare (OC) and OneCare Connect (OCC) and PACE members as they will continue receiving medications through CalOptima's Pharmacy Benefit Manager (PBM), MedImpact. Committee members continued to express concerns about the transition and about the importance of ensuring that members continue to have access to the medications they need.

Be Well OC

WCM FAC Vice Chair Deeley introduced Marshall Moncrief, Chief Executive Officer of Mind-OC. Mr. Moncrief provided an overview of the Be Well OC program, noting that it is intended to facilitate coordination of the delivery of behavioral health healthcare services.

Myopia Control

PAC Vice Chair Nishimoto introduced Erin Rueff, O.D., who provided a presentation on Myopia or "nearsightedness" in children. Dr. Rueff noted that half of the world's population are projected to be affected by myopia by 2050 and discussed how extensive optometric and ophthalmological research has been able to slow the progression of myopia by using topical eye drops and specially designed contact lenses.

COMMITTEE MEMBER UPDATES

MAC Chair Tolbert welcomed Kate Polezhaev to the MAC as the new Consumer Representative and asked the members to continue to help with the recruitment of a Medi-Cal Beneficiaries Representative. Chair Tolbert announced MAC would hold a special meeting on November 12, 2020 at 2:30 P.M.

OCC MAC Vice Chair Gamez welcomed Meredith Chillemi as the new Long-Term Care Representative on the OCC MAC and announced the next OCC MAC regular meeting is scheduled for October 22, 2020 at 3:00 P.M.

PAC Chair Dr. Lazo-Pearson announced that PAC would hold its regular meeting on November 12, 2020 and that there would be a Special Joint Meeting of all Board Advisory Committees on December 10, 2020 at 8:00 A.M. She also reminded all committee members that compliance training needs to be completed by November 6, 2020.

WCM FAC Vice Chair Deeley announced WCM FAC would hold its regular meeting on October 27, 2020 at 9:30 A.M.

CalOptima Board of Directors' Minutes
of the Special Joint Meeting of the
Member Advisory Committee,
OneCare Connect Member Advisory Committee,
Provider Advisory Committee and the
Whole-Child Model Family Advisory Committee
October 8, 2020
Page 4

ADJOURNMENT

There being no further business before the Committees, WCM FAC Vice Chair Deeley adjourned the meeting at 10:30 a.m.

/s/ Cheryl Simmons

Cheryl Simmons

Staff to the Advisory Committees

Approved by OCC MAC: October 22, 2020

Approved by MAC: November 12, 2020

Approved by PAC: November 12, 2020

MEMORANDUM

DATE: October 28, 2020

TO: CalOptima Board of Directors

FROM: Richard Sanchez, Interim CEO

SUBJECT: CEO Report — November 5, 2020, Board of Directors Meeting

COPY: Sharon Dwiers, Clerk of the Board; Member Advisory Committee; Provider Advisory Committee; OneCare Connect Member Advisory Committee; and Whole-Child Model Family Advisory Committee

Regulator Honors CalOptima as the Only Medi-Cal Plan to Meet Quality Benchmark

On October 8, the Department of Health Care Services (DHCS) honored CalOptima for outstanding performance on 40 quality measures in the Managed Care Accountability Set (MCAS). CalOptima was awarded for being the only Medi-Cal plan in the state to perform above the 50th percentile benchmark in all the quality measures for Reporting Year 2020, which tracks activity in Calendar Year 2019. MCAS comprises quality measures that the state has chosen to assess overall performance in many areas, such as well-child visits, immunizations, cancer screenings, medication management and more. CalOptima shared the news with health networks and providers, who are our partners in the effort to deliver quality care, as well as community stakeholders and employees. We are proud to say that CalOptima is the No. 1 quality Medi-Cal plan, according to state regulators.

CalOptima to Welcome New Executive Director, Public Affairs in November

On November 23, Rachel Selleck will join CalOptima as Executive Director, Public Affairs (Chief of Staff), a role that has been vacant for two years. Rachel has a master's degree in public policy from Pepperdine University and a bachelor's degree in political science from UC Berkeley. Most recently, she worked as chief of staff/public affairs manager at the Orange County Health Care Agency. Prior to that, she held a public affairs specialist role at John Wayne Airport and an account executive position for O'Rorke Public Relations & Advertising Agency, which works solely with government agencies. At CalOptima, Rachel will report directly to me and be responsible for the Communications, Public Policy and Strategic Development departments. I look forward to introducing her at the December 3 Board meeting.

COVID-19 Emergency Extended Until January 2021, Regulator Boosts Provider Funding

As of October 27, Orange County remains the Red Tier (Substantial Risk) of California's Blueprint for a Safer Economy, primarily based on higher testing positivity rates in certain lower-income areas, according to County reports. From CalOptima's first case until October 27, CalOptima has reported 3,325 positive cases, 1,916 hospitalizations and 334 deaths.

- On October 2, the U.S. Department of Health and Human Services (HHS) renewed the COVID-19 public health emergency with a full 90-day extension through January 21, 2021.
- HHS announced that it is providing \$20 billion in new provider relief funding. The funding is available for providers who have already received payments due to hardships experienced from COVID-19, previously ineligible providers and an expanded group of behavioral health providers. Providers can apply for the Phase 3 General Distribution payments through

November 6. CalOptima shared news about this opportunity with the provider community. Information is available on the HHS [website](#).

Homeless Health Initiatives Summarized Considering COVID-19

During 2019, many organizations, including CalOptima, responded to Orange County's homeless crisis. On April 4, 2019, the Board of Directors committed \$100 million for Homeless Health Initiatives. On December 5, 2019, the Board also established Guiding Principles to refine decision making, ensure investment in the most appropriate programs and respond to provider concerns. The summary document that follows my report provides an update about CalOptima's progress and response considering COVID-19. The pandemic creates considerable uncertainty in the health care environment and in the needs of individuals experiencing homelessness. Several initiatives are expected to terminate on December 31, 2020. As a result, CalOptima anticipates requesting Board authority to extend initiatives and/or agreements to allow time to assess COVID-19 impacts and determine ongoing needs, for example, related to the Clinical Field Team and Whole-Person Care pilots.

Regulator Adjusts Timing for Network Certification, Medical Audit

The state announced the status of CalOptima's 2020 annual network certification and took additional actions that will impact CalOptima's certification and medical audit in the future.

- Annual Network Certification: DHCS notified CalOptima that our 2020 Annual Network Certification process is complete with no deficiencies. This is significant because it means CalOptima, in aggregate, has demonstrated access to required care for members. We have expressed appreciation to staff who worked on the certification and to health networks for their partnership. However, the process for network certification is changing whereby DHCS is increasing requirements for delegated health networks. Individual health networks must meet all standards for number and mix of primary and specialty providers, time and distance, service availability, physical accessibility and more, rather than CalOptima in aggregate. DHCS has announced a one-year delay in implementation until July 2022, which will provide more time for staff to work through operational challenges and more time for health networks to prepare.
- Annual Medical Audit: Due to the ongoing public health emergency, DHCS will not be conducting the annual medical audit of CalOptima's Medi-Cal program in 2021. Instead, the state will resume its audit cycle in 2022, most likely in February or March. At that time, DHCS will use a two-year lookback period rather than the customary one-year lookback period. Internal and external stakeholders must still comply with requirements in the 2021 audit protocols because that period will be audited.

Medi-Cal Rx Transition Approaching, Magellan Readies Its Call Center

The Medi-Cal Rx Advisory Workgroup met October 22, and CalOptima staff attended to ensure the latest understanding of all transition details. The topics covered included a general project update, review of policies and processes, details about the contract drug list and additions to the formulary, system testing overview, complaints and grievances policy changes based on stakeholder feedback, All-Plan Letter status, and discussion of the beneficiary notices and scripts. Medi-Cal Rx contractor Magellan reported that it is hiring 330 staff for the customer service call center and will support 17 threshold languages. The call center is not open until January 1, so in the interim, beneficiaries are instructed to call Medi-Cal or their health plan.

CalOptima has begun to field some calls from members with questions based on the first notice they received in October, and we are following the state's script with our responses.

Advisory Committees Come Together for Joint Meeting

CalOptima's four advisory committees (Member Advisory Committee, Provider Advisory Committee, OneCare Connect Member Advisory Committee and Whole-Child Model Family Advisory Committee) came together October 8 in a joint meeting to discuss topics of shared interest. To recognize CalOptima's 25th anniversary, Chief Operating Officer Ladan Khamseh and I kicked off the meeting with a brief expression of gratitude to the committees for their support. The meeting continued with three robust presentations:

- Marshall Moncrief, CEO of Mind OC, provided a status report about the Be Well OC facilities and the movement to build a comprehensive, coordinated mental health system for Orange County. Committee members were interested in this effort and its potential impact.
- Deputy Chief Medical Officer Emily Fonda, M.D., shared an overview of the upcoming transition to Medi-Cal Rx. Participants asked numerous questions and expressed concerns.
- Erin Rueff, O.D., Ph.D., chief of Stein Family Cornea & Contact Lens Services at Ketchum Health, spoke about pediatric eye health and preventing myopia (nearsightedness), with special consideration to this time of high computer-screen usage.

Employees Connect and Learn During Multiple Engagement Efforts

October featured a high level of employee engagement through webinars and recognition weeks. Below is a summary of four events:

- All Hands: CalOptima held our quarterly All Hands meeting virtually on October 22. More than 900 attended the live webinar, and others chose to access a recording later. COO Ladan Khamseh and I continued CalOptima's 25th anniversary celebration by highlighting our major milestones. PACE Director Elizabeth Lee showed fun photos from the PACE 7th anniversary drive-thru event. Betsy Ha, Executive Director of Quality & Population Health Management, and Marie Jeannis, Director of Enterprise Analytics, presented some new research into health disparities within CalOptima's ethnic populations. This data will be shared with your Board's Quality Assurance Committee in December.
- Customer Service Week: Continuing a longstanding tradition in a new way, CalOptima recognized Customer Service Week October 5–8 with virtual events, including a word search contest, webinar on teamwork and "Share a Smile" emails sent among co-workers. Customer Service Week honors the work that employees do with members and external partners as well as internal colleagues.
- Healthcare Quality Week: From October 19–21, CalOptima joined the national celebration of quality. Our theme was Equality, Equity and Justice, and via email messages, leaders aimed to educate staff about the emerging issues surrounding health disparities and their impact on overall health care quality.
- Cybersecurity Awareness Month: CalOptima's Information Services team led the agency's participation in National Cybersecurity Awareness Month. Events included weekly informational emails and quizzes about key security topics. External guest speakers also presented three separate lunchtime webinars throughout the month on securing devices at home and at work, securing internet-connected devices in health care, and the future of connected devices.

CalOptima Community Outreach Focuses on Mental Health, Scholarship Opportunity

True to our roots as a local health plan, CalOptima continually strives to connect with community members and add value with support. Below are two examples:

- Cambodian and Vietnamese Mental Health Panel: On October 22, CalOptima Director and Orange County Health Care Agency Director Clayton Chau, M.D., and Edwin Poon, Ph.D., CalOptima Director of Behavioral Health Services (Integration) participated in a virtual [panel](#) presentation on mental health in the Cambodian and Vietnamese communities. They were joined by several other guests at the event, which was jointly sponsored by TimesOC, Viet Rainbow of Orange County and USC Annenberg Center for Health Journalism. They discussed health disparities within the Cambodian and Vietnamese communities, shared mental health resources and emphasized the need for culturally sensitive care.
- Scholarship Essay Contest: For the past five years, employees have voluntarily funded a scholarship essay contest for CalOptima members who are interested in pursuing careers in health care or social services. This year, employees donated enough to offer two \$750 scholarships — one for a college-bound high school senior and another for an adult already in college. Entrants write three short essays about how they have benefited from CalOptima’s services, how their current studies will help them in the field of health care or social services, and why they are good scholarship candidates. The application is available [here](#), and the deadline is Friday, November 13. We hold the contest in part to nominate our winner for a \$5,000 national essay contest by the Association for Community Affiliated Plans.



A Public Agency

CalOptima
Better. Together.

Financial Summary

September 30, 2020

Nancy Huang, Chief Financial Officer

FY 2020–21: Management Summary

○ Change in Net Assets (Deficit) or Surplus

- MTD: \$6.5 million, favorable to budget \$3.7 million or 132.8%
- YTD: \$1.4 million, favorable to budget \$4.3 million or 148.1%

○ Enrollment

- MTD: 787,920 members, favorable to budget 527 or 0.1%
- YTD: 2,340,406 member months, favorable to budget 3,565 or 0.2%

○ Revenue

- MTD: \$423.7 million, favorable to budget \$102.1 million or 31.8%
 - Driven by Medi-Cal line of business (LOB) \$103.2 million of fiscal year (FY) 2019 hospital Directed Payments (DP) and \$4.9 million of Whole Child Model (WCM) prior year revenue due to restated enrollment, offset by Proposition 56 risk corridor estimate
- YTD: \$1.0 billion, favorable to budget \$72.1 million or 7.5% driven by Medi-Cal line of business:
 - Primarily driven by Medi-Cal LOB FY 2019 hospital DP, offset by bridge period Gross Medical Expense (GME) and Proposition 56 risk corridor estimates

FY 2020–21: Management Summary (cont.)

○ Medical Expenses

- MTD: \$405.6 million, unfavorable to budget \$98.3 million or 32.0%
 - Driven by Medi-Cal LOB \$103.2 million unfavorable variance due to hospital DP, offset by decrease in utilization due to COVID-19 pandemic
- YTD: \$996.6 million, unfavorable to budget \$70.8 million or 7.6%
 - Primarily driven by Medi-Cal LOB FY 2019 hospital DP, offset by decrease in utilization due to COVID-19 pandemic

○ Administrative Expenses

- MTD: \$11.4 million, favorable to budget \$1.3 million or 10.0%
- YTD: \$33.4 million, favorable to budget \$5.0 million or 13.1%

○ Net Investment & Other Income

- MTD: (\$0.1) million, unfavorable to budget \$1.4 million or 110.2%
- YTD: \$1.6 million, unfavorable to budget \$2.1 million or 56.8%

FY 2020–21: Key Financial Ratios

- Medical Loss Ratio (MLR)

- MTD: Actual 95.7% (94.4% excluding DP), Budget 95.6%
- YTD: Actual 96.8% (96.4% excluding DP), Budget 96.7%

- Administrative Loss Ratio (ALR)

- MTD: Actual 2.7% (3.6% excluding DP), Budget 3.9%
- YTD: Actual 3.2% (3.6% excluding DP), Budget 4.0%

- Balance Sheet Ratios

- Current ratio: 1.3
- Board-designated reserve funds level: 1.95
- Net position: \$1.0 billion, including required Tangible Net Equity (TNE) of \$102.4 million

Enrollment Summary: September 2020

Month-to-Date				Enrollment (by Aid Category)	Year-to-Date			
<u>Actual</u>	<u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
113,044	110,857	2,187	2.0%	SPD	338,554	332,449	6,105	1.8%
518	485	33	6.8%	BCCTP	1,538	1,467	71	4.8%
289,351	306,002	(16,651)	(5.4%)	TANF Child	869,380	905,027	(35,647)	(3.9%)
97,148	92,042	5,106	5.5%	TANF Adult	287,432	272,323	15,109	5.5%
4,891	3,509	1,382	39.4%	LTC	14,495	10,521	3,974	37.8%
253,445	246,699	6,746	2.7%	MCE	748,328	731,588	16,740	2.3%
13,020	11,932	1,088	9.1%	WCM	31,359	35,796	(4,437)	(12.4%)
771,417	771,526	(109)	(0.0%)	Medi-Cal Total	2,291,086	2,289,171	1,915	0.1%
14,529	14,080	449	3.2%	OneCare Connect	43,535	42,321	1,214	2.9%
1,594	1,378	216	15.7%	OneCare	4,642	4,134	508	12.3%
380	409	(29)	(7.1%)	PACE	1,143	1,215	(72)	(5.9%)
787,920	787,393	527	0.1%	CalOptima Total	2,340,406	2,336,841	3,565	0.2%

Financial Highlights: September 2020

Month-to-Date				Year-to-Date				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
787,920	787,393	527	0.1%	Member Months	2,340,406	2,336,841	3,565	0.2%
423,665,786	321,534,801	102,130,985	31.8%	Revenues	1,029,727,484	957,580,299	72,147,185	7.5%
405,600,875	307,305,145	(98,295,730)	(32.0%)	Medical Expenses	996,560,330	925,748,842	(70,811,488)	(7.6%)
11,398,770	12,670,898	1,272,128	10.0%	Administrative Expenses	33,405,555	38,453,777	5,048,222	13.1%
6,666,141	1,558,758	5,107,383	327.7%	Operating Margin	(238,402)	(6,622,320)	6,383,918	96.4%
(127,077)	1,250,000	(1,377,077)	(110.2%)	Non Operating Income (Loss)	1,621,158	3,750,000	(2,128,842)	(56.8%)
6,539,064	2,808,758	3,730,306	132.8%	Change in Net Assets	1,382,757	(2,872,320)	4,255,077	148.1%
95.7%	95.6%	(0.2%)		Medical Loss Ratio	96.8%	96.7%	(0.1%)	
2.7%	3.9%	1.3%		Administrative Loss Ratio	3.2%	4.0%	0.8%	
<u>1.6%</u>	<u>0.5%</u>	1.1%		Operating Margin Ratio	<u>(0.0%)</u>	<u>(0.7%)</u>	0.7%	
100.0%	100.0%			Total Operating	100.0%	100.0%		
94.4%	95.6%	1.2%		*MLR (excluding Directed Payments)	96.4%	96.7%	0.3%	
3.6%	3.9%	0.4%		*ALR (excluding Directed Payments)	3.6%	4.0%	0.4%	

*CalOptima updated the category of Directed Payments per Department of Healthcare Services instructions

Consolidated Performance Actual vs. Budget: September 2020 (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>
4.5	2.0	2.5	Medi-Cal	(1.6)	(4.5)	2.9
1.6	(0.7)	2.3	OCC	(0.4)	(2.9)	2.4
0.2	0.1	0.1	OneCare	0.3	0.2	0.2
<u>0.4</u>	<u>0.2</u>	<u>0.2</u>	<u>PACE</u>	<u>1.5</u>	<u>0.6</u>	<u>0.9</u>
6.7	1.6	5.1	Operating	(0.2)	(6.6)	6.4
<u>(0.1)</u>	<u>1.3</u>	<u>(1.4)</u>	<u>Inv./Rental Inc, MCO tax</u>	<u>1.6</u>	<u>3.8</u>	<u>(2.1)</u>
(0.1)	1.3	(1.4)	Non-Operating	1.6	3.8	(2.1)
6.5	2.8	3.7	TOTAL	1.4	(2.9)	4.3

Consolidated Revenue & Expenses: September 2020 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
MEMBER MONTHS	504,952	253,445	13,020	771,417	14,529	1,594	380	787,920
REVENUES								
Capitation Revenue	205,618,162	\$ 153,725,881	\$ 25,256,176	\$ 384,600,219	\$ 33,838,826	\$ 2,031,136	\$ 3,195,605	\$ 423,665,786
Other Income	-	-	-	-	-	-	-	-
Total Operating Revenue	<u>205,618,162</u>	<u>153,725,881</u>	<u>25,256,176</u>	<u>384,600,219</u>	<u>33,838,826</u>	<u>2,031,136</u>	<u>3,195,605</u>	<u>423,665,786</u>
MEDICAL EXPENSES								
Provider Capitation	35,355,856	42,904,125	10,024,110	88,284,091	15,718,385	568,898		104,571,374
Facilities	26,484,667	24,444,036	1,995,805	52,924,507	5,218,341	424,551	663,998	59,231,397
Professional Claims	19,705,256	9,088,823	991,707	29,785,786	1,045,331	83,580	574,305	31,489,002
Prescription Drugs	20,185,684	25,497,346	4,059,085	49,742,116	6,060,626	572,749	336,642	56,712,133
MLTSS	35,451,562	2,952,202	2,101,998	40,505,761	1,316,522	6,551	(9,962)	41,818,873
Medical Management	2,220,019	1,401,099	295,108	3,916,227	1,037,676	45,693	896,068	5,895,664
Quality Incentives	999,481	587,162	37,818	1,624,461	217,785		4,750	1,846,996
Reinsurance & Other	57,300,392	46,467,706	19,604	103,787,702	140,596		107,138	104,035,436
Total Medical Expenses	<u>197,702,918</u>	<u>153,342,498</u>	<u>19,525,235</u>	<u>370,570,651</u>	<u>30,755,263</u>	<u>1,702,022</u>	<u>2,572,939</u>	<u>405,600,875</u>
Medical Loss Ratio	96.2%	99.8%	77.3%	96.4%	90.9%	83.8%	80.5%	95.7%
GROSS MARGIN	7,915,244	383,383	5,730,941	14,029,568	3,083,563	329,114	622,666	18,064,911
ADMINISTRATIVE EXPENSES								
Salaries & Benefits				6,708,925	709,779	85,181	136,741	7,640,626
Professional fees				308,388	5,333	16,000	247	329,968
Purchased services				759,832	91,512	7,945	5,123	864,411
Printing & Postage				124,779	55,587	17,122	50,556	248,044
Depreciation & Amortization				290,036			2,018	292,054
Other expenses				1,582,517	36,262		3,317	1,622,095
Indirect cost allocation & Occupancy				(276,737)	629,387	47,628	1,294	401,571
Total Administrative Expenses				<u>9,497,740</u>	<u>1,527,860</u>	<u>173,875</u>	<u>199,295</u>	<u>11,398,770</u>
Admin Loss Ratio				2.5%	4.5%	8.6%	6.2%	2.7%
INCOME (LOSS) FROM OPERATIONS				4,531,829	1,555,703	155,238	423,371	6,666,141
INVESTMENT INCOME								326,968
TOTAL MCO TAX				(458,114)				(458,114)
TOTAL GRANT INCOME				4,050				4,050
OTHER INCOME				20				20
CHANGE IN NET ASSETS				<u>\$ 4,077,784</u>	<u>\$ 1,555,703</u>	<u>\$ 155,238</u>	<u>\$ 423,371</u>	<u>\$ 6,539,064</u>
BUDGETED CHANGE IN NET ASSETS				2,005,887	(732,384)	66,797	218,458	2,808,758
VARIANCE TO BUDGET - FAV (UNFAV)				<u>\$ 2,071,897</u>	<u>\$ 2,288,087</u>	<u>\$ 88,441</u>	<u>\$ 204,913</u>	<u>\$ 3,730,306</u>

[Back to Agenda](#)

Consolidated Revenue & Expenses: September 2020 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	Consolidated
MEMBER MONTHS	1,511,399	748,328	31,359	2,291,086	43,535	4,642	1,143	2,340,406
REVENUES								
Capitation Revenue	507,941,282	\$ 358,323,813	\$ 61,287,137	\$ 927,552,232	\$ 86,735,693	\$ 5,894,250	\$ 9,545,309	\$ 1,029,727,484
Other Income	-	-	-	-	-	-	-	-
Total Operating Revenue	507,941,282	358,323,813	61,287,137	927,552,232	86,735,693	5,894,250	9,545,309	1,029,727,484
MEDICAL EXPENSES								
Provider Capitation	106,771,293	127,614,354	31,978,120	266,363,767	37,868,048	1,605,202	-	305,837,018
Facilities	74,527,717	69,311,813	8,267,484	152,107,014	14,152,902	1,340,712	2,176,515	169,777,143
Professional Claims	58,440,916	27,409,072	3,358,510	89,208,497	2,933,800	237,750	1,686,202	94,066,249
Prescription Drugs	61,789,217	75,028,533	10,306,449	147,124,199	19,015,973	1,735,474	869,705	168,745,351
MLTSS	109,953,400	8,960,293	6,487,480	125,401,174	4,470,726	73,386	(9,873)	129,935,413
Medical Management	6,952,535	4,107,831	878,910	11,939,276	3,193,560	119,149	2,492,529	17,744,513
Quality Incentives	2,563,915	1,506,508	100,539	4,170,962	645,705	-	14,288	4,830,955
Reinsurance & Other	58,007,353	46,835,745	41,270	104,884,368	396,637	-	342,684	105,623,689
Total Medical Expenses	479,006,346	360,774,150	61,418,762	901,199,258	82,677,352	5,111,672	7,572,048	996,560,330
Medical Loss Ratio	94.3%	100.7%	100.2%	97.2%	95.3%	86.7%	79.3%	96.8%
GROSS MARGIN	28,934,936	(2,450,336)	(131,626)	26,352,973	4,058,341	782,578	1,973,260	33,167,153
ADMINISTRATIVE EXPENSES								
Salaries & Benefits				20,083,378	2,174,484	261,696	411,123	22,930,682
Professional fees				789,306	16,000	48,000	410	853,716
Purchased services				2,048,002	258,417	17,332	8,165	2,331,915
Printing & Postage				587,623	186,917	28,549	55,129	858,217
Depreciation & Amortization				876,556	-	-	6,125	882,681
Other expenses				4,281,277	114,834	205	8,838	4,405,154
Indirect cost allocation & Occupancy				(720,690)	1,736,371	117,998	9,513	1,143,191
Total Administrative Expenses				27,945,451	4,487,022	473,779	499,303	33,405,555
Admin Loss Ratio				3.0%	5.2%	8.0%	5.2%	3.2%
INCOME (LOSS) FROM OPERATIONS				(1,592,478)	(428,680)	308,799	1,473,958	(238,402)
INVESTMENT INCOME								3,343,146
TOTAL MCO TAX				(1,733,107)				(1,733,107)
TOTAL GRANT INCOME				10,913				10,913
OTHER INCOME				207				207
CHANGE IN NET ASSETS				\$ (3,314,465)	\$ (428,680)	\$ 308,799	\$ 1,473,958	\$ 1,382,757
BUDGETED CHANGE IN NET ASSETS				(4,460,918)	(2,875,834)	156,121	558,311	(2,872,320)
VARIANCE TO BUDGET - FAV (UNFAV)				\$ 1,146,453	\$ 2,447,154	\$ 152,678	\$ 915,647	\$ 4,255,077

Balance Sheet: As of September 2020

ASSETS

Current Assets	
Operating Cash	\$284,740,279
Investments	891,165,559
Capitation receivable	326,098,561
Receivables - Other	49,066,605
Prepaid expenses	6,185,523
Total Current Assets	1,557,256,527

Capital Assets	
Furniture & Equipment	39,890,502
Building/Leasehold Improvements	10,852,654
505 City Parkway West	51,620,226
	102,363,381
Less: accumulated depreciation	(54,836,309)
Capital assets, net	47,527,072

Other Assets	
Restricted Deposit & Other	300,000
Homeless Health Reserve	57,198,913
Board-designated assets:	
Cash and Cash Equivalents	3,479,829
Long-term Investments	583,746,489
Total Board-designated Assets	587,226,318
Total Other Assets	644,725,231

TOTAL ASSETS **2,249,508,830**

Deferred Outflows	
Contributions	1,047,297
Difference in Experience	4,280,308
Excess Earning	-
Changes in Assumptions	5,060,465
OPEB 75 Changes in Assumptions	703,000
Pension Contributions	570,000

TOTAL ASSETS & DEFERRED OUTFLOWS **2,261,169,900**

LIABILITIES & NET POSITION

Current Liabilities	
Accounts Payable	\$78,560,784
Medical Claims liability	905,686,994
Accrued Payroll Liabilities	16,648,281
Deferred Revenue	21,883,519
Deferred Lease Obligations	152,624
Capitation and Withholds	151,785,687
Total Current Liabilities	1,174,717,888

Other (than pensions) post employment benefits liability	25,938,821
Net Pension Liabilities	27,321,866
Bldg 505 Development Rights	-

TOTAL LIABILITIES **1,227,978,574**

Deferred Inflows	
Excess Earnings	506,547
OPEB 75 Difference in Experience	804,000
Change in Assumptions	3,728,725
OPEB Changes in Assumptions	1,638,000

Net Position	
TNE	102,433,561
Funds in Excess of TNE	924,080,492
TOTAL NET POSITION	1,026,514,054

**TOTAL LIABILITIES, DEFERRED
INFLOWS & NET POSITION** **2,261,169,900**

Board Designated Reserve and TNE Analysis: As of September 2020

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	160,665,965				
	Tier 1 - MetLife	159,458,405				
	Tier 1 - Wells Capital	159,798,287				
Board-designated Reserve						
		479,922,656	319,097,426	499,753,563	160,825,231	(19,830,907)
TNE Requirement	Tier 2 - MetLife	107,303,662	102,433,561	102,433,561	4,870,100	4,870,100
Consolidated:		587,226,318	421,530,987	602,187,124	165,695,331	(14,960,806)
<i>Current reserve level</i>		<i>1.95</i>	<i>1.40</i>	<i>2.00</i>		

HN Enrollment Summary–Medi-Cal

Health Network Name	OCTOBER 2020	% of Total MCAL	% of HN Enrollment
CHOC Health Alliance (PHC20)	149,802	19.2%	22.1%
CalOptima Community Network (CN)	89,719	11.5%	13.2%
Monarch Family HealthCare (HMO16)	84,531	10.8%	12.4%
Arta Western Health Network (SRG66)	64,100	8.2%	9.4%
Kaiser Permanente (HMO04)	48,482	6.2%	7.1%
Family Choice Health Network (PHC21)	46,194	5.9%	6.8%
Alta Med Health Services (SRG69)	43,647	5.6%	6.4%
Prospect Medical Group (HMO17)	37,629	4.8%	5.5%
United Care Medical Network (SRG82)	36,589	4.7%	5.4%
Talbert Medical Group (SRG65)	25,935	3.3%	3.8%
AMVI Care Health Network (PHC58)	24,439	3.1%	3.6%
Noble Mid-Orange County (SRG64)	20,410	2.6%	3.0%
Heritage - Regal Medical Group (HMO15)	7,719	1.0%	1.1%
Total Health Network Capitated Enrollment	679,195	87.1%	100.0%
CalOptima Direct (all others)	100,495	12.9%	
Total Medi-Cal Enrollment	779,690	100.0%	

HN Enrollment Summary–One Care Connect

Health Network Name	OCTOBER 2020	Percentage
Monarch HealthCare (HMO16DB)	4,575	30.9%
Prospect Medical Group (HMO17DB)	2,236	15.1%
CalOptima Community Network (CN)	2,107	14.2%
Family Choice Medical Group (SRG81DB)	1,902	12.9%
Talbert Medical Group (SRG52DB)	1,146	7.8%
Arta Western Health Network(SRG66DB)	617	4.2%
United Care Medical Group (SRG82DB)	595	4.0%
Alta-Med (SRG69DB)	539	3.6%
AMVI Care Health Network (PHC58DB)	480	3.2%
Noble Mid Orange County (SRG64DB)	390	2.6%
Heritage - Regal Medical Group (HMO15)	200	1.4%
Total OneCare Connect Enrollment	14,787	100.0%

HN Enrollment Summary–OneCare

Health Network Name	OCTOBER 2020	Percentage
Monarch HealthCare (PMG53DE)	756	45.5%
AMVI/Prospect Medical Group (PMG27DE)	294	17.7%
Talbert Medical Group (PMG52DE)	169	10.2%
Arta Western Health Network (PMG66DE)	144	8.7%
Family Choice Medical Group (PMG21DE)	109	6.6%
Alta-Med (PMG69DE)	104	6.3%
United Care Medical Group (PMG82DE)	60	3.6%
Noble Mid Orange County (PMG64DE)	27	1.6%
Total OneCare Enrollment	1,663	100.0%

Our Mission

To provide members with access to quality health care services delivered in a cost-effective and compassionate manner



A Public Agency

CalOptima

Better. Together.

PACE Update

Elizabeth Lee
Director, PACE



[Back to Agenda](#)

Event Outcomes

- 42 staff members
- 75 participants
- 15 flu vaccines administered
- Special guest: Former Chief Medical Officer Richard Helmer, M.D., who oversaw PACE at its inception



Cheers to Seven Years!



[Back to Agenda](#)

2019–20 Legislative Tracking Matrix

COVID-19 (CORONAVIRUS)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
H.R. 266 McCollum	<p>Paycheck Protection Program and Health Care Enhancement Act: Authorizes \$483 billion to replenish segments of the CARES Act, expand coronavirus testing, and provide more support to hospitals and providers during this pandemic. Of the \$483 billion, this bill includes:</p> <ul style="list-style-type: none"> ■ \$310 billion in funding for the Small Business Administration's PPP; ■ \$10 billion for Economic Injury Disaster Loans; ■ \$75 billion for the provider relief fund, managed by the Department of Health and Human Services, to cover treatment for COVID-19 patients and lost revenue from canceled elective procedures; and ■ \$25 billion to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests. 	<p>04/24/2020 Signed into law</p> <p>04/23/2020 Passed the House</p> <p>04/21/2020 Passed the Senate</p> <p>01/08/2019 Introduced</p>	CalOptima: Watch
H.R. 748 Courtney	<p>CARES Act: Authorizes \$2.2 trillion in spending for health care and employment-related interventions. This includes:</p> <ul style="list-style-type: none"> ■ \$1.5 billion to support the purchase of personal protective equipment, lab testing, and other activities; ■ \$127 billion to provide grants to hospitals, public entities, and nonprofits, and Medicare and Medicaid suppliers and providers to cover unreimbursed health care related expenses or lost revenues due to COVID-19; ■ \$1.32 billion in supplemental funding for community health centers; ■ \$955 million to support nutrition programs, home and community-based services, support for family caregivers, and expanded oversight for seniors and individuals with disabilities; ■ \$945 million to support research on COVID-19; and ■ \$425 million to increase mental health services. 	<p>03/27/2020 Signed into law</p> <p>03/27/2020 Passed the House</p> <p>03/25/2020 Passed the Senate</p> <p>01/24/2019 Introduced</p>	CalOptima: Watch
H.R. 6201 Lowey	<p>Families First Coronavirus Response Act: Allocates billions of federal funding support related to COVID-19. Funds are to be utilized for an emergency increase in the Federal Medical Assistance Percentages (FMAP) for Medicaid of 6.2%, emergency paid sick leave and unemployment insurance, COVID-19 testing at no cost, food aid and other provisions. Of note, on March 6, 2020, President Trump signed into law an emergency supplemental funding package of \$8.3 billion for treating and preventing the spread of COVID-19.</p>	<p>03/18/2020 Signed into law</p> <p>03/17/2020 Passed the Senate</p> <p>03/14/2020 Passed the House</p> <p>03/11/2020 Introduced</p>	CalOptima: Watch
H.R. 6462 Cisneros, Gallegos	<p>Emergency Medicaid for Coronavirus Treatment Act: Would expand Medicaid eligibility to any American diagnosed with COVID-19 or any other illness that rises to the level of a presidential national emergency declaration. Additionally, would require Medicaid coverage for all COVID-19 treatment and testing to continue even after the national emergency is over.</p>	<p>04/07/2020 Introduced</p>	CalOptima: Watch

2019–20 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
H.R. 6666 Rush	COVID-19 Testing, Reaching, and Contacting Everyone (TRACE) Act: Would authorize the Centers for Disease Control and Prevention (CDC) to award grants for testing, contact tracing, monitoring, and other activities to address COVID-19. Those eligible to receive grant funding would include federally qualified health centers, nonprofit organizations, and certain hospitals and schools. Additionally, would allocate \$100 billion for fiscal year 2020 for the disbursement of CDC grant funds.	05/01/2020 Introduced	CalOptima: Watch
SB 89 Committee on Budget and Fiscal Review	Emergency Budget Response to COVID-19: Appropriates \$500 million General Fund by amending the Budget Act of 2019. Funds will be allocated to any use related to Governor Newsom's March 4, 2020 State of Emergency regarding COVID-19. Additionally, authorizes additional appropriations related to COVID-19 in increments of \$50 million, effective 72 hours following notification of the Director of Finance. Of note, the total amount appropriated to COVID-19 is not to exceed \$1 billion.	03/17/2020 Signed into law 03/16/2020 Enrolled with the Governor 01/10/2019 Introduced	CalOptima: Watch
AB 685 Reyes	COVID-19 Workplace Exposure Notifications and Reporting: Effective January 1, 2021, establishes employer notification and reporting requirements when an employer learns of a potential COVID-19 exposure at a worksite. Specifically, an employer must send a notice of potential exposure to all employees who were at the same worksite. The notification must include information about workers' compensation and leave options, as well as the employer's disinfection plan. In addition, the employer must report information about diagnosed employees to the local health agency within forty-eight (48) hours of learning that at least three (3) employees working at the same site have tested positive for COVID-19 within a 14-day period.	09/17/2020 Signed into law 08/31/2020 Passed Assembly floor 08/30/2020 Passed Senate floor 06/29/2020 Introduced	CalOptima: Watch
SB 117 Committee on Budget and Fiscal Review	Emergency Budget Response to COVID-19 at Schools: Appropriates \$100 million Proposition 98 General Fund to ensure schools are able to purchase protective equipment or supplies for cleaning school sites. Funds will be distributed by the Superintendent of Public Instruction.	03/17/2020 Signed into law 03/16/2020 Enrolled with the Governor 01/10/2019 Introduced	CalOptima: Watch

2019–20 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
SB 275 Pan, Leyva	Personal Protective Equipment: Would require the State Department of Public Health to establish a personal protective equipment (PPE) stockpile to ensure an adequate supply of PPE for health care workers and essential workers. Would require the stockpile to have enough supplies for no less than a 45-day pandemic or other state or local health emergency. Additionally, would require general acute care hospitals, skilled nursing facilities, integrated health systems, and licensed dialysis clinics to maintain a 45-day stockpile of PPE. Would establish the Personal Protective Equipment Advisory Committee to make recommendations to the Department of Industrial Relations and State Department of Public Health regarding necessary types and amount of PPE, procurement and supply chain resilience, storage, and other best practices.	09/29/2020 Signed into law 08/31/2020 Passed Assembly floor 05/02/2019 Passed Senate floor 02/13/2019 Introduced	CalOptima: Watch CalPACE: Oppose
SB 1159 Hill	COVID-19 Workers' Compensation Benefits: Effective immediately and until January 1, 2023, when a qualifying employee files a workers' compensation claim for a COVID-19 diagnosis, the claim is presumed to be payable for both medical treatment and temporary disability benefits after all COVID-19-related paid sick leave has been exhausted. The employer may submit evidence to dispute the claim within forty-five (45) days of claim filing, including evidence of measures in place to reduce potential COVID-19 transmission and evidence of the employee's non-work-related risks of COVID-19 infection. Qualifying employees include: <ul style="list-style-type: none"> ■ Certain types of first responders and healthcare workers with a diagnosis of COVID-19. ■ Any employee who is diagnosed with COVID-19 during an outbreak of COVID-19 at the employee's worksite. 	09/17/2020 Signed into law 08/31/2020 Passed Assembly floor 06/26/2020 Passed Senate floor 04/22/2020 Introduced	CalOptima: Watch

STATE BUDGET BILLS

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 79	Human Services: Enacts human services trailer bills in the California 2020-2021 budget. <ul style="list-style-type: none"> ■ Department of Developmental Services supplemental rate increases for specified providers including, independent living programs, infant development programs, and early start specialized therapeutic services ■ In-Home Supportive Services reassessment extensions due to delays related to COVID-19 and Governor Newsom's executive state of emergency order 	06/29/2020 Signed into law 06/26/2020 Passed Assembly floor 06/25/2020 Passed Senate floor 12/03/2018 Introduced	CalOptima: Watch

2019–20 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 80	<p>Public Health: Enacts health care trailer bills in the California 2020-2021 budget.</p> <ul style="list-style-type: none"> ■ Medi-Cal managed care capitated payment rate reduction of 1.5 percent for the 18-month bridge period ■ Implementation of a Medi-Cal risk corridor for the 18-month bridge period ■ Prop 56 value-based payments and supplemental payments ■ Extension of the Medi-Cal 2020 Demonstration ■ 340B Supplemental Payment Pool for non-hospital clinics ■ Expansion of full-scope Medi-Cal to seniors, regardless of immigration status ■ Extension of coverage for COVID-19 to uninsured individuals ■ Health Care Payment Data Program ■ Reimbursement for medication-assisted treatment services 	<p>06/29/2020 Signed into law</p> <p>6/26/2020 Passed Assembly floor</p> <p>06/25/2020 Passed Senate floor</p> <p>12/03/2018 Introduced</p>	CalOptima: Watch
AB 81	<p>Public Health: Enacts health care trailer bills in the California 2020-2021 budget.</p> <ul style="list-style-type: none"> ■ Medi-Cal rate reimbursement methodology adjustments for skilled nursing facilities during the COVID-19 pandemic ■ Implementation of the skilled nursing facility quality assurance fee ■ County access to Mental Health Services Act funds for additional support related to COVID-19 	<p>06/29/2020 Signed into law</p> <p>6/26/2020 Passed Assembly floor</p> <p>06/25/2020 Passed Senate floor</p> <p>12/03/2018 Introduced</p>	CalOptima: Watch
AB 83	<p>Housing: Enacts housing trailer bills in the California 2020-2021 budget.</p> <ul style="list-style-type: none"> ■ Funding to continue Project Roomkey ■ Bypassing certain California Environmental Quality Act (CEQA) regulations related to Project Roomkey 	<p>06/29/2020 Signed into law</p> <p>6/26/2020 Passed Assembly floor</p> <p>06/25/2020 Passed Senate floor</p> <p>12/03/2018 Introduced</p>	CalOptima: Watch
AB 89	<p>Fiscal Year 2020-2021 California State Budget: Enacts a \$202.1 billion spending plan for Fiscal Year 2020-2021, with General Fund spending at \$133.9 billion. The following included within the state budget will have a direct impact to Medi-Cal:</p> <ul style="list-style-type: none"> ■ Funding to address Medi-Cal caseloads ■ Provisions to maintain Community Based Adult Services, the Multipurpose Senior Services Program, and other optional benefits ■ Funding to address the COVID-19 pandemic 	<p>06/29/2020 Signed into law</p> <p>6/26/2020 Passed Assembly floor</p> <p>06/25/2020 Passed Senate floor</p> <p>12/03/2018 Introduced</p>	CalOptima: Watch

AFFORDABLE CARE ACT

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
H.R. 1425 Craig	Patient Protection and Affordable Care Enhancement Act (PPACEA): Would, among other things, lower health care costs through fair drug price negotiations, provide additional protections for those with preexisting health conditions, and offer 100 percent federal matching funds for states that choose to expand Medicaid under the Affordable Care Act. The bill also would reduce the Federal Medical Assistance Percentages for the fourteen remaining non-expansion states and permanently authorize the Children’s Health Insurance Program.	06/30/2020 Passed the House; Referred to the Senate 02/22/2020 Introduced	CalOptima: Watch

BEHAVIORAL HEALTH

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 2265 Quirk-Silva	Mental Health Services Act (MHSA) Funds for Cooccurring Conditions: Authorizes MHSA funds to include treatment of a substance use disorder for an individual with cooccurring mental health and substance use disorders, when that individual is already eligible to receive mental health services through an MHSA-funded program. The authorization applies across the state. Additionally, requires the county that elects to utilize MHSA funding for this purpose to report the number of people assessed for cooccurring mental health and substance use disorders and the number of those assessed who only have a substance use disorder to the Department of Health Care Services.	09/25/2020 Signed into law 08/28/2020 Passed Senate floor 06/02/2020 Passed Assembly floor 02/14/2020 Introduced	CalOptima: Watch Orange County Board of Supervisors: Support
SB 803 Beall	Mental Health Peer Support Services Certificate: Creates requirements for a Certified Peer Support Specialist (PSS) certification program by July 1, 2022. Allows an individual 18 years of age or older, who has experienced a mental illness and/or a substance use disorder or is a parent or family member of such individual, to become a PSS. A PSS is able to provide non-medical specialty mental health and substance abuse support services in a county that opts in to establish a PSS certification program and funds the non-federal share of those services. This requires the Department of Health Care Services to develop and implement billing codes, reimbursement rates, and claim requirements for the PSS program. Additionally, requires the Department to include PSS as a Medi-Cal provider type and PSS services as a distinct service type in participating counties.	09/25/2020 Signed into law 08/31/2020 Passed Assembly floor 06/24/2020 Passed Senate floor 01/08/2020 Introduced	CalOptima: Watch LHPC: Support Orange County Board of Supervisors: Support

BLOOD LEAD SCREENINGS

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 2276 Reyes	<p>Blood Lead Screening Tests Age Guidelines: Requires the Medi-Cal managed care plan (MCP) to ensure blood lead screening tests for a Medi-Cal beneficiary at 12 and 24 months of age by doing the following:</p> <ul style="list-style-type: none"> ■ Identify, on a quarterly basis, every child beneficiary that has missed a blood screening test; ■ If a test was missed, notify the beneficiary’s health care provider of the requirement to perform a test and provide guidance to the parent/guardian; ■ Submit to the Department of Health Care Services, on an annual basis and upon request, a record of every beneficiary under six years of age that has missed a blood screening test, including the age at which a test was missed; and ■ If a parent/guardian declines a recommended screening, ensure that the parent/guardian signs a statement of refusal to be documented in the child’s medical record. 	<p>09/28/2020 Signed into law</p> <p>08/29/2020 Passed Senate floor</p> <p>06/10/2020 Passed Assembly floor</p> <p>02/14/2020 Introduced</p>	CalOptima: Watch

COVERED BENEFITS

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
H.R. 4618 McBath	<p>Medicare Hearing Act of 2019: Effective no sooner than January 1, 2022, would require Medicare Part B to cover the cost of hearing aids for Medicare beneficiaries. Hearing aids would be provided every five years and would require a prescription from a doctor or qualified audiologist.</p>	<p>1/24/2020 Passed the Committee on Energy and Commerce</p> <p>10/08/2019 Introduced</p>	CalOptima: Watch
H.R. 4650 Kelly	<p>Medicare Dental Act of 2019: Effective no sooner than January 1, 2022, would require Medicare Part B to cover the cost of dental health services for Medicare beneficiaries. Covered benefits would include preventive and screening services, basic and major treatments, and other care related to oral health.</p>	<p>1/24/2020 Passed the Committee on Energy and Commerce</p> <p>10/11/2019 Introduced</p>	CalOptima: Watch
H.R. 4665 Schrier	<p>Medicare Vision Act of 2019: No sooner than January 1, 2022, would require Medicare Part B to cover the cost of vision care for Medicare beneficiaries. Covered benefits would include routine eye exams and corrective lenses. Corrective lenses covered would be either one pair of conventional eyeglasses or contact lenses.</p>	<p>1/24/2020 Passed the Committee on Energy and Commerce</p> <p>10/11/2019 Introduced</p>	CalOptima: Watch

HOMELESSNESS

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
<p>H.R. 1978 Correa/Lieu</p>	<p>Fighting Homelessness Through Services and Housing Act: Similar to S. 923, would establish a federal grant program within the Health Resources and Services Administration to fund comprehensive homeless support services through the appropriation of \$750 million each year for five years, beginning in FY 2020. Included would be a one-time grant of \$100,000 to support program planning for existing programs serving those who are homeless or at risk of being homeless. Each eligible entity would be able to receive up to \$25 million each year for up to five years.</p> <p>Government entities eligible to apply for grant funding would include counties, cities, regional or local agencies, Indian tribes or tribal organizations. Each agency would be able to enter partnerships to meet eligibility status. Additionally, comprehensive homeless support services, such as mental health services, supportive housing, transitional support, and case management must be provided by the agency to be considered to receive grant funding. Individuals eligible to receive comprehensive homeless support services through this program include persons who are homeless or are at risk of becoming homeless, including families, individuals, children and youths.</p>	<p>03/28/2019 Introduced; Referred to the Committee on Financial Services</p>	<p>CalOptima: Watch</p>
<p>S. 923 Feinstein</p>	<p>Fighting Homelessness Through Services and Housing Act: Similar to H.R. 1978, would establish a federal grant program within the Health Resources and Services Administration to fund comprehensive homeless support services through the appropriation of \$750 million each year for five years, beginning in FY 2020. Included would be a one-time grant of \$100,000 to support program planning for existing programs serving those who are homeless or at risk of being homeless. Each eligible entity would be able to receive up to \$25 million each year for up to five years.</p> <p>Government entities eligible to apply for grant funding would include counties, cities, regional or local agencies, Indian tribes or tribal organizations. Each agency would be able to enter partnerships to meet eligibility status. Additionally, comprehensive homeless support services, such as mental health services, supportive housing, transitional support, and case management must be provided by the agency to be considered to receive grant funding. Individuals eligible to receive comprehensive homeless support services through this program include persons who are homeless or are at risk of becoming homeless, including families, individuals, children and youths.</p>	<p>03/28/2019 Introduced; Referred to the Committee on Health, Education, Labor, and Pensions</p>	<p>CalOptima: Watch Orange County Board of Supervisors: Support</p>

2019–20 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 2746 Petrie-Norris, Gabriel	Accountability of State Funds Used for Homelessness: Would have required any entity that receives state funds for programs related to homelessness, including, but not limited to, the Whole-Person Care pilot program, California Work Opportunity and Responsibility to Kids (CalWORKs), or the Housing and Disability Income Advocacy Program, to submit a standardized report regarding the use of state funds. The report would have been sent annually to the state agency granting funds for the program.	09/29/2020 Vetoed 08/30/2020 Passed Senate floor 06/10/2020 Passed Assembly floor 02/20/2020 Introduced	CalOptima: Watch

PHARMACY

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 2100 Wood	Pharmacy Benefit Carve-Out (Medi-Cal Rx) Modifications: Would have required the Department of Health Care Services to establish the Independent Prescription Drug Medical Review System (IPDMRS) for the outpatient pharmacy benefit, and to develop a framework for the system that models the requirements of the Knox-Keene Health Care Service Plan Act, no sooner than January 1, 2021. Would have required the IPDMRS to review grievances regarding any outpatient prescription drug benefit that was denied, modified, or delayed due to a finding that the service is not medically necessary or was experimental. Additionally, would have required a minimum 180 days for continuity of care for medications regardless if listed on the Medi-Cal contract drug list. Finally, would have allowed the Department to provide a disease management payment to contracted pharmacies for specialty drugs in order to ensure beneficiary access.	09/29/2020 Vetoed 08/28/2020 Passed Senate floor 06/10/2020 Passed Assembly floor 02/05/2020 Introduced	CalOptima: Watch
SB 852 Pan	California Affordable Drug Manufacturing Act of 2020: Requires the California Health and Human Services Agency (CHHSA) to enter into partnerships with one or more drug companies or generic drug manufacturers, licensed by the United States Food and Drug Administration, to produce or distribute generic prescription drugs, including at least one form of insulin, in order to reduce the cost of prescription drugs. Requires CHHSA to study and report to the Legislature on the feasibility of the State directly manufacturing and selling generic prescription drugs, no later than July 1, 2023.	09/28/2020 Signed into law 08/31/2020 Passed Assembly floor 06/25/2020 Passed Senate floor 01/13/2020 Introduced	CalOptima: Watch CAHP: Support

PROVIDERS

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 890 Wood	Nurse Practitioners Scope of Practice: Establishes the Nurse Practitioner Advisory Committee to provide recommendations and advice to the Board of Registered Nursing. Effective January 1, 2021, permits a nurse practitioner to perform specified functions without standardized procedures, including ordering, performing, and interpreting diagnostic procedures, certifying disability, and prescribing, administering, dispensing, and furnishing controlled substances, when practicing in a setting with one or more physicians. Also requires the Board of Registered Nursing to define the minimum requirements for which a nurse practitioner may transition to practice without standardized procedures within three (3) years. Effective January 1, 2023, permits a nurse practitioner to practice independently in a setting without a physician, after an additional three (3) years of practice experience.	<p>09/29/2020 Signed into law</p> <p>08/31/2020 Passed Senate floor</p> <p>01/27/2020 Passed Assembly floor</p> <p>02/20/2019 Introduced</p>	CalOptima: Watch LHPC: Support

TELEHEALTH

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
H.R. 4932 Thompson	<p>Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act of 2019: Similar to S. 2741, would expand telehealth services for those receiving Medicare benefits and remove restrictions in the Medicare program that prevent physicians from using telehealth technology. Would also:</p> <ul style="list-style-type: none"> ■ Provide the Secretary of Health and Human Services with the authority to waive telehealth restrictions when necessary; ■ Remove geographic and originating site restrictions for services like mental health and emergency medical care; ■ Allow rural health clinics and other community-based health care centers to provide telehealth services; and ■ Require a study to explore more ways to expand telehealth services so that more people can access health care services in their own homes. 	<p>10/30/2019 Introduced; Referred to the Committees on Energy and Commerce; Ways and Means</p>	CalOptima: Watch AHIP: Support
S. 2741 Schatz	<p>Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act of 2019: Similar to H.R. 4932, would expand telehealth services for those receiving Medicare benefits and remove restrictions in the Medicare program that prevent physicians from using telehealth technology. Would also:</p> <ul style="list-style-type: none"> ■ Provide the Secretary of Health and Human Services with the authority to waive telehealth restrictions when necessary; ■ Remove geographic and originating site restrictions for services like mental health and emergency medical care; ■ Allow rural health clinics and other community-based health care centers to provide telehealth services; and ■ Require a study to explore more ways to expand telehealth services so that more people can access health care services in their own homes. 	<p>10/30/2019 Introduced; Referred to the Committee on Finance</p>	CalOptima: Watch AHIP: Support

2019–20 Legislative Tracking Matrix (continued)

Bill Number (Author)	Bill Summary	Bill Status	Position/Notes*
AB 2164 Rivas, Salas	Expanding Access to Telehealth: Would have no longer required the first visit at a federally qualified health clinic to be an in-person visit by authorizing telehealth appointments that occur by synchronous real time or asynchronous store and forward. This would have allowed the new patient the option to utilize telehealth services and become an established patient as their first visit. This would have only applied during the COVID-19 pandemic and up to 180 days post-termination of the state of emergency.	09/26/2020 Vetoed 08/28/2020 Passed Senate floor 06/10/2020 Passed Assembly floor 02/11/2020 Introduced	CalOptima: Watch LHPC: Support
AB 2360 Maienschein	Mothers and Children Mental Health Support Act of 2020: Would have created a telehealth program used to conduct mental health consultations and treatments for children, pregnant women, and postpartum persons, effective no sooner than July 1, 2021. Would have permitted telehealth services to be conducted by video or audio-only calls. Additionally, would have required the telehealth consultation appointment to be completed by a mental health clinician with expertise in providing care for pregnant, postpartum, and pediatric patients. Would have required access to a psychiatrist when deemed appropriate or requested by the treating provider.	09/26/2020 Vetoed 08/28/2020 Passed Senate floor 06/10/2020 Passed Assembly floor 02/19/2020 Introduced	CalOptima: Watch CAHP: Oppose LHPC: Oppose

*Information in this document is subject to change as bills are still going through the stages of the legislative process.

CAHP: California Association of Health Plans

CalPACE: California PACE Association

LHPC: Local Health Plans of California

NPA: National PACE Association

Last Updated: October 14, 2020

2019–20 Legislative Tracking Matrix (continued)

2020 Federal Legislative Dates

April 4–19	Spring recess
August 10–September 7	Summer recess
October 12–November 6	Fall recess

2020 State Legislative Dates*

*Due to COVID-19, 2020 State Legislative dates have been modified

January 6	Legislature reconvenes
January 31	Last day for bills introduced in 2019 to pass their house of origin
February 21	Last day for legislation to be introduced
April 2–12	Spring recess
May 22	Last day for policy committees to hear and report bills to fiscal committees introduced in the Assembly
May 29	Last day for policy committees to hear and report bills to fiscal committees introduced in the Senate
May 29	Last day for policy committees to hear and report to the floor non-fiscal bills introduced in the Assembly
June 5	Last day for fiscal committees hear and report to the floor bills introduced in the Assembly
June 15	Budget bill must be passed by midnight
June 15–19	Assembly floor session only
June 19	Last day for the Assembly to pass bills in their house of origin
June 19	Last day for fiscal committees to hear and report to the floor bills introduced in the Senate
June 22–26	Senate floor session only
June 26	Last day for the Senate to pass bills in their house of origin
July 2–July 27^{one}	Summer recess
July 31	Last day for policy committees to hear and report fiscal bills to fiscal committees
August 7	Last day for policy committees to meet and report bills to the floor
August 14	Last day for fiscal committees to report bills to the floor
August 17–31	Floor session only
August 21	Last day to amend bills on the floor
August 31	Last day for bills to be passed. Final recess begins upon adjournment
September 30	Last day for Governor to sign or veto bills passed by the Legislature
November 3	General Election
December 7	Convening of the 2021–22 session

Sources: 2020 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. As Orange County's community health plan, our mission is to provide members with access to quality health care services delivered in a cost-effective and compassionate manner. We provide coverage through four major programs: Medi-Cal, OneCare Connect Cal MediConnect Plan (Medicare-Medicaid Plan), OneCare (Medicare Advantage Special Needs Plan), and the Program of All-Inclusive Care for the Elderly (PACE).