



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

THURSDAY, DECEMBER 8, 2022

8:00 A.M.

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

AGENDA

This agenda contains a brief, general description of each item to be considered. The Committees 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. To speak on an item during the public comment portion of the agenda, please register using the Webinar link below. Once the meeting begins the Question-and-Answer section of the Webinar will be open for those who wish to make a public comment and registered individuals will be unmuted when their name is called. You must be registered to make a public comment.

Information related to this agenda may be obtained by contacting the CalOptima Health 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:

Register to Participate via Zoom at:
https://us06web.zoom.us/webinar/register/WN_NNI5fGPnSnGHxUu2wNITVQ
and Join the Meeting.

Webinar ID: 840 1379 4754

Passcode: 460628-- Webinar instructions are provided below.

1. **CALL TO ORDER**
Pledge of Allegiance
2. **ESTABLISH QUORUM**
3. **PUBLIC COMMENT**
At this time, members of the public may address the Board Advisory Committees on matters not appearing on the agenda, but within the subject matter jurisdiction of the Board Advisory Committees. Speakers will be limited to three (3) minutes.
4. **CEO AND MANAGEMENT REPORTS**
 - A. [Chief Operating Officer Update](#)
 - B. Chief Medical Officer Update
 - C. [Chief Information Officer Update](#)
5. **INFORMATIONAL ITEMS**
 - A. [Strategic Plan Update](#)
 - B. [Street Medicine Pilot Program](#)
 - C. [School Based Behavioral Health](#)
 - D. Multipurpose Senior Services Program – **Moved to February 2023**
 - E. Committee Member Updates
6. **ADJOURNMENT**

TO REGISTER AND JOIN THE MEETING

Please register for the Regular Meeting of the CalOptima Health Board of Directors on December 8, 2022 at 8:00 a.m. (PST)

To Register in advance for this webinar:

https://us06web.zoom.us/webinar/register/WN_NNI5fGPnSnGHxUu2wNITVQ

To Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join.

<https://us06web.zoom.us/j/84013794754?pwd=d0dxMTV1TmVnRDZlYldRbEhHSEJqdz09>

Passcode: 460628

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 444 9171 or +1 253 215 8782 or +1 346 248 7799 or +1 719 359 4580 or +1 720 707 2699 or +1 253 205 0468 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592

Webinar ID: **840 1379 4754**

Passcode: **460628**

International numbers available: **<https://us06web.zoom.us/j/kcOL3aGmRz>**



MEMORANDUM

DATE: November 22, 2022

TO: CalOptima Health Board of Directors

FROM: Michael Hunn, Chief Executive Officer

SUBJECT: CEO Report — December 1, 2022, 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

a. CalOptima Health Wins OCBC Award

CalOptima Health was honored at the Orange County Business Council’s (OCBC) 12th Annual “Turning Red Tape Into Red Carpet Awards.” These awards honor outstanding local agencies, leaders, programs and public-private partnerships that cut through red tape. CalOptima Health was nominated for two awards in the public-private partnership category and won for partnering with the Orange County Health Care Agency and private organizations on the Be Well OC Orange Campus.

b. Member Health Needs Assessment RFP Released

CalOptima Health has released a request for proposal (RFP) for the services of a community research consultant with knowledge of multicultural populations and strategies for improved program engagement to conduct a comprehensive Member Health Needs Assessment (MHNA). The 2023 MHNA will be an expanded version of the original assessment completed in 2017–18. Given the inequities revealed through the COVID-19 pandemic, the assessment will result in a final report that includes recommendations about how to address the needs of members and newly identified populations, barriers to care, gaps in services and health disparities.

c. Public Health Emergency Now Extends Into April

The Federal COVID-19 Public Health Emergency (PHE) is now expected to continue through at least April 11, 2023. The current PHE designation — which has been continuously renewed in maximum 90-day increments — lasts through January 11, but the U.S. Department of Health & Human Services (HHS) did not provide the guaranteed 60-day termination notice by November 11. Therefore, it is expected to be renewed for an additional 90 days. In the meantime, Medicare telehealth services, Medicaid (Medi-Cal) coverage protections and several state supports will continue.

d. Strategy Session Develops Federal Priorities

CalOptima Health’s federal lobbyists recently visited for a strategy session with me, Chief of Staff Veronica Carpenter, COO Yunkyung Kim and Government Affairs Manager Donovan Higbee. As we

prepare for a new Congress in January, this helped develop the federal legislative and regulatory priorities that will guide our advocacy efforts over the next two years. Major policy areas discussed include social determinants of health, behavioral health, provider rates and Program of All-Inclusive Care for the Elderly (PACE) regulations. We also discussed ways to enhance our relationships with Congressional offices and key federal agencies as well as position ourselves as a leader in the national Medicaid and Medicare space. In early December, we will hold a strategy session with our state lobbyists as we work to finalize our 2023–24 Legislative Platform by early 2023.

e. CalOptima Health Advocates Removing PACE Barriers for Unhoused

With the assistance of U.S. Rep. Lou Correa, CalOptima Health recently delivered a letter to U.S. Secretary of Health & Human Services (HHS) Xavier Becerra regarding current barriers to PACE enrollment. Specifically, Centers for Medicare & Medicaid (CMS) regulations prevent PACE organizations from enrolling older adults who are not considered stably housed — a population that would arguably benefit most from PACE’s coordinated model of care. Rectifying this barrier would expand our ability to provide PACE services to those residing in a recuperative care facility, such as through our proposed Community Living Center and PACE Center in Tustin. The letter requests Sec. Becerra’s assistance in clarifying or updating this current CMS policy in coordination with the California Department of Health Care Services (DHCS), which reviews PACE enrollment applications.

f. CalOptima Health Gathers Preliminary Midterm Election Results

On November 8, midterm general elections were held for several federal, state, county, local and judicial offices. At the federal level, Democrats will maintain a majority in the U.S. Senate, and Republicans have gained control of the U.S. House of Representatives. At the state level, Gov. Gavin Newsom has been re-elected governor of California, and Democrats will maintain supermajorities in both the State Senate and State Assembly. However, winners have still not been declared in several individual races as more ballots are tabulated over the next few weeks. After results are certified by December 16, I will share the final election outcomes for Orange County’s representatives.

g. Senator Newman Tours PACE Center

On October 31, State Senator Josh Newman and I toured the CalOptima Health PACE Center along with COO Yunkyung Kim, PACE Director Monica Macias and Government Affairs Manager Donovan Higbee. Sen. Newman expressed a keen interest in all the clinical and day center services and asked several questions about expanding PACE in Orange County. Staff continues to raise awareness about the PACE program with our elected officials and plans to schedule additional tours soon.

h. Respiratory Syncytial Virus (RSV) Declared a Local Health Emergency

Due to record numbers of pediatric hospitalizations and daily emergency room visits for RSV, local public health officials issued a health emergency on October 31. The County Health Officer and Orange County Health Care Agency (HCA) medical directors strongly encourage the community to follow preventive measures such as staying home when sick, covering coughs and sneezes, washing hands frequently and masking up in large group settings. CalOptima Health shared this information on social media and in email newsletters to community stakeholders and providers. Chief Medical Officer Richard Pitts, D.O., Ph.D., was interviewed by KFI News about the rising RSV cases.

i. Medi-Cal Member Wins National Scholarship

The Association for Community Affiliated Plans (ACAP) has named CalOptima Health member Marina Esquivel Cisneros as the winner of its National Scholarship Contest. ACAP established the scholarship in 2011 to provide crucial, timely financial assistance to an enrollee of an ACAP health plan seeking higher education to pursue a career in health care or social services. Marina will receive \$5,000 toward tuition and educational expenses in pursuit of a nursing degree. In her essay, Marina details her interest in pursuing a career in health care based on her dedication to serving the community and the caring example of nurses who served her grandmother.

j. InfoSeries on Equity Shared With Community Partners

On November 15, CalOptima Health hosted a virtual InfoSeries presentation for community partners and stakeholders titled “Equity for a Healthy Orange County.” As the pandemic exposed deep health disparities evident in different vaccination and mortality rates based on ethnicity, the InfoSeries gave attendees an opportunity to learn about community-based initiatives supporting equity. Presenters included Hieu Nguyen, Director of Population Health and Equity, Orange County Health Care Agency; Mario Ortega, Chief Executive Officer, Abrazar Inc.; and Katie Balderas, Director of Population Health, CalOptima Health.

k. Continuing Medical Education (CME) Webinar Held on Childhood Lead Poisoning

Ninety providers attended CalOptima Health’s CME webinar on preventing childhood lead poisoning. Our Population Health Management (Quality Initiatives) team planned the course to increase provider awareness about the importance of lead screenings and support the regulatory requirements for testing. Lead poisoning is one of the most common and preventable environmental conditions in California children, and blood lead screenings are the only way to identify if a child has been exposed. The course was led by Jean Woo, M.D., Public Health Medical Officer at the Childhood Lead Poisoning Prevention Branch at the California Department of Public Health.

l. CalOptima Health Featured in Media Coverage

- On October 27, [Payers and Providers](#) covered CalOptima Health’s NCQA rating of 4, listing us among the top health plans in California.
- On November 1, Chief Medical Officer Richard Pitts, D.O., Ph.D., was interviewed by [KFI News](#) about the rising RSV cases in Orange County.
- On November 3, [BusinessWire.com](#) and [Yahoo.com](#) published articles on CalOptima Health’s texting campaign for CalFresh that won an mPulse Activate award.



Fast Facts As of October 2022

Mission: To serve member health with excellence and dignity, respecting the value and needs of each person.

Membership Data* (as of October 31, 2022)

Total CalOptima Health Membership 937,584	Program	Members
	Medi-Cal	919,992
	OneCare Connect	14,198
	OneCare (HMO D-SNP)	2,964
	Program of All-InclusiveCare for the Elderly (PACE)	430

*Based on unaudited financial report and includes prior period adjustment

Operating Budget (for four months ended October 31, 2022)

	YTD Actual	YTD Budget	Difference
Revenues	\$1,415,869,993	\$1,329,510,548	\$86,359,445
Medical Expenses	\$1,340,186,038	\$1,244,967,734	(\$95,218,304)
Administrative Expenses	\$57,727,398	\$69,105,803	\$11,378,405
Operating Margin	\$17,956,557	\$15,437,011	\$2,519,546
Medical Loss Ratio (MLR)	94.7%	93.6%	1.0%
Administrative Loss Ratio (ALR)	4.1%	5.2%	1.1%

Reserve Summary (as of October 31, 2022)

	Amount (in millions)
Board Designated Reserves	\$562.7*
Capital Assets (Net of depreciation)	\$67.9
Resources Committed by the Board	\$364.7
Resources Unallocated/Unassigned	\$444.4*
Total Net Assets	\$1,439.7

*Total of Board designated reserves and unallocated resources can support approximately 98 days of CalOptima Health's current operational cash needs.

Total Annual Budgeted Revenue

\$4 Billion

CalOptima Health Fast Facts

As of October 2022

Personnel Summary (as of October 29, 2022, pay period)

	Filled	Open	Vacancy %
Staff	1,328.4	158.5	10.7%
Manager	95.0	15.0	13.6%
Director	46.0	15.5	25.2%
Executive Director	10.0	1.0	9.1%
Chief	9.0	1.0	10.0%
Total FTE Count	1,488.4	191.0	11.4%

FTE Count based on position control reconciliation and includes both medical and administrative positions.

Provider Network Data (as of October 31, 2022)

	Number of Providers
Primary Care Providers	1,497
Specialists	9,184
Pharmacies	569
Acute and Rehab Hospitals	45
Community Health Centers	34
Long-Term Care Facilities	99

Treatment Authorizations (as of September 31, 2022)

	Mandated	Average Time to Decision	Average Time to Decision (Previous Month)
Inpatient Concurrent Urgent	72 hours	24.58 hours	26.6 hours
Prior Authorization – Urgent	72 hours	12.33 hours	12.4 hours
Prior Authorization – Routine	5 days	1.31 days	1.34 days

Average turnaround time for routine and urgent authorization requests for CalOptima Health Community Network.

Member Demographics (as of October 31, 2022)

Member Age		Language Preference		Medi-Cal Aid Category	
0 to 5	9%	English	58%	Temporary Assistance for Needy Families	40%
6 to 18	25%	Spanish	27%	Expansion	37%
19 to 44	34%	Vietnamese	10%	Optional Targeted Low-Income Children	8%
45 to 64	20%	Other	2%	Seniors	9%
65 +	12%	Korean	1%	People With Disabilities	5%
		Farsi	1%	Long-Term Care	<1%
		Chinese	<1%	Other	<1%
		Arabic	<1%		

2021–22 Legislative Tracking Matrix

Bill Number Author	Bill Summary	Bill Status	Position/Notes
COVID-19 (Coronavirus)			
<p><u>H.R. 4735</u> Axne (IA)</p> <p><u>S. 2493</u> Bennet (CO)</p>	<p>Provider Relief Fund Deadline Extension Act: Would delay the deadline by which providers must spend any funds received from the Provider Relief Fund (PRF) — created in response to the COVID-19 pandemic — until the end of 2021 or the end of the COVID-19 public health emergency (PHE), whichever occurs later. Funds that are unspent by any deadline must be repaid to the U.S. Department of Health and Human Services (HHS).</p> <p><i>Potential CalOptima Health Impact:</i> Increased financial stability for CalOptima Health’s contracted providers.</p>	<p>07/28/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch</p>
<p><u>H.R. 5963</u> Spanberger (VA)</p> <p><u>S. 3611</u> Shaheen (NH)</p>	<p>Provider Relief Fund Improvement Act: Would delay the deadline by which providers must spend any funds received from the PRF until the end of the COVID-19 PHE. Would also direct HHS to distribute any funds remaining in the PRF by March 31, 2022. Finally, would allow workplace safety improvements as an allowable use of PRF dollars.</p> <p><i>Potential CalOptima Health Impact:</i> Increased financial stability for CalOptima Health’s contracted providers.</p>	<p>11/12/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch</p>
<p><u>SB 1473</u> Pan</p>	<p>COVID-19 Therapeutics Coverage: Effective immediately, requires a health plan to cover COVID-19 therapeutics provided by an in-network or out-of-network provider, without cost sharing or prior authorization requirements. Out-of-network claims must be reimbursed at the prevailing market rate, as set by future guidance.</p> <p><i>Potential CalOptima Health Impact:</i> Reimbursement for all in-network and out-of-network medical claims for COVID-19 therapeutics without utilization management (UM) controls.</p>	<p>09/25/2022 Signed into law</p>	<p>CalOptima Health: Watch</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Behavioral Health			
<u>H.R. 7780</u> DeSaulnier (CA)	<p>Mental Health Matters Act: Would direct federal departments to award grants for the following purposes:</p> <ul style="list-style-type: none"> • Build, recruit and retain a school-based mental health provider workforce at high-need elementary and secondary schools • Improve behavioral health interventions provided by Head Start agencies to both participating children and staff • Increase student access to trauma support services through innovative partnerships with local mental health systems <p>In addition, would require institutions of higher education to allow incoming students with existing documentation of a disability to access disability accommodations.</p> <p>Potential CalOptima Health Impact: Increased access to mental health services for school-aged CalOptima Health members.</p>	<p>09/29/2022 Passed House floor; referred to Senate Committee on Health, Education, Labor, and Pensions</p>	CalOptima Health: Watch
<u>H.R. 8542</u> Porter (CA) <u>S. 515</u> Warren (MA)	<p>Mental Health Justice Act: Would require HHS to award grants to state, tribal and local governments to hire, train and dispatch mental health professionals instead of law enforcement personnel to respond to behavioral health crises.</p> <p>Potential CalOptima Health Impact: Increased access to behavioral health services for CalOptima Health members; decreased rates of arrest and incarceration.</p>	<p>02/25/2021 Introduced; referred to committees</p>	CalOptima Health: Watch County of Orange: Support
<u>H.R. 1914</u> DeFazio (OR) <u>S. 764</u> Wyden (OR)	<p>Crisis Assistance Helping Out On The Streets (CAHOOTS) Act: Would increase the Federal Medical Assistance Percentage (FMAP) for states to cover 24/7 community-based mobile crisis intervention services for those experiencing a mental health or substance use disorder (SUD) crisis from 85% to 95% for three years. Would also require HHS to issue an additional \$25 million in planning and evaluation grants to states.</p> <p>Potential CalOptima Health Impact: Increased behavioral health and SUD services to CalOptima Health Medi-Cal members.</p>	<p>03/16/2021 Introduced; referred to committees</p>	<p>08/05/2021 CalOptima Health: Support</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<p><u>S. 2938</u> Rubio (FL)</p>	<p>Bipartisan Safer Communities Act: Enacts several gun safety measures as well as provisions to improve access to mental health services for children and families. Specifically, allocates federal funding for the following health care initiatives:</p> <ul style="list-style-type: none"> • Additional Medicaid telehealth flexibilities to expand access to mental health services • Flexible grants to provide comprehensive community mental health services • Increased number of mental health providers in school-based settings • Partnerships between universities and school districts to prepare a pipeline of mental health providers for employment in high-need schools • Support for implementation of the 988 Suicide and Crisis Lifeline to provide free and confidential 24/7 support to individuals in suicidal crisis or emotional distress • Support for pediatric primary care providers to rapidly access mental health specialists • Training for first responders, school personnel, primary care providers and other adults who interact with school-aged youth to detect and appropriately respond to mental health issues <p>Potential CalOptima Health Impact: Increased access to behavioral health services for CalOptima Health members; increased training for CalOptima Health providers.</p>	<p>06/25/2022 Signed into law</p>	<p>CalOptima Health: Watch</p>
<p><u>AB 552</u> Quirk-Silva</p>	<p>Integrated School-Based Behavioral Health Partnership Program: Would have established the Integrated School-Based Behavioral Health Partnership Program to expand prevention and early intervention behavioral health services for students. This would have allowed a county mental health agency and local education agency to develop a formal partnership whereby county mental health professionals could have delivered brief school-based services to any student who has, or is at risk of developing, a behavioral health condition or SUD.</p> <p>Potential CalOptima Health Impact: Increased coordination with the Orange County Health Care Agency and school districts to ensure non-duplication of other school-based behavioral health services and initiatives.</p>	<p>09/19/2022 Vetoed</p>	<p>CalOptima Health: Watch</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<p><u>SB 1019</u> Gonzalez</p>	<p>Medi-Cal Mental Health Benefit Outreach: Starting no later than January 1, 2025, requires a Medi-Cal managed care plan (MCP) to conduct annual outreach and education to beneficiaries and primary care physicians regarding covered mental health benefits while incorporating best practices in stigma reduction. The California Department of Health Care Services (DHCS) must review an MCP’s outreach and engagement plan for approval. Every three years, DHCS will conduct an assessment of Medi-Cal beneficiaries’ experience with mental health services.</p> <p><i>Potential CalOptima Health Impact:</i> Additional member and provider outreach activities by CalOptima Health staff.</p>	<p>09/30/2022 Signed into law</p>	<p>CalOptima Health: Watch</p>
<p><u>SB 1338</u> Umberg</p>	<p>Community Assistance, Recovery, and Empowerment (CARE) Court Program: No later than October 1, 2023, in Orange County, establishes the CARE Court Program to facilitate delivery of mental health and SUD services to individuals with schizophrenia spectrum or other psychotic disorders who are unable to survive safely in the community. The program will connect a person in crisis with a court-ordered care plan for up to 12 months, with the option to extend an additional 12 months, as a diversion from homelessness, incarceration or conservatorship. Care plans may include court-ordered stabilization medications, wellness and recovery supports, and connection to social services and housing resources. Eligible individuals may be referred by family members, counties, behavioral health providers or first responders among others.</p> <p><i>Potential CalOptima Health Impact:</i> Increased behavioral health and SUD services for eligible CalOptima Health members.</p>	<p>09/14/2022 Signed into law</p>	<p>CalOptima Health: Watch CAHP: Concern</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Budget			
<u>H.R. 2471</u> DeLauro (CT)	<p>Consolidated Appropriations Act, 2022: Appropriates \$1.5 trillion to fund the United States federal government for Fiscal Year (FY) 2022 through September 30, 2022, including earmarks for the following projects in Orange County:</p> <ul style="list-style-type: none"> • <u>Children’s Hospital of Orange County</u>: \$325,000 to expand capacity for mental health treatment services and programs in response to the COVID-19 pandemic • <u>City of Huntington Beach</u>: \$500,000 to establish a mobile crisis response program • <u>County of Orange</u>: \$2 million to develop a second Be Well Orange County campus in the City of Irvine • <u>County of Orange</u>: \$5 million to develop a Coordinated Reentry Center to help justice-involved individuals with mental health conditions or SUDs reintegrate into the community • <u>North Orange County Public Safety Task Force</u>: \$5 million to expand homeless outreach and housing placement services <p>In addition, extends all current telehealth flexibilities in the Medicare program until approximately five months following the termination of the COVID-19 PHE.</p> <p><i>Potential CalOptima Health Impact:</i> Increased coordination with the County of Orange and other community partners to support implementation of projects that benefit CalOptima Health members; continuation of all current telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and Program of All-Inclusive Care for the Elderly (PACE).</p>	03/15/2022 Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>H.R. 6833</u> Craig (MN)	<p>Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023: Extends FY 2022 federal spending levels from September 30, 2022, through December 16, 2022. In addition, includes the following supplemental provisions:</p> <ul style="list-style-type: none"> • \$18.8 billion for domestic disaster recovery efforts • \$12.4 billion for military and diplomatic assistance to Ukraine • \$1 billion increase for the current Low Income Home Energy Assistance Program (LIHEAP) • Reauthorization of the Medicare-Dependent Hospital (MDH) program and the Medicare hospital payment low-volume adjustment through December 16, 2022 • Reauthorization of the U.S. Food and Drug Administration (FDA) user fee program for prescription drugs, devices and biosimilars through September 30, 2027 <p><i>Potential CalOptima Health Impact:</i> Continuation of current federal spending and Medicare programs; increased financial stability of CalOptima Health members.</p>	09/30/2022 Signed into law	CalOptima Health: Watch
<u>AB 178</u> Ting <u>SB 154</u> Skinner	<p>Budget Act of 2022: Makes appropriations for the government of the State of California for FY 2022–23. Total spending is just over \$300 billion, of which \$234.4 billion is from the General Fund.</p> <p><i>Potential CalOptima Health Impact:</i> Impacts are discussed in the enclosed Analysis of the Enacted Budget.</p>	06/30/2022 Signed into law	CalOptima Health: Watch
<u>AB 186</u> Committee on Budget	<p>Skilled Nursing Facility (SNF) Financing Reform Trailer Bill: Enacts policy changes needed to implement FY 2022–23 budget expenditures regarding SNF financing.</p> <p><i>Potential CalOptima Health Impact:</i> Impacts are discussed in the enclosed Analysis of the Enacted Budget.</p>	06/30/2022 Signed into law	CalOptima Health: Watch
<u>AB 204</u> Committee on Budget	<p>Health Trailer Bill II: Requires DHCS to issue retention payments of up to \$1,000 each to employees of Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC) and other qualified community clinics.</p> <p><i>Potential CalOptima Health Impact:</i> Increased workforce stabilization and less employee turnover at contracted FQHCs and other community clinics.</p>	09/29/2022 Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 184 Committee on Budget and Fiscal Review	<p>Health Trailer Bill I: Consolidates and enacts policy changes needed to implement most health-related expenditures in the FY 2022–23 state budget.</p> <p><i>Potential CalOptima Health Impact:</i> Impacts are discussed in the enclosed Analysis of the Enacted Budget.</p>	06/30/2022 Signed into law	CalOptima Health: Watch
Covered Benefits			
H.R. 56 Biggs (AZ)	<p>Patient Access to Medical Foods Act: Would expand the federal definition of medical foods to include food prescribed as a therapeutic option when traditional therapies have been exhausted or may cause adverse outcomes. Effective January 1, 2022, medical foods, as defined, would be covered by private health insurance providers and federal public health programs, including Medicare, TRICARE, Children’s Health Insurance Program (CHIP) and Medicaid, as a mandatory benefit.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health’s lines of business.</p>	01/04/2021 Introduced; referred to committees	CalOptima Health: Watch
H.R. 1118 Dingell (MI)	<p>Medicare Hearing Aid Coverage Act of 2021: Effective January 1, 2022, would require Medicare Part B coverage of hearing aids and related examinations.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health OneCare, OneCare Connect and PACE.</p>	02/18/2021 Introduced; referred to committees	CalOptima Health: Watch
H.R. 4187 Schrier (WA)	<p>Medicare Vision Act of 2021: Effective January 1, 2024, would require Medicare Part B coverage of vision services, including eyeglasses, contact lenses, routine eye examinations and fittings.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefits for CalOptima Health OneCare and PACE.</p>	06/25/2021 Introduced; referred to committees	CalOptima Health: Watch
H.R. 4311 Doggett (TX) S. 2618 Casey (PA)	<p>Medicare Dental, Vision, and Hearing Benefit Act of 2021: Effective no sooner than January 1, 2022, would require Medicare Part B coverage of the following benefits:</p> <ul style="list-style-type: none"> • <u>Dental:</u> Routine dental cleanings and examinations, basic and major dental services, emergency dental care, and dentures • <u>Vision:</u> Routine eye examinations, eyeglasses, contact lenses and low vision devices • <u>Hearing:</u> Routine hearing examinations, hearing aids and related examinations <p>The Senate version would also increase the Medicaid FMAP for hearing, vision and dental services to 90%.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefits for CalOptima Health OneCare, OneCare Connect and PACE; higher federal funding rate for current Medi-Cal benefits.</p>	07/01/2021 Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>H.R. 4650</u> Kelly (IL)	<p>Medicare Dental Coverage Act of 2021: Effective January 1, 2025, would require Medicare Part B coverage of dental and oral health services, including routine dental cleanings and examinations, basic and major dental treatments, and dentures.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefits for CalOptima Health OneCare and PACE.</p>	07/22/2021 Introduced; referred to committees	CalOptima Health: Watch
<u>AB 1929</u> Gabriel	<p>Medi-Cal Violence Prevention Services: Adds violence prevention services as a Medi-Cal-covered benefit to reduce the rate of violent injury and trauma as well as promote recovery, stabilization and improved health outcomes.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health Medi-Cal members.</p>	08/22/2022 Signed into law	CalOptima Health: Watch
<u>AB 1930</u> Arambula	<p>Medi-Cal Perinatal Services: Would have required Medi-Cal coverage of additional perinatal assessments and services, as developed by the California Department of Public Health and additional stakeholders, for beneficiaries up to one year postpartum. A nonlicensed perinatal worker could have delivered such services if supervised by an enrolled Medi-Cal provider or a non-enrolled community-based organization (CBO) if a Medi-Cal provider was available for billing.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health Medi-Cal members up to one-year postpartum.</p>	09/27/2022 Vetoed	CalOptima Health: Watch
<u>AB 2697</u> Aguiar-Curry	<p>Medi-Cal Community Health Workers (CHWs) and Promotores: Adds preventive services provided by CHWs and promotores as a Medi-Cal-covered benefit with the goal of preventing disease, prolonging life and promoting physical and behavioral health. Requires Medi-Cal MCPs to conduct outreach and education to beneficiaries regarding the CHW benefit, eligibility and lists of referral sources and authorized providers. MCPs must also notify all providers about the CHW benefit.</p> <p><i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health Medi-Cal members; additional member and provider outreach activities.</p>	09/23/2022 Signed into law	CalOptima Health: Watch
<u>SB 245</u> Gonzalez	<p>Medi-Cal Abortion Services: Prohibits a health plan from imposing Medi-Cal cost-sharing on all abortion services, including any pre-abortion or follow-up care, no sooner than January 1, 2023. In addition, a health plan and its delegated entities may not require a prior authorization or impose an annual or lifetime limit on such coverage.</p> <p><i>Potential CalOptima Health Impact:</i> Modified UM procedures for a Medi-Cal-covered benefit.</p>	03/22/2022 Signed into law	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 912</u> Limón	Medi-Cal Biomarker Testing: No later than July 1, 2023, would have added biomarker testing, including whole genome sequencing, as a Medi-Cal-covered benefit to diagnose, treat or monitor a disease. <i>Potential CalOptima Health Impact:</i> New covered benefit for CalOptima Health Medi-Cal members.	09/29/2022 Vetoed	CalOptima Health: Watch CAHP: Oppose Unless Amended
Medi-Cal Eligibility and Enrollment			
<u>H.R. 1738</u> Dingell (MI) <u>S. 646</u> Brown (OH)	Stabilize Medicaid and CHIP Coverage Act of 2021: Would provide 12 months of continuous eligibility and coverage for any Medicaid or CHIP beneficiary. <i>Potential CalOptima Health Impact:</i> Increased number of CalOptima Health Medi-Cal members.	03/10/2021 Introduced; referred to committees	CalOptima Health: Watch ACAP: Support
<u>H.R. 5610</u> Bera (CA) <u>S. 3001</u> Van Hollen (MD)	Easy Enrollment in Health Care Act: To streamline and increase enrollment into public health insurance programs, would allow taxpayers to request their federal income tax returns include a determination of eligibility for Medicaid, CHIP or advance premium tax credits to purchase insurance through a health plan exchange. Taxpayers could also consent to be automatically enrolled into any such program or plan if they would be subject to a zero net premium. <i>Potential CalOptima Health Impact:</i> Increased number of CalOptima Health Medi-Cal members.	10/19/2021 Introduced; referred to committees	CalOptima Health: Watch ACAP: Support
<u>H.R. 6636</u> Trone (MD) <u>S. 2697</u> Cassidy (LA)	Due Process Continuity of Care Act: Would allow states to extend Medicaid coverage to inmates who are awaiting trial and have not been convicted of a crime. <i>Potential CalOptima Health Impact:</i> If DHCS exercises option and requires enrollment into managed care, increased number of CalOptima Health Medi-Cal members.	08/10/2021 Introduced; referred to committees	CalOptima Health: Watch
<u>AB 2680</u> Arambula	Community Health Navigator Program: Would require DHCS to create the Community Health Navigator Program, starting January 1, 2023, to issue direct grants to qualified CBOs to conduct targeted outreach, enrollment and access activities for Medi-Cal-eligible individuals and families. <i>Potential CalOptima Health Impact:</i> Increased number of CalOptima Health Medi-Cal members.	08/31/2022 Died on Senate floor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Medi-Cal Operations and Administration			
<u>AB 498</u> Quirk-Silva	<p>CalOptima Health Board of Directors: Makes permanent the current structure of the CalOptima Health Board of Directors (Board), including all designated seats. In addition, effective January 1, 2023, enacts the following prohibitions for one year following a Director’s term:</p> <ul style="list-style-type: none"> • Prohibits Directors in all seats from lobbying CalOptima Health • Prohibits Directors in the Supervisorial and accounting/legal seats from being employed by CalOptima Health or any third-party entity that has received funds from CalOptima Health within the previous five years (not including routine administrative expenses) • Prohibits Directors in a Supervisorial seat from being appointed to any other Board seat <p><i>Potential CalOptima Health Impact:</i> Permanent continuation of the current Board structure; new employment restrictions for one year following a Director’s Board term.</p>	09/19/2022 Signed into law	CalOptima Health: Watch
<u>AB 1400</u> Kalra, Lee, Santiago	<p>California Guaranteed Health Care for All: Would create the California Guaranteed Health Care for All program (CalCare) to provide a comprehensive universal single-payer health care benefit for all California residents. Would require CalCare cover a wide range of medical benefits and other services and would incorporate the health care benefits and standards of CHIP, Medi-Cal, Medicare, the Knox-Keene Act, and ancillary health care or social services covered by regional centers for people with developmental disabilities.</p> <p><i>Potential CalOptima Health Impact:</i> Unknown but potentially significant impacts to the Medi-Cal delivery system and MCPs, including changes to administration, covered benefits, eligibility, enrollment, financing and organization.</p>	01/31/2022 Died on Assembly floor	CalOptima Health: Watch CAHP: Oppose
<u>AB 1937</u> Patterson	<p>Out-of-Pocket Pregnancy Costs: No later than July 1, 2023, would require DHCS to reimburse pregnant Medi-Cal beneficiaries up to \$1,250 for out-of-pocket pregnancy costs, including birth and infant care classes, midwife and doula services, lactation support, prenatal vitamins, lab tests or screenings, prenatal acupuncture or acupressure, and medical transportation.</p> <p><i>Potential CalOptima Health Impact:</i> Increased financial stability for CalOptima Health Medi-Cal members who are currently or were recently pregnant.</p>	04/29/2022 Died in Assembly Health Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>AB 1944</u> Lee	<p>Brown Act Flexibilities: Would extend certain Brown Act flexibilities, temporarily enacted in response to the COVID-19 PHE, until January 1, 2030, regardless of the existence of a PHE. Specifically, teleconferencing locations for any members of a legislative body would not need to be identified or publicly accessible.</p> <p>If exercising these flexibilities, a legislative body must comply with the following requirements:</p> <ul style="list-style-type: none"> • A quorum of members must participate in person at a single location identified on the agenda and publicly accessible. • The agenda must identify which members are teleconferencing. • Members of the public must have access to a video stream of the primary meeting location. • Members of the public must be able to provide public comment via in-person, audio-visual or call-in options. <p>Potential CalOptima Health Impact: Continued ability for members of the Board and advisory committees to participate in meetings by teleconference; modified posting and noticing requirements for the Clerk of the Board.</p>	07/01/2022 Died in Senate Governance and Finance Committee	CalOptima Health: Watch
<u>AB 1995</u> Arambula	<p>Medi-Cal Premium and Copayment Elimination: Would eliminate Medi-Cal premiums for low-income children whose family income exceeds 160% federal poverty level (FPL), working disabled persons with incomes less than 250% FPL and pregnant women and infants enrolled in the Medi-Cal Access Program. Would also eliminate copayments for all Medi-Cal beneficiaries.</p> <p>Potential CalOptima Health Impact: Increased financial stability for CalOptima Health Medi-Cal members.</p>	08/12/2022 Died in Senate Appropriations Committee	CalOptima Health: Watch LHPC: Support
<u>AB 2077</u> Calderon	<p>Medi-Cal Personal Needs Allowance: No later than July 1, 2024, would have increased the monthly income that a Medi-Cal beneficiary residing in a long-term care (LTC) facility or receiving PACE services could retain from \$35 to \$80. Consistent with current law, beneficiaries would have contributed remaining income as a share of cost to the facility before Medi-Cal paid remaining expenses.</p> <p>Potential CalOptima Health Impact: Increased financial stability for CalOptima Health PACE participants and CalOptima Health Medi-Cal members residing in LTC facilities with a share of cost.</p>	09/27/2022 Vetoed	CalOptima Health: Watch CalPACE: Support LHPC: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<p><u>AB 2449</u> Rubio, B.</p>	<p>Brown Act Flexibilities: Extends and modifies current Brown Act flexibilities <i>after</i> the termination of the COVID-19 PHE until January 1, 2026. Specifically, teleconferencing locations for any members of a local legislative body will still not need to be publicly accessible or identified on the meeting agenda. However, if exercising these flexibilities after the COVID-19 PHE, the legislative body must comply with the following requirements:</p> <ul style="list-style-type: none"> • A quorum of members must participate in person at a single location identified on the agenda and publicly accessible. • Teleconferencing members must participate through audio and visual technology. • Members of the public must be able to provide public comment via in-person, two-way audiovisual platform or two-way telephonic service with a live meeting webcast. • Members may only teleconference due to a medical emergency for themselves or their family, or, at no more than two meetings per calendar year, another “just cause” for remote participation, such as a caregiving need, contagious illness, disability or travel while on official business. <p>Does not impact current Brown Act flexibilities while the COVID-19 PHE remains in effect.</p> <p><i>Potential CalOptima Health Impact:</i> Continued ability for Board and advisory committee members to participate in meetings by teleconference after the COVID-19 PHE; modified meeting streaming capabilities by Information Technology Services; modified recordkeeping by the Clerk of the Board.</p>	<p>09/13/2022 Signed into law</p>	<p>CalOptima Health: Watch</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>AB 2724</u> Arambula	<p>Alternate Health Care Service Plan: No sooner than January 1, 2024, authorizes DHCS to contract directly with an Alternate Health Care Service Plan (AHCSP) as a Medi-Cal MCP in any county. An AHCSP is a nonprofit health plan with at least four million enrollees statewide that owns or operates pharmacies and provides medical services through an exclusive contract with a single medical group in each region. Currently, Kaiser Permanente (Kaiser) is the only AHCSP. Enrollment into Kaiser will be limited to the following Medi-Cal beneficiaries:</p> <ul style="list-style-type: none"> • Previous AHCSP enrollees and their immediate family members • Dually eligible for Medi-Cal and Medicare benefits • Foster youth • A share of default enrollments when a Medi-Cal MCP is not selected <p>Potential CalOptima Health Impact: <i>De facto</i> termination of the COHS model; Kaiser as an additional Medi-Cal MCP in Orange County; increased coordination with Kaiser on various Medi-Cal and community initiatives; decreased number of CalOptima Health Medi-Cal members; increased percentage of CalOptima Health members who are high-risk.</p>	06/30/2022 Signed into law	<u>04/07/2022</u> CalOptima Health: Oppose Unless Amended LHPC: Oppose
<u>SB 250</u> Pan	<p>Prior Authorization “Deemed Approved” Status: Beginning January 1, 2024, would require a health plan to review a provider’s prior authorization requests to determine eligibility for “deemed approved” status, which would exempt the provider from prior authorization requirements for any plan benefit for one year. A provider would qualify if the health plan approved at least 90% of their prior authorization requests for the same service within the past year.</p> <p>Potential CalOptima Health Impact: Implementation of new UM procedures to assess provider appeals rates and exempt certain providers from UM requirements.</p>	08/12/2022 Died in Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose
<u>SB 858</u> Wiener	<p>Health Plan Civil Penalties: Increases the civil penalty amount that the California Department of Managed Health Care (DMHC) can levy on a health plan from no more than \$2,500 per violation to no more than \$25,000 per violation. Also increases several administrative penalty amounts. All amounts will be adjusted every five years, beginning January 1, 2028.</p> <p>Potential CalOptima Health Impact: Increased financial penalties for CalOptima Health OneCare and PACE.</p>	09/30/2022 Signed into law	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 923</u> Wiener	<p>TGI Inclusive Care Act: No later than March 1, 2025, requires Medi-Cal MCP, PACE organization and delegated entity staff in direct contact with beneficiaries to complete cultural competency training to help provide inclusive health care services for individuals who identify as transgender, gender diverse or intersex (TGI). In addition, requires a Medi-Cal MCP and PACE organization to identify in its provider directory any in-network providers who share that they offer gender-affirming services. Finally, no later than March 1, 2024, requires the California Health and Human Services Agency to implement a quality standard that measures patient experience with TGI cultural competency.</p> <p><i>Potential CalOptima Health Impact:</i> Additional training requirement for member-facing CalOptima Health employees; additional requirement for provider directory publication.</p>	09/29/2022 Signed into law	CalOptima Health: Watch
Older Adult Services			
<u>H.R. 3173</u> DelBene (WA) <u>S. 3018</u> Marshall (KS)	<p>Improving Seniors’ Timely Access to Care Act: Would require Medicare Advantage (MA) plans to issue real-time decisions for routine prior authorization requests. HHS would determine and biennially update the definitions of “real-time” and “routine.” In addition, HHS would establish electronic prior authorization transmission standards for MA plans.</p> <p><i>Potential CalOptima Health Impact:</i> Modified UM procedures and timelines for CalOptima Health OneCare.</p>	09/14/2022 Passed House floor; referred to Senate	CalOptima Health: Watch
<u>H.R. 4131</u> Dingell (MI) <u>S. 2210</u> Casey (PA)	<p>Better Care Better Jobs Act: Would make permanent the enhanced 10% FMAP for Medicaid home- and community-based services (HCBS) enacted by the American Rescue Plan Act of 2021. Would also provide states with \$100 million in planning grants to develop HCBS infrastructure and workforces. Additionally, would make permanent spousal impoverishment protections for those receiving HCBS.</p> <p><i>Potential CalOptima Health Impact:</i> Continuation of current federal funding rate for HCBS; expansion of HCBS opportunities.</p>	06/24/2021 Introduced; referred to committees	CalOptima Health: Watch NPA: Support
<u>H.R. 4941</u> Blumenauer (OR) <u>S. 5106</u> Carper (DE)	<p>PACE Part D Choice Act of 2021: Would allow a Medicare-only PACE participant to opt out of drug coverage provided by the PACE program and instead enroll in a standalone Medicare Part D prescription drug plan that results in equal or lesser out-of-pocket costs. PACE programs would be required to educate their participants about this option.</p> <p><i>Potential CalOptima Health Impact:</i> Increased enrollment into CalOptima Health PACE by Medicare-only beneficiaries due to decreased out-of-pocket costs.</p>	08/06/2021 Introduced; referred to committees	CalOptima Health: Watch NPA: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<p><u>H.R. 6770</u> Dingell (MI)</p> <p><u>S. 1162</u> Casey (PA)</p>	<p>PACE Plus Act: Would increase the number of PACE programs nationally by making it easier for states to adopt PACE as a model of care and providing grants to organizations to start PACE centers or expand existing PACE centers.</p> <p>Would incentivize states to expand the number of seniors and people with disabilities eligible to receive PACE services beyond those deemed to require a nursing home level of care. Would provide states a 90% FMAP to cover the expanded eligibility.</p> <p><i>Potential CalOptima Health Impact:</i> Subject to further DHCS authorization, expanded eligibility for CalOptima Health PACE; additional federal funding to expand the size and/or service area of a current PACE center or to establish a new PACE center(s).</p>	<p>04/15/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch NPA: Support</p>
<p><u>H.R. 6823</u> Brownley (CA)</p> <p><u>S. 3854</u> Moran (KS)</p>	<p>Elizabeth Dole Home and Community Based Services for Veterans and Caregivers Act: Would require Veterans Affairs (VA) medical centers to establish partnerships with PACE organizations to enable veterans to access PACE services through their VA benefits.</p> <p><i>Potential CalOptima Health Impact:</i> Increased number of CalOptima Health PACE participants; increased care coordination for CalOptima Health PACE participants who are veterans.</p>	<p>07/19/2022 Passed House Committee on Veterans' Affairs; referred to House floor</p>	<p>CalOptima Health: Watch NPA: Support</p>
<p><u>H.R. 9209</u> Dingell (MI)</p> <p><u>S. 3626</u> Casey</p>	<p>PACE Expanded Act: To increase access to and the affordability of PACE, would allow PACE organizations to set premiums individually for Medicare-only beneficiaries consistent with their health status. Would also allow individuals to enroll in PACE at any time during the month. In addition, would simplify and expedite the process for organizations to apply for the following:</p> <ul style="list-style-type: none"> • New PACE program • New centers for an existing PACE program • Expanded service area for an existing PACE center <p>Finally, would allow pilot programs to test the PACE model of care with new populations not currently eligible to participate in PACE.</p> <p><i>Potential CalOptima Health Impact:</i> Increased number of CalOptima Health PACE participants; expanded eligibility criteria; new premium development procedure; simplified process to establish new PACE centers.</p>	<p>02/10/2022 Introduced; referred to committee</p>	<p>CalOptima Health: Watch NPA: Support</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 1342</u> Bates	<p>Older Adult Care Coordination: Allows a county and/or an Area Agency on Aging to create a multi-disciplinary team (MDT) for county departments and aging service providers to exchange information about older adults to better address their health and social needs. By eliminating data silos, MDTs can develop coordinated case plans for wraparound services, provide support to caregivers and improve service delivery.</p> <p>Potential CalOptima Health Impact: Participation in Orange County’s MDT; improved care coordination for CalOptima Health’s older adult members.</p>	09/27/2022 Signed into law	<u>03/29/2022</u> CalOptima Health: Support County of Orange: Sponsor/Support
Pharmacy			
<u>H.R. 5376</u> Yarmuth (KY)	<p>Inflation Reduction Act of 2022: Modifies federal policies and appropriates significant investments related to climate change, energy, health care and taxation. Notably, requires the U.S. Centers for Medicare and Medicaid Services (CMS) to negotiate lower prices for certain high-cost drugs in Medicare Parts B and D, starting in 2026. In addition, reduces Part D out-of-pocket costs and increases Part D plan costs for catastrophic coverage. Lastly, extends current enhanced levels of advanced premium tax credits for individuals purchasing health coverage through an exchange/marketplace through 2025.</p> <p>Potential CalOptima Health Impact: Decreased prescription drug costs for CalOptima Health OneCare members; increased costs for CalOptima Health OneCare program.</p>	08/16/2022 Signed into law	CalOptima Health: Watch
<u>SB 853</u> Wiener	<p>Medication Access Act: Effective January 1, 2023, would require a health plan to cover a prescribed medication for the duration of any internal and external appeals if the drug was previously covered for the beneficiary by any health plan.</p> <p>Potential CalOptima Health Impact: Modified UM and Grievance and Appeals requirements for prescribed drugs covered by CalOptima Health; increased CalOptima Health costs for drug coverage.</p>	08/12/2022 Died in Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 958</u> Limón	<p>Medication and Patient Safety Act of 2022: Would prohibit health plans from arranging for “brown bagging” or “white bagging,” as follows, except under certain limited conditions:</p> <ul style="list-style-type: none"> • “Brown bagging” involves specialty pharmacies dispensing an infused or injected medication directly to a patient who transports it to a provider for administration. • “White bagging” involves specialty pharmacies distributing such medications to a provider ahead of a patient’s visit. <p>Potential CalOptima Health Impacts: Increased CalOptima Health costs and decreased member access for certain physician-administered drugs covered by CalOptima Health.</p>	07/01/2022 Died in Assembly Health Committee	CalOptima Health: Watch CAHP: Oppose LHPC: Oppose Unless Amended
Providers			
<u>AB 2581</u> Salas	<p>Behavioral Health Provider Credentialing: Effective January 1, 2023, requires health plans to process credentialing applications from mental health and SUD providers within 60 days of receipt.</p> <p>Potential CalOptima Health Impact: Modified provider credentialing processes for Quality Improvement staff.</p>	09/25/2022 Signed into law	CalOptima Health: Watch
<u>AB 2659</u> Patterson	<p>Midwife Access: Would require a Medi-Cal MCP to include at least one licensed midwife (LM), certified-nurse midwife (CNM) and alternative birth center specialty clinic in each county within its provider network. An MCP would be exempt if such providers or centers are not located within the county or do not accept Medi-Cal payments. An MCP must reimburse an out-of-network provider who accepts the Medi-Cal fee-for-service rate.</p> <p>Potential CalOptima Health Impact: Additional provider contracting and credentialing; increased access to midwifery services for CalOptima Health Medi-Cal members.</p>	04/29/2022 Died in Assembly Health Committee	CalOptima Health: Watch
<u>SB 966</u> Limón	<p>FQHC Provider Types: Permanently allows FQHCs and RHCs to be reimbursed for visits with an <i>associate</i> clinical social worker or an <i>associate</i> marriage and family therapist when supervised by a licensed behavioral health practitioner. Currently, such reimbursements are temporary flexibilities allowable only during the COVID-19 PHE.</p> <p>Potential CalOptima Health Impact: Increased member access to behavioral health providers at contracted FQHCs.</p>	09/27/2022 Signed into law	CalOptima Health: Watch LHPC: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 987</u> Portantino	<p>California Cancer Care Equity Act: Requires a Medi-Cal MCP to make a good faith effort to contract directly with at least one National Cancer Institute (NCI)-Designated Cancer Center in each county — where one exists — within the MCP’s service area. In addition, an MCP must inform a beneficiary with a complex cancer diagnosis of their right to request a referral to a Cancer Center. An MCP must refrain from arbitrarily denying such referrals.</p> <p>Potential CalOptima Health Impact: Modified UM procedures for CalOptima Health Medi-Cal members referred to contracted NCI-Designated Cancer Centers in Orange County; increased access to cancer care.</p>	09/27/2022 Signed into law	CalOptima Health: Watch
Reimbursement Rates			
<u>AB 1892</u> Flora	<p>California Orthotic and Prosthetic Patient Access and Fairness Act: Would require reimbursement for prosthetic and orthotic appliances and durable medical equipment (DME) to be at least 80% of the lowest maximum allowance for California established by the federal Medicare program.</p> <p>Potential CalOptima Health Impact: Increased cost to CalOptima Health Medi-Cal due to higher reimbursement to DME providers; adjustment to DHCS capitation rates.</p>	08/12/2022 Died in Senate Appropriations Committee	CalOptima Health: Watch
<u>AB 2458</u> Weber	<p>Whole Child Model (WCM) Reimbursement Rates: Effective January 1, 2023, would increase provider reimbursement rates for WCM services by 25% if provided at a medical practice in which at least 30% of pediatric patients are Medi-Cal beneficiaries.</p> <p>Potential CalOptima Health Impact: Increased cost to CalOptima Health Medi-Cal due to higher reimbursement to WCM providers; adjustment to DHCS capitation rates.</p>	05/20/2022 Died in Assembly Appropriations Committee	CalOptima Health: Watch
Social Determinants of Health			
<u>H.R. 379</u> Barragan (CA) <u>S. 104</u> Smith (MN)	<p>Improving Social Determinants of Health Act of 2021: Would require the Centers for Disease Control and Prevention (CDC) to establish a social determinants of health (SDOH) program to coordinate activities to improve health outcomes and reduce health inequities. CDC would be required to consider SDOH in all relevant grant awards and other activities as well as issue new grants of up to \$50 million to health agencies, nonprofit organizations and/or institutions of higher education to address or study SDOH.</p> <p>Potential CalOptima Health Impact: Increased availability of federal grants to address SDOH.</p>	01/21/2021 Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<p><u>H.R. 943</u> McBath (GA)</p> <p><u>S. 851</u> Blumenthal (CT)</p>	<p>Social Determinants for Moms Act: Would require HHS to convene a task force to coordinate federal efforts on social determinants of maternal health as well as award grants to address SDOH, eliminate disparities in maternal health and expand access to free childcare during pregnancy-related appointments. Would also extend postpartum eligibility for the Special Supplemental Nutrition Program for Women, Infants, and Children from six months postpartum to two years postpartum.</p> <p><i>Potential CalOptima Health Impact:</i> Additional federal guidance or requirements as well as increased availability of federal grants to address social factors affecting maternal health.</p>	<p>02/08/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch</p>
<p><u>H.R. 2503</u> Bustos (IL)</p> <p><u>S. 3039</u> Young (IN)</p>	<p>Social Determinants Accelerator Act of 2021: Would establish the Social Determinants Accelerator Interagency Council to award state and local health agencies up to 25 competitive grants totaling no more than \$25 million (House version) or \$10 million (Senate version) as well as provide technical assistance to improve coordination of medical and non-medical services to a targeted population of high-need Medicaid beneficiaries.</p> <p><i>Potential CalOptima Health Impact:</i> Increased availability of federal grants to address the SDOH of members with complex needs.</p>	<p>07/15/2021 Passed Subcommittee on Health of the House Committee on Energy and Commerce; referred to full Committee</p>	<p>CalOptima Health: Watch</p>
<p><u>H.R. 3894</u> Blunt Rochester (DE)</p>	<p>Collecting and Analyzing Resources Integral and Necessary for Guidance (CARING) for Social Determinants Act of 2021: Would require CMS to update guidance at least once every three years to help states address SDOH in Medicaid and CHIP programs.</p> <p><i>Potential CalOptima Health Impact:</i> Increased opportunities for CalOptima Health to address SDOH.</p>	<p>12/08/2021 Passed House floor; referred to Senate Committee on Finance</p>	<p>CalOptima Health: Watch</p>
<p><u>H.R. 4026</u> Burgess (TX)</p>	<p>Social Determinants of Health Data Analysis Act of 2021: Would require the Comptroller General of the United States to submit a report to Congress outlining the actions taken by HHS to address SDOH. The report would include an analysis of interagency efforts, barriers and potential duplication of efforts as well as recommendations on how to foster private-public partnerships to address SDOH.</p> <p><i>Potential CalOptima Health Impact:</i> Increased opportunities for CalOptima Health to address SDOH.</p>	<p>11/30/2021 Passed House floor; referred to Senate Committee on Health, Education, Labor, and Pensions</p>	<p>CalOptima Health: Watch</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>SB 17</u> Pan	<p>Racial Equity Advisory and Accountability Commission: Would establish the Racial Equity Commission (REC) to develop a Racial Equity Framework containing resources, best practices and tools for advancing racial equity across the state government by April 1, 2025. The REC would also provide technical assistance upon request by state and local agencies as well as issue annual reports, starting December 1, 2025, with recommendations to address issues related to racial equity.</p> <p><i>Potential CalOptima Health Impact:</i> Increased reporting requirements to DHCS.</p>	<p>08/31/2022 Died on Assembly floor</p>	<p>CalOptima Health: Watch</p>
Telehealth			
<u>H.R. 366</u> Thompson (CA)	<p>Protecting Access to Post-COVID-19 Telehealth Act of 2021: Would allow HHS to waive or modify any telehealth service requirements in the Medicare program during a national disaster or PHE and for 90 days after one is terminated. Would also permit Medicare reimbursement for telehealth services provided by an FQHC or RHC as well as allow patients to receive telehealth services in the home without restrictions.</p> <p><i>Potential CalOptima Health Impact:</i> Continuation and expansion of certain telehealth flexibilities allowed during the COVID-19 pandemic for CalOptima Health OneCare, OneCare Connect and PACE.</p>	<p>01/19/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch</p>
<u>H.R. 1332</u> Carter (GA) <u>S. 368</u> Scott (SC)	<p>Telehealth Modernization Act of 2021: Would permanently extend certain current Medicare telehealth flexibilities enacted temporarily in response to the COVID-19 pandemic. Specifically, would permanently allow the following:</p> <ul style="list-style-type: none"> • FQHCs and RHCs may serve as the site of a telehealth provider • Beneficiaries may receive all telehealth services at any location, including their own homes • CMS may retain and expand the list of covered telehealth services • CMS may expand the types of providers eligible to provide telehealth services <p><i>Potential CalOptima Health Impact:</i> Continuation of certain telehealth flexibilities allowed during the COVID-19 pandemic for CalOptima Health OneCare, OneCare Connect and PACE.</p>	<p>02/23/2021 Introduced; referred to committees</p>	<p>CalOptima Health: Watch</p>

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>H.R. 2166</u> Sewell (AL)	<p>Ensuring Parity in MA and PACE for Audio-Only Telehealth Act of 2021: Would require CMS to include audio-only telehealth diagnoses in the determination of risk adjustment payments for MA and PACE plans during the COVID-19 PHE.</p> <p><i>Potential CalOptima Health Impact:</i> For CalOptima Health OneCare, OneCare Connect and PACE, members' risk scores and risk adjustment payments would accurately reflect diagnoses.</p>	03/23/2021 Introduced; referred to committees	<u>08/05/2021</u> CalOptima Health: Support ACAP: Support NPA: Support
<u>H.R. 2903</u> Thompson (CA) <u>S. 1512</u> Schatz (HI)	<p>Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act of 2021: Would expand telehealth services for those receiving Medicare benefits and remove restrictions in the Medicare program that prevent physicians from using telehealth technology. Specifically, would:</p> <ul style="list-style-type: none"> • Remove all geographic restrictions for telehealth services • Allow beneficiaries to receive telehealth in their own homes, in addition to other locations determined by HHS • Remove restrictions on the use of telehealth in emergency medical care • Allow FQHCs and RHCs to provide telehealth services <p><i>Potential CalOptima Health Impact:</i> Continuation and expansion of telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.</p>	04/28/2021 Introduced; referred to committees	CalOptima Health: Watch
<u>H.R. 3447</u> Smith (MO)	<p>Permanency for Audio-Only Telehealth Act: Would permanently extend the following current flexibilities, which have been temporarily authorized by CMS during the COVID-19 PHE:</p> <ul style="list-style-type: none"> • Medicare providers may be reimbursed for providing certain services via audio-only telehealth, including evaluation and management, behavioral health and SUD services, or any other service specified by HHS. • Medicare beneficiaries may receive telehealth services at any location, including their homes. <p><i>Potential CalOptima Health Impact:</i> Permanent continuation of certain telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.</p>	05/20/2021 Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
<u>H.R. 4058</u> Matsui (CA) <u>S. 2061</u> Cassidy (LA)	<p>Telemental Health Care Access Act of 2021: Would remove the requirement that Medicare beneficiaries be seen in-person within six months of being treated for behavioral health services via telehealth.</p> <p><i>Potential CalOptima Health Impact:</i> For CalOptima Health OneCare and OneCare Connect, decreased in-person behavioral health encounters and increased telehealth behavioral health encounters.</p>	06/22/2021 Introduced; referred to committees	CalOptima Health: Watch
<u>H.R. 7573</u> Axne (IA) <u>S. 3593</u> Cortez Masto (NV)	<p>Telehealth Extension and Evaluation Act: Would extend current Medicare telehealth payments authorized temporarily in response to the COVID-19 pandemic for two additional years following the termination of the PHE. Would require HHS to study the impact of telehealth flexibilities and report its recommendations for permanent telehealth policies to Congress.</p> <p><i>Potential CalOptima Health Impact:</i> Continuation of telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.</p>	02/08/2022 Introduced; referred to committee	CalOptima Health: Watch
<u>S. 150</u> Cortez Masto (NV)	<p>Ensuring Parity in MA for Audio-Only Telehealth Act of 2021: Would require CMS to include audio-only telehealth diagnoses in the determination of risk adjustment payments for MA plans during the COVID-19 PHE.</p> <p><i>Potential CalOptima Health Impact:</i> For CalOptima Health OneCare and OneCare Connect, members' risk scores and risk adjustment payments would accurately reflect diagnoses.</p>	02/02/2021 Introduced; referred to committee	CalOptima Health: Watch ACAP: Support NPA: Support
<u>AB 32</u> Aguiar-Curry	<p>Medi-Cal Telehealth Flexibilities: Modifies the permanent Medi-Cal telehealth policy recently implemented by SB 184, the Health Trailer Bill for the FY 2022–23 Enacted State Budget, effective after the termination of COVID-19 PHE flexibilities. Specifically, Medi-Cal providers, including FQHCs and RHCs, may establish a new patient using audio-only telehealth when the visit is related to sensitive services or when the patient requests audio-only telehealth or does not have access to video.</p> <p><i>Potential CalOptima Health Impact:</i> Continuation and modification of certain telehealth flexibilities for CalOptima Health Medi-Cal and PACE.</p>	09/25/2022 Signed into law	CalOptima Health: Watch CAHP: Concern

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Youth Services			
H.R. 66 Buchanan (FL)	Comprehensive Access to Robust Insurance Now Guaranteed (CARING) for Kids Act: Would permanently extend authorization and funding of CHIP and associated programs, including the Medicaid and CHIP express lane eligibility option, which enables states to expedite eligibility determinations by referencing enrollment in other public programs. <i>Potential CalOptima Health Impact:</i> Continuation of current federal funding and eligibility requirements for CalOptima Health Medi-Cal members eligible under CHIP.	01/04/2021 Introduced; referred to committee	CalOptima Health: Watch
H.R. 1390 Wild (PA) S. 453 Casey (PA)	Children’s Health Insurance Program Pandemic Enhancement and Relief (CHIPPER) Act: Would retroactively extend CHIP’s temporary 11.5% FMAP increase, enacted by the HEALTHY KIDS Act (2018), from September 30, 2020, until September 30, 2022, to meet increased health care needs during the COVID-19 PHE. <i>Potential CalOptima Health Impact:</i> Increased federal funds for CalOptima Health Medi-Cal members eligible under CHIP.	02/25/2021 Introduced; referred to committees	CalOptima Health: Watch

2021 Signed Bills

- H.R. 1868 (Yarmuth [KY])
- AB 128 (Ting)
- AB 133 (Committee on Budget)
- AB 161 (Ting)
- AB 164 (Ting)
- AB 361 (Rivas)
- AB 1082 (Waldron)
- SB 48 (Limón)
- SB 65 (Skinner)
- SB 129 (Skinner)
- SB 171 (Committee on Budget and Fiscal Review)
- SB 221 (Wiener)
- SB 306 (Pan)
- SB 510 (Pan)

2021 Vetoed Bills

- AB 369 (Kamlager)
- AB 523 (Nazarian)
- SB 365 (Caballero)
- SB 682 (Rubio)

Information in this document is subject to change as bills proceed through the legislative process.

ACAP: Association for Community Affiliated Plans

CAHP: California Association of Health Plans

CalPACE: California PACE Association

LHPC: Local Health Plans of California

NPA: National PACE Association

Last Updated: November 17, 2022

2022 Federal Legislative Dates

January 3	117th Congress, Second Session convenes
April 11–2	Spring recess
August 1–12	Summer recess for House
August 8–September 5	Summer recess for Senate
December 10	Second Session adjourns

Source: Floor Calendars, United States Congress: <https://www.congress.gov/calendars-and-schedules>

2022 State Legislative Dates

January 3	Legislature reconvenes
January 14	Last day for policy committees to hear and report to fiscal committees any fiscal bills introduced in that house in 2021
January 21	Last day for any committee to hear and report to the floor any bill introduced in that house in 2021
January 31	Last day for each house to pass bills introduced in that house in 2021
February 18	Last day for legislation to be introduced
April 7–18	Spring recess
April 29	Last day for policy committees to hear and report to fiscal committees any fiscal bills introduced in that house in 2022
May 6	Last day for policy committees to hear and report to the floor any non-fiscal bills introduced in that house in 2022
May 20	Last day for fiscal committees to hear and report to the floor any bills introduced in that house in 2022
May 23–27	Floor session only
May 27	Last day for each house to pass bills introduced in that house in 2022
June 15	Budget bill must be passed by midnight
July 1	Last day for policy committees to hear and report bills in their second house to fiscal committees or the floor
July 1–August 1	Summer recess
August 12	Last day for fiscal committees to report bills in their second house to the floor
August 15–31	Floor session only
August 25	Last day to amend bills on the floor
August 31	Last day for each house to pass bills; final recess begins upon adjournment
September 30	Last day for Governor to sign or veto bills passed by the Legislature

Source: 2022 State Legislative Deadlines, California State Assembly: <http://assembly.ca.gov/legislativedeadlines>

About CalOptima Health

CalOptima Health 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 serve member health with excellence and dignity, respecting the value and needs of each person. 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).

FY 2022–23 California State Budget: Analysis of the Enacted Budget

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Background

On January 10, 2022, Gov. Gavin Newsom released the Fiscal Year (FY) 2022–23 Proposed State Budget with total spending at \$286.4 billion, including \$213.1 billion General Fund (GF). The proposed budget also estimated a \$45.7 billion surplus and proposed \$34.6 billion in budget reserves, which could be attributed to federal COVID-19 stimulus funding and higher than expected tax receipts.

On May 13, 2022, Gov. Newsom released the FY 2022–23 Revised Budget Proposal (May Revise) at a total of \$300.7 billion, including \$227.4 billion in GF spending, representing an increase of \$14.3 billion compared to the January Proposed Budget due to further revenue growth. The May Revise included an even larger \$49.2 billion discretionary surplus and \$37.1 billion in budget reserves.

To meet the constitutionally obligated deadline to pass a balanced budget, on June 14, 2022, the Senate and Assembly passed Senate Bill (SB) 154, the Budget Act of 2022, a preliminary state budget representing the Legislature’s counterproposal to the May Revise. The Legislature’s Budget included a spending plan of \$300 billion, including \$235.5 billion GF.

Following negotiations with the Legislature, Gov. Newsom signed into law the preliminary state budget (SB 154) on June 27 and the final budget revisions (Assembly Bill [AB] 178) on June 30. On the same day, he signed the consolidated Health Trailer Bill (SB 184) and the Skilled Nursing Facility (SNF) Financing Reform Trailer Bill (AB 186) containing the statutory policy changes needed to implement health-related budget expenditures. Together, these bills represent the Enacted Budget for FY 2022–23, effective July 1, 2022.

Overview

In summary, the enacted budget appropriates a total of just over \$300 billion, of which \$234.4 billion is from the GF. This represents an increase of \$37.4 billion compared with the FY 2021–22 enacted budget. Specifically, the budget includes \$135.5 billion (\$36.6 billion GF) in Medi-Cal spending, an 11.2% increase from the current FY, with an assumption that Medi-Cal caseload will increase by 0.6% to 14.5 million beneficiaries as redeterminations resume this FY following termination of the COVID-19 public health emergency (PHE). Based on a record-high budget surplus, the budget allocates 93% towards one-time spending initiatives and \$37.2 billion for reserves. Major components included in the enacted budget that may impact CalOptima are discussed below.



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Behavioral Health

The Enacted Budget includes significant investments in behavioral health, particularly for children and youth. As expected, there is ongoing funding towards implementing the Children and Youth Behavioral Health Initiative (CYBHI), including the following components in FY 2022–23:

- Dyadic services as a new Medi-Cal benefit, as discussed later
- Evidence-based behavioral health practices
- School behavioral health partnerships and capacity
- Statewide behavioral health services platform and related e-consult service and provider training

While some CYBHI initiatives are directly managed by DHCS, CalOptima's Behavioral Health Integration department may still be involved in guiding certain programs or coordinating member access.

In addition, the budget includes an extra \$290 million in one-time funding over three years to address urgent needs and emergent issues in children's behavioral health through the following initiatives:

- Wellness and mindfulness programs
- Parent training and education
- Digital supports for remote assessment and intervention
- School-based crisis response pilots to prevent youth suicide
- Peer-to-peer support programs

A total of \$8 million in one-time finding is also allocated for National Suicide Prevention Lifeline crisis centers to prepare for the implementation of the 9-8-8 calling code on July 16, 2022.

Finally, to address the immediate housing and treatment needs of those with serious behavioral health conditions, the budget also includes \$1.5 billion over two years to purchase and install tiny homes for immediate behavioral health bridge housing.

California Advancing and Innovating Medi-Cal (CalAIM)

The Enacted Budget includes \$3.1 billion (\$1.2 billion GF) in FY 2022–23 to implement CalAIM. CalAIM initiatives being implemented in FY 2022–23 continue to include:

- Discontinuation of the Cal MediConnect pilot program and transition to exclusively aligned Dual Eligible Special Needs Plans (D-SNPs)
- Population Health Management (PHM) program
- Pre-release Medi-Cal eligibility screenings and 90+ days of targeted in-reach services
- Providing Access and Transforming Health (PATH) initiative

Updates include the identification of additional aid codes that will transition from Medi-Cal fee-for-service (FFS) to managed care starting January 1, 2023, expanding in-reach services for justice-involved individuals to include full-scope Medi-Cal pharmacy benefits and delaying the launch of statewide PHM service from January 1, 2023, until July 1, 2023.

In addition to \$1.8 billion of previously allocated PATH funding, the budget provides an additional \$50 million (\$16 million GF) for counties and correctional entities to support capacity building, technical assistance, collaboration and planning. While plans are not eligible for this funding, CalOptima is expected to coordinate PATH and CalAIM Incentive Payment Program investments with the County of Orange.

COVID-19

As the COVID-19 pandemic enters its endemic phase, the budget allocates \$1.9 billion to ensure ongoing pandemic response and preparedness for potential future surges of additional COVID-19 variants. This includes investments towards vaccinations (including boosters), rapid and school-based testing, enhanced surveillance, test to treat therapeutics and medical surge staffing.

In addition, with the PHE expected to terminate in the coming months, the budget includes funding to ensure continuity of Medi-Cal coverage as eligibility redeterminations resume. Funding supports additional county workloads, Health Enrollment Navigators expansion and media and outreach campaigns to collect updated member contact information. CalOptima is separately executing its own member communication strategies.

Finally, the budget permanently extends certain COVID-19 flexibilities that have proven to be beneficial to Medi-Cal beneficiaries regardless of the existence of a pandemic. These include the following, though additional flexibilities may be identified at a later date:

- Separate payments to Federally Qualified Health Centers (FQHCs) for COVID-19 vaccinations
- 10% rate increase for Intermediate Care Facilities for Developmentally Disabled (ICF-DD)
- Medicare reimbursement rates for the COVID-19 vaccine, COVID-19 lab services and oxygen and respiratory durable medical equipment
- Presumptive Medi-Cal eligibility for older adults and individuals with disabilities

Housing and Homelessness

Building off a \$12 billion multiyear investment to address homelessness as part of last year's enacted budget, this year's budget includes an additional \$2 billion multiyear affordable housing package, including investments in the Multifamily Housing Program, Housing Accelerator Program, Farmworker Housing Program, Accessory Dwelling Unit financing and Veterans Housing and Homelessness Prevention Program. The budget also includes \$700 million over two years for local jurisdictions to address encampments through short- and long-term rehousing strategies.

Contingent on passage of implementing legislation (SB 1338), the budget sets aside funding for the governor's proposed Community Assistance, Recovery, and Empowerment (CARE) Court. CARE Court would facilitate delivery of mental health and substance use disorder services to individuals with schizophrenia spectrum or other psychotic disorders who lack medical decision-making capabilities. The program would connect a person in crisis with a court-ordered care plan for up to 24 months as a diversion from homelessness, incarceration or conservatorship. Care plans could include court-ordered stabilization medications, wellness and recovery supports, and connection to social services and a housing plan. It is not yet known how Medi-Cal managed care plans (MCPs) may be involved in the delivery or coordination of care to their members.

Inflation Relief

In an effort to provide direct relief for rising costs due to inflation, the budget includes a \$17 billion relief package, which includes the following elements:

- \$1.3 billion for retention payments of up to \$1,500 each for hospital and SNF workers
- Permanent extension of the State Premium Subsidy Program to provide financial assistance for individuals purchasing health care coverage through Covered California

These are expected to result in direct positive impacts to CalOptima's health networks and providers as well as members who churn on and off of Medi-Cal eligibility.

Kaiser Medi-Cal Contract

As part of the budget packet, Gov. Newsom also signed into law AB 2724, which authorizes DHCS to enter into a direct, statewide contract with Kaiser Permanente to provide Medi-Cal services in any county, starting January 1, 2024. If the Centers for Medicare and Medicaid Services approves DHCS' waiver request, the contract is expected to result in significant negative impacts to

CalOptima and its members and providers as well as the broader safety net health system. CalOptima and the County of Orange adopted positions of Oppose Unless Amended to prohibit a direct contract in counties with County Organized Health Systems (COHS), but the final bill still applies to COHS counties.

Medi-Cal Benefits

The Enacted Budget includes additional funding for several new Medi-Cal benefits.

As referenced earlier, the budget funds the implementation of dyadic services, effective January 1, 2023. Similar to Parent-Child Interaction Therapy, currently managed by the Orange County Health Care Agency (HCA), dyadic care provides integrated physical and behavioral health screening and services to the whole family. The goal of providing dyadic care is to improve access to preventive and coordinated care for children, rates of immunization completion, social-emotional health services, developmentally appropriate parenting and maternal mental health.

In addition, 24/7 mobile crisis intervention services will become a Medi-Cal benefit implemented through county behavioral health systems as soon as January 1, 2023. It is expected that HCA may operate this benefit out of the Be Well OC campus. While not provided by MCPs, this new benefit may still require increased coordination and follow-up care by CalOptima and its contracted providers.

The budget also delays implementation of the doula benefit from July 1, 2022, until January 1, 2023, and provides funding to increase the maximum reimbursement rate from an average of \$450 to \$1,094 per birth for doula services. Lastly, effective July 1, 2022, annual cognitive health assessments become a Medi-Cal benefit for beneficiaries ages 65 years and older if they are ineligible under Medicare.

Medi-Cal Eligibility

Notably, the budget expands full-scope Medi-Cal benefits to income-eligible adults ages 26–49 regardless of immigration status no later than January 1, 2024. This will extend eligibility to include all ages following prior action to expand coverage for those under age 26 as of January 1, 2020, and those ages 50 and older as of May 1, 2022. Along with the latter expansion, this proposal could increase CalOptima's membership by approximately 75,000–80,000 individuals.

The budget also continues to include \$53 million (\$19 million GF) funding to eliminate Medi-Cal premiums for approximately 500,000 higher-income pregnant women,

children and disabled working adults covered under the Children's Health Insurance Program (CHIP), Medi-Cal Access Program (MCAP) and 250% Working Disabled Program.

Additionally, trailer bill language authorizes continuous Medi-Cal eligibility for children up to 5 years of age, beginning January 1, 2025, preventing disenrollment regardless of changes in family income. DHCS will also expand the Children's Presumptive Eligibility Program by allowing all Medi-Cal providers to enroll children under 19 years of age into Medi-Cal through the presumptive eligibility process.

No sooner than January 1, 2025, seniors and persons with disabilities who qualify for Medi-Cal under Medically Needy criteria will have reduced share of cost requirements by increasing the Medi-Cal Maintenance Need Income Level to match the income eligibility limit for Medi-Cal without a share of cost. As a result of CalAIM, these share of cost beneficiaries are currently covered under Medi-Cal FFS, as of January 1, 2022.

Provider Payments

The Enacted Budget includes \$700 million over five years for Equity and Practice Transformation Payments, which are one-time provider payments focused on advancing equity, reducing COVID-19-driven care gaps, supporting upstream interventions to address social determinants of health and improving quality in maternity, children's preventive and integrated behavioral health care. It is anticipated that some if not all of these payments will flow through Medi-Cal MCPs, though key details on implementation have not been shared.

A new Workforce and Quality Incentive Program will provide \$280 million in directed payments to SNFs that meet quality benchmarks or who have demonstrated substantial improvement. Medi-Cal MCPs will coordinate program implementation and issue payments. Other changes to SNF payments include:

- New reimbursement rate structure, beginning January 1, 2023
- Average 4% annual rate increase
- One-year extension of the temporary 10% rate increase effective during the COVID-19 PHE

The budget continues nearly all Proposition 56 supplemental payment programs, with several transferring to the GF to allow for ongoing funding regardless of fluctuations in Proposition 56 revenues. However, the Value Based Payment program still sunsetted on June 30, 2022, and the Behavioral Health

Integration program is still set to sunset on December 31, 2022. The budget made permanent the Medi-Cal Physician and Dentist Loan Repayment Program, also funded through Proposition 56, and provided additional funds from the GF for FY 2022–23.

The Enacted Budget also eliminates most remaining Great Recession-era ("AB 97") Medi-Cal rate cuts for 35 additional provider types and services, effective either July 1, 2022, or January 1, 2023.

Telehealth

To build off telehealth flexibilities adopted during the COVID-19 pandemic, the budget authorizes a permanent telehealth policy that allows Medi-Cal providers, including FQHCs, to be reimbursed for both video and audio-only telehealth encounters at the same rate as an in-person visit. Providers must still provide an option for in-person visits. However, a new Medi-Cal patient relationship may not be established via audio-only telehealth.

Miscellaneous

The Enacted Budget also includes the following provisions that may impact CalOptima:

- \$351.6 million over four years for workforce development, including:
 - » \$200 million for the behavioral health workforce
 - » \$76 million for the primary care, clinic and reproductive health workforce
 - » \$75.6 million for the public health workforce
- \$350 million over three years to recruit, train and certify 25,000 new community health workers by 2025, with specialized training to work with those who are justice-involved, unhoused, older adults or disabled
- \$200 million to improve access to reproductive health services
- \$101 million to expand medication-assisted treatment to help address the opioid crisis
- \$100 million for the CalRX Biosimilar Insulin Initiative to create public-private partnerships to increase generic insulin manufacturing and lower insulin costs
- \$50 million over two years for technical assistance grants and capacity development programs for small and under-resourced providers to improve data exchange capabilities
- Development of an Alternative Payment Model for FQHCs, optionally allowing them to transition from a volume-based to value-based reimbursement methodology, no sooner than January 1, 2024
- Reclassification of diabetic products, including continuous glucose monitors, as pharmacy benefits covered under Medi-Cal Rx, effective July 1, 2022

Next Steps

The Legislature will continue to advance budget trailer bills and policy bills through the legislative process. Bills with funding allocated in the Enacted Budget are likely to be passed and signed into law. The Legislature has until August 31 to pass legislation, and Gov. Newsom has until September 30 to either sign or veto that legislation. Additionally, state agencies will begin implementing the policies enacted through the budget. Staff will continue to monitor these policies and provide updates regarding issues that have a significant impact to CalOptima.

About CalOptima

CalOptima, a county organized health system (COHS), is the single plan providing guaranteed access to Medi-Cal for all eligible individuals in Orange County and is responsible for almost all medical acute services, including custodial long-term care. CalOptima is governed by a locally appointed Board of Directors, which represents the diverse interests that impact Medi-Cal.

If you have any questions, please contact GA@caloptima.org.



Digital Transformation Key Performance Indicators (KPIs)

Joint Meeting of the Board Advisory Committees
December 8, 2022

Wael Younan, Chief Information Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

By 2027, remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.

Digital Transformation KPIs (Jan 2022–Present)

Member and Provider Portals Active Subscriptions and Enrollments

Members	Total Member Portal users enrolled	38k	↑	99k
	Unique logins to Member Portal	28k	↑	64k
	New user enrollment to Member Portal in Q3	7K		
Providers	Total Provider Portal users enrolled	6k	↑	15k
	Unique logins to Provider Portal	11k	↑	23k
	New user enrollment to Provider Portal in Q3	2k		

Annual Transactions in Support of our Members

Real-time eligibility files processed daily	1.4m
Claims transmitted	5.6m
Encounters transmitted	4.3M
Admission, Discharge, Transfer (ADT's)	6.9m

Pharmacy Orders

- Reduced faxing by 75% through portal submissions
- 80% reduction in time to complete pharmacy submissions

Security

- Completion of 30 ITS Security projects by 12/31

Infrastructure

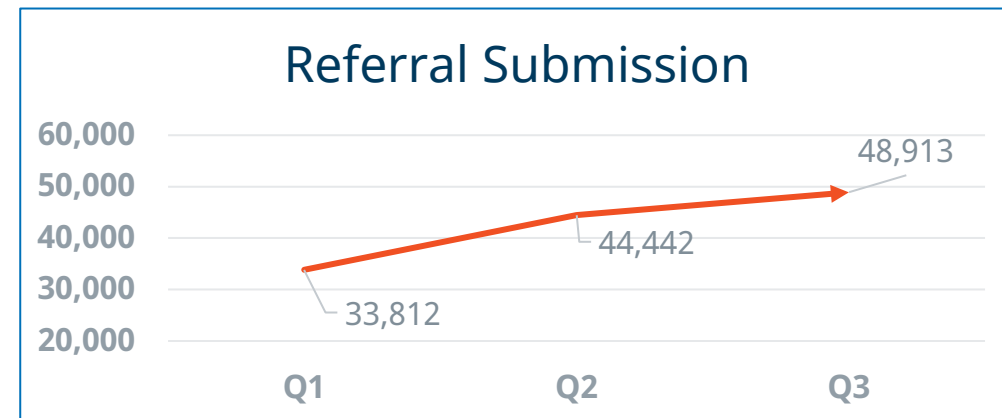
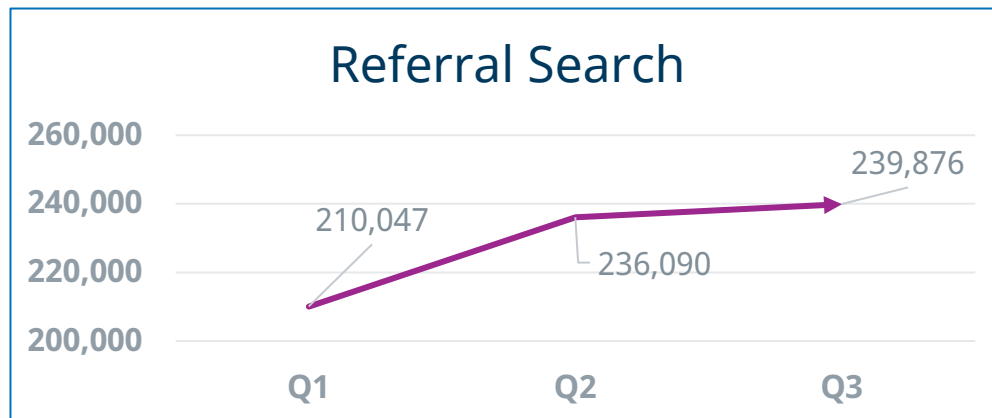
- Cloud Migration begins for Applications and Hardware in December 2022

Application Development

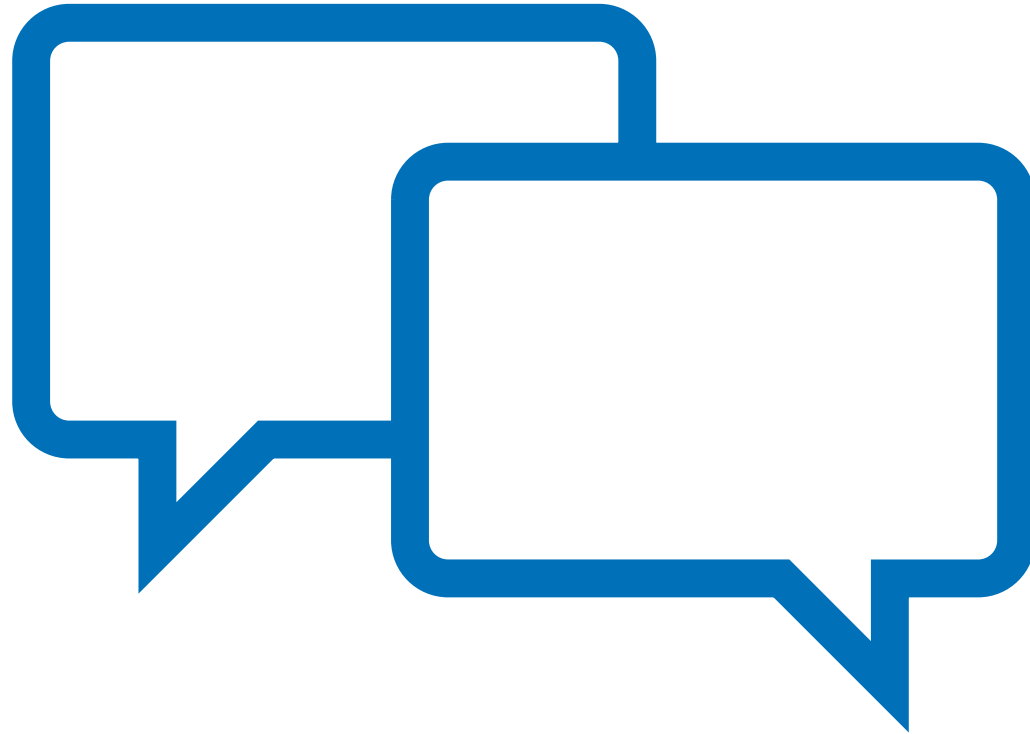
- Planning for redetermination, intelligent texting and CalOptima mobile application

Provider Portal Usage by Feature

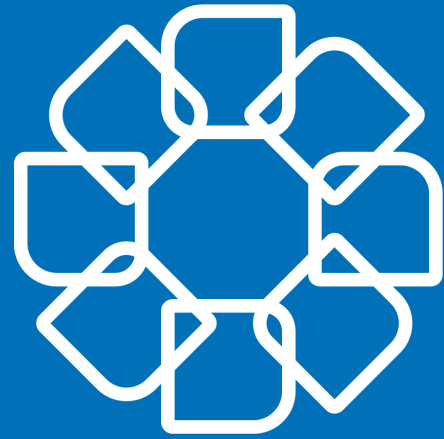
Increased usage of portal improves efficiency and reduces call and email requests to provide quicker member turnaround times



Questions



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2022–25 Strategic Plan Update

Rachel Selleck

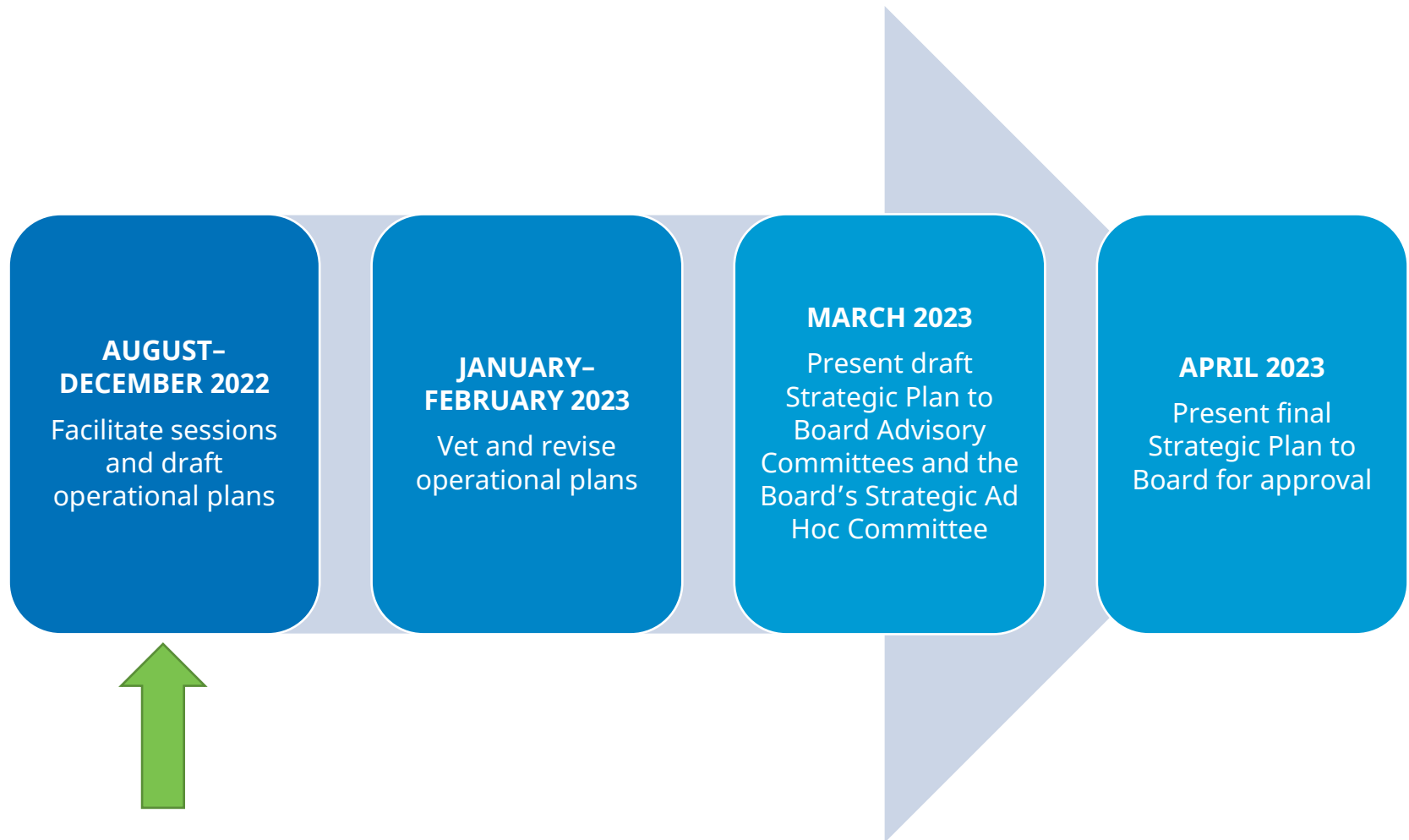
Executive Director of Government Affairs and
Strategic Development

Mission	<i>To serve member health with excellence and dignity, respecting the value and needs of each person.</i>				
Vision	<i>By 2027, remove barriers to healthcare access for our members, implement same day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.</i>				
Core Strategy	The 'inter-agency' co-creation of services and programs, together with our delegated networks, providers, and community partners, to support the mission and vision.				
Strategic Priorities 2022-2025	Organizational and Leadership Development	Overcoming Health Disparities	Finance and Resource Allocation	Accountabilities and Results Tracking	Future Growth
Tactical Priorities 2022-2025	<ul style="list-style-type: none"> • Cultural Alignment throughout CalOptima • Talent Development & Succession Planning • Effective & Efficient Organizational Structures • Aligned Operating Systems & Structures • Staff Leadership Development Institutes (Training) & Executive Coaching • Organizational Excellence Annual Priorities • On-going updated Policies & Procedures • Governance & Regulatory Compliance Trainings • Board Priorities 	<ul style="list-style-type: none"> • CalOptima's 'Voice & Influence' • Local, Federal & State Advocacy • Collaboration with the County, HCA, BeWell, the Networks and Community Based Organizations • Support for Community Clinics & Safety Net Providers • Medical Affairs Value Based Care Delivery • CalAIM initiatives • Focus on Equity & Communities Impacted by Health Inequities • Co-Created Needs Assessment within Equity Communities & Neighborhoods • ITS Architecture that supports the Core Strategy • DHCS Comprehensive Quality Strategy 	<p>Operating Budget Priorities</p> <ul style="list-style-type: none"> • Balanced Operating Budget • New Programs & Services Budgeting (CalAIM, DHCS Quality Strategy) • Fiscal Strategic Plan Priorities (KPI/KFI) • Quarterly Budget Reconciliation <p>Capital Budget Priorities</p> <ul style="list-style-type: none"> • Capital Planning & Asset Management, including Real-Estate Management and Acquisition(s) • New ITS Architecture <p>New Policy and Program Development based on Funding</p> <ul style="list-style-type: none"> • Reserve/Spending Policies & Priorities • Aligned Incentives for Network Quality & Compliance • Contracting & Vendor/Provider Management 	<ul style="list-style-type: none"> • Updated By-Laws • Executive Priorities & Outcomes • COBAR Clarity • Inter-Agency Team Priorities • Public/Private Implementation Work Group • Resource Allocation for Inter-Agency Initiatives • Partner CalAIM Opportunities for Outcomes Metrics • Research Analytics for Efficacy Reporting (Metrics of Success) • Regular Board Training Sessions 	<ul style="list-style-type: none"> • Member Access to Quality Care • Participate in Covered California • Site Utilization (PACE etc.) • Services/Programs Aligned with Future Reimbursements from DHCS and CMS • Demographic & Analytics by Micro-Community • ITS Data Sharing to benefit the member • Implement Programs & Services (CalAIM) & Plan for Site Locations • Industry Trends Analysis (Trade Associations, Lobbyists etc.) • Enhanced ITS security posture

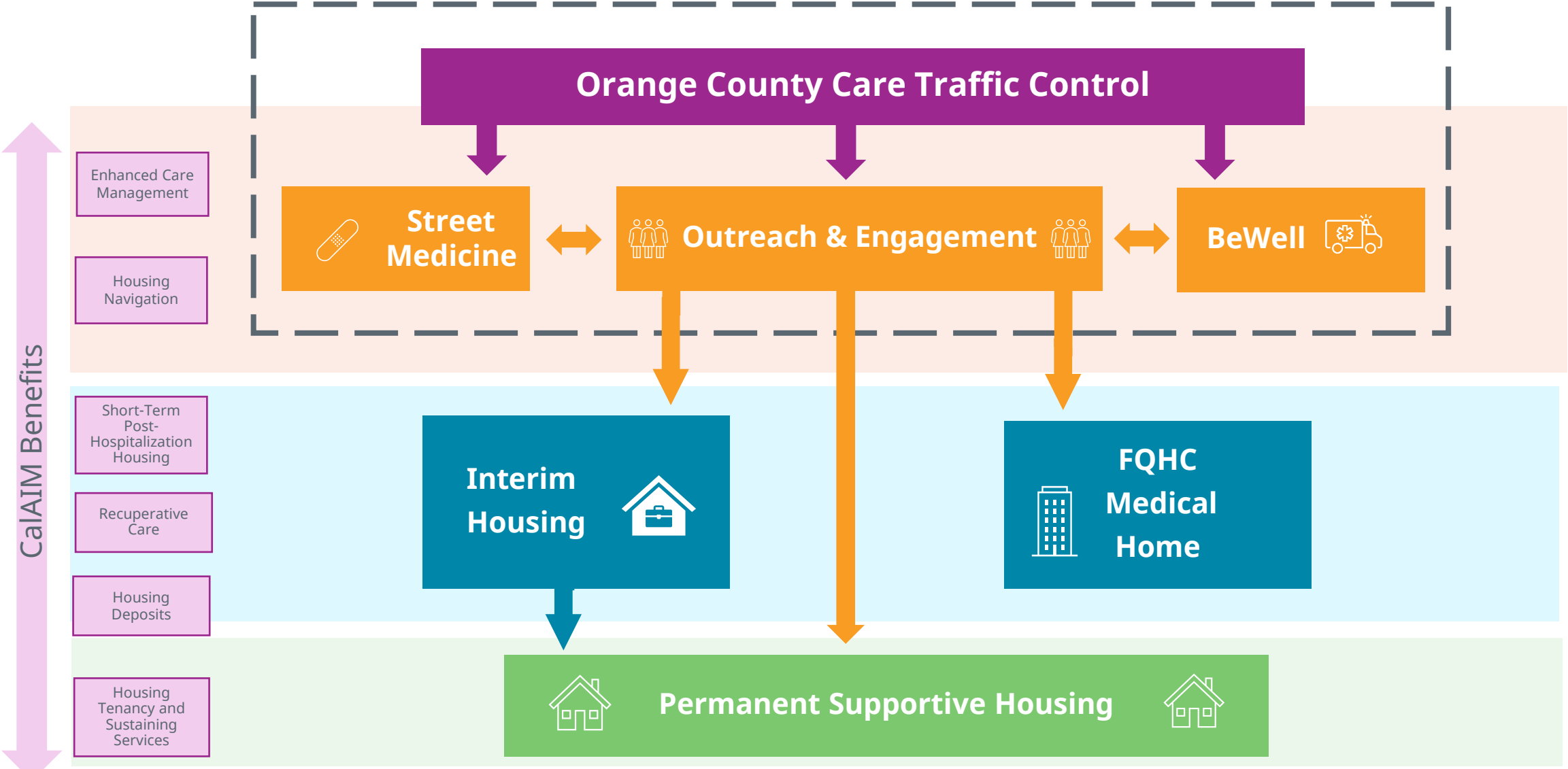
Approach

- Develop Strategic and Tactical priority purpose statements
- Facilitate in-person brainstorm sessions
- Focus sessions on:
 - Phase 1: Objective development
 - Phase 2: Operational plan development
 - Objective(s), task(s)/activities, timeline and ownership
- Seek Board, Advisory Committees and other external stakeholder input

Development Timeline 2022–23



Street Medicine and Outreach Program





CalOptima Health

Behavioral Health Updates

Carmen Katsarov, LPCC,CCM

Executive Director, Behavioral Health Integration

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

By 2027, remove barriers to health care access for our members, implement same-day treatment authorizations and real-time claims payments for our providers, and annually assess members' social determinants of health.

Student Behavioral Health Initiative (SBHIP)

Children and Youth Behavioral Health Initiative and SBHIP

○ Overview:

- Established as part of the Budget Act of 2021, the Children and Youth Behavioral Health Initiative (CYBHI) is a multiyear, multi-department package of investments that seeks to reimagine the systems, regardless of payer, that support behavioral health for all California's children, youth, and their families.
 - SBHIP is under the Children and Youth Behavioral Health Initiative (CYBHI).
 - Beginning in 2024, MCPs are contractually required to provide Medi-Cal services, including preventive services and adolescent health services provided in schools or by school affiliated health providers

Source: <https://www.dhcs.ca.gov/studentbehavioralhelathincentiveprogram>

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SBHIP

- Child and adolescent mental health hospitalizations and suicide rates have increased over the last decade.
- Additionally, COVID-19, stay-at-home orders, and school closures have impacted children and adolescents in an unprecedented manner, causing additional stress and anxiety.
- Schools are a critical point of access for preventive and early-intervention behavioral health services.

Source: <https://www.dhcs.ca.gov/studentbehavioralhelathincentiveprogram>

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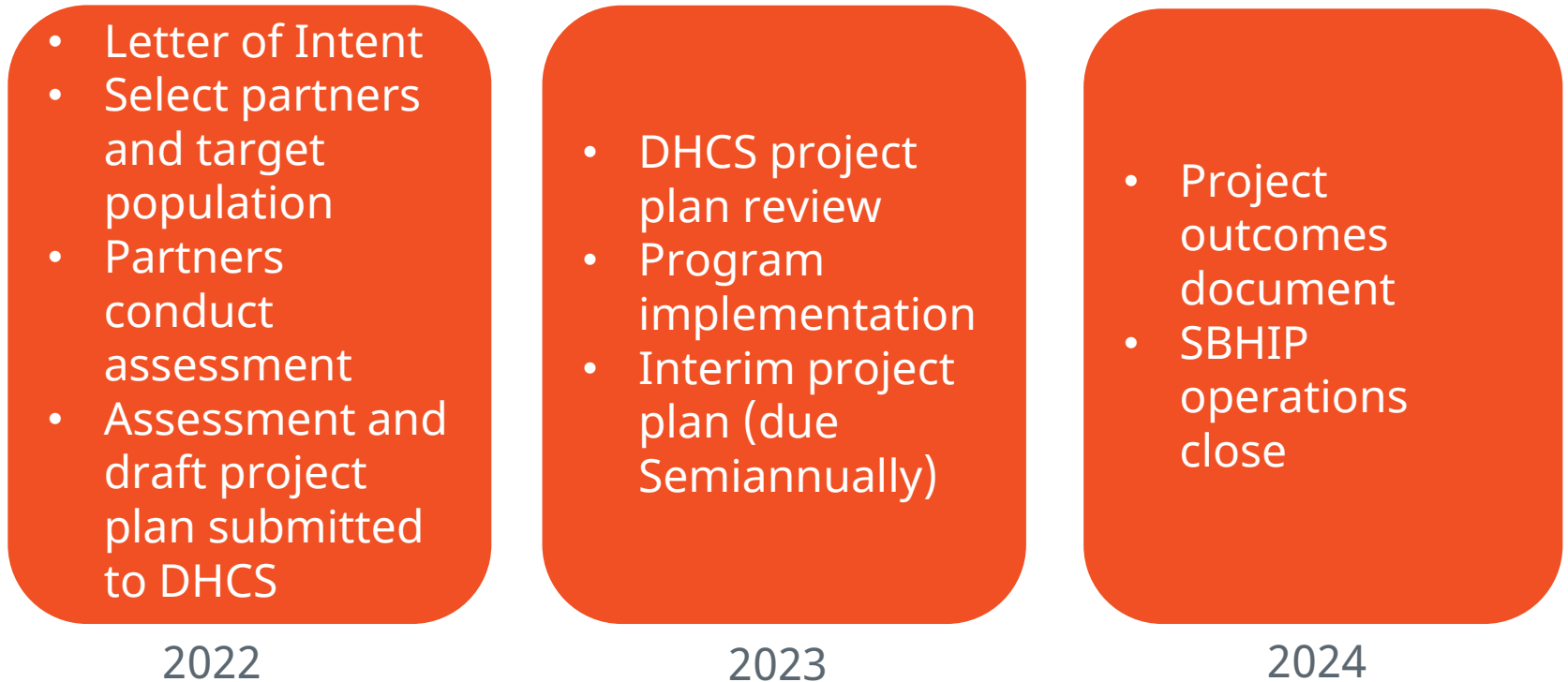
Goals of SBHIP

- Break down silos and improve coordination of student BH services through communication with schools, school-affiliated programs, MCPs, county BH and BH providers
- Increase number of TK–12 students receiving preventive and early intervention BH services provided by schools, providers in schools, school-affiliated community-based organizations or clinics, county BH departments and school districts, charter schools, and/or county offices of education within the county
- Access non-specialty services on or near school campuses
- Address health equity gap, inequalities, and disparities in access to behavioral health services.

Source: <https://www.dhcs.ca.gov/studentbehavioralhelathincentiveprogram>

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SBHIP Timeline and Funding



County	# of Local Education Agencies in County	Final Potential Allocation
Orange	29	\$25,024,675

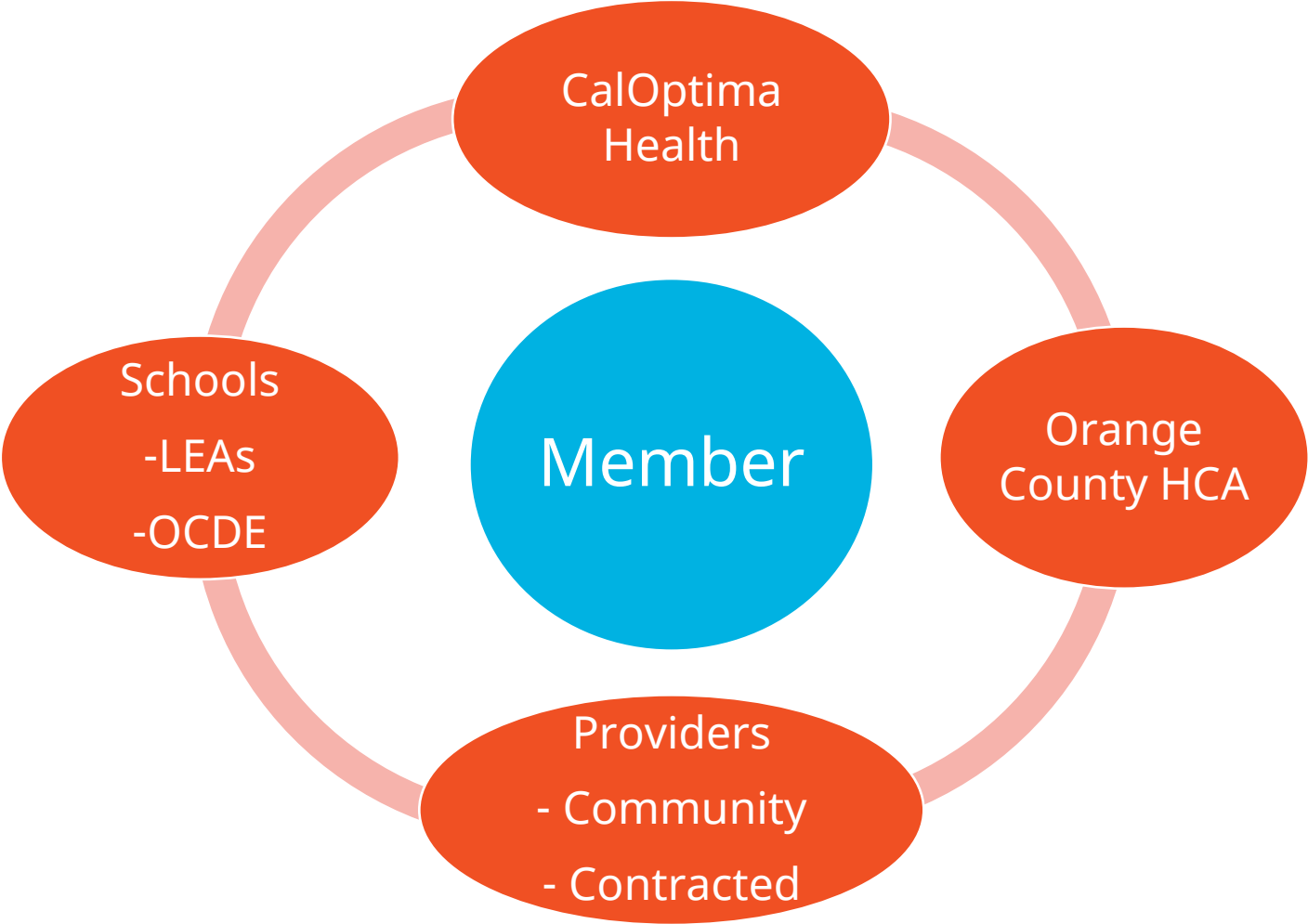
SBHIP Deliverables

DHCS SBHIP Deliverables	DHCS Due Date	Status/ Start Date
Board approval for Letter of Intent (LOI)	12/20/21	Completed
Submit letter of Intent (LOI) to DHCS	1/31/22	Completed
Partners form due to DHCS (milestone one)	3/15/22	Completed
Medi-Cal MCPs and selected partners conduct assessment	2nd/3rd quarter 2022	In progress
Select targeted intervention(s) and Submit project plan (milestone one) to DHCS	12/31/22	In progress

- Completed
- In Progress
- Outstanding

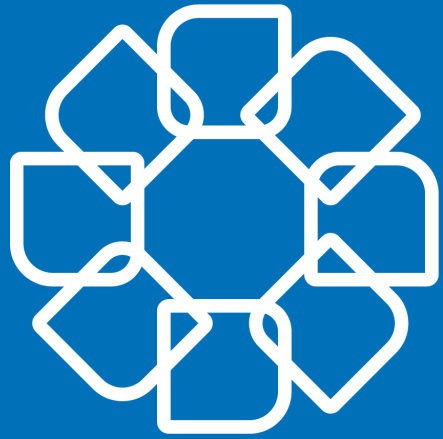
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SBHIP Partnerships and Collaboration



SBHIP- Opportunity for Community Providers

- School-affiliated community-based organizations can:
 - Contract with CalOptima Health for behavioral health services.
 - Explore opportunities for building out capacity or infrastructure related to SBHIP.
- CalOptima Health will hold an upcoming SBHIP stakeholder provider meeting
 - First Quarter of 2023



CalOptima Health

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