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

NOVEMBER 3, 2022
2:00 P.M.

505 CITY PARKWAY WEST, SUITE 108
ORANGE, CALIFORNIA 92868

BOARD OF DIRECTORS

Supervisor Andrew Do, Chair	Clayton Corwin, Vice Chair
Isabel Becerra	Supervisor Doug Chaffee
Clayton Chau, M.D.	Blair Contratto
José Mayorga, M.D.	J. Scott Schoeffel
Nancy Shivers, R.N.	Trieu Tran, M.D.

Supervisor Katrina Foley, Alternate

CHIEF EXECUTIVE OFFICER	OUTSIDE GENERAL COUNSEL	CLERK OF THE BOARD
Michael Hunn	James Novello Kennaday Leavitt	Sharon Dwiers

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

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

The Board Meeting Agenda and supporting materials are available for review at CalOptima Health, 505 City Parkway West, Orange, CA 92868, Monday-Friday, 8:00 a.m. – 5:00 p.m. These materials are also available online at www.caloptima.org. Board meeting audio is streamed live on the CalOptima Health website at www.caloptima.org.

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:
Participate via Zoom Webinar at:
https://us06web.zoom.us/webinar/register/WN_vu6bVsYXQUGwXq4IjEYYKw
and Join the Meeting.
Webinar ID: 859 9327 8194
Passcode: 215238-- Webinar instructions are provided below.

CALL TO ORDER
Pledge of Allegiance
Establish Quorum

PRESENTATIONS/INTRODUCTIONS

MANAGEMENT REPORTS
1. Chief Executive Officer Report

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

CONSENT CALENDAR
2. Minutes
   a. Approve Minutes of the October 6, 2022 Regular Meeting of the CalOptima Health Board of Directors
   b. Receive and File Minutes of the August 24, 2021 Regular Meeting of the CalOptima Health Board of Directors' Whole-Child Model Family Advisory Committee; the August 11, 2022 Regular Meeting of the CalOptima Health Board of Directors' Joint Member Advisory Committee and Provider Advisory Committee; and the September 20, 2022 Regular Meeting of the CalOptima Health Board of Directors' Whole-Child Model Family Advisory Committee

3. Adopt Board Resolution No. 22-1103-01, Authorizing Remote Teleconference Meetings for the CalOptima Health Board of Directors and its Advisory Committees in Accordance with California Government Code section 54953, subdivision (e)

4. Authorize and Direct Execution of Amendment 01 to the Agreement with the California Department of Health Care Services for the CalOptima Health Program of All-Inclusive Care for the Elderly

5. Approve Modifications to CalOptima Health's Coronavirus (COVID-19) Member Vaccination Incentive Program

6. Receive and File:
   a. September 2022 Financial Summary
   b. Compliance Report
   c. Federal and State Legislative Advocates Reports
   d. CalOptima Community Outreach and Program Summary

REPORTS/DISCUSSION ITEMS
7. Approve Actions Related to the Street Medicine Pilot Program

8. Approve Actions Related to the CalOptima Health Member Health Needs Assessment 2023

9. Approve Extension of Ancillary Services Contract with Disposable Incontinence Supplies and Non-Medical Transportation Vendors

10. Approve Actions Related to the Procurement of an Enterprise Resource Planning System

11. Approve Actions Related to the Procurement of a Web Content Management and Digital Experience Platform Solution

ADVISORY COMMITTEE UPDATES

12. Whole-Child Model Family Advisory Committee

13. Member Advisory Committee and Provider Advisory Committee Update

BOARD MEMBER COMMENTS AND BOARD COMMITTEE REPORTS

ADJOURNMENT

TO REGISTER AND JOIN THE MEETING

Please register for the Regular Meeting of the CalOptima Health Board of Directors on November 3, 2022 at 2:00 p.m. (PST)

To **Register** in advance for this webinar:
https://us06web.zoom.us/webinar/register/WN_vu6bVsYXQUGwXq4IjEYYKw

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

To **Join** please click this url:
https://us06web.zoom.us/s/85993278194?pwd=RmFnYWlVdGp3SFpnU3IzcWNBWExWQT09

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+16694449171,,85993278194#,,,,*215238# US
+17193594580,,85993278194#,,,,*215238# US

Or join by phone:
Dial(for higher quality, dial a number based on your current location):
US: +1 669 444 9171 or +1 719 359 4580 or +1 720 707 2699 or +1 253 215 8782 or +1 346 248 7799 or +1 646 558 8656 or +1 646 931 3860 or +1 301 715 8592 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 564 217 2000

Webinar ID: 859 9327 8194
Passcode: 215238

International numbers available: **https://us06web.zoom.us/u/kd9Uowu5Ad**

MEMORANDUM

DATE:	October 27, 2022
TO:	CalOptima Health Board of Directors
FROM:	Michael Hunn, Chief Executive Officer
SUBJECT:	CEO Report — November 3, 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. Media Event Publicizes Increased CalFresh Benefit Amounts

CalOptima Health partnered with Northgate Markets for a media event on October 13 announcing CalFresh's increased benefit amount and an added grocery incentive for members. Northgate Market offers an incentive program called Más Fresco for CalFresh members providing up to an additional $100 a month when they purchase fresh fruits and vegetables at Northgate Markets. The Más Fresco Program is a partnership between UC San Diego Health, the United States Department of Agriculture, and Northgate Market. The following major TV and print outlets covered the event: NBC, CBS, KTLA, Orange County Register, and Los Angeles Daily News. Prior to this, CalOptima Health secured coverage, including an interview with the CEO, for the October 1 start of the increased benefits for recipients by the state for $939 for qualified families of four and $281 for qualified individuals. Information was shared on CBS, KCAL, ABC, KFI, and KNX.

b. CalOptima Health Wins Texting Campaign Award

Also related to CalOptima Health's CalFresh outreach, we received the mPulse Activate 2022 Award for Most Improved Consumer Experience resulting from a successful member texting campaign. The campaign was a multilingual, two-way SMS texting program that addressed language barriers around food security. The program educated members on the availability and benefits of CalFresh, encouraging eligible members to apply through a direct link. The innovative program in seven languages allowed members to respond in their native language with simple statements like, "I already have CalFresh" or "I want to apply." This is another example of how CalOptima Health is becoming a leader in promoting community health in Orange County.

c. **CalAIM Team Presents Training to Hospital Staff On CalAIM Resources**

Executive Director of Medi-Cal/CalAIM Kelly Bruno-Nelson and her team presented a series of CalAIM Hospital Training Sessions the week of September 26. A total of 99 hospital partners attended one of the three sessions to learn about CalAIM resources and how to refer potential members. The hospital participants were engaged, and the overall tone and feedback was positive. The training

included awareness about recuperative care, post-stabilization, sobering centers and additional CalAIM Community Supports that will be launched by CalOptima Health along with the other health plans throughout the state.

d. PHE Unwinding Report Released, CalOptima Health Begins Coordinated Planning

Kaiser Family Foundation released a comprehensive report about the nationwide Public Health Emergency (PHE) unwinding effort. CalOptima Health has convened internal and external workgroups to begin planning for the local impact of the PHE's end. Supporting members during the redetermination process will be a major priority as we seek to ensure continuity of their Medi-Cal coverage. CalOptima Health will coordinate its efforts with the County of Orange Social Services Agency, the Health Care Agency, the local coalition of community health centers including FQHCs and other community providers to get the word out about the process and how to successfully navigate redetermination. The State of California has approximately 14.9 million Medi-Cal members and they estimate up to 20% may lose their benefits based on eligibility criteria and income levels.

e. CalAIM Program Initiative for a Recuperative Care and Post-Stabilization Building Acquisition Conditional Use Permit Filed With the City of Tustin

On October 17, CalOptima Health submitted a Conditional Use Permit application for our Community Living Center in Tustin. The center will provide up to 119 Recuperative Care and Post-Stabilization beds and related support services, specifically targeting seniors that are unhoused or homeless. Additionally, the site will also accommodate our second PACE program for seniors to serve up to 500 participants, in addition to our existing PACE site in Garden Grove. Staff expects to hear back by mid-November about the planning commission's next steps.

f. Gov. Newsom Completes Action on 2022 Legislation

On September 30, Gov. Newsom finished signing or vetoing all legislation passed by the California State Legislature during its 2021–22 legislative session, which adjourned on August 31. The Department of Health Care Services (DHCS) is expected to issue further guidance regarding implementation of signed legislation in the coming months. The 2023–24 legislative session will begin on December 5, when new legislators are sworn into office following the results of the midterm elections on November 8.

g. Pres. Biden Signs Continuing Resolution

On September 30, President Joe Biden signed into law a Continuing Resolution (CR) that extends current Fiscal Year (FY) 2022 federal spending levels from September 30 through December 16, 2022. The CR will allow Congress additional time to negotiate a final FY 2023 spending package after the midterm elections. The CR also includes a few supplemental items that may impact CalOptima members and providers, including increased funding for the Low-Income Home Energy Assistance Program in anticipation of higher energy costs this winter as well as reauthorization of the Medicare-Dependent Hospital program and the Medicare hospital payment low-volume adjustment. However, the CR did not include the president's request for additional funding for COVID-19 and Monkeypox vaccines, testing and treatments. In the coming months, staff will provide further updates regarding the finalization of the FY 2023 federal budget, including the sponsored earmark funding for our Street Medicine and Care Traffic Control initiatives.

h. Fellowship Program Considering Candidates

At the August Board meeting, the Board approved the formation of CalOptima Health's Fellowship Program. We have developed the curriculum and are now beginning the process of selecting candidates.

i. CalOptima Health Featured in Media Coverage

- On October 6, the State of Reform featured Carmen Katsarov, CalOptima Health's Executive Director of Behavioral Health Integration, in an article on the Student Behavioral Health Incentive Program (SBHIP). Later, on October 19, State of Reform also highlighted CalOptima Health's SBHIP plans as something to watch in California.
- On October 19, the Los Angeles Times ran an article on CalAIM's efforts to house the homeless. The article quoted Kelly Bruno-Nelson, Executive Director of Medi-Cal/CalAIM. She was quoted making a key point that CalOptima Health has been emphasizing about social determinants of health: "Housing is health. Food is health. These things are already a part of the health system," she said.

* * *

CalOptima Health

Fast Facts
As of September 2022

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

Membership Data* (as of September 30, 2022)

Total CalOptima Health Membership

939,156

Program	Members
Medi-Cal	921,409
OneCare Connect	14,405
OneCare (HMO D-SNP)	2,905
Program of All-Inclusive Care for the Elderly (PACE)	437

*Based on unaudited financial report and includes prior period adjustment

Operating Budget (for three months ended September 30, 2022)

	YTD Actual	YTD Budget	Difference
Revenues	$1,113,448,627	$997,442,145	$116,006,482
Medical Expenses	$1,050,383,175	$931,719,084	($118,664,091)
Administrative Expenses	$43,170,036	$51,777,920	$8,607,884
Operating Margin	$19,895,415	$13,945,141	$5,950,274
Medical Loss Ratio (MLR)	94.3%	93.4%	0.9%
Administrative Loss Ratio (ALR)	3.9%	5.2%	1.3%

Reserve Summary (as of September 30, 2022)

	Amount (in millions)
Board Designated Reserves	$563.6*
Capital Assets (Net of depreciation)	$67.4
Resources Committed by the Board	$364.7
Resources Unallocated/Unassigned	$444.2*
Total Net Assets	$1,439.9

Total of Board designated reserves and unallocated resources can support approximately 96 days of CalOptima Health's current operations.

Total Annual Budgeted Revenue **$4 Billion**

CalOptima Health Fast Facts

As of September 2022

Personnel Summary (as of October 22, 2022, pay period)

	Filled	Open	Total	Vacancy %
Staff	1,317.4	169.5	1,486.9	11.4%
Manager	96.0	17.0	113.0	15.0%
Director	45.0	14.5	59.5	24.4%
Executive Director	10.0	1.0	11.0	9.1%
Chief	9.0	1.0	10.0	10.0%
Total FTE Count	1,477.4	203	1,680.4	12.1%

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

Provider Network Data (as of September 30, 2022)

	Number of Providers
Primary Care Providers	1,511
Specialists	9,208
Pharmacies	569
Acute and Rehab Hospitals	45
Community Health Centers	34
Long-Term Care Facilities	99

Treatment Authorizations (as of September 30, 2022)

	Mandated	Average Time to Decision
Inpatient Concurrent Urgent	72 hours	26.6 hours
Prior Authorization – Urgent	72 hours	12.4 hours
Prior Authorization – Routine	5 days	1.34 days

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

Member Demographics (as of September 30, 2022)

Member Age	
0 to 5	9%
6 to 18	25%
19 to 44	34%
45 to 64	20%
65 +	12%

Language Preference	
English	58%
Spanish	27%
Vietnamese	10%
Other	2%
Korean	1%
Farsi	1%
Chinese	<1%
Arabic	<1%

Medi-Cal Aid Category	
Temporary Assistance for Needy Families	41%
Expansion	37%
Optional Targeted Low-Income Children	8%
Seniors	8%
People With Disabilities	5%
Long-Term Care	<1%
Other	<1%

MINUTES
REGULAR MEETING
OF THE
CALOPTIMA HEALTH BOARD OF DIRECTORS

October 6, 2022

A Regular Meeting of the CalOptima Health Board of Directors (Board) was held on October 6, 2022, at CalOptima, 505 City Parkway West, Orange, California. The meeting was held via teleconference (Zoom) in light of the COVID-19 public health emergency and Assembly Bill (AB) 361 (Chaptered September 16, 2021), which allows for temporary relaxation of certain Brown Act requirements related to teleconferenced meetings. Chairman Andrew Do called the meeting to order at 2:00 p.m., and Director Clayton Chau led the Pledge of Allegiance.

ROLL CALL

Members Present: Supervisor Andrew Do, Chairman; Clayton Corwin, Vice Chair; Isabel Becerra; Supervisor Doug Chaffee (at 3:03 p.m.); Clayton Chau, M.D. (non-voting); Blair Contratto; José Mayorga M.D.; Scott Schoeffel; Nancy Shivers (out between 2:46 – 3:19 p.m.) Trieu Tran, M.D. (at 2:32 p.m.)

(All Board Members participated remotely except Chairman Do, Vice Chair Corwin, Director Contratto, and Director Tran, who participated in person)

Members Absent: None

Others Present: Michael Hunn, Chief Executive Officer; James Novello, Outside General Counsel, Kennaday Leavitt; Yunkyung Kim, Chief Operating Officer; Nancy Huang, Chief Financial Officer; Richard Pitts, D.O. Ph.D., Chief Medical Officer; Sharon Dwiers, Clerk of the Board

Chairman Do noted that he would not be participating in Agenda Item 16 due to conflicts of interest related to campaign contributions under the Levine Act and will pass the gavel to Vice Chair Corwin. Chairman Do also reordered the agenda since Agenda Item 16 is the only item that he will need to recuse, to hear Agenda Item 16 after Agenda Item 19, and before Closed Session.

PRESENTATIONS/INTRODUCTIONS

None

MANAGEMENT REPORTS

1. Chief Executive Officer Report

Michael Hunn, Chief Executive Officer, began his report with a Fast Facts review, which was on page 4 of his Chief Executive Officer (CEO) Report. Mr. Hunn noted that the format of this report is designed so that everyone can understand not only the magnitude of the number of members CalOptima Health serves, but also the various programs where members are served. In addition, the report also provides an at-a-glance look at CalOptima Health's operating budget on a year-to-date basis, a summary of reserves, days of cash on hand, as well personnel numbers. Mr. Hunn highlighted the CalOptima Health membership numbers as of the preparing of the report: for Medi-Cal, 907,677 members, for OneCare Connect, 14,771 members, for OneCare (Health Maintenance Organization (HMO) Special Needs Plan (SNP), 2,874 members, for Program of All-Inclusive Care for the Elderly (PACE), 434 members.

Back to Agenda

Mr. Hunn noted the year-to-date (YTD) actual medical expenses are $656 million, and which is over YTD projected budget of $623 million. He also noted that in looking at the medical loss ratio (MLR), which determines of the revenue received how much is spent on member care, for CalOptima Health, that number is .95 cents of every dollar is spent on member care. The report also looks administrative expenses YTD actual is $27 million, YTD projected budget $34 million. For CalOptima Health's administrative loss ratio (ALR), this includes salaries, wages, benefits, and the facilities, YTD actual is 4.2% of funds go to administrative expenses. In addition, Mr. Hunn reviewed CalOptima Health's reserves of approximately $1.4 billion, which includes: $569 million in Board designated reserves; $66 million is capital assets; $364 million to resources committed by the Board; and $428 million to resources unallocated/unassigned. Mr. Hunn noted that the Board designated reserves and the unallocated reserve amount can support approximately 90 days of CalOptima Health's current operations. Lastly, Mr. Hunn reviewed CalOptima Health's personnel summary, full time employee (FTE) count: filled positions 1,461, open positions 218, with a vacancy rate of 13%.

The Board members thanked Mr. Hunn for creating this easy-to-read important reference with details about CalOptima Health's enrollment and financial stability, noting this will come in very handy when out in the community. Director Chau asked if the Board could get a breakdown on types of open positions under the personnel summary. Brigette Hoey, Chief Human Resources Officer, agreed to get those details for inclusion in the CEO Report going forward.

CEO Hunn also congratulated the CalOptima Health team for being rated a 4-Star plan for National Committee for Quality Assurance (NCQA) Medicaid Health Plans. CalOptima Health is one of the top-rated Medicaid health plans in the state and the goal is to get to a 5-Star rating.

Mr. Hunn updated the Board on the Department of Health Care Services (DHCS) Medical Audit, noting that CalOptima Health has received a draft report. DHCS has identified 9 areas of improvement, all of which CalOptima Health was aware of before and during the audit and nothing of material concern on the administrative front. The team is working closely with DHCS to address the areas of improvement identified.

CEO Hunn reported on the CalFresh expansion, noting he is pleased with the direction of promoting and making folks aware of the benefits available to them through CalFresh. Mr. Hunn shared that he was able to do an interview this morning with ABC that will air later this afternoon or evening, promoting the fact that the state undertook a 12.5% increased benefit for CalFresh. The increase will have a significant impact for individuals making less than $18,000 a year and a family of 4 making less than $38,000 a year and will be in effect starting October 1, 2022 through September 2023. Mr. Hunn noted for the record if you are a CalOptima Health member and you are listening into the meeting today and are uncertain if you qualify for CalFresh, call us at 888-587-8088 and staff will do a person-to-person handoff with the staff at the agency that handles enrolling people into the CalFresh program. Mr. Hunn added that through awareness campaigns we have discovered three methods that work well to reach members: 1) hyper location awareness, go to a grocery store, laundry mat, or a barber and pass out or post flyers; 2) direct mail pieces and texts to our members; and 3) having the ability to do a warm handoff to the Social Services Agency, who can then check the members eligibility and help process their application for the CalFresh program.

Mr. Hunn reported that CalOptima Health was nominated for an Orange County Business Council award, and we were nominated for 2 awards in the public private partnership category for partnering

with Housing for Health, Orange County and with Be Well Orange County campus. The winners will be announced on November 17, 2022. He added that it is nice to see CalOptima Health nominated, and we will look forward to sharing the outcome with the Board.

CEO Hunn congratulated Dr. Amin, who is a member of the CalOptima Health Provider Advisory Committee and Chair of the Department of Medicine at UCI, School of Medicine, for being nominated by Modern Healthcare as on of the 100 most influential people in health care. Mr. Hunn noted that the nomination is an honor and CalOptima Health is very proud to support him in that nomination.

Mr. Hunn provided an update on a recent COVID vaccine clinic in September, which focused on children. He noted that 709 vaccines were administered at schools over in the San Diego area and another clinic is scheduled for Saturday, October 8, 2022, from 9 a.m. to 1 p.m. at Villa Fundamental Intermediate School in Santa Ana. Mr. Hunn thanked Children's Health of Orange County for providing clinical staff to administer the shots, also thanked staff at SSA and at HCA. He noted that the vaccine clinics are coordinated very well and are a combined effort. He thanked Tiffany Kaaiakamanu, Manager of Community Relations and her team, noting that he, Yunkyung Kim, Chief Operating Officer, and Veronica Carpenter, Chief of Staff attend these events on Saturdays when their schedules permit and said the events are organized and run so smoothly.

Lastly, CEO Hunn shared a story of an individual who reached out to a CalOptima Health Board Member, regarding nursing care for a special needs child. The individual had difficulty navigating between Orange County, CalOptima Health and another County and the transition of services. This was causing untold stress and anxiety not only for the child but also the family. I am happy to report that our team worked diligently to create a path for all of the barriers to get resolved, it took a couple of days, but it was resolved. I saw the email back from the father that was shared with me by staff, and it made me cry. He was so relieved that somebody took the call, followed up and resolved the problem. I ask the staff here my final comment, "Why are you here?" About the mission and the member and treating people with dignity and respect. It is a great privilege and very rewarding to see what staff does on a consistent basis and with a real spirit of kindness.

PUBLIC COMMENTS

There was no request for public comment.

CONSENT CALENDAR

2. Minutes

a. Approve Minutes of the September 1, 2022 Regular Meeting of the CalOptima Health Board of Directors

3. Adopt Board Resolution No. 22-1006-01, Authorizing Remote Teleconference Meetings for the CalOptima Board of Directors and its Advisory Committees in Accordance with California Government Code section 54953, subdivision (e)

4. Approve Modifications to CalOptima Health Policies AA.1207a and AA.1207b

5. Approve Reappointments to the CalOptima Health Board of Directors' Investment Advisory Committee

Back to Agenda

6. Approve Actions Related to the Procurement of an Encounter Data Management System

7. Authorize Employee and Retiree Group Health Insurance and Wellness Benefits for Calendar Year 2023
Director Schoeffel did not participate in this item due to potential conflicts of interest.

8. Ratify an Amendment to Agreement 16-93274 ("Care Coordination Agreement") with the California Department of Health Care Services in Order to Continue Operation of the Dual Eligible Special Needs Plan OneCare Program

9. Approve New CalOptima Health Policy MA.2101p: Non-Monetary Member Incentive for One Care and One Care Connect

10. Approve Changes to the Whole-Child Model Family Advisory Committee Chair and Vice Chair Requirements and Extend Term of Current Chair and Vice Chair

11. Authorize Amendment to the Contract with NR Medical Associates for On-Call Services for CalOptima Health's Program of All-Inclusive Care for the Elderly
Director Schoeffel did not participate in this item due to potential conflicts of interest.

12. Authorize Expenditures in Support of CalOptima Health's Participation in a Community Event

13. Receive and File:
a. August 2022 Financial Summary
b. Compliance Report
c. Federal and State Legislative Advocates Reports
d. CalOptima Community Outreach and Program Summary

Action: ***On motion of Vice Chair Corwin, seconded and carried, the Board of Directors approved Consent Calendar Agenda Items 2a. through 13.d., as presented. (Motion carried 6-0-0 (except as noted); Supervisor Chaffee; Director Schoeffel, and Director Shivers absent)***

REPORTS/DISCUSSION ITEMS

14. Authorize a General Awareness and Brand Development Campaign to Increase Visibility and Understanding of CalOptima Health in Orange County
Deanne Thompson, Executive Director, Marketing and Communications, introduced the item.

Action: ***On motion of Director Contratto, seconded and carried, the Board of Directors: 1.) Upon approval of marketing materials, including printed materials, from the California Department of Health Care Services, authorized the Executive Director, Marketing and Communications, to implement a comprehensive CalOptima Health General Awareness and***

Brand Development Campaign that includes multichannel outreach to Orange County residents and CalOptima Health's members, prospective members, providers, and partners; and 2.) Authorized unbudgeted expenditures in an amount not to exceed $2.7 million from existing reserves for the General Awareness and Brand Development Campaign. (Motion carried 7-0-0; Supervisor Chaffee and Director Shivers absent)

15. Accept and Receive and File Fiscal Year 2021-22 CalOptima Health Audited Financial Statements

Finance and Audit Committee (FAC) Chair, Director Becerra, introduced this item. FAC Chair Becerra reported that at the September 15, 2022 FAC meeting, the Committee heard a detailed report and presentation from CalOptima Health's independent auditors, Moss Adams, LLP. She noted that again this year CalOptima Health had another clean audit. FAC Chair Becerra added that as the FAC Chair and a member of the CalOptima Health Board of Directors, she appreciates knowing that the agency continues to receive clean audits year after year. She thanked Ms. Huang, Chief Financial Officer, and her team for all of the great work and also noted that representatives from Moss Adams were online to answer any questions from the Board.

Action: ***On motion of Director Becerra, seconded and carried, the Board of Directors accepted and received and filed the Fiscal Year (FY) 2021-22 CalOptima Health consolidated audited financial statements as submitted by independent auditors Moss-Adams, LLP (Moss-Adams). (Motion carried 7-0-0; Supervisor Chaffee and Director Shivers absent)***

17. Approve Actions Related to the Procurement of a Cybersecurity Asset Management Software Solution

Director Schoeffel did not participate in this item due to potential conflicts of interest.

Action: ***On motion of Vice Chair Corwin, seconded and carried, the Board of Directors: 1.) Authorized reallocation of budgeted but unused funds in an amount up to $400,000 from the "Network Bandwidth Upgrade for All Sites (Wide Area Network)" capital project to a new project "Cybersecurity Asset Management Software Solution" under the "Infrastructure" category in the CalOptima Health Fiscal Year (FY) 2022-2023 Digital Transformation Year One Capital Budget; 2.) Approved the scope of work (SOW) for the Cybersecurity Asset Management Software Solution; and 3.) Authorized the Chief Executive Officer to release the Cybersecurity Asset Management Software Solution request for proposal (RFP) with the approved SOW, and to negotiate and contract with the selected vendor. (Motion carried 7-0-0; Directors Schoeffel and Shivers absent)***

Back to Agenda

18. Approve Actions Related to the Procurement of a Data Protection and Recovery Operations Software Solution

Action: ***On motion of Director Mayorga, seconded and carried, the Board of Directors: 1.) Authorized reallocation of budgeted but unused funds in an amount up to $450,000 from the "Network Bandwidth Upgrade for All Sites (Wide Area Network)" capital project to a new project "Data Protection and Recovery Operations Software Solution" under the "Infrastructure" category in the CalOptima Health Fiscal Year (FY) 2022-2023 Digital Transformation Year One Capital Budget; 2.) Approved the scope of work (SOW) for the Data Protection and Recovery Operations software solution; and 3.) Authorized the Chief Executive Officer to release the Data Protection and Recovery request for proposal (RFP) with the approved SOW and to negotiate and contract with the selected vendor. (Motion carried 9-0-0)***

19. Authorize the Chief Executive Officer to Implement Changes to Executive Level Job Titles

Action: ***On motion of Director Becerra, seconded and carried, the Board of Directors authorized the Chief Executive Officer to implement changes to executive director positions with one (1) net increase to the total number of executive level positions. (Motion carried 9-0-0)***

As mentioned at the top of the meeting, Chairman Do passed the gavel to Vice Chair Corwin for Agenda Item 16.

16. Approve Amendments to Mental Health Provider Contracts to Increase Rates for Medi-Cal Outpatient Counseling Services

Chairman Do did not participate in the discussion and vote on this item due to conflicts of interest related to campaign contributions under the Levine Act. Director Schoeffel did not participate in this item due to potential conflicts of interest.

Action: ***On motion of Director Contratto, seconded and carried, the Board of Directors authorized amendments to the Medi-Cal fee-for-service mental health provider contracts to reflect increases to reimbursement rates effective January 1, 2023. (Motion carried 7-0-0; Chairman Do recused; Directors Schoeffel absent)***

Vice Chair Corwin passed the gavel back to Chairman Do.

CLOSED SESSION

The Board adjourned to Closed Session at 3:12 p.m. pursuant to Government Code section 54956.9, subdivision (d)(1) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION and pursuant to Government Code section 54957(b)(1) PUBLIC EMPLOYEE PERFORMANCE EVALUATION Title: [Chief Executive Officer].

Back to Agenda

The Board reconvened to Open Session at 4:46 p.m., and the Clerk re-established a quorum.

ROLL CALL

Members Present: Supervisor Andrew Do, Chairman; Clayton Corwin, Vice Chair; Isabel Becerra; Supervisor Doug Chaffee; Clayton Chau, M.D. (non-voting); Blair Contratto; José Mayorga M.D.; Scott Schoeffel; Trieu Tran, M.D.

(All Board Members participated remotely except Chairman Do, Vice Chair Corwin, Director Contratto, and Director Tran, who participated in person)

Members Absent: Nancy Shivers

Others Present: Michael Hunn, Chief Executive Officer; James Novello, Outside General Counsel, Kennaday Leavitt; Yunkyung Kim, Chief Operating Officer; Nancy Huang, Chief Financial Officer; Richard Pitts, D.O. Ph.D., Chief Medical Officer; Sharon Dwiers, Clerk of the Board

There were no reportable actions taken in Closed Session.

20. Consider Approval of Amendments to the Employment Agreement and Agreement Terms for the Chief Executive Officer

Action: ***On motion of Chairman Do, seconded and carried, the Board of Directors approved amendments to the Employment Agreement for the Chief Executive Officer, effective July 3, 2022 as follows: 1.) Amended the term of the contract from three (3) years to five (5) years, beginning March 3, 2022; 2.) Amended the annual base salary from $560,000 to $841,500 effective Sunday, July 3, 2022; 3.) Added an annual performance-based incentive not to exceed 10% of the annual base salary, effective July 1, 2023; 4.) Clarified that the amount of life and accidental death and dismemberment insurance provided will be one times the annual salary or $1 million, whichever is greater; and 5.) Increased paid time off days from twenty-eight (28) days to thirty-three (33) days, effective July 3, 2022. (Motion carried 8-0-0; Director Shivers absent)***

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BOARD MEMBER COMMENTS AND BOARD COMMITTEE REPORTS

Chairman Do thanked Mr. Hunn for his great work and noted that the comments from the Board has been unanimously very positive and appreciative of the many contributions you have brought to CalOptima Health.

Yunkyung Kim, Chief Operating Officer, thanked the Board and Mr. Hunn for their continued commitment to CalOptima Health. Ms. Kim added that the Board's latest action on Mr. Hunn's contract provides employees, providers, communities, and members with assurances of a consistent leadership at the helm of CalOptima Health while we implement the vision and mission that the board has set out for the agency. Ms. Kim also thanked the Board for their approval on Agenda Item 16, which will help to ensure that providers are willing and able to assist CalOptima Health members with mental health services.

Mr. Hunn reported that this week is Customer Service Week, and CalOptima Health is celebrating its over 200 customer service staff and the great work they do.

Director Chow congratulated Mr. Hunn and thanked him and his staff for their work on mental health services.

ADJOURNMENT

Hearing no further business, Chairman Do adjourned the meeting at 4:56 p.m.

/s/ Sharon Dwiers
Sharon Dwiers
Clerk of the Board

Approved: November 3, 2022

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MINUTES

REGULAR MEETING OF THE CALOPTIMA BOARD OF DIRECTORS' WHOLE CHILD MODEL FAMILY ADVISORY COMMITTEE

August 24, 2021

A Regular Meeting of the CalOptima Board of Directors' Whole-Child Model Family Advisory Committee (WCM FAC) was held on April 27, 2021, CalOptima, 505 City Parkway West, Orange, California and via teleconference (Go-to-Webinar) in light of the COVID-19 public health emergency and consistent with Governor Newsom's executive orders EO-N-25-20 and EO-N-29-20, which temporarily relax the teleconferencing limitations of the Brown Act.

CALL TO ORDER

Kristen Rogers, WCM FAC Chair called the meeting to order at 9:30 a.m. and led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Kristen Rogers, Chair; Maura Byron; Jacqui Knudsen; Kathleen Lear; Monica Maier; Sandra Cortez-Schultz Malissa Watson

Members Absent: Cathleen Collins

Others Present: Ladan Khamseh, Chief Operations Officer; Emily Fonda, M.D., Chief Medical Officer; Tracy Hitzeman, Executive Director, Clinical Operation; Thanh-Tam Nguyen, M.D., Medical Director; Kris Gericke, Director, Pharmacy Management; Albert Cardenas, Director, Customer Service; Debra Kegel, Director, Strategic Development; Vy Nguyen, Manager, Customer Service; Jackie Mark, Manager, Government Affairs; Cheryl Simmons, Staff to the Advisory Committees; Jorge Dominguez, Lead Customer Service Representative, Customer Service; Mindy Winterswyck, Orange County Healthcare Agency

PUBLIC COMMENT

There were no public comments

At this time, Chair Kristen Rogers rearranged the agenda to hear VI. CEO and Management Reports and Information Items .VII.B.

CEO AND MANAGEMENT REPORTS

Chief Operating Officer Update

Ladan Khamseh, Chief Operating Officer shared that, in an effort to improve provider communications, CalOptima transitioned over 8,600 (90% of the CalOptima Community Network (CCN) providers) from fax-based provider alerts, updates and newsletters to electronic mail. This functionality gives providers instant access to links, websites and other documents which could not be achieved with blast-faxes. She also noted that the next steps will include gathering email addresses from health networks' exclusive providers who do not currently participate with CCN.

Back to Agenda

Ms. Khamseh also provided an update on the Centers for Medicare & Medicaid Services (CMS) audit of CalOptima's OneCare and OneCare Connect programs that had just been completed. Ms. Khamseh also introduced Mike Herman as the Interim Executive Director of Program Implementation.

Chief Medical Officer Update

Emily Fonda, M.D., Chief Medical Officer, provided a COVID-19 update provided a comprehensive COVID-19 update and updated the WCM FAC on the current vaccine status in Orange County and distribution of the vaccine gift cards for CalOptima members. Dr. Fonda also updated the committee on the Delta Variant of COVID that has been spreading, primarily among unvaccinated individuals and answered questions on how CalOptima has been successful with vaccinations to children and young adults with special needs.

California Advancing and Innovating Medi-Cal (CalAIM) Update

Mike Herman, Interim Executive Director, Program Implemented presented an update on the CalAIM program noting that the program was scheduled to start on January 1, 2022 with rollout to a certain population of Medi-Cal members. Mr. Herman provided eligibility requirements and emphasized that it will be a voluntary enrollment benefit. Mr. Herman outlined housing support and stated CalOptima will be working with vendors to provide housing, deposits, and payments for initial services like gas and electricity. There will be a readiness assessment completed by a consultant group, as well as an assessment of the in-lieu of services (ILOS) vendors to assess insurance, facilities, and background checks for employees. Corrections will be addressed as they are prompted in the assessments. Mr. Herman reviewed the timeline for the program's full implementation detailing what will happen each month leading up to January 1, 2022.

MINUTES

Approve the Minutes of the April 27, 2021 Regular Meeting of the CalOptima Board of Directors' Whole-Child Model Family Advisory Committee

Action: ***On motion of Member Maura Byron, seconded and carried, the WCM FAC Committee approved the minutes of the April 27, 2021 meeting. (Motion carried 7-0-0; Member Cathleen Collins absent)***

REPORTS

Consider Approval of Whole-Child Model Family Advisory Committee FY 2020-21 Accomplishments

Chair Kristen Rogers reviewed the FY 2020-21 WCM FAC accomplishments with the committee and asked for a motion to approve.

Action: ***On motion of Member Maura Byron, seconded and carried, the Committee approved the FY 2020-21 WCM FAC Accomplishments. (Motion carried 7-0-0; Member Cathleen Collins absent)***

Back to Agenda

Consider Recommendation of WCM FAC Vice Chair

Chair Kristen Rogers reminded the committee that the Vice Chair seat had become vacant once Brenda Deeley's term ended and the family members were sent an email notifying them of the opening. The WCM FAC received one letter of interest from Kathleen Lear. There were no further nominations from the floor. Chair Kristen Rogers asked for a motion to recommend Kathleen Lear as the WCM FAC Vice Chair to fulfill the remaining term through June 30, 2022.

Action: ***On motion of Member Maura Byron, seconded and carried, the Committee approved the recommendation of Kathleen Lear as the Vice Chair. (Motion carried 7-0-0; Member Cathleen Collins absent)***

INFORMATION ITEMS

Whole-Child Model Member Updates

Chair Kristen Rogers informed the committee that there are two family member seats available on the committee that still need to be filled as well as a consumer advocate seat and asked the members to assist with recruitment. She also notified the members that they would be receiving an email providing information on how to access the yearly compliance courses. These courses will be due in early November.

Medi-Cal Rx Update

Kristen Gericke, Ph.D, Director, Clinical Pharmacy, provided an update on the Medi-Cal Rx transition. As a reminder, Governor Newsom enacted an Executive Order on January 9, 2019 to carve out the pharmacy benefit from Medi-Cal managed care plans back to Medi-Cal fee-for-service plans and named this service Medi-Cal Rx. The program was scheduled to go live on January 1, 2021 and CalOptima was informed in November 2020 that due to COVID surges it would be postponed until April 1, 2021. In the beginning of 2021, it was announced that it would be postponed indefinitely due because the pharmacy benefits manager they chose to administer the program (Magellan Rx) announced it would be purchased by Centene who also owns other health plans and pharmacies and created conflict of interests with provisions of the request for proposal (RFP). Dr. Gericke announced that they went through the conflict of interest program and the Medi-Cal Rx program will be moving forward with an effective date of January 1, 2022. There would be no 90 day member notices, but rather the DHCS would be sending out 60 day notices around November 1, 2021. Future meetings on Medi-Cal Rx have not been scheduled, but dates are to be determined.

Federal and State Legislative Update

Jackie Mark, Manager, Government Affairs presented the state's budget for the next fiscal year which includes $123 billion dollars for the Medi-Cal Budget which equates to an increase of seven percent for overall spending in the Medi-Cal program. She noted that Medi-Cal enrollment is expected to reach 14.5 million beneficiaries by 2022. Ms. Mark also explained that several of the initiatives included behavioral health for youth, CalAIM, and Medi-Cal eligibility expansion. The behavioral health for youth expansion budget includes $4.4 billion over the next five years with several initiatives focusing on care coordination, prevention and access to care for Medi-Cal managed plans to increase behavioral health preventative and early intervention for students from

transitional kindergarten to 12th grade. Ms. Mark provided an update on several legislative items of interest to the committee and referred the committee to the handout that they had received in their meeting materials including the CalOptima's overview of the enacted state budget.

California Children Services (CCS) Update

Mindy Winterswyk, PT, DPT,PCS, Division Manager/Chief of the Medical Therapy Program California Children's Services at the Orange County Health Care Agency updated the members on coronavirus exposure amongst children. The Medical Therapy Unit (MTU) is educating families about the vaccine and safety of treatments through community outreach in African American communities. Ms. Winterswyk noted that there is hesitancy regarding vaccine information coming from a government agency and noted that hearing the information from a peer is better received, but they will keep monitoring and assessing the need for further outreach efforts for various communities throughout Orange County. Ms. Winterswyk reiterated the California Department of Public Health and Public Health Officers statement that requires all doctor's office and outpatient healthcare workers or volunteers to be fully vaccinated by September 30, 2021.

Community Relations Update

Tiffany Kaaiakamanu, Manager, Community Relations presented on efforts from the community relations team to strengthen the relationship with the community, community organizations and CalOptima. Ms. Kaaiakamanu introduced her team of community outreach specialists and presented a slide with information on community events prior to the covid pandemic and virtual events. Ms. Kaaiakamanu explained community outreach efforts to educate members on public assistance programs through expanded outreach to community partners, collaboratives, shelters via branded CalOptima materials. Ms. Kaaiakamanu presented new initiatives in response to COVID-19 through vaccine clinics and back-to-school resource fairs.

ADJOURNMENT

Chair Rogers reminded the committee members that the next meeting would be on October 26, 2021 at 9:30 a.m.

Hearing no further business, Chair Rogers adjourned the meeting at 11:20 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the Advisory Committees

Approved: September 20, 2022

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MINUTES

REGULAR JOINT MEETING OF THE CALOPTIMA HEALTH BOARD OF DIRECTORS' MEMBER ADVISORY COMMITTEE, AND PROVIDER ADVISORY COMMITTEE

August 11, 2022

A Regular Joint Meeting of the CalOptima Health Board of Directors' Member Advisory Committee (MAC), and the Provider Advisory Committee (PAC) was held on Thursday, August 11, 2022, via teleconference (Zoom) in light of the COVID-19 public health emergency and of Assembly Bill (AB) 361 (Chaptered September 16, 2021), which allows for temporary relaxation of certain Brown Act requirements related to teleconferenced meetings.

CALL TO ORDER

PAC Chair Dr. Lazo-Pearson called the meeting to order at 8:03 a.m. and MAC Chair Christine Tolbert led the Pledge of Allegiance.

ESTABLISH QUORUM

Member Advisory Committee

Members Present: Christine Tolbert, Chair; Maura Byron, Vice Chair; Meredith Chillemi; Connie Gonzalez; Hai Hoang; Sara Lee; Lee Lombardo; Kate Polezhaev; Iliana Soto-Welty; Alyssa Vandenberg

Members Absent: Linda Adair; Sandy Finestone; Jacqueline Gonzalez

Provider Advisory Committee

Members Present: Junie Lazo-Pearson, Ph.D., Chair; John Nishimoto, O.D., Vice Chair; Tina Bloomer, WHNP; Ji Ei Choi; Gio Corzo (8:10 a.m.); Andrew Inglis, M.D.; Jena Jensen; Timothy Korber, M.D.; Patty Mouton; Mary Pham, Pharm.D.; Alex Rossel; Jacob Sweidan, M.D.; Christy Ward

Members Absent: Alpesh Amin, M.D.

Others Present: Michael Hunn, Chief Executive Officer; Yunkyung Kim, Chief Operating Officer; Richard Pitts, D.O., Ph.D.; Chief Medical Officer; Zeinab Dabbah, M.D., J.D., Deputy Chief Medical Officer; Wael Younan, Chief Information Officer; Veronica Carpenter, Chief of Staff; Ladan Khamseh, Executive Director, Operations; Thanh-Tam Nguyen, M.D., Medical Director, Medical Management; Albert Cardenas, Director, Customer Service; Kristen Gericke, Pharm.D., Director, Clinical Operations; Katie Balderas, Director, Population Health Management; Troy Szabo, Outside Legal Counsel Sharon Dwiers, Clerk of the Board; Cheryl Simmons, Staff to the Advisory Committees

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Welcome New Members

Both MAC and PAC welcomed new members to their respective committees. MAC welcomed Sara Lee, Iliana Soto-Welty and Alyssa Vandenberg. PAC welcomed Ji Ei Choi, Timothy Korber, M.D., Patty Mouton and Mary Pham, Pharm.D. Each new member provided a brief background on themselves.

MINUTES

Approve the Minutes of the May 12, 2022 Regular Meeting of the CalOptima Health Board of Directors' Member Advisory Committee

Action: ***On motion of MAC Vice Chair Maura Byron, seconded and carried, the Committee approved the minutes of the May 12, 2022 regular meeting. (Motion carried 10-0-0; Members Adair, Finestone and J. Gonzalez Absent)***

Approve the Minutes of the May 12, 2022 Regular Meeting of the CalOptima Health Board of Directors' Provider Advisory Committee

Action: ***On motion of PAC Member Dr. Sweidan, seconded and carried, the Committee approved the minutes of the May 12, 2022 regular meeting. (Motion carried 13-0-0; Member Dr. Amin absent)***

Approve the Minutes of the June 9, 2022 Special Joint Meeting of the CalOptima Health Board of Directors' Member Advisory Committee, OneCare Connect Member Advisory Committee, Provider Advisory Committee and Whole-Child Model Family Advisory Committee

Action: ***On motion of Vice Chair Maura Byron of MAC, seconded and carried, the Committee approved the minutes of the June 9, 2022 special meeting. (Motion carried 10-0-0; Members Adair, Finestone and J. Gonzalez Absent)***

Approve the Minutes of the June 9, 2022 Special Joint Meeting of the CalOptima Health Board of Directors' Member Advisory Committee, OneCare Connect Member Advisory Committee, Provider Advisory Committee and Whole-Child Model Family Advisory Committee

Action: ***On motion of PAC Member Dr. Sweidan, seconded and carried, the Committee approved the minutes of the June 9, 2022 special meeting. (Motion carried 13-0-0; Member Dr. Amin absent)***

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PUBLIC COMMENT

There were no requests for public comment.

REPORTS

Consider Recommendation to Rename Member Advisory Committee Seats

Chair Christine Tolbert notified the MAC members that due to the conclusion of the OneCare Connect (Cal MediConnect) pilot program on December 31, 2022 and in preparation for the transition of OneCare Connect members into CalOptima Health's OneCare program on January 1, 2023 that the MAC needed to restructure three seats to allow for representation of the OneCare program on the MAC. The three seats are: 1) convert the Medical Safety Net Representative and 2) convert the Health Care Agency Representative to OneCare Member/Family Member seats, both with a two-year term; and 3) rename the Long-Term Services and Supports to a Member Advocate Representative seat. Chair Tolbert noted that the rationale for these changes were to increase efficiencies in the committee composition since MAC and PAC are convening joint meeting indefinitely. PAC has similar seats to those converted and are able to address any questions that would arise. She also noted that both MAC and PAC would continue to retain a membership of 15 seats for each committee.

Action: ***On motion of Vice-Chair Maura Byron, seconded and carried, the Committee approved the recommendation to rename MAC Seats (Motion carried 10-0-0; Members Adair, Finestone and J. Gonzalez Absent)***

Consider Recommendation of Physician Representative on the Provider Advisory Committee

PAC Member Andrew Inglis, M.D., reviewed the candidates for the open Physician Representative seat. He noted that the ad hoc committee had received two candidates, Theodore Heyming, M.D., and Connie Bartlett, D.O., FAAP. After review of the applications, the ad hoc is recommending the appointment of Dr. Heyming to fill the PAC Physician Representative seat to the CalOptima Health Board of Directors.

Action: ***On motion of Member Dr. Korber, seconded and carried, the Committee approved the recommendation of Theodore Heyming, M.D., as the Physician Representative (Motion carried 13-0-0; Member Dr. Amin Absent)***

Consider Recommendation of MAC Chair and Vice Chair

MAC Member Meredith Chillemi reviewed the Chair nominations with the committee and noted that MAC had received one letter of interest from MAC Vice-Chair Maura Byron, and receiving no additional nominations from the floor, Member Chillemi requested a motion to recommend Maura Byron as the MAC Chair for FY 2022-24.

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Action: ***On motion of Chair Christine Tolbert, seconded and carried, the Committee approved the recommendation of Maura Byron as the MAC Chair (Motion carried 10-0-0; Members Adair, Finestone and J. Gonzalez Absent)***

MAC also received a letter of interest from current MAC Chair Christine Tolbert, for the Vice Chair position. There were no nominations from the floor. Meredith Chillemi asked for a motion to recommend current Chair Christine Tolbert as MAC Vice Chair for 2022-24.

Action: ***On motion of Member Hai Hoang, seconded and carried, the Committee approved the recommendation of Christine Tolbert as the MAC Vice Chair (Motion carried 10-0-0; Members Adair, Finestone and J. Gonzalez Absent)***

Consider Recommendation of PAC Chair and Vice Chair

PAC Vice Chair Dr. Nishimoto reviewed the Chair nominations with the committee and noted that PAC had received one letter of interest from Jena Jensen, the Hospital Representative, for the Chair position. After receiving no nominations from the floor, Vice Chair Nishimoto requested a motion to recommend Jena Jensen as the PAC Chair for FY 2022-24.

Action: ***On motion of Member Dr. Sweidan, seconded and carried, the Committee approved the recommendation of Jena Jensen as the PAC Chair (Motion carried 13-0-0; (Motion carried 13-0-0; Member Dr. Amin Absent)***

PAC also received one letter of interest from current PAC Chair Junie Lazo-Pearson, Ph.D., the Behavioral Health Representative for the Vice Chair position. There were no nominations from the floor. Vice Chair Nishimoto asked for a motion to recommend current Chair Dr. Lazo-Pearson as PAC Vice Chair for 2022-24.

Action: ***On motion of Member Dr. Sweidan, seconded and carried, the Committee approved the recommendation of Dr. Lazo-Pearson as the PAC Vice Chair (Motion carried 13-0-0; Member Dr. Amin Absent)***

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Report

Michael Hunn, Interim Chief Executive Officer (CEO), thanked the MAC and the PAC members for their service to the CalOptima members and noted that CalOptima's membership has continued to rise, and membership stands at approximately 915,000 Medi-Cal members.

Mr. Hunn also discussed the efforts being undertaken to receive Board of Supervisors' approval to change CalOptima Health's current ordinance. This would allow CalOptima Health to participate in the California Exchange and in turn would allow members who would be impacted by the redetermination to continue their coverage with CalOptima Health through Covered California. He also discussed CalOptima Health's rebranding initiative and noted that the Board had approved the name change to CalOptima Health. The Chairs of both committees thanked Mr. Hunn for being receptive to the needs and the concerns that the MAC and PAC has brought forward during his tenure and for making sure the MAC and PAC input is heard.

Chief Operating Officer Report

Yunkyung Kim, Chief Operating Officer, introduced Michael Gomez, Executive Director, Network Operations, and Linda Lee, Executive Director, Senior Programs. She also introduced John Tanner, CalOptima Health's new Chief Compliance Officer. Ms. Kim also reviewed the redetermination that will be undertaken by the Department of Health Care Services (DHCS) and asked the providers on the committees to notify CalOptima Health if they have any member address changes. Ms. Kim also noted that the Board had approved rate changes to the Applied Behavioral Analysis (ABA) providers.

Chief Medical Officer Report

Richard Pitts, D.O., Ph.D., Chief Medical Officer, introduced Zeinab Dabbah, M.D., J.D., CalOptima Health's new Deputy Chief Medical Officer and provided several updates to the committee on COVID-19, Syphilis and Monkeypox.

Chief Financial Officer Report

Nancy Huang, Chief Financial Officer, presented a brief overview of the CalOptima Health financials and noted that the 2022-2023 fiscal year started on July 1, 2022.

INFORMATION ITEMS

Housing and Homelessness Incentive Program

Katie Balderas, Director, Population Health Management, presented on the Housing and Homelessness Incentive Program (HHIP) and reviewed items such as the Homeless Health Initiatives and CalAIM background, a HHIP overview which discussed the target population, timeline, deliverables and HHIP measures. She also reviewed the investment plan and discussed system challenges, investment priorities and community input.

Committee Member Updates

MAC Chair Christine Tolbert reminded their individual committees that the annual compliance courses would be sent out in September. She thanked the MAC for all their assistance during her three-year term as Chair and for appointing her as the Vice-Chair for the following two years.

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PAC Chair Dr. Junie Lazo-Pearson announced that the next joint MAC and PAC meeting is scheduled for October 13, 2022 at 8:00 AM and that PAC would also receive notification of the required compliance courses. She also thanked the PAC members for their assistance during her time as the Chair and looked forward to continuing on as the Vice Chair of the PAC.

ADJOURNMENT

There being no further business before the Committees, PAC Chair Dr. Lazo-Pearson adjourned the meeting at 10:08 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the Advisory Committees

Approved: October 13, 2022 by the Member Advisory Committee and the Provider Advisory Committee

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MINUTES

REGULAR MEETING OF THE CALOPTIMA HEALTH BOARD OF DIRECTORS' WHOLE CHILD MODEL FAMILY ADVISORY COMMITTEE

September 20, 2022

A Regular Meeting of the CalOptima Board of Directors' Whole-Child Model Family Advisory Committee (WCM FAC) was held on September 20, 2022, CalOptima, 505 City Parkway West, Orange, California and via teleconference (Zoom) in light of the COVID-19 public health emergency and of Assembly Bill (AB) 361 (Chaptered September 16, 2021), which allows for temporary relaxation of certain Brown Act requirements related to teleconferenced meetings.

CALL TO ORDER

Kristen Rogers, WCM FAC Chair called the meeting to order at 9:33 a.m. and led the Pledge of Allegiance.

ESTABLISH QUORUM

Members Present: Kristen Rogers, Chair; Kathleen Lear, Vice Chair; Maura Byron; Sandra Cortez-Schultz; Erika Jewell; Monica Maier; Jessica Putterman; Lori Sato

Members Absent: Malissa Watson

Others Present: Michael Hunn, Chief Executive Officer; Yunkyung Kim, Chief Operating Officer; Richard Pitts, D.O. Ph.D, Chief Medical Officer; Zeinab Dabbah, M.D., J.D., Deputy Chief Medical Officer; Veronica Carpenter, Chief of Staff; Kelly Giardina, Executive Director, Clinical Operation; Carmen Katsarov, Executive Director, Behavioral Health; Marie Jeannis, Executive Director, Quality and Population Health Management; Kelly Bruno-Nelson, Executive Director, Program Implementation; Ladan Khamseh, Executive Director, Operations; Thanh-Tam Nguyen, M.D., Medical Director; Kris Gericke, Director, Pharmacy Management; Albert Cardenas, Director, Customer Service; Sharon Dwiers, Clerk of the Board; Cheryl Simmons, Staff to the Advisory Committees; Kami Long, Executive Assistant, Operations; Doris Billings, Orange County Healthcare Agency

Welcome New Members

Chair Kristen Rogers congratulated the members reappointed to the committee and welcomed new members, Erika Jewell, Jessica Putterman and Lori Sato who each provided a brief background on themselves.

At this time, Chair Kristen Rogers rearranged the agenda to hear Information Items VII.B and VII.C before continuing with the agenda.

California Children Services Update

Doris Billings, CCS Division Manager/Chief Therapist, Orange County Health Care Agency provided an update on the operations of the California Children Services (CCS) and noted that CCS was still working under the COVID Public Health Emergency (PHE) which is due to expire on

October 15, 2022 and it is expected to be extended one more time. Ms. Billings noted that the extension of the PHE would keep CCS from closing any cases that may not have had an updated medical report in order to maintain medical eligibility for the program. She also told the members that CCS continues to follow the COVID protocols in the medical therapy clinics with screening questions, masks and disinfection protocols. Richard Pitts, D.O., Ph.D., Chief Medical Officer asked about the closure of one of the therapy units in Costa Mesa. Ms. Billings noted that the children receiving services at the closed Costa Mesa location were now receiving services at the Irvine medical therapy unit. Ms. Billings also discussed the decrease in members during the pandemic which CCS attributes to a variety of reasons and how working with CalOptima Health's Whole-Child Model program they are hoping to address missing data pieces for eligibility and referrals to assure that the members are receiving the services that they need.

California Advancing and Innovating Medi-Cal (CalAIM) Update

Kelly Bruno-Nelson, Executive Director, Program Implementation, reviewed the CalAIM implementation and reviewed the internal processes that are on-going to prepare for the services that would begin on January 1, 2023. One of the services includes respite care which initiated a robust discussion regarding respite care services. Ms. Nelson agreed return to a future WCM FAC meeting to provide additional details.

MINUTES

Approve the Minutes of the August 24, 2021 Regular Meeting of the CalOptima Board of Directors' Whole-Child Model Family Advisory Committee

Action: ***On motion of Member Byron, seconded and carried, the WCM FAC Committee approved the minutes of the August 24, 2021 meeting. (Motion carried 8-0-0; Member Watson absent)***

PUBLIC COMMENT

There were no public comments

REPORTS

Consider Recommendation of Whole-Child Model Family Advisory Committee Chair and Vice Chair

Member Byron reported that the WCM FAC had received one letter of interest from Kristen Rogers, Authorized Family Member Representative for the chair position. Hearing no additional nominations from the floor, Member Byron requested a motion to recommend Kristen Rogers as the WCM FAC Chair for FY 2022-23.

Action: ***On motion of Vice Chair Lear, seconded and carried, the Committee approved the recommendation of Kristen Rogers as the WCM FAC Chair (Motion carried 8-0-0; Member Watson absent)***

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Member Byron reported that the WCM FAC had received one letter of interest from Kathleen Lear, Authorized Family Member Representative for the vice chair position. Hearing no additional nominations from the floor, Member Byron requested a motion to recommend Kathleen Lear as the WCM FAC Vice Chair for 2022-23.

Action: ***On motion of Member Cortez-Schultz, seconded and carried, the Committee approved the recommendation of the Kathleen Lear as the WCM FAC Vice Chair (Motion carried 8-0-0; Member Watson absent)***

Approve Recommendation to Allow Community Based Organizations or Consumer Advocates to be Appointed Chair and Vice Chair in Addition to Authorized Family Members

Chair Rogers reviewed the recommendation to allow all committee members to serve as Chair or Vice Chair instead of only Authorized Family Members and asked for a motion to approve this recommendation.

Action: ***On motion of Member Byron, seconded and carried, the Committee approved the recommendation to allow community-based organizations or consumer advocates to apply for chair or vice chair. (Motion carried 8-0-0; Member Watson absent)***

CEO AND MANAGEMENT REPORTS

Chief Executive Officer Report

Michael Hunn, Chief Executive Officer, thanked the committee members and noted that there had been a lot of great feedback in the previous discussions. Mr. Hunn noted that CalOptima Health is continuing its community outreach events with three vaccine clinics at schools targeting the Anaheim and Santa Ana areas. He also noted that 317 individuals, many of them walk-ins, had attended a recent vaccination clinic and that CalOptima Health members received a $25 gift card for attending and receiving their vaccine. He thanked Children's Health of Orange County (CHOC) for their assistance at the vaccine clinic. Mr. Hunn also discussed the Department of Health Care Services (DHCS) redetermination effort being undertaken by the Social Service Agency.

Chief Operating Officer Report

Yunkyung Kim, Chief Operating Officer, welcomed the new members on the committee and thanked all the members on the committee for their service. Ms. Kim discussed the need to make sure that families eligible for CCS are aware that there is a program that is available to them and noted that CalOptima Health will work with the health networks to ensure they are also aware of this program.

Chief Medical Officer Update

Richard Pitts, D.O., Ph.D., Chief Medical Officer, reported that CalOptima Health received 4-star rating again this year from the National Committee for Quality Assurance (NCQA). Dr. Pitts provided a COVID update and reported that COVID is the third leading cause of death, behind heart disease and cancer. Dr. Pitts provided an update on the CalOptima Health Program of All-Inclusive Care for the Elderly (PACE) and noted that 98% of PACE members were vaccinated. He urged

everyone to get the new vaccine which has all of the previous Omicron, Delta and Alpha variants included for better protection against COVID.

INFORMATION ITEMS

Whole-Child Model Member Updates

Chair Rogers informed the committee that there are still two family member seats available on the committee that need to be filled and asked the members to assist with recruitment. She also reminded the members that the email providing them with information on how to access the yearly compliance courses was sent on September 6, 2022. These courses will need to be completed by November 4, 2022. Chair Rogers also reminded the committee members that the next meeting would be the joint meeting of all the advisory committees on December 8, 2022 at 8 a.m.

Medi-Cal Rx Update

Kristen Gericke, Pharm.D, Director, Clinical Pharmacy, provided an update on the Medi-Cal Rx transition and noted that DHCS has begun to phase in the prior authorization process and that phase two which began on September 16, 2022 would be to reinstate prior authorizations for eleven classes of drugs for adults. Dr. Gericke reported that CalOptima Health is continuing to work with DHCS regarding Magellan the state's Pharmacy Benefit Manager, to ensure that Magellan's liaisons are trained on CCS specific issues. Dr. Gericke noted that CalOptima Health continues to experience difficulty is getting specialized medication that is not covered under the Medi-Cal program but is covered under the CCS program. Committee members shared the issues they have encountered with Medi-Cal Rx and in the hopes of helping other members dealing with the same issues. Dr. Gericke agreed to return to a future meeting with updates.

ADJOURNMENT

Hearing no further business, Chair Rogers adjourned the meeting at 11:20 a.m.

/s/ Cheryl Simmons
Cheryl Simmons
Staff to the Advisory Committees

Approved: October 25, 2022

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CALOPTIMA HEALTH BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Consent Calendar

3. Adopt Board Resolution No. 22-1103-01, Authorizing Remote Teleconference Meetings for the CalOptima Health Board of Directors and its Advisory Committees in Accordance with California Government Code section 54953, subdivision (e)

Contact

Michael Hunn, Chief Executive Officer (657) 900-1481

Recommended Action

Adopt Board Resolution No. 22-1103-01, authorizing remote teleconference meetings for the CalOptima Health Board of Directors and its advisory committees in accordance with Government Code section 54953, subdivision (e).

Background

Under the Ralph M. Brown Act, California Government Code Section 54950 *et seq.*, (Brown Act) meetings of California local public bodies must be open and public. Prior to the COVID-19 pandemic, the Brown Act has generally allowed a local agency to use teleconferencing for public meetings, subject to specific agenda, posting, physical access, and quorum requirements. On March 4, 2020, pursuant to Government Code section 8625, Governor Gavin Newsom declared a state of emergency related to the COVID-19 pandemic, and the declaration of emergency continues in effect and has not been lifted or rescinded.

On March 17, 2020, Governor Newsom signed Executive Order N-29-20, suspending certain provisions of the Brown Act, including, in part, suspending the requirement for in-person legislative meetings and suspending the requirement that each teleconference location be accessible to the public. The Governor's Executive Order expired on September 30, 2021.

Under Assembly Bill (AB) 361, which was signed by Governor Newsom and took effect on September 16, 2021, the Brown Act was amended for a limited time to authorize local agencies to hold teleconference public meetings without complying with certain Brown Act requirements provided that certain conditions are met. These include:

> (A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or
>
> (B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
>
> (C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

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If meetings are held via teleconference under these special circumstances, the legislative body must ensure that notice of the meetings are given and agendas posted, and that the rights of the public to observe and participate are protected (including delaying action on any items during any period where a disruption prevents the broadcasting of the meeting to the public and or the ability of the public to participate).

Discussion

Pursuant to the language of AB 361, in order for CalOptima Health to continue holding teleconference meetings, the Board is required to make the following findings by majority vote within 30 days of teleconferencing for the first time under AB 361 and every 30 days thereafter:

(A) The legislative body has reconsidered the circumstances of the state of emergency.
(B) Any of the following circumstances exist:
(i) The state of emergency continues to directly impact the ability of the members to meet safely in person; or
(ii) State or local officials continue to impose or recommend measures to promote social distancing.

Given the continued active declaration of emergency arising from the COVID-19 pandemic, there is an ongoing need for holding teleconference meetings for the CalOptima Health Board of Directors and its advisory committees. In addition, the County of Orange Health Officer issued "Orders and Strong Recommendations," updated as of September 23, 2022, to strongly recommend preventative measures such as wearing masks in all public spaces and businesses, and engaging in social distancing for vulnerable populations. For CalOptima Health to continue the teleconference meetings, the required findings are set forth in the attached Resolution No. 22-1103-01.

In addition, as part of the continued obligations to protect the public's right to participate in the meetings of local legislative bodies, CalOptima Health is also required to do the following:

- Allow the public to access the meeting and require that the agenda provide an opportunity for the public to directly address the legislative body pursuant to the Brown Act's other teleconferencing provisions.
- In each instance when CalOptima Health provides notice of the teleconferenced meeting or post its agenda, give notice for how the public can access the meeting and provide public comment.
- Identify and include in the agenda an opportunity for all persons to attend via a call-in or an internet-based service option.
- Conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the public.
- In the event of service disruption that either prevents CalOptima Health from broadcasting the meeting to the public using the call-in or internet-based service option or a disruption within CalOptima Health's control that prevents the public from submitting public comments, stop the meeting until public access is restored.

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- Not require comments be submitted in advance and provide the opportunity to comment in real time.
- Provide adequate time for public comment, either by establishing a timed public comment period or by allowing a reasonable amount of time to comment, including the time that may be required for an individual to register to log in to the teleconference to provide public comment.

Fiscal Impact

The recommended action to adopt a resolution authorizing remote teleconference meetings for the CalOptima Health Board of Directors and its advisory committees in accordance with Government Code section 54953, subdivision (e), will have no fiscal impact on CalOptima Health.

Rationale for Recommendation

The recommended action to allow for teleconference meetings for the CalOptima Health Board of Directors and its advisory committees will satisfy the requirements of Government Code section 54953, subdivision (e) and allow CalOptima Health to hold public meetings via teleconference as the statute allows in a manner that will minimize the risks associated with the continuing public emergency related to the COVID-19 pandemic.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachments

1. Board Resolution No. 22-1103-01, Authorizing Remote Teleconference Meetings for the CalOptima Board of Directors and its Advisory Committees in Accordance with Government Code section 54953, subdivision (e)
2. March 4, 2020, Proclamation of a State of Emergency
3. September 23, 2022, Orange County Health Officer's Orders and Strong Recommendations
4. Government Code section 54953, as amended by AB 361

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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RESOLUTION NO. 22-1103-01

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

AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE CALOPTIMA HEALTH BOARD OF DIRECTORS AND ITS ADVISORY COMMITTEES IN ACCORDANCE WITH GOVERNMENT CODE SECTION 54953, SUBDIVISION (e)

WHEREAS, CalOptima Health is a local public agency created pursuant to Welfare and Institutions Code section 14087.54 by the County of Orange under Orange County Ordinance No. 3896, as amended, which established CalOptima Health as a separate and distinct public entity; and

WHEREAS, CalOptima Health is committed to compliance with the requirements of the Ralph M. Brown Act (Brown Act) to provide transparency, public access, and opportunities to participate in meetings of CalOptima Health's Board of Directors and its advisory committees.

WHEREAS, on March 4, 2020, pursuant to Government Code section 8625, the Governor of California declared a state of emergency in response to the COVID-19 pandemic;

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which suspended certain requirements under the Brown Act and modified the teleconference requirements to allow legislative bodies of public agencies to hold public meetings via teleconference;

WHEREAS, on June 4, 2021, the Governor clarified that the "reopening" of California on June 15, 2021, did not include any change to the declared state of emergency or the powers exercised thereunder;

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which extended the provision of Executive Order N-29-20 concerning the conduct of public meetings through September 30, 2021;

WHEREAS, California Assembly Bill (AB) 361 was signed into law effective September 16, 2021, which amended the teleconferencing requirement under the Brown Act provision in Government Code section 54953;

WHEREAS, Government Code section 54953, subdivision (b)(3) permits public meetings by teleconference, but requires: the agendas to be posted at all teleconference locations; each teleconference location be identified in the notice and agenda of the meeting or proceeding; and each teleconference location be accessible to the public;

WHREREAS, Government Code section 54953, subdivision (e) provides an alternative to having public meetings in accordance with Government Code section 54953, subdivision (b)(3) when the circumstances of the COVID-19 state of emergency and the following circumstances exist: (1) The state of emergency as a result of COVID-19 continues to directly impact the ability of members of CalOptima Health's Board of Directors and members of CalOptima Health's committees to meet safely in person; and (2) the State of California and/or the County of Orange continue to impose or recommend measures to promote social distancing;

WHEREAS, as of the date of this Resolution, neither the Governor nor the Legislature have exercised their respective powers pursuant to California Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution of the state Legislature;

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WHEREAS, on September 23, 2022, the County of Orange Health Officer issued a revised "Orders and Strong Recommendations," which includes strong recommendations for preventative measures, such as wearing masks in all public spaces and businesses, and engaging in social distancing for vulnerable populations;

WHEREAS, the continued local rates of transmission of the virus and variants causing COVID-19 are such that meeting in person could present imminent risks to the health or safety of attendees of CalOptima Health's public meetings if teleconference options are not included as an option for participation;

WHEREAS, the CalOptima Health Board of Directors and advisory committees have met remotely during the COVID-19 pandemic and can continue to do so in a manner that allows public participation and transparency while minimizing health risks to the Board members, staff, and public that would be present with in-person meetings while this state of emergency continues; and

WHEREAS, the Board of Directors has considered all information related to this matter and determined that it is in the best interest of the public and CalOptima Health that the Board of Directors meetings and advisory committee meetings of other CalOptima Health bodies be held via teleconference for the next thirty (30) days.

NOW, THEREFORE, BE IT RESOLVED:

I. That the CalOptima Health Board of Directors has duly considered the active status of the current state of emergency, along with the County of Orange Health Officer's strong recommendation to continue implementing COVID-19 preventative measures, such as social distancing, and has found that the state of emergency continues to directly impact the ability of the CalOptima Health Board of Directors and its advisory committees to meet safely in person;

II. That, as a result of the continued impact on the safety of the public and CalOptima Health officials, all CalOptima Health public meetings for the next thirty (30) days shall be conducted via teleconferencing, and such teleconferencing shall be carried out in compliance with California Government Code Section 54953, including, but not limited to, provisions protecting the statutory and constitutional rights of the public to attend and participate in such meetings;

III. That this Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) thirty (30) days after teleconferencing for the first time pursuant to Government Code section 54953(e), or (ii) such time that the CalOptima Health Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953, subdivision (e)(3) to extend the time during which CalOptima Health's Board of Directors and advisory committees may continue to teleconference without compliance with Government Code section 54953, subdivision (e)(3)(b); and

IV. That the Chief Executive Officer of CalOptima Health is directed to place a resolution substantially similar to this resolution on the agenda of a future meeting of the CalOptima Health Board of Directors within the next thirty (30) days, or as soon thereafter as the CalOptima Health Board of Directors shall meet.

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APPROVED AND ADOPTED by the Board of Directors of the Orange County Health Authority, d.b.a. CalOptima Health, this 3rd day of November 2022.

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

/s/_____
Printed Name and Title: Andrew Do, Chair, Board of Directors

Attest:
/s/_____
Sharon Dwiers, Clerk of the Board

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EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS in December 2019, an outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19), was first identified in Wuhan City, Hubei Province, China, and has spread outside of China, impacting more than 75 countries, including the United States; and

WHEREAS the State of California has been working in close collaboration with the national Centers for Disease Control and Prevention (CDC), with the United States Health and Human Services Agency, and with local health departments since December 2019 to monitor and plan for the potential spread of COVID-19 to the United States; and

WHEREAS on January 23, 2020, the CDC activated its Emergency Response System to provide ongoing support for the response to COVID-19 across the country; and

WHEREAS on January 24, 2020, the California Department of Public Health activated its Medical and Health Coordination Center and on March 2, 2020, the Office of Emergency Services activated the State Operations Center to support and guide state and local actions to preserve public health; and

WHEREAS the California Department of Public Health has been in regular communication with hospitals, clinics and other health providers and has provided guidance to health facilities and providers regarding COVID-19; and

WHEREAS as of March 4, 2020, across the globe, there are more than 94,000 confirmed cases of COVID-19, tragically resulting in more than 3,000 deaths worldwide; and

WHEREAS as of March 4, 2020, there are 129 confirmed cases of COVID-19 in the United States, including 53 in California, and more than 9,400 Californians across 49 counties are in home monitoring based on possible travel-based exposure to the virus, and officials expect the number of cases in California, the United States, and worldwide to increase; and

WHEREAS for more than a decade California has had a robust pandemic influenza plan, supported local governments in the development of local plans, and required that state and local plans be regularly updated and exercised; and

WHEREAS California has a strong federal, state and local public health and health care delivery system that has effectively responded to prior events including the H1N1 influenza virus in 2009, and most recently Ebola; and

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WHEREAS experts anticipate that while a high percentage of individuals affected by COVID-19 will experience mild flu-like symptoms, some will have more serious symptoms and require hospitalization, particularly individuals who are elderly or already have underlying chronic health conditions; and

WHEREAS it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases in California, to implement measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the people of California, and limits the spread of infection in our communities and within the healthcare delivery system; and

WHEREAS personal protective equipment (PPE) is not necessary for use by the general population but appropriate PPE is one of the most effective ways to preserve and protect California's healthcare workforce at this critical time and to prevent the spread of COVID-19 broadly; and

WHEREAS state and local health departments must use all available preventative measures to combat the spread of COVID-19, which will require access to services, personnel, equipment, facilities, and other resources, potentially including resources beyond those currently available, to prepare for and respond to any potential cases and the spread of the virus; and

WHEREAS I find that conditions of Government Code section 8558(b), relating to the declaration of a State of Emergency, have been met; and

WHEREAS I find that the conditions caused by COVID-19 are likely to require the combined forces of a mutual aid region or regions to appropriately respond; and

WHEREAS under the provisions of Government Code section 8625(c), I find that local authority is inadequate to cope with the threat posed by COVID-19; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist in California.

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IT IS HEREBY ORDERED THAT:

1. In preparing for and responding to COVID-19, all agencies of the state government use and employ state personnel, equipment, and facilities or perform any and all activities consistent with the direction of the Office of Emergency Services and the State Emergency Plan, as well as the California Department of Public Health and the Emergency Medical Services Authority. Also, all residents are to heed the advice of emergency officials with regard to this emergency in order to protect their safety.

2. As necessary to assist local governments and for the protection of public health, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services needed to assist in preparing for, containing, responding to, mitigating the effects of, and recovering from the spread of COVID-19. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of COVID-19.

3. Any out-of-state personnel, including, but not limited to, medical personnel, entering California to assist in preparing for, responding to, mitigating the effects of, and recovering from COVID-19 shall be permitted to provide services in the same manner as prescribed in Government Code section 179.5, with respect to licensing and certification. Permission for any such individual rendering service is subject to the approval of the Director of the Emergency Medical Services Authority for medical personnel and the Director of the Office of Emergency Services for non-medical personnel and shall be in effect for a period of time not to exceed the duration of this emergency.

4. The time limitation set forth in Penal Code section 396, subdivision (b), prohibiting price gouging in time of emergency is hereby waived as it relates to emergency supplies and medical supplies. These price gouging protections shall be in effect through September 4, 2020.

5. Any state-owned properties that the Office of Emergency Services determines are suitable for use to assist in preparing for, responding to, mitigating the effects of, or recovering from COVID-19 shall be made available to the Office of Emergency Services for this purpose, notwithstanding any state or local law that would restrict, delay, or otherwise inhibit such use.

6. Any fairgrounds that the Office of Emergency Services determines are suitable to assist in preparing for, responding to, mitigating the effects of, or recovering from COVID-19 shall be made available to the Office of Emergency Services pursuant to the Emergency Services Act, Government Code section 8589. The Office of Emergency Services shall notify the fairgrounds of the intended use and can immediately use the fairgrounds without the fairground board of directors' approval, and

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notwithstanding any state or local law that would restrict, delay, or otherwise inhibit such use.

7. The 30-day time period in Health and Safety Code section 101080, within which a local governing authority must renew a local health emergency, is hereby waived for the duration of this statewide emergency. Any such local health emergency will remain in effect until each local governing authority terminates its respective local health emergency.

8. The 60-day time period in Government Code section 8630, within which local government authorities must renew a local emergency, is hereby waived for the duration of this statewide emergency. Any local emergency proclaimed will remain in effect until each local governing authority terminates its respective local emergency.

9. The Office of Emergency Services shall provide assistance to local governments that have demonstrated extraordinary or disproportionate impacts from COVID-19, if appropriate and necessary, under the authority of the California Disaster Assistance Act, Government Code section 8680 et seq., and California Code of Regulations, Title 19, section 2900 et seq.

10. To ensure hospitals and other health facilities are able to adequately treat patients legally isolated as a result of COVID-19, the Director of the California Department of Public Health may waive any of the licensing requirements of Chapter 2 of Division 2 of the Health and Safety Code and accompanying regulations with respect to any hospital or health facility identified in Health and Safety Code section 1250. Any waiver shall include alternative measures that, under the circumstances, will allow the facilities to treat legally isolated patients while protecting public health and safety. Any facilities being granted a waiver shall be established and operated in accordance with the facility's required disaster and mass casualty plan. Any waivers granted pursuant to this paragraph shall be posted on the Department's website.

11. To support consistent practices across California, state departments, in coordination with the Office of Emergency Services, shall provide updated and specific guidance relating to preventing and mitigating COVID-19 to schools, employers, employees, first responders and community care facilities by no later than March 10, 2020.

12. To promptly respond for the protection of public health, state entities are, notwithstanding any other state or local law, authorized to share relevant medical information, limited to the patient's underlying health conditions, age, current condition, date of exposure, and possible contact tracing, as necessary to address the effect of the COVID-19 outbreak with state, local, federal, and nongovernmental partners, with such information to be used for the limited purposes of monitoring, investigation and control, and treatment and coordination of care. The

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notification requirement of Civil Code section 1798.24, subdivision (i), is suspended.

13. Notwithstanding Health and Safety Code sections 1797.52 and 1797.218, during the course of this emergency, any EMT-P licensees shall have the authority to transport patients to medical facilities other than acute care hospitals when approved by the California EMS Authority. In order to carry out this order, to the extent that the provisions of Health and Safety Code sections 1797.52 and 1797.218 may prohibit EMT-P licensees from transporting patients to facilities other than acute care hospitals, those statutes are hereby suspended until the termination of this State of Emergency.

14. The Department of Social Services may, to the extent the Department deems necessary to respond to the threat of COVID-19, waive any provisions of the Health and Safety Code or Welfare and Institutions Code, and accompanying regulations, interim licensing standards, or other written policies or procedures with respect to the use, licensing, or approval of facilities or homes within the Department's jurisdiction set forth in the California Community Care Facilities Act (Health and Safety Code section 1500 et seq.), the California Child Day Care Facilities Act (Health and Safety Code section 1596.70 et seq.), and the California Residential Care Facilities for the Elderly Act (Health and Safety Code section 1569 et seq.). Any waivers granted pursuant to this paragraph shall be posted on the Department's website.

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 4th day of March 2020.

GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

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REGINA CHINSIO-KWONG, DO
COUNTY HEALTH OFFICER/
CHIEF MEDICAL OFFICER

MATTHEW ZAHN, MD
DEPUTY COUNTY HEALTH OFFICER, PUBLIC HEALTH SERVICES/
MEDICAL DIRECTOR CDCD

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COUNTY OF ORANGE HEALTH OFFICER'S ORDERS AND STRONG RECOMMENDATIONS

(Revised September 16, 2022)

In light of recent updated COVID-19 State Public Health Officer Orders on vaccine requirements and testing recommendations, the following Orders and Strong Recommendations shall revise and replace the prior Orders and Strong Recommendations of the County Health Officer that were issued on August 19, 2022. The Orders and Strong Recommendations issued on August 19, 2022, are no longer in effect as of September 16, 2022.

Pursuant to California Health and Safety Code sections 101030, 101040, 101470, 120175, and 120130, the County Health Officer for County of Orange orders and strongly recommends the following:

ORDERS

Effective immediately, and continuing until further notice, the following shall be in effect in unincorporated and incorporated territories of Orange County, California:

I. Self-Isolation of Persons with COVID-19 Order

NOTE: This Self-Isolation Order DOES NOT in any way restrict access by first responders to an isolation site during an emergency.

1. Persons who are symptom-free but test positive for COVID-19.

   If you do not have any COVID-19 symptoms (as defined below in this Order) but test positive for COVID-19, you shall immediately isolate yourself in your home

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or another suitable place for at least 5 days from the date you test positive and may end your self-isolation after day 5:

- If you continue not having any COVID-19 symptoms and a diagnostic specimen collected on day 5 or later tests negative.
    - While an antigen test, nucleic acid amplification test (NAAT), or LAMP test are acceptable, use of an antigen test is recommended. Use of Over-the-Counter tests are also acceptable to end isolation.

Exceptions.

- If you are unable or choose not to test on day 5 or after, or if you test positive after day 5, you shall continue your self-isolation through day 10 from the date of your initial positive test and may end your self-isolation after 10 days from the date of your initial positive test.
- If you develop COVID-19 symptoms during the time of your self-isolation, you shall isolate yourself for at least 10 days from the date of symptom(s) onset. You may end your self-isolation sooner if a diagnostic specimen collected on day 5 (or later) from the date of symptom(s) onset tests negative.

All persons who test positive for COVID-19 should continue to wear a well-fitting mask at all times around other people through day 10.

2. Persons who have COVID-19 symptoms.

If you have COVID-19 symptoms, you shall immediately isolate yourself in your home or another suitable place for 10 days from the date of your symptom(s) onset and may end your self-isolation sooner under any of the following conditions:

- If a diagnostic specimen collected as early as the date of your symptom(s) onset tests negative.
    - While an antigen test, nucleic acid amplification test (NAAT), or LAMP test are acceptable, use of an antigen test is recommended. Use of Over-the-Counter tests are also acceptable to end isolation.
        - Note: A negative PCR or antigen test collected on day 1-2 of symptom onset should be repeated in 1-2 days to confirm negative status. While isolation may end after the first negative test, it is

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strongly recommended to end isolation upon negative results from the repeat test.

- If you obtain an alternative diagnosis from a healthcare provider.

Exception:

If you have COVID-19 symptoms and test positive for COVID-19, you shall isolate yourself for at least 10 days from the date of symptom(s) onset. You may end your self-isolation sooner if a diagnostic specimen collected on day 5 (or later) from the date of symptom(s) onset tests negative.

You are not required to self-isolate for more than 10 days from the date of your COVID-19 symptom(s) onset regardless of whether your symptoms are present on Day 11.

All persons who have COVID-19 symptoms should continue to wear a well-fitting mask at all times around other people through at least Day 10.

3. Additional Considerations for Self-Isolation.

- A person who is self-isolated may not leave his or her place of isolation except to receive necessary medical care.
- If a more specific and individualized isolation order is issued by the County Health Officer for any county resident, the resident shall follow the specific order instead of the order herein.
- People who are severely ill with COVID-19 might need to stay in self-isolation longer than 5 days and up to 20 days after symptoms first appeared. People with weakened immune systems should talk to their healthcare provider for more information.
- Rebound: Regardless of whether an individual has been treated with an antiviral agent, risk of transmission during COVID-rebound can be managed by following CDC's guidance on isolation (https://www.cdc.gov/coronavirus/2019-ncov/your-health/quarantine-isolation.html). An individual with rebound may end re-isolation after 5 full days of isolation with resolution of their fever for 24 hours without the use of fever-reducing medication and if symptoms are improving. The individual should wear a mask for a total of 10 days after rebound symptoms started.
    - More information can be found at https://www.cdph.ca.gov/Programs/OPA/Pages/CAHAN/CAHAN-Paxlovid-Recurrence-06-07-22.aspx.

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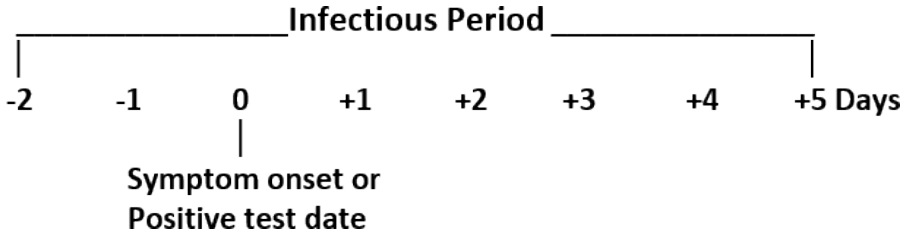
Timing for "Day 0" - As noted in CDPH Isolation and Quarantine Q&A, the 5-day clock for isolation period starts on the date of symptom onset or (day 0) for people who test positive after symptoms develop, or initial test positive date (day 0) for those who remain asymptomatic. If an asymptomatic person develops symptoms, and test positive, date of symptom onset is day 0.



NOTE: In workplaces, employers and employees are subject to the Isolation and quarantine requirements as stated in the CalOSHA COVID-19 Emergency Temporary Standards (ETS) as modified by the Governor's Executive Order N-5-22 or in some workplaces the Cal/OSHA Aerosol transmissible Diseases (ATD) Standard.

Information about CalOSHA COVID-19 Emergency Temporary Standards (ETS) can be found at https://www.dir.ca.gov/dosh/coronavirus.

Definition.

Whenever the term "symptom" or "*COVID-19 symptom*" is used, it shall mean COVID-19 symptom. People with COVID-19 have had a wide range of symptoms reported – ranging from mild symptoms to severe illness. Symptoms may appear 2-14 days after exposure to the virus. Anyone can have mild to severe symptoms. People with these symptoms may have COVID-19:

- Fever or chills
- Cough
- Shortness of breath or difficulty breathing
- Fatigue
- Muscle or body aches
- Headache
- New loss of taste or smell
- Sore throat
- Congestion or runny nose
- Nausea or vomiting
- Diarrhea
- The list above does not include all possible symptoms.

II. Face-Coverings/Masks:

To help prevent the spread of droplets containing COVID-19, all County residents and visitors are required to wear face coverings in accordance with the Guidance for the Use of

Face Coverings issued by CDPH, dated April 20, 2022. The Guidance is attached herein as Attachment "**A**" and can be found at:

A: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx.

Masks are required for all individuals in the following indoor settings, regardless of vaccination status:

- Homeless shelters, Emergency shelters and cooling and heating centers.
- Healthcare settings (applies to all healthcare settings, including those that are not covered by State Health Officer Order issued on July 26, 2021).
- Local correctional facilities and detention centers.
- Long Term Care Settings & Adult and Senior Care Facilities.

NOTE:

1) When using public transit, individuals shall follow the guidance and requirements set by the Federal government. More information about the guidance on public transportation can be found at https://www.cdc.gov/quarantine/masks/face-masks-public-transportation.html.

2) In workplaces, employers are subject to the Cal/OSHA COVID-19 Prevention Emergency Temporary Standards (ETS) or in some workplaces the Cal/OSHA Aerosol Transmissible Diseases (ATD) Standard (PDF) and should consult those regulations for additional applicable requirements, as modified by the Governor's Executive Order N-5-22. Additional information about how CDPH isolation and quarantine guidance affects ETS-covered workplaces may be found in Cal/OSHA FAQs.

No person shall be prevented from wearing a mask as a condition of participation in an activity or entry into a business.

Exemptions to masks requirements.

The following individuals are exempt from this mask order:

- Persons younger than two years old.
- Persons with a medical condition, mental health condition, or disability that prevents wearing a mask. This includes persons with a medical condition for whom wearing a mask could obstruct breathing or who are unconscious, incapacitated, or otherwise unable to remove a mask without assistance.

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- Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication.

- Persons for whom wearing a mask would create a risk to the person related to their work, as determined by local, state, or federal regulators or workplace safety guidelines.

- Additional exceptions to masking requirements in high-risk settings can be found at https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Face-Coverings-QA.aspx.

III. COVID-19 Vaccine Requirement Order

- **Health Care Workers COVID-19 Vaccine Requirement Order**:

To help prevent transmission of COVID-19, all workers who provide services or work in facilities described below shall comply with the COVID-19 vaccination and booster dose requirements as set forth in the September 13, 2022, State Health Officer Order. A copy of the State Health Officer Order is attached herein as Attachment "**B**" and can be found at the following link:

B: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Health-Care-Worker-Vaccine-Requirement.aspx

Facilities covered by this order include:

- General Acute Care Hospitals
- Skilled Nursing Facilities (including Subacute Facilities)
- Intermediate Care Facilities
- Acute Psychiatric Hospitals
- Adult Day Health Care Centers
- Program of All-Inclusive Care for the Elderly (PACE) and PACE Centers
- Ambulatory Surgery Centers
- Chemical Dependency Recovery Hospitals
- Clinics & Doctor Offices (including behavioral health, surgical)
- Congregate Living Health Facilities
- Dialysis Centers
- Hospice Facilities
- Pediatric Day Health and Respite Care Facilities
- Residential Substance Use Treatment and Mental Health Treatment Facilities

The word, "worker," as used in this Order shall have the same meaning as defined in the State Health Officer's Order, dated September 13, 2022.

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- **Local Correctional Facilities and Detention Centers Health Care Worker Vaccination Requirement**.

  To prevent the further spread of COVID-19 in local correctional facilities and detention centers, all individuals identified in the State Health Officer Order, effective September 13, 2022, shall comply with the State Health Officer's Order with regards to obtaining COVID-19 vaccination and booster doses. A copy of the State Health Officer Order is attached herein as Attachment "**C**" and can be found at the following link:

  C: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Health-Care-Worker-Vaccine-Requirement.aspx

- **Adult Care Facilities and Direct Care Worker Vaccination Requirements.**

  To help prevent transmission of COVID-19, all individuals specified below shall comply with the COVID-19 vaccination and booster dose requirements as set forth in the September 13, 2022, State Health Officer Order. A copy of the State Health Officer Order is attached herein as Attachment "**D**" and can be found at the following link:

  D: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Adult-Care-Facilities-and-Direct-Care-Worker-Vaccine-Requirement.aspx

  Individuals covered by this order include:

  - All workers who provide services or work in Adult and Senior Care Facilities licensed by the California Department of Social Services;
  - All in-home direct care services workers, including registered home care aides and certified home health aides, except for those workers who only provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services;
  - All waiver personal care services (WPCS) providers, as defined by the California Department of Health Care Services, and in-home supportive services (IHSS) providers, as defined by the California Department of Social Services, except for those workers who only provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services;
  - All hospice workers who are providing services in the home or in a licensed facility; and
  - All regional center employees, as well as service provider workers, who provide services to a consumer through the network of Regional Centers serving

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individuals with developmental and intellectual disabilities, except for those workers who only provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services.

IV. Seasonal Flu Vaccination Order:

Seasonal Flu Vaccination for Certain County Residents.

All individuals who reside or work in Orange County and fall under one of the following categories, shall obtain the seasonal flu vaccination unless a medical or religious exemption applies: (i) current providers for congregate settings; (ii) current health care providers; and (iii) current emergency responders. However, nothing herein shall be construed as an obligation, on the part of employers, public or private, to require employees obtain the seasonal flu vaccination as a term or condition of employment.

- *Emergency responder* shall mean military or national guard; law enforcement officers; correctional institution personnel; fire fighters; emergency medical services personnel; physicians; nurses; public health personnel; emergency medical technicians; paramedics; emergency management personnel; 911 operators; child welfare workers and service providers; public works personnel; and persons with skills or training in operating specialized equipment or other skills needed to provide aid in a declared emergency; as well as individuals who work for such facilities employing these individuals and whose work is necessary to maintain the operation of the facility.

- *Health care provider* shall mean physicians; psychiatrists; nurses; nurse practitioners; nurse assistants; medical technicians; any other person who is employed to provide diagnostic services, preventive services, treatment services or other services that are integrated with and necessary to the provision of patient care and, if not provided, would adversely impact patient care; and employees who directly assist or are supervised by a direct provider of diagnostic, preventive, treatment, or other patient care services; and employees who do not provide direct heath care services to a patient but are otherwise integrated into and necessary to the provision those services – for example, a laboratory technician who processes medical test results to aid in the diagnosis and treatment of a health condition. A person is not a health care provider merely because his or her employer provides health care services or because he or she provides a service that affects the provision of health care services. For example, IT professionals, building maintenance staff, human resources personnel, cooks, food services workers, records managers, consultants, and billers are not health care providers, even if they work at a hospital of a similar health care facility.

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STRONG RECOMMENDATIONS

Effective immediately, and continuing until further notice, the following shall be in effect in unincorporated and incorporated territories in Orange County, California:

1. **Self-quarantine of Persons Exposed to COVID-19**

    - If you are known to be exposed to COVID-19 (regardless of vaccination status, prior disease, or occupation), it is strongly recommended to follow CDPH Quarantine guidance found at https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Guidance-on-Isolation-and-Quarantine-for-COVID-19-Contact-Tracing.aspx.

    - **K-12 Schools and Child Care**

        - Schools/school districts are advised to follow CDPH COVID-19 Public Health Guidance for K-12 Schools in California, 2022-2023 School Year found at: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/K-12-Guidance-2022-23-School-Year.aspx

        - Child care providers and programs are advised to follow CDPH Guidance for Child Care Providers and Programs found at: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Child-Care-Guidance.aspx.

    - **Workplaces**

        - In workplaces, employers and employees are subject to the Quarantine requirement as stated in the CalOSHA COVID-19 Emergency Temporary Standards (ETS) as modified by the Governor's Executive Order N-5-22 or in some workplaces the Cal/OSHA Aerosol Transmissible Diseases (ATD) Standard.

    Exposed to COVID-19 or exposure to COVID-19 means sharing the same indoor space (e.g. home, clinic waiting room, airplane, etc.) for a cumulative total of 15 minutes or more over a 24-hour period (for example, three individual 5- minute exposures for a total of 15 minutes) during an infected person's (laboratory-confirmed or a clinical diagnosis) infectious period.

2. **For Vulnerable Populations**. In general, the older a person is, the more health conditions a person has, and the more severe the conditions, the more important it is to take preventive measures for COVID-19 such as getting vaccinated, including boosters, social distancing and wearing a mask when around people who don't live in the same household, and practicing hand hygiene. For more information see https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/people-with-medical-conditions.html.

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3. **COVID-19 Vaccination for County Residents**. All Orange County residents should receive COVID-19 vaccination in accordance with the Federal Food and Drug Administration (FDA) and CDC guidance. Minors, who are eligible to receive COVID-19 vaccination in accordance with the applicable CDC guidelines, should be vaccinated in the presence of their parent or legal guardian.

   CDC Guidance can be found at: https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html and https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html

4. **Seasonal Flu Vaccination for County Residents**. All County residents who are six months of age or older should obtain the seasonal flu vaccination unless a medical or religious exemption applies.

5. **COVID-19 Vaccination and Testing for Emergency Medical Technicians, Paramedics and Home Healthcare Providers**. To help prevent transmission of COVID-19, it is strongly recommended that all Emergency Medical Technicians, Paramedics, and Home Healthcare Providers (including In Home Supportive Services Program workers) remain up-to-date as defined by CDC with COVID-19 vaccination. CDC Guidance can be found at: https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html

GENERAL PROVISIONS

1. The Orders and Strong Recommendations, above, shall not supersede any conflicting or more restrictive orders issued by the State of California or federal government. If any portion of this document or the application thereof to any person or circumstance is held to be invalid, the remainder of the document, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of the orders and strong recommendations are severable.

2. The Orders contained in this document may be enforced by the Orange County Sheriff or Chiefs of Police pursuant to California Health and Safety Code section 101029, and California Government Code sections 26602 and 41601. A violation of a health order is subject to fine, imprisonment, or both (California Health and Safety Code section 120295).

REASONS FOR THE ORDERS AND STRONG RECOMMENDATIONS

1. On February 26, 2020, the County of Orange Health Officer declared a Local Health Emergency based on an imminent and proximate threat to public health from the introduction of COVID-19 in Orange County.

2. On February 26, 2020, the Chairwoman of the Board of Supervisors, acting as the Chair of Emergency Management Council, proclaimed a Local Emergency in that the imminent and proximate threat to public health from the introduction of COVID-19 created

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conditions of extreme peril to the safety of persons and property within the territorial limits of Orange County.

3. On March 2, 2020, the Orange County Board of Supervisors adopted Resolutions No. 20-011 and No. 20-012 ratifying the Local Health Emergency and Local Emergency, referenced above.

4. On March 4, 2020, the Governor of the State of California declared a State of Emergency to exist in California as a result of the threat of COVID-19.

5. As of September 16, 2022, the County has reported a total of 664,361 recorded confirmed COVID-19 cases and 7,405 of COVID-19 related deaths.

6. Safe and effective authorized COVID-19 vaccines and updated booster vaccines are recommended by the CDC for eligible individuals. According to CDC, anyone infected with COVID-19 can spread it, even if they do NOT have symptoms. The novel coronavirus is spread in 3 ways:1) Breathing in air when close to an infected person who is exhaling small droplets and particles that contain the virus. 2) Having these small droplets and particles that contain virus land on the eyes, nose, or mouth, especially through splashes and sprays like a cough or sneeze. 3) Touching eyes, nose, or mouth with hands that have the virus on them.
See https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html and https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html.

7. The CDPH issued a revised Guidance for the Use of Face Coverings, effective April 20, 2022, available at: https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx

8. According to the CDC and CDPH, older adults, individuals with medical conditions, and pregnant and recently pregnant persons are at higher risk of severe illness when they contract COVID-19. See https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/index.html

9. The Orders and the Strong Recommendations contained in this document are based on the following facts, in addition to the facts stated under the foregoing paragraphs: (i) Safe and effective FDA authorized COVID-19 vaccines have been widely available, but certain populations have been hesitant to get vaccinated or boosted (ii) the current consensus among public health officials for slowing down the transmission of and avoiding contracting COVID-19 is for at-risk persons to complete a COVID-19 vaccination series and receive a booster if eligible, wear well-fitted mask in indoor settings when around others outside of their household, practice distancing, frequently wash hands with soap (iii) some individuals who contract COVID-19 have no symptoms or have only mild symptoms and so are unaware that they carry the virus and are transmitting it to others; (iv) current evidence shows that the novel coronavirus can survive on surfaces and can be indirectly transmitted between individuals; (v) older adults and individuals with medical conditions are at higher risk of severe illness; (vi) sustained COVID-19 community transmission continues to occur; (vii) the age, condition, and

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health of a portion of Orange County's residents place them at risk for serious health complications, including hospitalization and death, from COVID-19; (viii) younger and otherwise healthy people are also at risk for serious negative health outcomes and for transmitting the novel coronavirus to others.

10. The orders and strong recommendations contained in this document are necessary and less restrictive preventive measures to control and reduce the spread of COVID-19 in Orange County, help preserve critical and limited healthcare capacity in Orange County and save the lives of Orange County residents.

11. The California Health and Safety Code section 120175 requires the County of Orange Health Officer knowing or having reason to believe that any case of a communicable disease exists or has recently existed within the County to take measures as may be necessary to prevent the spread of the disease or occurrence of additional cases.

12. The California Health and Safety Code sections 101030 and 101470 require the county health officer to enforce and observe in the unincorporated territory of the county and within the city boundaries located with a county all of the following: (a) Orders and ordinances of the board of supervisors, pertaining to the public health and sanitary matters; (b) Orders, including quarantine and other regulations, prescribed by the department; and (c) Statutes relating to public health.

13. The California Health and Safety Code section 101040 authorizes the County of Orange Health Officer to take any preventive measure that may be necessary to protect and preserve the public health from any public health hazard during any "state of war emergency," "state of emergency," or "local emergency," as defined by Section 8558 of the Government Code, within his or her jurisdiction. "Preventive measure" means abatement, correction, removal, or any other protective step that may be taken against any public health hazard that is caused by a disaster and affects the public health.

14. The California Health and Safety Code section 120130 (d) authorizes the County of Orange Health Officer to require strict or modified isolation, or quarantine, for any case of contagious, infectious, or communicable disease, when such action is necessary for the protection of the public health.

IT IS SO ORDERED:

Date: September 16, 2022

Regina Chinsio-Kwong, DO
County Health Officer
County of Orange

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GOVERNMENT CODE - GOV

TITLE 5. LOCAL AGENCIES [50001 - 57607] *(Title 5 added by Stats. 1949, Ch. 81.)*
DIVISION 2. CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 55821] *(Division 2 added by Stats. 1949, Ch. 81.)*
PART 1. POWERS AND DUTIES COMMON TO CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 54999.7] *(Part 1 added by Stats. 1949, Ch. 81.)*

CHAPTER 9. Meetings [54950 - 54963] *(Chapter 9 added by Stats. 1953, Ch. 1588.)*

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

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(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based

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service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

(Amended by Stats. 2021, Ch. 165, Sec. 3. (AB 361) Effective September 16, 2021. Repealed as of January 1, 2024, by its own provisions. See later operative version added by Sec. 4 of Stats. 2021, Ch. 165.)

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CalOptima Health Board Action Agenda Referral

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Consent Calendar

4. Authorize and Direct Execution of Amendment 01 to the Agreement with the California Department of Health Care Services for the CalOptima Health Program of All-Inclusive Care for the Elderly

Contacts

John Tanner, Chief Compliance Officer, (657) 235-6997
Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Actions

Authorize and direct the Chairman of the Board of Directors to execute Amendment 01 to the agreement for the Program of All-Inclusive Care for the Elderly (PACE) between the California Department of Health Care Services (DHCS) and CalOptima Health, with a contract termination date of December 31, 2025, and updated calendar year (CY) 2022 capitation rates from DHCS.

Background

Since October 2009, the CalOptima Health Board has taken numerous actions related to the CalOptima Health PACE program. On June 6, 2013, the Board authorized the execution of the PACE agreement between DHCS and CalOptima Health (DHCS PACE Agreement), as well as the agreement with the Centers for Medicare & Medicaid Services (CMS) for the operation of the CalOptima Health PACE site. Beginning in September 2015, the Board has authorized execution of various amendments to the DHCS PACE Agreement for CY payment rates and other provisions, as summarized in the attached Appendix.

The DHCS PACE Agreement specifies, among other terms and conditions, the capitation payment rates CalOptima Health receives from DHCS to provide PACE participants with health care services, with the capitation rates renewed on a CY basis. The current DHCS PACE Agreement expires on December 31, 2024.

Discussion

On September 29, 2022, DHCS provided CalOptima Health with a redline version of Amendment 01 for the DHCS PACE Agreement. The following are the significant provisions from Amendment 01:

- Effective January 1, 2022, with new CY 2022 capitation rates retroactive to January 1, 2022;
- Extends the contract termination date through December 31, 2025, with the DHCS capitation rates renewed on a CY basis;
- Modifies the maximum amount payable to accommodate the new term of the DHCS PACE Agreement;
- Adds Aid Code 38 as an eligible Aid Code for PACE under the Family Aid Code category.
- Modifies numbering for provisions throughout the exhibits, to correct contract cross-references or correct regulatory citations.

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CalOptima Health staff commits to return to the Board, if needed, once the final Amendment 01 is available if it is materially different from the current redline.

Fiscal Impact

The CalOptima Health Fiscal Year (FY) 2022-23 Operating Budget approved by the Board on June 2, 2022, included final CY 2022 PACE rates. There is no additional fiscal impact in the current year.

For the prior year, staff estimated a favorable variance of approximately 2.2% or $740,000 when comparing CY 2022 Medi-Cal PACE rates to CY 2021 rates for the period of January 1, 2022, through June 30, 2022. The revenue impact was reflected in the FY 2021-22 CalOptima Health audited financial statements.

Rationale for Recommendation

CalOptima Health's execution of Amendment 01 to the DHCS PACE Agreement is necessary for the continued operation of CalOptima Health PACE.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachments

1. Appendix 1: Summary of Amendments to PACE Primary Agreement

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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APPENDIX TO AGENDA ITEM 4

The following is a summary of amendments to the PACE Primary Agreement approved by the CalOptima Board of Directors (Board) to date:

Amendments to Primary Agreement with DHCS	Board Approval
A01 provided revised Upper Payment Limit (UPL) and capitation rates for Calendar Year (CY) 2013 for the period of October 1, 2013 through December 31, 2013; and UPL methodology and CY 2014 rates for the period of January 1, 2014 through December 31, 2014. Revised capitation rates for the Medi-Cal *Dual* population and *Medi-Cal only* population to have built-in adjustments for Medi-Cal program changes. Also incorporated adult expansion group into aid code table: a. Added adult expansion aid codes M1, L1, 7U under adult expansion group. b. Added aid codes 3D and M3 under Family group.	September 3, 2015
A02 provided revised UPL and capitation rates for CY 2015 for the period of January 1, 2015 through December 31, 2015. Revised capitation rates for the *Full-Dual* population and *Non-Dual eligible* population to have built-in adjustments for Medi-Cal program changes.	September 3, 2015
A03 provided revised UPL and capitation rates for CY 2016 for the period of January 1, 2016 through December 31, 2016, and applied the Managed Care Organization (MCO) Tax for the period July 1, 2016 through December 31, 2016. Beginning on January 1, 2017 and onward, the rates revert back to the non-MCO tax period rates in effect from January 1, 2016 through June 30, 2016, until the 2017 rates are developed and implemented with a future amendment to the CalOptima DHCS PACE Agreement. Incorporates a revised HIPAA Business Associate Addendum, Exhibit H, to replace the former Exhibit G, as of the Amendment effective date, which will require compliance with DHCS' revised data security standards.	May 4, 2017
Amend* contract to include revised language reflecting the Americans with Disabilities Act (ADA) for 508 compliance. *On 9/20/17, DHCS informed CalOptima this would be moved to be captured in A04.	August 3, 2017
A04 provided an extension of the contract termination date to December 31, 2018 and incorporated ADA compliance language.	December 7, 2017
Future Amendment (A05) provided draft capitation rates for CY 2017 for the period of January 1, 2017 through December 31, 2017, developed by the "Amount That Would Have Otherwise Been Paid (AWOP)", and apply the Managed Care Organization (MCO) Tax for the period January 1, 2017 through June 30, 2017.	December 7, 2017

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Amendments to Primary Agreement with DHCS	Board Approval
A06 provided an extension of the contract termination date to December 31, 2019.	November 1, 2018
A07 provided revised capitation rates for the *Full-Dual* population and *Non-Dual eligible* population for CY 2018 for the period of January 1, 2018 through December 31, 2018 and applies the Managed Care Organization (MCO) Tax for this period. First time rates for PACE developed using the Rate Development Template (RDT)/experience-based rate methodology. Incorporates additional language updates for various contract provisions, including restrictions on delegation as well as emergency preparedness.	April 4, 2019
A08 provided revised capitation rates for the *Full-Dual* population and *Non-Dual eligible* population for CY 2019 for the period of January 1, 2019 through December 31, 2019 and applies the Managed Care Organization (MCO) Tax for this period. Incorporates additional language updates for other contract provisions, including Nursing Facility Services payment rates.	September 5, 2019
A09 provided an extension of the contract termination date to June 30, 2020.	December 5, 2019
A10 provided an extension of the contract termination date to December 31, 2020 and also provides revised capitation rates for the *Full-Dual* population and *Non-Dual eligible* population for CY 2020 for the period of January 1, 2020 through December 31, 2020.	June 4, 2020
New Primary Agreement: Replaces the previous contract and subsequent amendments in their entirety, effective January 1, 2021. Also extends the contract termination date to December 31, 2024, with DHCS capitation rates renewed on a calendar year basis. The new agreement aligns the PACE DHCS agreement with: • provisions contained in the Managed Care Plan (MCP) Medi-Cal contracts; and • provisions in the CMS 2019 Final Rule.	**November 5, 2020**
A01 provided an extension of the contract termination date to December 31, 2025 and also provides revised capitation rates for the *Full-Dual* population and *Non-Dual eligible* population for CY 2022 for the period of January 1, 2022 through December 31, 2022 Incorporates Aid Code 38 as an eligible Aid Code for PACE and modifies numbering for provisions throughout the Exhibits, to correct contract cross-references or correct regulatory citations.	**Pending**
Amendments to Primary Agreement with CMS	**Board Approval**
A01 CalOptima PACE initiated a waiver to allow Nurse Practitioners to provide primary care at PACE, which was approved by CMS on March 30, 2017 and added *Appendix T: Regulatory Waivers* to the CMS PACE Agreement.	December 1, 2016
A02 CalOptima PACE initiated a waiver to allow Community Based Physicians to Serve as the Primary Care Provider for Participants Enrolled in CalOptima PACE, which was approved by CMS on March 12, 2018 and amended *Appendix T: Regulatory Waivers* to the CMS PACE Agreement.	September 7, 2017

CALOPTIMA HEALTH BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Consent Calendar

5. Approve Modifications to CalOptima Health's Coronavirus (COVID-19) Member Vaccination Incentive Program

Contacts

Marie Jeannis, RN, Executive Director, Quality & Population Health Management, (714) 246-8591
Katie Balderas, Director, Population Health Management, (657) 235-6907

Recommended Actions

1. Authorize extending CalOptima Health's Coronavirus (COVID-19) Member Vaccination Incentive Program (VIP) for Medi-Cal, One Care (OC) and One Care Connect (OCC) members through end of the fiscal year, June 30, 2023;
2. Authorize modification to CalOptima Health's COVID-19 Member VIP to provide up to four (4) $25 non-monetary gift cards to eligible Medi-Cal, OC, and OCC members for receiving up to four (4) required doses of the COVID-19 vaccine; and;
3. Authorize unbudgeted expenditures in an amount up to $550,000 from existing reserves for the COVID-19 Member VIP for eligible OC and OCC members.

Background

On January 7, 2021, the CalOptima Health Board of Directors allocated $35 million in IGT 10 funds for CalOptima Health's COVID-19 VIP. The program included member health rewards for eligible members to receive a $25 gift card per vaccine, for a maximum of $50 per member. On March 4, 2021, the Board authorized unbudgeted expenditures in an amount up to $695,974 from existing reserves to include OC and OCC members in the COVID-19 VIP.

On December 20, 2021, the Board extended the COVID-19 VIP through calendar year (CY) 2022 and included provisions for $25 non-monetary gift cards for members receiving the two required doses of the COVID-19 vaccine (one gift card per shot) and receiving a single COVID-19 booster shot.

The Food and Drug Administration (FDA) has continued to authorize the COVID-19 vaccine to include additional age groups:

- In June 2022, the FDA approved a primary three dose series of the Pfizer vaccine for children six months to four years old.
- In August 2022, the FDA approved one dose of the bivalent booster for ages 12 years and older.

Discussion

Since the COVID-19 vaccine approval in 2021, CalOptima Health has engaged in multi-faceted outreach strategies to close vaccination gaps for members. Activities to engage and motivate members have included outbound calls to targeted populations and homebound members, hosting vaccination clinics in collaboration with Orange County Health Care Agency (OCHCA), social media, direct mail, texting campaigns, and partnering with trusted messengers to address vaccine hesitancy. The non-monetary gift cards have promoted vaccine adherence and motivated members to participate in

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vaccination clinics. Although the CalOptima Health has made great strides in vaccination, staff believes that CalOptima Health must continue outreach to the community to increase awareness and encourage vaccination.

CalOptima Health members are currently eligible for a maximum of two $25 non-monetary gift cards and a booster (one gift card per shot) based on current Board approvals. However, that does not include an additional $25 non-monetary gift card for the third primary dose approved for children 6 months to 4 years and bivalent booster. Staff recommends the approval of up to four gift cards per eligible member and extending the COVID-19 VIP until the end of the fiscal year, June 30, 2023. A CalOptima Health member who receives a primary COVID-19 vaccine dose on or before June 30, 2023, will be eligible to receive $25 non-monetary incentives for COVID-19 vaccine doses received by December 31, 2023, up to four (one per dose). The current recommendations are budget neutral because the funds are already allocated, and staff will continue to monitor COVID-19 vaccinations trends and available funding.

OC and OCC populations are not eligible for IGT dollars as Medicare is their primary health insurance coverage. Staff recommends application of the same program modifications and the extension of the program end date through June 30, 2023, to eligible members within the OC and OCC programs. The total estimated cost is $550,000 through June 30, 2023. Staff requests that the Board authorize the use of existing reserves to fund these additional costs. Of note, OC and OCC members residing in long-term care settings and PACE members are excluded from the COVID-19 Member VIP.

Fiscal Impact

Medi-Cal Program Fiscal Impact:
The recommended action to authorize revisions to and extension of the CalOptima Health Member VIP through June 30, 2023, has no net fiscal impact to the CalOptima Health Fiscal Year 2022-23 Operating Budget approved by the Board on June 2, 2022.

As of September 30, 2022, approximately $27.9 million of the $35 million in IGT 10 funds allocated by the Board for the CalOptima Health Member VIP program has been spent. Staff anticipates the remaining $7.1 million in IGT 10 funds will be sufficient to cover program expenses through June 30, 2023. Expenditure of these IGT funds is for covered services to Medi-Cal members and does not commit CalOptima Health to future budget allocations.

OC and OCC Program Fiscal Impact:
The recommended action to authorize revisions to and extension of the CalOptima Health Member VIP for eligible OC and OCC members is an unbudgeted item. An allocation of up to $550,000 from existing reserves will fund these actions.

Rationale for Recommendation

CalOptima Health is committed to improving COVID-19 vaccination rates and promoting member engagement. The recommended actions will allow staff to continue outreaching to unvaccinated members, provide member incentives, and support overall vaccination efforts.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

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Attachments
None.

Board Actions

Board Meeting Dates	Action	Term	Not to Exceed Amount
January 7, 2021	Consider Authorizing Coronavirus (COVID-19) Vaccination Member Incentive Program for Calendar Year 2021	Calendar Year (CY) 2021	$20 million
March 4, 2022	Consider Ratification and Authorization of Additional Unbudgeted Expenditures Related to COVID-19 Member VIP + fiscal impact	Calendar Year 2022 (CY 2022)	$695,974
December 20, 2021	Consider Authorizing an Extension of CalOptima Health's Coronavirus (COVID-19) Member Vaccination Incentive Program (VIP) for Calendar Year 2022	Calendar Year 2022 (CY 2022)	Original funding level of $35 million

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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Financial Summary

September 30, 2022

Board of Directors Meeting
November 3, 2022

Nancy Huang, Chief Financial 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.

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Financial Highlights: September 2022

September					July - September			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
939,156	915,551	23,605	2.6%	Member Months	2,786,098	2,746,842	39,256	1.4%
443,623,759	332,559,309	111,064,450	33.4%	Revenues	1,113,448,627	997,442,145	116,006,482	11.6%
413,532,078	307,968,314	(105,563,764)	(34.3%)	Medical Expenses	1,050,383,175	931,719,084	(118,664,091)	(12.7%)
15,367,410	17,377,003	2,009,593	11.6%	Administrative Expenses	43,170,036	51,777,920	8,607,884	16.6%
14,724,272	**7,213,992**	**7,510,280**	**104.1%**	**Operating Margin**	**19,895,415**	**13,945,141**	**5,950,274**	**42.7%**
(3,753,671)	(772,801)	(2,980,870)	(385.7%)	Non Operating Income (Loss)	505,956	(954,767)	1,460,723	153.0%
10,970,601	**6,441,191**	**4,529,410**	**70.3%**	**Change in Net Assets**	**20,401,371**	**12,990,374**	**7,410,997**	**57.0%**
93.2%	92.6%	0.6%		Medical Loss Ratio	94.3%	93.4%	0.9%	
3.5%	5.2%	1.8%		Administrative Loss Ratio	3.9%	5.2%	1.3%	
3.3%	2.2%	1.1%		Operating Margin Ratio	1.8%	1.4%	0.4%	
100.0%	100.0%			Total Operating	100.0%	100.0%		
91.1%	92.6%	(1.5%)		*MLR (excluding Directed Payments)	93.8%	93.4%	0.4%	
5.0%	5.2%	0.2%		*ALR (excluding Directed Payments)	4.4%	5.2%	0.8%	

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

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CalOptima Health

Consolidated Performance: September 2022 (in millions)

September				July-September		
Actual	Budget	Variance		Actual	Budget	Variance
17.8	7.9	9.9	Medi-Cal	24.5	17.2	7.3
(1.0)	(0.1)	(0.9)	OCC	(3.3)	(1.2)	(2.1)
(1.3)	(0.5)	(0.8)	OneCare	(0.6)	(1.7)	1.1
(0.7)	(0.0)	(0.7)	PACE	(0.4)	(0.2)	(0.3)
(0.1)	(0.0)	(0.1)	MSSP	(0.2)	(0.1)	(0.1)
14.7	**7.2**	**7.5**	**Operating**	**19.9**	**13.9**	**6.0**
(3.8)	(0.8)	(3.0)	Inv/ Rent/Tax/Other Inc	0.5	(1.0)	1.5
(3.8)	**(0.8)**	**(3.0)**	**Non-Operating**	**0.5**	**(1.0)**	**1.5**
11.0	**6.4**	**4.5**	**TOTAL**	**20.4**	**13.0**	**7.4**

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CalOptima Health

FY 2022-23: Management Summary

- Change in Net Assets Surplus or (Deficit)
  - Month To Date (MTD) September 2022: $11.0 million, favorable to budget $4.5 million or 70.3%
  - Year To Date (YTD) July – September 2022: $20.4 million, favorable to budget $7.4 million or 57.0%
- Enrollment
  - MTD: 939,156 members, favorable to budget 23,605 or 2.6%
  - YTD: 2,786,098 members, favorable to budget 39,256 or 1.4%

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CalOptima Health

FY 2022-23:Management Summary (cont.)

- Revenue
  - MTD: $443.6 million, favorable to budget $111.1 million or 33.4% driven by Medi-Cal Line of Business (MC LOB):
    - $135.2 million of Fiscal Year (FY) 2021 hospital Directed Payments (DP)
    - $11.7 million due to favorable volume related variance and prior year retroactive eligibility changes
    - Offset by $32.5 million due to net of Proposition 56, COVID-19 and Enhanced Care Management (ECM) risk corridor reserves

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CalOptima Health

FY 2022-23:Management Summary (cont.)

- Revenue
  - YTD: $1,113.4 million, favorable to budget $116.0 million or 11.6% driven by MC LOB:
    - $135.2 million of FY 2021 hospital DP
    - $20.7 million due to favorable volume related variance and prior year retroactive eligibility changes
    - Offset by $41.8 million due to net of Proposition 56, COVID-19 and ECM risk corridor reserves

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CalOptima Health

FY 2022-23:Management Summary (cont.)

- Medical Expenses
  - MTD: $413.5 million, unfavorable to budget $105.6 million or 34.3% driven by MC LOB:
    - Other Medical Expenses unfavorable variance of $132.0 million due to FY 2021 hospital DP
    - Offset by:
      - Provider Capitation favorable variance of $17.7 million due to Proposition 56 estimates
      - Managed Long-Term Services and Supports (MLTSS) expense favorable variance of $6.9 million due to Incurred But Not Reported (IBNR) claims
      - All other expenses net favorable variance of $2.9 million

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FY 2022-23:Management Summary (cont.)

- Medical Expenses
  - YTD: $1,050.4 million, unfavorable to budget $118.7 million or 12.7% driven by MC LOB:
    - Other Medical Expenses unfavorable variance of $130.6 million due to FY 2021 hospital DP
    - Facilities Claims expense unfavorable variance of $17.3 million due primarily to IBNR claims
    - MLTSS expense unfavorable variance of $4.1 million due to IBNR claims
    - Offset by:
      - Provider Capitation expense favorable variance of 17.9 million
      - Professional Claims expense favorable variance of $7.3 million
      - All other expenses favorable variance of $8.2 million

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CalOptima Health

FY 2022-23:Management Summary (cont.)

- Administrative Expenses
  - MTD: $15.4 million, favorable to budget $2.0 million or 11.6%
    - Other Non-Salary expenses favorable variance of $1.6 million
    - Salaries & Benefits expense favorable variance of $0.4 million
  - YTD: $43.2 million, favorable to budget $8.6 million or 16.6%
    - Other Non-Salary expenses favorable variance of $5.5 million
    - Salaries & Benefits expense favorable variance of $3.1 million

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CalOptima Health

FY 2022-23:Management Summary (cont.)

- Non-Operating Income (Loss)
  - MTD: ($3.8) million, unfavorable to budget $3.0 million or 385.7%
    - Non-operating loss is primarily driven by unrealized loss in investments due to decreased bond value as interest rates rise
  - YTD: $0.5 million, favorable to budget $1.5 million or 153.0%

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CalOptima Health

FY 2022-23: Key Financial Ratios

- Medical Loss Ratio (MLR)
  - MTD: Actual 93.2% (91.1% excluding DP), Budget 92.6%
  - YTD: Actual 94.3% (93.8% excluding DP), Budget 93.4%
- Administrative Loss Ratio (ALR)
  - MTD: Actual 3.5% (5.0% excluding DP), Budget 5.2%
  - YTD: Actual 3.9% (4.4% excluding DP), Budget 5.2%
- Balance Sheet Ratios
  - *Current ratio: 1.5
  - Board-designated reserve funds level: 1.77
  - Net-position: $1.4 billion, including required Tangible Net Equity (TNE) of $103.5 million

*Current ratio compares current assets to current liabilities. It measures CalOptima Health's ability to pay short-term obligations

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CalOptima Health

Enrollment Summary: September 2022

September					July - September			
Actual	Budget	$ Variance	% Variance	Enrollment (by Aid Category)	Actual	Budget	$ Variance	% Variance
128,553	122,542	6,011	4.9%	SPD	375,836	366,812	9,024	2.5%
303,717	306,503	(2,786)	(0.9%)	TANF Child	910,116	920,113	(9,997)	(1.1%)
135,662	135,679	(17)	(0.0%)	TANF Adult	397,492	407,592	(10,100)	(2.5%)
3,217	3,331	(114)	(3.4%)	LTC	9,716	9,965	(249)	(2.5%)
338,494	317,970	20,524	6.5%	MCE	1,004,123	953,896	50,227	5.3%
11,766	11,752	14	0.1%	WCM	35,587	35,202	385	1.1%
921,409	**897,777**	**23,632**	**2.6%**	**Medi-Cal Total**	**2,732,870**	**2,693,580**	**39,290**	**1.5%**
14,405	**14,663**	**(258)**	**(1.8%)**	**OneCare Connect**	**43,379**	**43,991**	**(612)**	**(1.4%)**
2,905	**2,653**	**252**	**9.5%**	**OneCare**	**8,543**	**7,909**	**634**	**8.0%**
437	**458**	**(21)**	**(4.6%)**	**PACE**	**1,306**	**1,362**	**(56)**	**(4.1%)**
478	**568**	**(90)**	**(15.8%)**	**MSSP**	**1,414**	**1,704**	**(290)**	**(17.0%)**
939,156	**915,551**	**23,605**	**2.6%**	**CalOptima Health Total***	**2,786,098**	**2,746,842**	**39,256**	**1.4%**

*CalOptima Health Total does not include MSSP

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CalOptima Health

Consolidated Revenue & Expenses: September 2022 MTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	MSSP	Consolidated
MEMBER MONTHS	571,149	338,494	11,766	921,409	14,405	2,905	437	478	939,156
REVENUES									
Capitation Revenue	211,377,763	$ 167,763,050	$ 31,383,214	$ 410,524,026	$ 26,894,033	$ 2,741,520	$ 3,306,981	$ 157,199	$ 443,623,759
Total Operating Revenue	211,377,763	167,763,050	31,383,214	410,524,026	26,894,033	2,741,520	3,306,981	157,199	443,623,759
MEDICAL EXPENSES									
Provider Capitation	34,949,072	44,555,318	9,501,047	89,005,438	10,574,892	974,708			100,555,038
Facilities	32,433,604	28,927,276	7,405,191	68,766,071	5,045,806	1,391,002	1,247,122		76,450,000
Professional Claims	21,543,775	13,750,270	1,268,582	36,562,628	1,506,880	138,040	942,096		39,149,643
Prescription Drugs	(29,483)	(12,047)		(41,529)	6,180,702	1,138,308	384,674		7,662,155
MLTSS	35,806,467	3,877,171	2,275,301	41,958,940	1,972,472		207,300	42,133	44,180,845
Incentive Payments	1,777,812	2,514,169	45,139	4,337,120	306,451	4,186	5,463		4,653,219
Medical Management	2,808,339	1,879,503	379,321	5,067,163	1,052,135	42,180	993,381	159,488	7,314,348
Other Medical Expenses	71,375,990	53,972,874	8,217,967	133,566,831					133,566,831
Total Medical Expenses	200,665,576	149,464,535	29,092,549	379,222,661	26,639,338	3,688,423	3,780,035	201,621	413,532,078
Medical Loss Ratio	94.9%	89.1%	92.7%	92.4%	99.1%	134.5%	114.3%	128.3%	93.2%
GROSS MARGIN	**10,712,186**	**18,298,515**	**2,290,664**	**31,301,365**	**254,695**	**(946,903)**	**(473,054)**	**(44,422)**	**30,091,681**
ADMINISTRATIVE EXPENSES									
Salaries & Benefits				9,855,448	642,134	135,111	126,214	76,326	10,835,233
Professional fees				665,194	8,000	25,496		1,333	700,023
Purchased services				900,722	87,609	30,339	13,937		1,032,607
Printing & Postage				368,168	40,218	151,950	42,591		602,927
Depreciation & Amortization				363,636			557		364,193
Other expenses				1,374,017	3,208	(0)	7,021	5,698	1,389,944
Indirect cost allocation & Occupancy				(72,461)	476,466	20,124	15,698	2,657	442,483
Total Administrative Expenses				**13,454,723**	**1,257,635**	**363,019**	**206,018**	**86,014**	**15,367,410**
Admin Loss Ratio				3.3%	4.7%	13.2%	6.2%	54.7%	3.5%
INCOME (LOSS) FROM OPERATIONS				17,846,643	(1,002,940)	(1,309,922)	(679,072)	(130,437)	14,724,272
INVESTMENT INCOME									(3,022,970)
NET RENTAL INCOME									105,391
TOTAL MCO TAX				27,529					27,529
TOTAL GRANT INCOME				(863,636)					(863,636)
OTHER INCOME				15					15
CHANGE IN NET ASSETS				**$ 17,010,550**	**$ (1,002,940)**	**$ (1,309,922)**	**$ (679,072)**	**$ (130,437)**	**$ 10,970,601**
BUDGETED CHANGE IN NET ASSETS				6,569,253	(148,653)	(518,270)	(8,431)	(43,543)	6,441,191
VARIANCE TO BUDGET - FAV (UNFAV)				$ 10,441,297	$ (854,287)	$ (791,652)	$ (670,641)	$ (86,894)	$ 4,529,410

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CalOptima Health

Consolidated Revenue & Expenses: September 2022 YTD

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	MSSP	Consolidated
MEMBER MONTHS	1,693,160	1,004,123	35,587	2,732,870	43,379	8,543	1,306	1,414	2,786,098
REVENUES									
Capitation Revenue	523,798,054	$ 412,367,451	$ 74,401,396	$ 1,010,566,900	$ 81,559,500	$ 10,118,165	$ 10,573,190	$ 630,872	$ 1,113,448,627
Total Operating Revenue	523,798,054	412,367,451	74,401,396	1,010,566,900	81,559,500	10,118,165	10,573,190	630,872	1,113,448,627
MEDICAL EXPENSES									
Provider Capitation	124,877,913	146,993,534	30,366,789	302,238,236	33,052,067	2,912,924			338,203,227
Facilities	105,620,847	94,117,916	21,245,420	220,984,183	13,470,635	2,976,352	3,128,595		240,559,765
Professional Claims	65,928,054	42,017,607	4,714,020	112,659,681	4,430,960	457,964	2,846,072		120,394,676
Prescription Drugs	(1,539,250)	(167,599)		(1,706,849)	20,111,816	3,356,781	1,210,504		22,972,251
MLTSS	131,047,440	14,164,762	6,311,377	151,523,580	5,210,911		482,825	89,432	157,306,748
Incentive Payments	5,854,080	7,039,483	123,270	13,016,834	1,172,006	4,101	16,325		14,209,266
Medical Management	8,300,971	5,611,530	1,120,595	15,033,096	3,095,577	132,880	2,736,660	454,052	21,452,265
Other Medical Expenses	72,412,938	54,625,329	8,246,711	135,284,978					135,284,978
Total Medical Expenses	512,502,994	364,402,562	72,128,182	949,033,737	80,543,972	9,841,002	10,420,980	543,484	1,050,383,175
Medical Loss Ratio	97.8%	88.4%	96.9%	93.9%	98.8%	97.3%	98.6%	86.1%	94.3%
GROSS MARGIN	**11,295,060**	**47,964,889**	**2,273,214**	**61,533,163**	**1,015,527**	**277,163**	**152,210**	**87,388**	**63,065,451**
ADMINISTRATIVE EXPENSES									
Salaries & Benefits				27,443,043	1,980,255	335,045	411,190	233,342	30,402,875
Professional fees				1,479,934	18,814	88,335	1,575	4,000	1,592,657
Purchased services				2,416,019	280,629	60,971	70,060		2,827,679
Printing & Postage				1,031,155	134,167	165,144	49,966		1,380,432
Depreciation & Amortization				1,099,872			1,636		1,101,508
Other expenses				4,496,878	3,479	(0)	17,265	17,327	4,534,949
Indirect cost allocation & Occupancy				(884,141)	1,922,426	238,494	37,400	15,757	1,329,935
Total Administrative Expenses				**37,082,759**	**4,339,769**	**887,989**	**589,092**	**270,426**	**43,170,036**
Admin Loss Ratio				3.7%	5.3%	8.8%	5.6%	42.9%	3.9%
INCOME (LOSS) FROM OPERATIONS				24,450,403	(3,324,242)	(610,825)	(436,882)	(183,038)	19,895,415
INVESTMENT INCOME									2,728,619
NET RENTAL INCOME									317,457
TOTAL MCO TAX				24,911					24,911
TOTAL GRANT INCOME				(2,590,909)					(2,590,909)
OTHER INCOME				25,878					25,878
CHANGE IN NET ASSETS				**$ 21,910,282**	**$ (3,324,242)**	**$ (610,825)**	**$ (436,882)**	**$ (183,038)**	**$ 20,401,371**
BUDGETED CHANGE IN NET ASSETS				14,436,820	(1,235,371)	(1,678,709)	(172,759)	(132,112)	12,990,374
VARIANCE TO BUDGET - FAV (UNFAV)				$ 7,473,462	$ (2,088,871)	$ 1,067,884	$ (264,123)	$ (50,926)	$ 7,410,997

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CalOptima Health

Balance Sheet: As of September 2022

ASSETS		LIABILITIES & NET POSITION	
Current Assets		**Current Liabilities**	
Operating Cash	$1,041,504,491	Accounts Payable	$56,198,143
Short-term Investments	1,064,815,776	Medical Claims Liability	1,487,657,508
Capitation Receivable	392,516,807	Accrued Payroll Liabilities	18,044,981
Receivables - Other	78,890,862	Deferred Revenue	29,870,795
Prepaid Expenses	21,584,810	Deferred Lease Obligations	83,119
		Capitation and Withholds	194,469,850
Total Current Assets	**2,599,312,746**	**Total Current Liabilities**	**1,786,324,395**
Capital Assets			
Furniture & Equipment	48,861,260		
Building/Leasehold Improvements	5,059,408		
Construction in Progress	4,188,459		
505 City Parkway West	52,782,700		
500 City Parkway West	22,631,500		
	133,523,327		
Less: Accumulated Depreciation	(66,084,697)	**Other Liabilities**	
Capital assets, net	67,438,630	GASB 96 Subscription Liabilities	-
GASB 96 Capital Assets		**Other (than pensions) Post**	
GASB 96 Subscription Assets	-	Employment Benefits Liability	22,304,410
		Net Pension Liabilities	577,854
Less: GASB 96 Accumulated Depreciation	-	Bldg 505 Development Rights	-
GASB 96 Capital Assets, net	-		
Total Captial Assets	67,438,630		
Other Assets			
Restricted Deposit & Other	300,000	**TOTAL LIABILITIES**	**1,809,206,659**
Homeless Health Reserve	40,636,739		
Board-designated Assets:			
Cash and Cash Equivalents	1,331,691		
Investments	562,220,904	**Deferred Inflows**	
Total Board-designated Assets	563,552,594	Excess Earnings	686,563
		OPEB 75 Difference in Experience	4,822,000
Total Other Assets	604,489,333	Change in Assumptions	1,909,305
		OPEB Changes in Assumptions	3,389,000
		Diff in Proj vs Act	20,982,636
		Net Position	
TOTAL ASSETS	**3,271,240,709**	TNE	103,548,500
Deferred Outflows		Funds in Excess of TNE	1,336,321,638
Contributions	1,931,845	**TOTAL NET POSITION**	1,439,870,139
Difference in Experience	2,353,671		
Excess Earning	-		
Changes in Assumptions	2,325,077		
OPEB 75 Changes in Assumptions	2,486,000		
Pension Contributions	529,000		
TOTAL ASSETS & DEFERRED OUTFLOWS	**3,280,866,302**	**TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION**	**3,280,866,302**

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CalOptima Health

Board Designated Reserve and TNE Analysis: As of September 2022

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	229,602,133				
	Tier 1 - MetLife	228,066,067				
Board-designated Reserve		457,668,200	342,226,802	533,273,360	115,441,398	(75,605,160)
	Tier 2 - Payden & Rygel	53,116,510				
	Tier 2 - MetLife	52,767,884				
TNE Requirement		105,884,394	103,548,500	103,548,500	2,335,894	2,335,894
	Consolidated:	**563,552,594**	**445,775,302**	**636,821,861**	**117,777,292**	**(73,269,266)**
	Current reserve leve	*1.77*	*1.40*	*2.00*		

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CalOptima Health

Net Assets Analysis: As of September 2022

Category	Item Description	Amount (millions)	Spend to Date	%
	Total Net Position @ 09/30/2022:	**$1,439.9**		**100.0%**
Resources Assigned	Board Designated Reserve*	**563.6**		**39.1%**
	Capital Assets, net of depreciation	**67.4**		**4.7%**
Resources Allocated	Homeless Health Initiative**	$100.0	$35.0	6.9%
	Intergovernmental Transfers (IGT)***	111.7	47.7	7.8%
	Mind OC Grant	1.0	1.0	0.1%
	CalFresh Outreach Strategy	2.0	0.4	0.1%
	Digital Transformation and Workplace Modernization	100.0	1.5	6.9%
	Coalition of Orange County Community Health Centers Grant	50.0	10.0	3.5%
	Subtotal:	**$364.7**	**$95.6**	**25.3%**
Resources Available for New Initiatives:	Unallocated/Unassigned*	**$444.2**		**30.8%**

*Total of Board Designated reserve and unallocated reserve amount can support approximately 96 days of CalOptima Health's current operations

**See Summary of Homeless Health Initiatives and Allocated Funds for list of Board approved initiatives

***Decrease in IGT Spend to Date from August of $16.8 million is due to updated WCM Retrospective Risk Corridor

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CalOptima Health

Homeless Health Initiative and Allocated Funds: As of September 2022

		Amount
Program Commitment		**$ 100,000,000**
Funds Allocation, approved initiatives:		
Enhanced Medi-Cal Services at the Be Well OC Regional Mental Health and Wellness Campus	11,400,000	
Recuperative Care	8,250,000	
Medical Respite	250,000	
Day Habilitation (County for HomeKey)	2,500,000	
Clinical Field Team (CFT) Start-up & Federal Qualified Health Center (FQHC)	1,600,000	
CalOptima Homeless Response Team	6,000,000	
Homeless Coordination at Hospitals	10,000,000	
CalOptima Days & QI Program - Homeless Clinic Access Program (HCAP)	1,693,261	
FQHC (Community Health Center) Expansion and HHI Support	570,000	
HCAP Expansion for Telehealth and CFT On Call Days	1,700,000	
Vaccination Intervention and Member Incentive Strategy	400,000	
Street Medicine	8,000,000	
Outreach and Engagement Team	7,000,000	
Funds Allocation Total		**$ 59,363,261**
Program Commitment Balance, available for new initiatives*		**$ 40,636,739**

On June 27, 2019 at a Special Board meeting, the Board approved four funding categories. This report only lists Board approved projects.

*Funding sources of the remaining balance are IGT8 and CalOptima Health's operating income, which must be used for Medi-Cal covered services for the Medi-Cal population

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UNAUDITED FINANCIAL STATEMENTS

September 30, 2022

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CalOptima Health - Consolidated
Financial Highlights
For the Three Months Ended September 30, 2022

September					July - September			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
939,156	915,551	23,605	2.6%	Member Months	2,786,098	2,746,842	39,256	1.4%
443,623,759	332,559,309	111,064,450	33.4%	Revenues	1,113,448,627	997,442,145	116,006,482	11.6%
413,532,078	307,968,314	(105,563,764)	(34.3%)	Medical Expenses	1,050,383,175	931,719,084	(118,664,091)	(12.7%)
15,367,410	17,377,003	2,009,593	11.6%	Administrative Expenses	43,170,036	51,777,920	8,607,884	16.6%
14,724,272	**7,213,992**	**7,510,280**	**104.1%**	**Operating Margin**	**19,895,415**	**13,945,141**	**5,950,274**	**42.7%**
(3,753,671)	(772,801)	(2,980,870)	(385.7%)	Non Operating Income (Loss)	505,956	(954,767)	1,460,723	153.0%
10,970,601	**6,441,191**	**4,529,410**	**70.3%**	**Change in Net Assets**	**20,401,371**	**12,990,374**	**7,410,997**	**57.0%**
93.2%	92.6%	0.6%		Medical Loss Ratio	94.3%	93.4%	0.9%	
3.5%	5.2%	1.8%		Administrative Loss Ratio	3.9%	5.2%	1.3%	
3.3%	2.2%	1.1%		Operating Margin Ratio	1.8%	1.4%	0.4%	
100.0%	100.0%			Total Operating	100.0%	100.0%		
91.1%	92.6%	(1.5%)		*MLR (excluding Directed Payments)	93.8%	93.4%	0.4%	
5.0%	5.2%	0.2%		*ALR (excluding Directed Payments)	4.4%	5.2%	0.8%	

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

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CalOptima Health
Financial Dashboard
For the Three Months Ended September 30, 2022

September

Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	921,409	897,777	23,632	2.6%
OneCare Connect	14,405	14,663	(258)	(1.8%)
OneCare	2,905	2,653	252	9.5%
PACE	437	458	(21)	(4.6%)
MSSP	478	568	(90)	(15.8%)
Total*	939,156	915,551	23,605	2.6%

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 17,011	$ 6,569	10,442	159.0%
OneCare Connect	(1,003)	(149)	(854)	(573.2%)
OneCare	(1,310)	(518)	(792)	(152.9%)
PACE	(679)	(8)	(671)	(8387.5%)
MSSP	(130)	(44)	(86)	(195.5%)
Buildings	105	91	14	15.4%
Investment & Rental Income	(3,023)	500	(3,523)	(704.6%)
Total	$ 10,971	$ 6,441	4,530	70.3%

MLR	Actual	Budget	% Point Var
Medi-Cal	92.4%	92.3%	0.0
OneCare Connect	99.1%	93.9%	5.1
OneCare	134.5%	105.7%	28.8

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 13,455	$ 14,825	$ 1,370	9.2%
OneCare Connect	1,258	1,851	593	32.0%
OneCare	363	339	(24)	(7.2%)
PACE	206	265	59	22.3%
MSSP	86	98	12	11.9%
Total	$ 15,367	$ 17,377	$ 2,010	11.6%

Total FTE's Month	Actual	Budget	Fav / (Unfav)
Medi-Cal	1,150	1,312	162
OneCare Connect	157	197	40
OneCare	19	23	4
PACE	95	114	19
MSSP	21	23	2
Total	1,442	1,668	226

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	801	684	(117)
OneCare Connect	92	75	(17)
OneCare	154	114	(40)
PACE	5	4	(1)
MSSP	22	25	2
Total	651	549	(103)

July - September

Year To Date Enrollment	Actual	Budget	Fav / (Unfav)	
Medi-Cal	2,732,870	2,693,580	39,290	1.5%
OneCare Connect	43,379	43,991	(612)	(1.4%)
OneCare	8,543	7,909	634	8.0%
PACE	1,306	1,362	(56)	(4.1%)
MSSP	1,414	1,704	(290)	(17.0%)
Total*	2,786,098	2,746,842	39,256	1.4%

Change in Net Assets (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 21,910	$ 14,437	7,473	51.8%
OneCare Connect	(3,324)	(1,235)	(2,089)	(169.1%)
OneCare	(611)	(1,679)	1,068	63.6%
PACE	(437)	(173)	(264)	(152.6%)
MSSP	(183)	(132)	(51)	(38.6%)
Buildings	317	273	44	16.1%
Investment & Rental Income	2,729	1,500	1,229	81.9%
Total	$ 20,401	$ 12,991	7,410	57.0%

MLR	Actual	Budget	% Point Var
Medi-Cal	93.9%	93.1%	0.8
OneCare Connect	98.8%	94.9%	3.9
OneCare	97.3%	107.5%	(10.3)

Administrative Cost (000)	Actual	Budget	Fav / (Unfav)	
Medi-Cal	$ 37,083	$ 44,140	$ 7,057	16.0%
OneCare Connect	4,340	5,570	1,231	22.1%
OneCare	888	976	88	9.0%
PACE	589	798	209	26.2%
MSSP	270	294	24	8.1%
Total	$ 43,170	$ 51,778	$ 8,608	16.6%

Total FTE's YTD	Actual	Budget	Fav / (Unfav)
Medi-Cal	3,413	3,900	487
OneCare Connect	488	590	102
OneCare	39	64	25
PACE	275	341	65
MSSP	60	69	9
Total	4,276	4,964	688

MM per FTE	Actual	Budget	Fav / (Unfav)
Medi-Cal	801	691	(110)
OneCare Connect	89	75	(14)
OneCare	217	124	(93)
PACE	5	4	(1)
MSSP	23	25	1
Total	652	553	(98)

Note:* Total membership does not include MSSP

CalOptima Health - Consolidated
Statement of Revenues and Expenses
For the One Month Ended September 30, 2022

	Actual		Budget		Variance	
	$	PMPM	$	PMPM	$	PMPM
MEMBER MONTHS	939,156		915,551		23,605	
REVENUE						
Medi-Cal	$ 410,524,026	$ 445.54	$ 297,384,810	$ 331.25	$ 113,139,216	$ 114.29
OneCare Connect	26,894,033	1,866.99	28,018,457	1,910.83	(1,124,424)	(43.84)
OneCare	2,741,520	943.72	3,123,959	1,177.52	(382,439)	(233.80)
PACE	3,306,981	7,567.46	3,778,566	8,250.14	(471,585)	(682.68)
MSSP	157,199	328.87	253,517	446.33	(96,318)	(117.46)
Total Operating Revenue	443,623,759	472.36	332,559,309	363.23	111,064,450	109.13
MEDICAL EXPENSES						
Medi-Cal	379,222,661	411.57	274,626,705	305.90	(104,595,956)	(105.67)
OneCare Connect	26,639,338	1,849.31	26,316,597	1,794.76	(322,741)	(54.55)
OneCare	3,688,423	1,269.68	3,303,537	1,245.21	(384,886)	(24.47)
PACE	3,780,035	8,649.97	3,521,995	7,689.95	(258,040)	(960.02)
MSSP	201,621	421.80	199,480	351.20	(2,141)	(70.60)
Total Medical Expenses	413,532,078	440.32	307,968,314	336.37	(105,563,764)	(103.95)
GROSS MARGIN	30,091,681	32.04	24,590,995	26.86	5,500,686	5.18
ADMINISTRATIVE EXPENSES						
Salaries and benefits	10,835,233	11.54	11,275,837	12.32	440,604	0.78
Professional fees	700,023	0.75	902,985	0.99	202,962	0.24
Purchased services	1,032,607	1.10	1,197,823	1.31	165,216	0.21
Printing & Postage	602,927	0.64	513,330	0.56	(89,597)	(0.08)
Depreciation & Amortization	364,193	0.39	525,900	0.57	161,707	0.18
Other expenses	1,389,944	1.48	2,434,438	2.66	1,044,494	1.18
Indirect cost allocation & Occupancy expense	442,483	0.47	526,690	0.58	84,207	0.11
Total Administrative Expenses	15,367,410	16.36	17,377,003	18.98	2,009,593	2.62
INCOME (LOSS) FROM OPERATIONS	14,724,272	15.68	7,213,992	7.88	7,510,280	7.80
INVESTMENT INCOME						
Interest income	4,764,472	5.07	500,000	0.55	4,264,472	4.52
Realized gain/(loss) on investments	(180,498)	(0.19)	-	-	(180,498)	(0.19)
Unrealized gain/(loss) on investments	(7,606,943)	(8.10)	-	-	(7,606,943)	(8.10)
Total Investment Income	(3,022,970)	(3.22)	500,000	0.55	(3,522,970)	(3.77)
NET RENTAL INCOME	105,391	0.11	90,835	0.10	14,556	0.01
TOTAL MCO TAX	27,529	0.03	-	-	27,529	0.03
TOTAL GRANT INCOME	(863,636)	(0.92)	(1,363,636)	(1.49)	500,000	0.57
OTHER INCOME	15	-	-	-	15	-
CHANGE IN NET ASSETS	**10,970,601**	**11.68**	**6,441,191**	**7.04**	**4,529,410**	**4.64**
MEDICAL LOSS RATIO	**93.2%**		**92.6%**		**0.6%**	
ADMINISTRATIVE LOSS RATIO	**3.5%**		**5.2%**		**1.8%**	

CalOptima Health- Consolidated
Statement of Revenues and Expenses
For the Three Months Ended September 30, 2022

	Actual		Budget		Variance	
	$	PMPM	$	PMPM	$	PMPM
MEMBER MONTHS	2,786,098		2,746,842		39,256	
REVENUE						
Medi-Cal	$ 1,010,566,900	$ 369.78	891,775,011	$ 331.07	$ 118,791,889	$ 38.71
OneCare Connect	81,559,500	1,880.16	84,313,196	1,916.60	(2,753,696)	(36.44)
OneCare	10,118,165	1,184.38	9,318,372	1,178.20	799,793	6.18
PACE	10,573,190	8,095.86	11,275,015	8,278.28	(701,825)	(182.42)
MSSP	630,872	446.16	760,551	446.33	(129,679)	(0.17)
Total Operating Revenue	1,113,448,627	399.64	997,442,145	363.12	116,006,482	36.52
MEDICAL EXPENSES						
Medi-Cal	949,033,737	347.27	830,471,386	308.32	(118,562,351)	(38.95)
OneCare Connect	80,543,972	1,856.75	79,978,170	1,818.06	(565,802)	(38.69)
OneCare	9,841,002	1,151.94	10,021,413	1,267.09	180,411	115.15
PACE	10,420,980	7,979.31	10,649,675	7,819.14	228,695	(160.17)
MSSP	543,484	384.36	598,440	351.20	54,956	(33.16)
Total Medical Expenses	1,050,383,175	377.01	931,719,084	339.20	(118,664,091)	(37.81)
GROSS MARGIN	63,065,451	22.63	65,723,061	23.92	(2,657,610)	(1.29)
ADMINISTRATIVE EXPENSES						
Salaries and benefits	30,402,875	10.91	33,492,047	12.19	3,089,172	1.28
Professional fees	1,592,657	0.57	2,693,590	0.98	1,100,933	0.41
Purchased services	2,827,679	1.01	3,593,471	1.31	765,792	0.30
Printing & Postage	1,380,432	0.50	1,539,993	0.56	159,561	0.06
Depreciation & Amortization	1,101,508	0.40	1,577,700	0.57	476,192	0.17
Other expenses	4,534,949	1.63	7,303,312	2.66	2,768,363	1.03
Indirect cost allocation & Occupancy expense	1,329,935	0.48	1,577,807	0.57	247,872	0.09
Total Administrative Expenses	43,170,036	15.49	51,777,920	18.85	8,607,884	3.36
INCOME (LOSS) FROM OPERATIONS	19,895,415	7.14	13,945,141	5.08	5,950,274	2.06
INVESTMENT INCOME						
Interest income	11,862,759	4.26	1,500,000	0.55	10,362,759	3.71
Realized gain/(loss) on investments	(1,890,478)	(0.68)	-	0.00	(1,890,478)	(0.68)
Unrealized gain/(loss) on investments	(7,243,662)	(2.60)	-	0.00	(7,243,662)	(2.60)
Total Investment Income	2,728,619	0.98	1,500,000	0.55	1,228,619	0.43
NET RENTAL INCOME	317,457	0.11	272,505	0.10	44,952	0.01
TOTAL MCO TAX	24,911	0.01	-	0.00	24,911	0.01
TOTAL GRANT INCOME	(2,590,909)	(0.93)	(2,727,272)	(0.99)	136,363	0.06
OTHER INCOME	25,878	0.01	-	0.00	25,878	0.01
CHANGE IN NET ASSETS	**20,401,371**	**7.32**	**12,990,374**	**4.73**	**7,410,997**	**2.59**
MEDICAL LOSS RATIO	**94.3%**		**93.4%**		**0.9%**	
ADMINISTRATIVE LOSS RATIO	**3.9%**		**5.2%**		**1.3%**	

CalOptima Health - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ended September 30, 2022

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	MSSP	Consolidated
MEMBER MONTHS	571,149	338,494	11,766	921,409	14,405	2,905	437	478	939,156
REVENUES									
Capitation Revenue	211,377,763	$ 167,763,050	$ 31,383,214	$ 410,524,026	$ 26,894,033	$ 2,741,520	$ 3,306,981	$ 157,199	$ 443,623,759
Total Operating Revenue	211,377,763	167,763,050	31,383,214	410,524,026	26,894,033	2,741,520	3,306,981	157,199	443,623,759
MEDICAL EXPENSES									
Provider Capitation	34,949,072	44,555,318	9,501,047	89,005,438	10,574,892	974,708			100,555,038
Facilities	32,433,604	28,927,276	7,405,191	68,766,071	5,045,806	1,391,002	1,247,122		76,450,000
Professional Claims	21,543,775	13,750,270	1,268,582	36,562,628	1,506,880	138,040	942,096		39,149,643
Prescription Drugs	(29,483)	(12,047)		(41,529)	6,180,702	1,138,308	384,674		7,662,155
MLTSS	35,806,467	3,877,171	2,275,301	41,958,940	1,972,472		207,300	42,133	44,180,845
Incentive Payments	1,777,812	2,514,169	45,139	4,337,120	306,451	4,186	5,463		4,653,219
Medical Management	2,808,339	1,879,503	379,321	5,067,163	1,052,135	42,180	993,381	159,488	7,314,348
Other Medical Expenses	71,375,990	53,972,874	8,217,967	133,566,831					133,566,831
Total Medical Expenses	200,665,576	149,464,535	29,092,549	379,222,661	26,639,338	3,688,423	3,780,035	201,621	413,532,078
Medical Loss Ratio	94.9%	89.1%	92.7%	92.4%	99.1%	134.5%	114.3%	128.3%	93.2%
GROSS MARGIN	**10,712,186**	**18,298,515**	**2,290,664**	**31,301,365**	**254,695**	**(946,903)**	**(473,054)**	**(44,422)**	**30,091,681**
ADMINISTRATIVE EXPENSES									
Salaries & Benefits	9,855,448	642,134	135,111	126,214	76,326	10,835,233			
Professional fees	665,194	8,000	25,496		1,333	700,023			
Purchased services	900,722	87,609	30,339	13,937		1,032,607			
Printing & Postage	368,168	40,218	151,950	42,591		602,927			
Depreciation & Amortization	363,636			557		364,193			
Other expenses	1,374,017	3,208	(0)	7,021	5,698	1,389,944			
Indirect cost allocation & Occupancy	(72,461)	476,466	20,124	15,698	2,657	442,483			
Total Administrative Expenses	**13,454,723**	**1,257,635**	**363,019**	**206,018**	**86,014**	**15,367,410**			
Admin Loss Ratio	3.3%	4.7%	13.2%	6.2%	54.7%	3.5%			
INCOME (LOSS) FROM OPERATIONS	17,846,643	(1,002,940)	(1,309,922)	(679,072)	(130,437)	14,724,272			
INVESTMENT INCOME						(3,022,970)			
NET RENTAL INCOME						105,391			
TOTAL MCO TAX	27,529					27,529			
TOTAL GRANT INCOME	(863,636)					(863,636)			
OTHER INCOME	15					15			
CHANGE IN NET ASSETS	**$ 17,010,550**	**$ (1,002,940)**	**$ (1,309,922)**	**$ (679,072)**	**$ (130,437)**	**$ 10,970,601**			
BUDGETED CHANGE IN NET ASSETS	6,569,253	(148,653)	(518,270)	(8,431)	(43,543)	6,441,191			
VARIANCE TO BUDGET - FAV (UNFAV)	$ 10,441,297	$ (854,287)	$ (791,652)	$ (670,641)	$ (86,894)	$ 4,529,410			

*Note: Total membership does not include MSSP

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CalOptima Health - Consolidated - Year to Date
Statement of Revenues and Expenses by LOB
For the Three Months Ended September 30, 2022

	Medi-Cal Classic	Medi-Cal Expansion	Whole Child Model	Total Medi-Cal	OneCare Connect	OneCare	PACE	MSSP	Consolidated
MEMBER MONTHS	1,693,160	1,004,123	35,587	2,732,870	43,379	8,543	1,306	1,414	2,786,098
REVENUES									
Capitation Revenue	523,798,054	$ 412,367,451	$ 74,401,396	$ 1,010,566,900	$ 81,559,500	$ 10,118,165	$ 10,573,190	$ 630,872	$ 1,113,448,627
Total Operating Revenue	523,798,054	412,367,451	74,401,396	1,010,566,900	81,559,500	10,118,165	10,573,190	630,872	1,113,448,627
MEDICAL EXPENSES									
Provider Capitation	124,877,913	146,993,534	30,366,789	302,238,236	33,052,067	2,912,924			338,203,227
Facilities	105,620,847	94,117,916	21,245,420	220,984,183	13,470,635	2,976,352	3,128,595		240,559,765
Professional Claims	65,928,054	42,017,607	4,714,020	112,659,681	4,430,960	457,964	2,846,072		120,394,676
Prescription Drugs	(1,539,250)	(167,599)		(1,706,849)	20,111,816	3,356,781	1,210,504		22,972,251
MLTSS	131,047,440	14,164,762	6,311,377	151,523,580	5,210,911		482,825	89,432	157,306,748
Incentive Payments	5,854,080	7,039,483	123,270	13,016,834	1,172,006	4,101	16,325		14,209,266
Medical Management	8,300,971	5,611,530	1,120,595	15,033,096	3,095,577	132,880	2,736,660	454,052	21,452,265
Other Medical Expenses	72,412,938	54,625,329	8,246,711	135,284,978					135,284,978
Total Medical Expenses	512,502,994	364,402,562	72,128,182	949,033,737	80,543,972	9,841,002	10,420,980	543,484	1,050,383,175
Medical Loss Ratio	97.8%	88.4%	96.9%	93.9%	98.8%	97.3%	98.6%	86.1%	94.3%
GROSS MARGIN	**11,295,060**	**47,964,889**	**2,273,214**	**61,533,163**	**1,015,527**	**277,163**	**152,210**	**87,388**	**63,065,451**
ADMINISTRATIVE EXPENSES									
Salaries & Benefits	27,443,043	1,980,255	335,045	411,190	233,342				30,402,875
Professional fees	1,479,934	18,814	88,335	1,575	4,000				1,592,657
Purchased services	2,416,019	280,629	60,971	70,060					2,827,679
Printing & Postage	1,031,155	134,167	165,144	49,966					1,380,432
Depreciation & Amortization	1,099,872			1,636					1,101,508
Other expenses	4,496,878	3,479	(0)	17,265	17,327				4,534,949
Indirect cost allocation & Occupancy	(884,141)	1,922,426	238,494	37,400	15,757				1,329,935
Total Administrative Expenses	**37,082,759**	**4,339,769**	**887,989**	**589,092**	**270,426**				**43,170,036**
Admin Loss Ratio	3.7%	5.3%	8.8%	5.6%	42.9%				3.9%
INCOME (LOSS) FROM OPERATIONS	24,450,403	(3,324,242)	(610,825)	(436,882)	(183,038)				19,895,415
INVESTMENT INCOME									2,728,619
NET RENTAL INCOME									317,457
TOTAL MCO TAX	24,911								24,911
TOTAL GRANT INCOME	(2,590,909)								(2,590,909)
OTHER INCOME	25,878								25,878
CHANGE IN NET ASSETS	**$ 21,910,282**	**$ (3,324,242)**	**$ (610,825)**	**$ (436,882)**	**$ (183,038)**				**$ 20,401,371**
BUDGETED CHANGE IN NET ASSETS	14,436,820	(1,235,371)	(1,678,709)	(172,759)	(132,112)				12,990,374
VARIANCE TO BUDGET - FAV (UNFAV)	$ 7,473,462	$ (2,088,871)	$ 1,067,884	$ (264,123)	$ (50,926)				$ 7,410,997

*Note: Total membership does not include MSSP

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CalOptima Health

September 30, 2022 Unaudited Financial Statements

SUMMARY MONTHLY RESULTS:

- Change in Net Assets is $11.0 million, $4.5 million favorable to budget
- Operating surplus is $14.7 million, with a deficit in non-operating income of $3.8 million

YEAR TO DATE RESULTS:

- Change in Net Assets is $20.4 million, $7.4 million favorable to budget
- Operating surplus is $19.9 million, with a surplus in non-operating income of $0.5 million

Change in Net Assets by Line of Business (LOB) ($ millions):

September				July-September		
Actual	Budget	Variance		Actual	Budget	Variance
17.8	7.9	9.9	Medi-Cal	24.5	17.2	7.3
(1.0)	(0.1)	(0.9)	OCC	(3.3)	(1.2)	(2.1)
(1.3)	(0.5)	(0.8)	OneCare	(0.6)	(1.7)	1.1
(0.7)	(0.0)	(0.7)	PACE	(0.4)	(0.2)	(0.3)
(0.1)	(0.0)	(0.1)	MSSP	(0.2)	(0.1)	(0.1)
14.7	**7.2**	**7.5**	**Operating**	**19.9**	**13.9**	**6.0**
(3.8)	(0.8)	(3.0)	Inv/ Rent/Tax/Other Inc	0.5	(1.0)	1.5
(3.8)	**(0.8)**	**(3.0)**	**Non-Operating**	**0.5**	**(1.0)**	**1.5**
11.0	**6.4**	**4.5**	**TOTAL**	**20.4**	**13.0**	**7.4**

CalOptima Health - Consolidated
Enrollment Summary
For the Three Months Ended September 30, 2022

September					July - September			
Actual	Budget	$ Variance	% Variance	Enrollment (by Aid Category)	Actual	Budget	$ Variance	% Variance
128,553	122,542	6,011	4.9%	SPD	375,836	366,812	9,024	2.5%
303,717	306,503	(2,786)	(0.9%)	TANF Child	910,116	920,113	(9,997)	(1.1%)
135,662	135,679	(17)	(0.0%)	TANF Adult	397,492	407,592	(10,100)	(2.5%)
3,217	3,331	(114)	(3.4%)	LTC	9,716	9,965	(249)	(2.5%)
338,494	317,970	20,524	6.5%	MCE	1,004,123	953,896	50,227	5.3%
11,766	11,752	14	0.1%	WCM	35,587	35,202	385	1.1%
921,409	**897,777**	**23,632**	**2.6%**	**Medi-Cal Total**	**2,732,870**	**2,693,580**	**39,290**	**1.5%**
14,405	**14,663**	**(258)**	**(1.8%)**	**OneCare Connect**	**43,379**	**43,991**	**(612)**	**(1.4%)**
2,905	**2,653**	**252**	**9.5%**	**OneCare**	**8,543**	**7,909**	**634**	**8.0%**
437	**458**	**(21)**	**(4.6%)**	**PACE**	**1,306**	**1,362**	**(56)**	**(4.1%)**
478	**568**	**(90)**	**(15.8%)**	**MSSP**	**1,414**	**1,704**	**(290)**	**(17.0%)**
939,156	**915,551**	**23,605**	**2.6%**	**CalOptima Health Total***	**2,786,098**	**2,746,842**	**39,256**	**1.4%**
				Enrollment (by Network)				
211,782	211,601	181	0.1%	HMO	632,903	635,155	(2,252)	(0.4%)
237,723	239,423	(1,700)	(0.7%)	PHC	711,917	718,685	(6,768)	(0.9%)
226,001	222,533	3,468	1.6%	Shared Risk Group	676,133	668,308	7,825	1.2%
245,903	224,220	21,683	9.7%	Fee for Service	711,917	671,432	40,485	6.0%
921,409	**897,777**	**23,632**	**2.6%**	**Medi-Cal Total**	**2,732,870**	**2,693,580**	**39,290**	**1.5%**
14,405	**14,663**	**(258)**	**(1.8%)**	**OneCare Connect**	**43,379**	**43,991**	**(612)**	**(1.4%)**
2,905	**2,653**	**252**	**9.5%**	**OneCare**	**8,543**	**7,909**	**634**	**8.0%**
437	**458**	**(21)**	**(4.6%)**	**PACE**	**1,306**	**1,362**	**(56)**	**(4.1%)**
478	**568**	**(90)**	**(15.8%)**	**MSSP**	**1,414**	**1,704**	**(290)**	**(17.0%)**
939,156	**915,551**	**23,605**	**2.6%**	**CalOptima Health Total***	**2,786,098**	**2,746,842**	**39,256**	**1.4%**

*Note CalOptima Health Total does not include MSSP

CalOptima Health
Enrollment Trend by Network
Fiscal Year 2023

	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	YTD Actual	YTD Budget	Variance
HMOs															
SPD	11,237	11,250	11,290										33,777	32,845	932
BCCTP													-		0
Disabled													-		0
TANF Child	58,966	58,892	58,837										176,695	178,758	(2,063)
TANF Adult	38,926	38,983	39,331										117,240	126,266	(9,026)
LTC	1	2	2										5		5
MCE	99,022	99,788	100,301										299,111	290,951	8,160
WCM	2,034	2,020	2,021										6,075	6,335	(260)
Total	**210,186**	**210,935**	**211,782**										**632,903**	**635,155**	**(2,252)**
PHCs															
SPD	7,040	7,022	7,037										21,099	20,986	113
BCCTP													-		0
Disabled													-		0
TANF Child	158,385	158,345	158,767										475,497	480,002	(4,505)
TANF Adult	16,704	16,780	16,830										50,314	53,440	(3,126)
LTC		1	1										2		2
MCE	47,505	47,574	47,748										142,827	142,552	275
WCM	7,366	7,472	7,340										22,178	21,705	473
Total	**237,000**	**237,194**	**237,723**										**711,917**	**718,685**	**(6,768)**
Shared Risk Groups															
SPD	10,824	10,928	10,995										32,747	30,579	2,168
BCCTP													-		0
Disabled													-		0
TANF Child	57,419	57,075	56,762										171,256	178,909	(7,653)
TANF Adult	40,518	40,260	40,370										121,148	123,647	(2,499)
LTC	2	1	3										6		6
MCE	114,819	115,585	116,539										346,943	331,000	15,943
WCM	1,360	1,341	1,332										4,033	4,173	(140)
Total	**224,942**	**225,190**	**226,001**										**676,133**	**668,308**	**7,825**
Fee for Service (Dual)															
SPD	82,253	82,742	82,935										247,930	248,883	(953)
BCCTP													-		0
Disabled													-		0
TANF Child	1	1	1										3		3
TANF Adult	1,675	1,712	1,743										5,130	5,536	(406)
LTC	2,894	2,874	2,845										8,613	8,970	(357)
MCE	6,480	6,749	7,030										20,259	18,090	2,169
WCM	20	18	24										62	46	16
Total	**93,323**	**94,096**	**94,578**										**281,997**	**281,525**	**472**
Fee for Service (Non-Dual - Total)															
SPD	11,984	12,003	16,296										40,283	33,519	6,764
BCCTP													-		0
Disabled													-		0
TANF Child	28,613	28,702	29,350										86,665	82,444	4,221
TANF Adult	32,830	33,442	37,388										103,660	98,703	4,957
LTC	360	364	366										1,090	995	95
MCE	63,450	64,657	66,876										194,983	171,303	23,680
WCM	1,096	1,094	1,049										3,239	2,943	296
Total	**138,333**	**140,262**	**151,325**										**429,920**	**389,907**	**40,013**
Grand Totals															
SPD	123,338	123,945	128,553										375,836	366,812	9,024
BCCTP													-		0
Disabled													-		0
TANF Child	303,384	303,015	303,717										910,116	920,113	(9,997)
TANF Adult	130,653	131,177	135,662										397,492	407,592	(10,100)
LTC	3,257	3,242	3,217										9,716	9,965	(249)
MCE	331,276	334,353	338,494										1,004,123	953,896	50,227
WCM	11,876	11,945	11,766										35,587	35,202	385
Total MediCal MM	**903,784**	**907,677**	**921,409**										**2,732,870**	**2,693,580**	**39,290**
OneCare Connect	**14,203**	**14,771**	**14,405**										**43,379**	**43,991**	**(612)**
OneCare	**2,764**	**2,874**	**2,905**										**8,543**	**7,909**	**634**
PACE	**435**	**434**	**437**										**1,306**	**1,362**	**(56)**
MSSP	**466**	**470**	**478**										**1,414**	**1,704**	**(290)**
Grand Total	**921,186**	**925,756**	**939,156**										**2,786,098**	**2,746,842**	**39,256**

ENROLLMENT:

Overall, September enrollment was 939,156

- Favorable to budget 23,605 or 2.6%
- Increased 13,400 or 1.4% from Prior Month (PM) (August 2022)
- Increased 82,331 or 9.6% from Prior Year (PY) (September 2021)

Medi-Cal enrollment was 921,409

- Favorable to budget 23,632 or 2.6%
  - Medi-Cal Expansion (MCE) favorable 20,524
  - Seniors and Persons with Disabilities (SPD) favorable 6,011
  - Whole Child Model (WCM) favorable 14
  - Temporary Assistance for Needy Families (TANF) unfavorable 2,803
  - Long-Term Care (LTC) unfavorable 114
- Increased 13,732 from PM

OneCare Connect enrollment was 14,405

- Unfavorable to budget 258 or 1.8%
- Decreased 366 from PM

OneCare enrollment was 2,905

- Favorable to budget 252 or 9.5%
- Increased 31 from PM

PACE enrollment was 437

- Unfavorable to budget 21 or 4.6%
- Increased 3 from PM

MSSP enrollment was 478

- Unfavorable to budget 90 or 15.8% due to MSSP currently being understaffed. There is a staff to member ratio that must be met
- Increased 8 from PM

CalOptima Health
Medi-Cal
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
921,409	**897,777**	**23,632**	**2.6%**	**Member Months**	**2,732,870**	**2,693,580**	**39,290**	**1.5%**
				Revenues				
410,524,026	297,384,810	113,139,216	38.0%	Medi-Cal Capitation Revenue	1,010,566,900	891,775,011	118,791,889	13.3%
410,524,026	**297,384,810**	**113,139,216**	**38.0%**	**Total Operating Revenue**	**1,010,566,900**	**891,775,011**	**118,791,889**	**13.3%**
				Medical Expenses				
89,005,438	106,663,358	17,657,920	16.6%	Provider Capitation	302,238,236	320,150,489	17,912,253	5.6%
68,766,071	66,664,971	(2,101,100)	(3.2%)	Facilities Claims	220,984,183	203,701,076	(17,283,107)	(8.5%)
36,562,628	39,456,804	2,894,176	7.3%	Professional Claims	112,659,681	119,956,110	7,296,429	6.1%
41,958,940	48,809,773	6,850,833	14.0%	MLTSS	151,523,580	147,406,155	(4,117,425)	(2.8%)
(41,529)	-	41,529	100.0%	Prescription Drugs	(1,706,849)	-	1,706,849	100.0%
4,337,120	4,691,471	354,351	7.6%	Incentive Payments	13,016,834	14,080,240	1,063,407	7.6%
5,067,163	6,766,256	1,699,093	25.1%	Medical Management	15,033,096	20,455,100	5,422,004	26.5%
133,566,831	1,574,072	(131,992,759)	(8385.4%)	Other Medical Expenses	135,284,978	4,722,216	(130,562,762)	(2764.9%)
379,222,661	**274,626,705**	**(104,595,956)**	**(38.1%)**	**Total Medical Expenses**	**949,033,737**	**830,471,386**	**(118,562,351)**	**(14.3%)**
31,301,365	**22,758,105**	**8,543,260**	**37.5%**	**Gross Margin**	**61,533,163**	**61,303,625**	**229,538**	**0.4%**
				Administrative Expenses				
9,855,448	9,947,269	91,821	0.9%	Salaries, Wages & Employee Benefits	27,443,043	29,521,055	2,078,012	7.0%
665,194	855,823	190,629	22.3%	Professional Fees	1,479,934	2,552,106	1,072,173	42.0%
900,722	1,029,845	129,123	12.5%	Purchased Services	2,416,019	3,089,535	673,516	21.8%
368,168	383,818	15,650	4.1%	Printing & Postage	1,031,155	1,151,454	120,299	10.4%
363,636	525,000	161,364	30.7%	Depreciation & Amortization	1,099,872	1,575,000	475,128	30.2%
1,374,017	2,409,121	1,035,104	43.0%	Other Operating Expenses	4,496,878	7,227,363	2,730,485	37.8%
(72,461)	(325,660)	(253,199)	(77.7%)	Indirect Cost Allocation, Occupancy	(884,141)	(976,980)	(92,839)	(9.5%)
13,454,723	**14,825,216**	**1,370,493**	**9.2%**	**Total Administrative Expenses**	**37,082,759**	**44,139,533**	**7,056,774**	**16.0%**
				Operating Tax				
15,267,112	16,034,198	(767,086)	(4.8%)	Tax Revenue	45,743,661	48,107,318	(2,363,657)	(4.9%)
15,239,583	16,034,198	794,615	5.0%	Tax Expense	45,718,750	48,107,318	2,388,568	5.0%
27,529	**-**	**27,529**	**100.0%**	**Total Operating Tax**	**24,911**	**-**	**24,911**	**100.0%**
				Grant Income				
-	-	-	0.0%	Grant Revenue	-	-	-	0.0%
863,636	1,363,636	500,000	36.7%	Grant Expense	2,590,909	2,727,272	136,363	5.0%
(863,636)	**(1,363,636)**	**500,000**	**36.7%**	**Total Grant Income**	**(2,590,909)**	**(2,727,272)**	**136,363**	**5.0%**
15	**-**	**15**	**100.0%**	**Other Income**	**25,878**	**-**	**25,878**	**100.0%**
17,010,550	**6,569,253**	**10,441,297**	**158.9%**	**Change in Net Assets**	**21,910,282**	**14,436,820**	**7,473,462**	**51.8%**
92.4%	***92.3%***	***0.0%***		***Medical Loss Ratio***	***93.9%***	***93.1%***	***0.8%***	
3.3%	***5.0%***	***1.7%***		***Admin Loss Ratio***	***3.7%***	***4.9%***	***1.3%***	

MEDI-CAL INCOME STATEMENT– SEPTEMBER MONTH:

REVENUES of $410.5 million are favorable to budget $113.1 million driven by:

- Favorable volume related variance of $7.8 million
- Favorable price related variance of $105.3 million
  - $135.2 million due to Fiscal Year (FY) 2021 hospital Directed Payments (DP)
  - $3.9 million due to PY retroactive eligibility changes
  - Offset by $32.5 million due to net of Proposition 56, COVID-19 and Enhanced Care Management (ECM) risk corridor reserves

MEDICAL EXPENSES of $379.2 million are unfavorable to budget $104.6 million driven by:

- Unfavorable volume related variance of $7.2 million
- Unfavorable price related variance of $97.4 million
  - Other Medical Expenses unfavorable variance of $132.0 million primarily due to FY 2021 hospital DP
  - Offset by:
    - Provider Capitation expense favorable variance of $20.5 million due primarily to Proposition 56
    - Managed Long-Term Services and Supports (MLTSS) expense favorable variance of $8.1 million due to Incurred But Not Reported (IBNR) claims
    - Professional Claims expense favorable variance of $3.9 million
    - All other expenses net favorable variance of $2.1 million

ADMINISTRATIVE EXPENSES of $13.5 million are favorable to budget $1.4 million driven by:

- Other Non-Salary expense favorable to budget $1.3 million
- Salaries & Benefit expense favorable to budget $0.1 million

CHANGE IN NET ASSETS is $17.0 million, favorable to budget $10.4 million

CalOptima Health
OneCare Connect - Total
Statement of Revenue and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
14,405	**14,663**	**(258)**	**(1.8%)**	**Member Months**	**43,379**	**43,991**	**(612)**	**(1.4%)**
				Revenues				
2,590,237	2,838,954	(248,717)	(8.8%)	Medi-Cal Revenue	8,061,222	8,543,782	(482,560)	(5.6%)
17,862,197	19,656,779	(1,794,582)	(9.1%)	Medicare Part C Revenue	54,270,491	59,195,681	(4,925,190)	(8.3%)
6,441,600	5,522,724	918,876	16.6%	Medicare Part D Revenue	19,227,786	16,573,733	2,654,053	16.0%
26,894,033	**28,018,457**	**(1,124,424)**	**(4.0%)**	**Total Operating Revenue**	**81,559,500**	**84,313,196**	**(2,753,696)**	**(3.3%)**
				Medical Expenses				
10,574,892	11,598,751	1,023,859	8.8%	Provider Capitation	33,052,067	34,919,522	1,867,455	5.3%
5,045,806	4,027,727	(1,018,079)	(25.3%)	Facilities Claims	13,470,635	12,323,581	(1,147,054)	(9.3%)
1,506,880	1,177,529	(329,351)	(28.0%)	Ancillary	4,430,960	3,599,478	(831,482)	(23.1%)
1,972,472	1,457,136	(515,336)	(35.4%)	MLTSS	5,210,911	4,458,861	(752,050)	(16.9%)
6,180,702	6,209,597	28,895	0.5%	Prescription Drugs	20,111,816	19,020,605	(1,091,211)	(5.7%)
306,451	578,438	271,987	47.0%	Incentive Payments	1,172,006	1,686,030	514,024	30.5%
1,052,135	1,267,419	215,284	17.0%	Medical Management	3,095,577	3,970,093	874,516	22.0%
26,639,338	**26,316,597**	**(322,741)**	**(1.2%)**	**Total Medical Expenses**	**80,543,972**	**79,978,170**	**(565,802)**	**(0.7%)**
254,695	**1,701,860**	**(1,447,165)**	**(85.0%)**	**Gross Margin**	**1,015,527**	**4,335,026**	**(3,319,499)**	**(76.6%)**
				Administrative Expenses				
642,134	923,526	281,392	30.5%	Salaries, Wages & Employee Benefits	1,980,255	2,789,356	809,101	29.0%
8,000	20,833	12,833	61.6%	Professional Fees	18,814	62,499	43,685	69.9%
87,609	109,606	21,997	20.1%	Purchased Services	280,629	328,818	48,189	14.7%
40,218	67,512	27,294	40.4%	Printing & Postage	134,167	202,536	68,369	33.8%
3,208	6,096	2,888	47.4%	Other Operating Expenses	3,479	18,288	14,809	81.0%
476,466	722,940	246,474	34.1%	Indirect Cost Allocation, Occupancy	1,922,426	2,168,900	246,474	11.4%
1,257,635	**1,850,513**	**592,878**	**32.0%**	**Total Administrative Expenses**	**4,339,769**	**5,570,397**	**1,230,628**	**22.1%**
(1,002,940)	**(148,653)**	**(854,287)**	**(574.7%)**	**Change in Net Assets**	**(3,324,242)**	**(1,235,371)**	**(2,088,871)**	**(169.1%)**
99.1%	***93.9%***	***5.1%***		***Medical Loss Ratio***	***98.8%***	***94.9%***	***3.9%***	
4.7%	***6.6%***	***1.9%***		***Admin Loss Ratio***	***5.3%***	***6.6%***	***1.3%***	

ONECARE CONNECT INCOME STATEMENT– SEPTEMBER MONTH:

REVENUES of $26.9 million are unfavorable to budget $1.1 million driven by:

- Unfavorable volume related variance of $0.5 million
- Unfavorable price related variance of $0.6 million

MEDICAL EXPENSES of $26.6 million are unfavorable to budget $0.3 million driven by:

- Favorable volume related variance of $0.5 million
- Unfavorable price related variance of $0.8 million
  - Facilities Claims expense unfavorable variance of $1.1 million
  - MLTSS expense unfavorable variance of $0.5 million
  - Ancillary expense unfavorable variance of $0.4 million
  - Prescription Drugs expense unfavorable variance of $0.1 million
  - All other expenses favorable variance of $1.3 million

ADMINISTRATIVE EXPENSES of $1.3 million are favorable to budget $0.6 million driven by:

- Salaries & Benefit expense favorable to budget $0.3 million
- Other Non-Salary expense favorable to budget $0.3 million

CHANGE IN NET ASSETS is ($1.0) million, unfavorable to budget $0.9 million

CalOptima Health
OneCare
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
2,905	**2,653**	**252**	**9.5%**	**Member Months**	**8,543**	**7,909**	**634**	**8.0%**
				Revenues				
2,412,246	2,079,138	333,108	16.0%	Medicare Part C Revenue	7,178,013	6,199,581	978,432	15.8%
329,275	1,044,821	(715,546)	(68.5%)	Medicare Part D Revenue	2,940,152	3,118,791	(178,639)	(5.7%)
2,741,520	**3,123,959**	**(382,439)**	**(12.2%)**	**Total Operating Revenue**	**10,118,165**	**9,318,372**	**799,793**	**8.6%**
				Medical Expenses				
974,708	765,627	(209,081)	(27.3%)	Provider Capitation	2,912,924	2,282,936	(629,988)	(27.6%)
1,391,002	1,201,088	(189,914)	(15.8%)	Inpatient	2,976,352	3,652,587	676,235	18.5%
138,040	92,967	(45,073)	(48.5%)	Ancillary	457,964	282,923	(175,041)	(61.9%)
1,138,308	1,135,973	(2,335)	(0.2%)	Prescirption Drugs	3,356,781	3,452,553	95,772	2.8%
4,186	25,287	21,101	83.4%	Incentive Payments	4,101	75,376	71,275	94.6%
42,180	82,595	40,415	48.9%	Medical Management	132,880	275,038	142,158	51.7%
3,688,423	**3,303,537**	**(384,886)**	**(11.7%)**	**Total Medical Expenses**	**9,841,002**	**10,021,413**	**180,411**	**1.8%**
(946,903)	**(179,578)**	**(767,325)**	**(427.3%)**	**Gross Margin**	**277,163**	**(703,041)**	**980,204**	**139.4%**
				Administrative Expenses				
135,111	147,399	12,288	8.3%	Salaries, Wages & Employee Benefits	335,045	403,919	68,874	17.1%
25,496	24,583	(913)	(3.7%)	Professional Fees	88,335	73,749	(14,586)	(19.8%)
30,339	14,693	(15,646)	(106.5%)	Purchased Services	60,971	44,079	(16,892)	(38.3%)
151,950	41,767	(110,183)	(263.8%)	Printing & Postage	165,144	125,301	(39,843)	(31.8%)
(0)	-	0	100.0%	Other Operating Expenses	(0)	-	0	100.0%
20,124	110,250	90,126	81.7%	Indirect Cost Allocation, Occupancy	238,494	328,620	90,126	27.4%
363,019	**338,692**	**(24,327)**	**(7.2%)**	**Total Administrative Expenses**	**887,989**	**975,668**	**87,679**	**9.0%**
(1,309,922)	**(518,270)**	**(791,652)**	**(152.7%)**	**Change in Net Assets**	**(610,825)**	**(1,678,709)**	**1,067,884**	**63.6%**
134.5%	***105.7%***	***28.8%***		***Medical Loss Ratio***	***97.3%***	***107.5%***	***(10.3%)***	
13.2%	***10.8%***	***(2.4%)***		***Admin Loss Ratio***	***8.8%***	***10.5%***	***1.7%***	

CalOptima Health
PACE
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
437	**458**	**(21)**	**(4.6%)**	**Member Months**	**1,306**	**1,362**	**(56)**	**(4.1%)**
				Revenues				
2,820,839	2,906,615	(85,776)	(3.0%)	Medi-Cal Capitation Revenue	8,380,351	8,644,478	(264,127)	(3.1%)
296,744	677,051	(380,307)	(56.2%)	Medicare Part C Revenue	1,633,411	2,051,130	(417,719)	(20.4%)
189,398	194,900	(5,502)	(2.8%)	Medicare Part D Revenue	559,428	579,407	(19,979)	(3.4%)
3,306,981	**3,778,566**	**(471,585)**	**(12.5%)**	**Total Operating Revenue**	**10,573,190**	**11,275,015**	**(701,825)**	**(6.2%)**
				Medical Expenses				
993,381	1,116,677	123,296	11.0%	Medical Management	2,736,660	3,366,961	630,301	18.7%
1,247,122	884,845	(362,277)	(40.9%)	Facilities Claims	3,128,595	2,679,225	(449,370)	(16.8%)
828,474	889,448	60,974	6.9%	Professional Claims	2,423,634	2,692,626	268,992	10.0%
384,674	377,880	(6,794)	(1.8%)	Prescription Drugs	1,210,504	1,141,602	(68,902)	(6.0%)
207,300	64,361	(142,939)	(222.1%)	MLTSS	482,825	195,631	(287,194)	(146.8%)
113,622	183,141	69,519	38.0%	Patient Transportation	422,438	556,478	134,040	24.1%
5,463	5,643	181	3.2%	Incentive Payments	16,325	17,152	827	4.8%
3,780,035	**3,521,995**	**(258,040)**	**(7.3%)**	**Total Medical Expenses**	**10,420,980**	**10,649,675**	**228,695**	**2.1%**
(473,054)	**256,571**	**(729,625)**	**(284.4%)**	**Gross Margin**	**152,210**	**625,340**	**(473,130)**	**(75.7%)**
				Administrative Expenses				
126,214	177,094	50,880	28.7%	Salaries, Wages & Employee Benefits	411,190	534,587	123,397	23.1%
-	413	413	100.0%	Professional Fees	1,575	1,237	(338)	(27.3%)
13,937	43,679	29,742	68.1%	Purchased Services	70,060	131,039	60,979	46.5%
42,591	20,233	(22,358)	(110.5%)	Printing & Postage	49,966	60,702	10,736	17.7%
557	900	343	38.1%	Depreciation & Amortization	1,636	2,700	1,064	39.4%
7,021	10,073	3,052	30.3%	Other Operating Expenses	17,265	30,217	12,952	42.9%
15,698	12,610	(3,088)	(24.5%)	Indirect Cost Allocation, Occupancy	37,400	37,617	217	0.6%
206,018	**265,002**	**58,984**	**22.3%**	**Total Administrative Expenses**	**589,092**	**798,099**	**209,007**	**26.2%**
(679,072)	**(8,431)**	**(670,641)**	**(7954.5%)**	**Change in Net Assets**	**(436,882)**	**(172,759)**	**(264,123)**	**(152.9%)**
114.3%	***93.2%***	***21.1%***		***Medical Loss Ratio***	***98.6%***	***94.5%***	***4.1%***	
6.2%	***7.0%***	***0.8%***		***Admin Loss Ratio***	***5.6%***	***7.1%***	***1.5%***	

CalOptima Health
Multipurpose Senior Services Program
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
478	**568**	**(90)**	**(15.8%)**	**Member Months**	**1,414**	**1,704**	**(290)**	**(17.0%)**
				Revenues				
157,199	253,517	(96,318)	(38.0%)	Medi-Cal Revenue	630,872	760,551	(129,679)	(17.1%)
157,199	**253,517**	**(96,318)**	**(38.0%)**	**Total Operating Revenue**	**630,872**	**760,551**	**(129,679)**	**(17.1%)**
				Medical Expenses				
159,488	166,522	7,034	4.2%	Medical Management	454,052	499,566	45,514	9.1%
42,133	32,958	(9,175)	(27.8%)	Waiver Services	89,432	98,874	9,442	9.5%
159,488	166,522	7,034	4.2%	Total Medical Management	454,052	499,566	45,514	9.1%
42,133	32,958	(9,175)	(27.8%)	Total Waiver Services	89,432	98,874	9,442	9.5%
201,621	**199,480**	**(2,141)**	**(1.1%)**	**Total Program Expenses**	**543,484**	**598,440**	**54,956**	**9.2%**
(44,422)	**54,037**	**(98,459)**	**(182.2%)**	**Gross Margin**	**87,388**	**162,111**	**(74,723)**	**(46.1%)**
				Administrative Expenses				
76,326	80,549	4,223	5.2%	Salaries, Wages & Employee Benefits	233,342	243,130	9,788	4.0%
1,333	1,333	(0)	(0.0%)	Professional Fees	4,000	3,999	(1)	(0.0%)
5,698	9,148	3,450	37.7%	Other Operating Expenses	17,327	27,444	10,117	36.9%
2,657	6,550	3,893	59.4%	Indirect Cost Allocation, Occupancy	15,757	19,650	3,893	19.8%
86,014	**97,580**	**11,566**	**11.9%**	**Total Administrative Expenses**	**270,426**	**294,223**	**23,797**	**8.1%**
(130,437)	**(43,543)**	**(86,894)**	**(199.6%)**	**Change in Net Assets**	**(183,038)**	**(132,112)**	**(50,926)**	**(38.5%)**
128.3%	***78.7%***	***49.6%***		***Medical Loss Ratio***	***86.1%***	***78.7%***	***7.5%***	
54.7%	***38.5%***	***(16.2%)***		***Admin Loss Ratio***	***42.9%***	***38.7%***	***(4.2%)***	

CalOptima Health
Building 505 - City Parkway
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
				Revenues				
-	-	-	0.0%	Rental Income	-	-	-	0.0%
-	**-**	**-**	**0.0%**	**Total Operating Revenue**	**-**	**-**	**-**	**0.0%**
				Administrative Expenses				
41,462	55,650	14,188	25.5%	Purchased Services	118,629	166,950	48,321	28.9%
211,922	224,250	12,328	5.5%	Depreciation & Amortization	635,767	672,750	36,983	5.5%
20,875	22,500	1,625	7.2%	Insurance Expense	62,625	67,500	4,875	7.2%
113,554	138,755	25,201	18.2%	Repair & Maintenance	347,694	416,265	68,571	16.5%
77,948	48,405	(29,543)	(61.0%)	Other Operating Expenses	250,597	145,215	(105,382)	(72.6%)
(465,762)	(489,560)	(23,798)	(4.9%)	Indirect Cost Allocation, Occupancy	(1,415,312)	(1,468,680)	(53,368)	(3.6%)
-	**-**	**-**	**0.0%**	**Total Administrative Expenses**	**-**	**-**	**-**	**0.0%**
-	**-**	**-**	**0.0%**	**Change in Net Assets**	**-**	**-**	**-**	**0.0%**

CalOptima Health
Building 500 - City Parkway
Statement of Revenues and Expenses
For the Three Months Ending September 30, 2022

Month					Year to Date			
Actual	Budget	$ Variance	% Variance		Actual	Budget	$ Variance	% Variance
				Revenues				
178,662	172,500	6,162	3.6%	Rental Income	555,552	517,500	38,052	7.4%
178,662	**172,500**	**6,162**	**3.6%**	**Total Operating Revenue**	**555,552**	**517,500**	**38,052**	**7.4%**
				Administrative Expenses				
-	-	-	0.0%	Professional Fees	-	-	-	0.0%
12,429	13,333	904	6.8%	Purchased Services	34,562	39,999	5,437	13.6%
-	-	-	0.0%	Depreciation & Amortization	-	-	-	0.0%
-	2,733	2,733	100.0%	Insurance Expense	-	8,199	8,199	100.0%
31,099	25,666	(5,433)	(21.2%)	Repair & Maintenance	103,361	76,998	(26,363)	(34.2%)
29,742	39,933	10,191	25.5%	Other Operating Expenses	100,171	119,799	19,628	16.4%
-	-	-	0.0%	Indirect Cost Allocation, Occupancy	-	-	-	0.0%
73,270	**81,665**	**8,395**	**10.3%**	**Total Administrative Expenses**	**238,095**	**244,995**	**6,900**	**2.8%**
105,391	**90,835**	**14,556**	**16.0%**	**Change in Net Assets**	**317,457**	**272,505**	**44,952**	**16.5%**

OTHER INCOME STATEMENTS – SEPTEMBER MONTH:

ONECARE INCOME STATEMENT

CHANGE IN NET ASSETS is ($1.3) million, unfavorable to budget $0.8 million

PACE INCOME STATEMENT

CHANGE IN NET ASSETS is ($0.7) million, unfavorable to budget $0.7 million

MSSP INCOME STATEMENT

CHANGE IN NET ASSETS is ($0.1) million, unfavorable to budget $0.1 million

BUILDING 500 INCOME STATEMENT

CHANGE IN NET ASSETS is $0.1 million, favorable to budget $14,556

- Net of $0.2 million in rental income and $0.1 million in expenses for the month of September

INVESTMENT INCOME

- Unfavorable variance of $3.0 million is driven by unrealized loss in investments due to decreased bond value as interest rates rise

CalOptima Health
Balance Sheet
September 30, 2022

ASSETS		LIABILITIES & NET POSITION	
Current Assets		**Current Liabilities**	
Operating Cash	$1,041,504,491	Accounts Payable	$56,198,143
Short-term Investments	1,064,815,776	Medical Claims Liability	1,487,657,508
Capitation Receivable	392,516,807	Accrued Payroll Liabilities	18,044,981
Receivables - Other	78,890,862	Deferred Revenue	29,870,795
Prepaid Expenses	21,584,810	Deferred Lease Obligations	83,119
		Capitation and Withholds	194,469,850
Total Current Assets	**2,599,312,746**	**Total Current Liabilities**	**1,786,324,395**
Capital Assets			
Furniture & Equipment	48,861,260		
Building/Leasehold Improvements	5,059,408		
Construction in Progress	4,188,459		
505 City Parkway West	52,782,700		
500 City Parkway West	22,631,500		
	133,523,327		
Less: Accumulated Depreciation	(66,084,697)	**Other Liabilities**	
Capital assets, net	67,438,630	GASB 96 Subscription Liabilities	-
GASB 96 Capital Assets		**Other (than pensions) Post**	
GASB 96 Subscription Assets	-	Employment Benefits Liability	22,304,410
		Net Pension Liabilities	577,854
Less: GASB 96 Accumulated Depreciation	-	Bldg 505 Development Rights	-
GASB 96 Capital Assets, net	-		
Total Captial Assets	67,438,630		
Other Assets			
Restricted Deposit & Other	300,000	**TOTAL LIABILITIES**	**1,809,206,659**
Homeless Health Reserve	40,636,739		
Board-designated Assets:			
Cash and Cash Equivalents	1,331,691		
Investments	562,220,904	**Deferred Inflows**	
Total Board-designated Assets	563,552,594	Excess Earnings	686,563
		OPEB 75 Difference in Experience	4,822,000
		Change in Assumptions	1,909,305
Total Other Assets	604,489,333	OPEB Changes in Assumptions	3,389,000
		Diff in Proj vs Act	20,982,636
		Net Position	
TOTAL ASSETS	**3,271,240,709**	TNE	103,548,500
		Funds in Excess of TNE	1,336,321,638
Deferred Outflows		**TOTAL NET POSITION**	1,439,870,139
Contributions	1,931,845		
Difference in Experience	2,353,671		
Excess Earning	-		
Changes in Assumptions	2,325,077		
OPEB 75 Changes in Assumptions	2,486,000		
Pension Contributions	529,000		
TOTAL ASSETS & DEFERRED OUTFLOWS	**3,280,866,302**	**TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION**	**3,280,866,302**

Back to Agenda

CalOptima Health
Board Designated Reserve and TNE Analysis
as of September 30, 2022

Type	Reserve Name	Market Value	Benchmark		Variance	
			Low	High	Mkt - Low	Mkt - High
	Tier 1 - Payden & Rygel	229,602,133				
	Tier 1 - MetLife	228,066,067				
Board-designated Reserve		457,668,200	342,226,802	533,273,360	115,441,398	(75,605,160)
	Tier 2 - Payden & Rygel	53,116,510				
	Tier 2 - MetLife	52,767,884				
TNE Requirement		105,884,394	103,548,500	103,548,500	2,335,894	2,335,894
	Consolidated:	**563,552,594**	**445,775,302**	**636,821,861**	**117,777,292**	**(73,269,266)**
	Current reserve level	*1.77*	*1.40*	*2.00*		

CalOptima Health
Statement of Cash Flows
September 30, 2022

	Month Ended	Year-To-Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	10,970,601	20,401,371
Adjustments to reconcile change in net assets		
to net cash provided by operating activities		
Depreciation and amortization	576,115	1,737,275
Changes in assets and liabilities:		
Prepaid expenses and other	(871,097)	1,007,444
Catastrophic reserves		
Capitation receivable	(4,057,325)	5,456,916
Medical claims liability	162,333,270	209,642,159
Deferred revenue	21,868,569	21,766,750
Payable to health networks	(8,776,768)	1,255,221
Accounts payable	15,659,366	3,881,255
Accrued payroll	2,490,658	(1,396,148)
Other accrued liabilities	(3,030)	(9,053)
Net cash provided by/(used in) operating activities	200,190,358	263,743,191
GASB 68 CalPERS Adjustments	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Net Asset transfer from Foundation	-	-
Net cash provided by (used in) in capital and related financing activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in Investments	(132,781,295)	(50,355,273)
Change in Property and Equipment	(1,605,521)	(2,311,868)
Change in Restricted Deposit & Other	-	51
Change in Board designated reserves	6,029,105	6,939,046
Change in Homeless Health Reserve	-	-
Net cash provided by/(used in) investing activities	(128,357,712)	(45,728,044)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	71,832,646	218,015,146
CASH AND CASH EQUIVALENTS, beginning of period	$969,671,845	823,489,344
CASH AND CASH EQUIVALENTS, end of period	**1,041,504,491**	**1,041,504,491**

BALANCE SHEET – SEPTEMBER MONTH:

ASSETS of $3.3 billion increased $204.5 million from August or 6.6%

- Operating Cash and Short-term Investments net increase of $204.6 million due primarily to:
  - Short-term Investments increased $132.8 million due to receipt of hospital DP and Enhanced Payment Program (EPP) funds of $135.2 million to be paid in October
  - Operating Cash increased $71.8 million due to the timing of claim payments and prepayment for the Centers for Medicare & Medicaid Services (CMS)

LIABILITIES of $1.8 billion increased $193.6 million from August or 12.0%

- Claims Liabilities increased $162.3 million due to timing of claim payments, changes in IBNR and FY 2021 hospital DP
- Deferred Revenue increased $21.9 million due to timing of capitation payments from CMS
- Accounts Payable increased $15.7 million due to the timing of capitation premium tax payments
- Capitation and Withholds decreased $8.8 million due to timing of capitation payments

NET ASSETS of $1.4 billion, increased $11.0 million from August or 0.8%

CalOptima Health - Consolidated
Net Assets Analysis
For the Three Months Ended September 30, 2022

Category	Item Description	Amount (millions)	Spend to Date	%
	Total Net Position @ 09/30/2022:	**$1,439.9**		**100.0%**
Resources Assigned	Board Designated Reserve*	**563.6**		**39.1%**
	Capital Assets, net of depreciation	**67.4**		**4.7%**
Resources Allocated	Homeless Health Initiative**	$100.0	$35.0	6.9%
	Intergovernmental Transfers (IGT)***	111.7	47.7	7.8%
	Mind OC Grant	1.0	1.0	0.1%
	CalFresh Outreach Strategy	2.0	0.4	0.1%
	Digital Transformation and Workplace Modernization	100.0	1.5	6.9%
	Coalition of Orange County Community Health Centers Grant	50.0	10.0	3.5%
	Subtotal:	**$364.7**	**$95.6**	**25.3%**
Resources Available for New Initiatives:	Unallocated/Unassigned*	**$444.2**		**30.8%**

*Total of Board Designated reserve and unallocated reserve amount can support approximately 96 days of CalOptima Health's current operations

**See Summary of Homeless Health Initiatives and Allocated Funds for list of Board approved initiatives

***Decrease in IGT Spend to Date of $16.8 million from August is due to updated PY WCM Retrospective Risk Corridor

CalOptima Health
Key Financial Indicators
As of September 2022

Item Name	Month-to-Date (September 2022)				FY 2023 Year-to-Date (September 2022)			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Member Months	939,156	915,551	23,605	2.6%	2,786,098	2,746,842	39,256	1.4%
*Operating Revenue **	443,623,759	332,559,309	111,064,450	33.4%	1,113,448,627	997,442,145	116,006,482	11.6%
*Medical Expenses **	413,532,078	307,968,314	(105,563,764)	(34.3%)	1,050,383,175	931,719,084	(118,664,091)	(12.7%)
General and Administrative Expense	15,367,410	17,377,003	2,009,593	11.6%	43,170,036	51,777,920	8,607,884	16.6%
Non-Operating Income/(Loss)	(3,753,671)	(772,801)	(2,980,870)	(385.7%)	505,956	(954,767)	1,460,723	153.0%
Summary of Income & Expenses	10,970,601	6,441,191	4,529,410	70.3%	20,401,371	12,990,374	7,410,997	57.0%

Medical Loss Ratio (MLR)	Actual	Budget	Variance		Actual	Budget	Variance	
Consolidated	93.2%	92.6%	0.6%		94.3%	93.4%	0.9%	

Administrative Loss Ratio (ALR)	Actual	Budget	Variance		Actual	Budget	Variance	
Consolidated	3.5%	5.2%	1.8%		3.9%	5.2%	1.3%	

Investment Balance (excluding CCE)	Current Month	Prior Month	Change	%
@9/30/2022	1,621,617,096	1,487,825,728	133,791,368	9.0%

Unallocated/Unassigned Reserve Balance	Current Month @ September 2022	Fiscal Year Ending June 2022	Change	%
Consolidated	444,216,525	448,294,548	(4,078,023)	(0.9%)

Key:	
> 0%	
> -20%, < 0%	
< -20%	

* $135M of Directed payments is included in revenue and $133M DP is included in expense.

CalOptima Health
Digital Transformation Strategy ($100 million total re
Funding Balance Tracking Summary
For the Three Months Ended September 30, 2022

	FY 2022-23 Month-to-Date				FY 2022-23 Year-to-Date			
	Actual Spend	**Approved Budget**	**Variance $**	**Variance %**	**Actual Spend**	**Approved Budget**	**Variance $**	**Variance %**
Capital Assets (Cost, Information Only):								
Total Capital Assets	**1,440,651**	**5,727,000**	**4,286,349**	**74.8%**	**1,440,651**	**25,407,000**	**23,966,349**	**94.3%**
Operating Expenses:								
Salaries, Wages & Benefits	60,616	417,277	356,661	85.5%	82,592	801,072	718,480	89.7%
Professional Fees	-	186,041	186,041	100.0%	-	558,123	558,123	100.0%
Purchased Services	-	13,333	13,333	100.0%	-	39,999	39,999	100.0%
Depreciation Expenses	-	-	-	0.0%	-	-	-	0.0%
Other Expenses	-	274,365	274,365	100.0%	-	823,095	823,095	100.0%
Total Operating Expenses	**60,616**	**891,016**	**830,400**	**93.2%**	**82,592**	**2,222,289**	**2,139,697**	**96.3%**

Funding Balance Tracking:	**Actual Spend**	**Approved Budget**
Beginning Funding Balance	100,000,000	100,000,000
Less:		
FY2022-23	1,523,242	45,173,113
FY2023-24		
FY2024-25		
Ending Funding Balance	**98,476,758**	**54,826,887**

Summary of Homeless Health Initiatives and Allocated Funds
As of September 30, 2022

		Amount
Program Commitment	**$**	**100,000,000**

Funds Allocation, approved initiatives:

Enhanced Medi-Cal Services at the Be Well OC Regional Mental Health and Wellness Campus	11,400,000	
Recuperative Care	8,250,000	
Medical Respite	250,000	
Day Habilitation (County for HomeKey)	2,500,000	
Clinical Field Team (CFT) Start-up & Federal Qualified Health Center (FQHC)	1,600,000	
CalOptima Homeless Response Team	6,000,000	
Homeless Coordination at Hospitals	10,000,000	
CalOptima Days & QI Program - Homeless Clinic Access Program (HCAP)	1,693,261	
FQHC (Community Health Center) Expansion and HHI Support	570,000	
HCAP Expansion for Telehealth and CFT On Call Days	1,700,000	
Vaccination Intervention and Member Incentive Strategy	400,000	
Street Medicine	8,000,000	
Outreach and Engagement Team	7,000,000	
Funds Allocation Total	**$**	**59,363,261**
Program Commitment Balance, available for new initiatives*	**$**	**40,636,739**

On June 27, 2019 at a Special Board meeting, the Board approved four funding categories. This report only lists Board approved projects.

*Funding sources of the remaining balance are IGT8 and CalOptima's operating income, which must be used for Medi-Cal covered services for the Medi-Cal population

Budget Allocation Changes
Reporting Changes for September 2022

Transfer Month	Line of Business	From	To	Amount	Expense Description	Fiscal Year
July	No budget reallocations for July					2022-23
August	Medi-Cal	Health Reward Incentive Fulfillment	Health Reward Incentive Fulfillment	$75,000	To reallocate funds from Pur Svcs – Health Reward Incentive Fulfillment to Incentive Budget for PHM Health Rewards.	2022-23
September	No budget reallocations for September					2022-23

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

Board of Directors Meeting
November 3, 2022

Monthly Compliance Report

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

A. Updates on Regulatory Audits

1. OneCare and OneCare Connect

- 2021 Centers for Medicare & Medicaid Services (CMS) Program Audit/Independent Validation Audit (IVA) *(applicable to OneCare and OneCare Connect)*:

  - ***CalOptima Health is pending CMS' review and feedback on the IVA report.***
    - CMS provided feedback on the IVA report on September 12, 2022
      - Inquiries/feedback were not substantial
    - CalOptima Health RAC team worked with IVA consultant to draft responses
    - Responses were submitted CMS on September 30, 2022
    - Awaiting response from CMS

- Compliance Program Effectiveness (CPE) Audit (*applicable to OneCare*):

  - CMS (Medicare) requires CalOptima Health to undergo an independent audit of the effectiveness of its Compliance program on an annual basis.
  - As per the Medicare requirements, the results must be shared with the CalOptima Health Board of Directors.
  - The virtual audit is scheduled to be conducted by the independent auditor October 11-17, 2022.
  - The audit report is expected to be received in November 2022.

- 2022 Timeliness Monitoring Project (TMP) (*applicable to OneCare*):

  - CalOptima Health participated in TMP audit webinars with a CMS contractor on September 26 and 29, 2022.
  - The CMS contractor validated the two reconsideration universes and has submitted the results to CMS.
  - CalOptima Health is awaiting timeliness results from CMS.

Background – FYI Only

Back to Agenda

CMS conducts an annual industry-wide appeals timeliness monitoring project. The 2022 TMP will include a retrospective collection and review of CY 2022 Q1 data.

2. Medi-Cal

- 2024 Managed Care Plan (MCP) Operational Readiness Contract:

Update:
- Phase 1: Deliverable due dates vary from August 12, 2022 – December 15, 2022
  - 12/15/22 deliverables – on-track (43 deliverables)
  - 10/3/22 deliverables – submitted early on 9/29/22
  - 9/12/22 deliverables – submitted timely
  - 8/12/22 deliverables – submitted timely
- Phase 2: Deliverables due December 15, 2022 – March 31, 2023
- Phase 3: Deliverables due April 20, 2023 – July 31, 2023

On-track for all remaining deliverables. Each phase must be completed and approved by DHCS prior to the initiation of the next phase.

Background – FYI Only

Throughout CY 2022 and CY 2023, MCPs, including CalOptima Health will be required to submit a series of contract readiness deliverables to the Department of Health Care Services (DHCS) for review and approval. Staff will implement the broad operational changes and contractual requirements outlined in the Operational Readiness agreement to ensure compliance with all requirements by the January 1, 2024, contract effective date.

- 2021 DHCS Medical Audit:

Update: Draft findings were received on September 22, 2022, and an Exit Conference was hosted by DHCS on September 27, 2022, to review the draft audit report.

CalOptima Health received 2 audit reports based on audit scopes. Draft audit results are as follows:

- DHCS Medical Audit - 9 findings
  - Findings were not a surprise, and most have already been remediated.
- State Supported Services audit: no findings
- CalOptima Health has until October 13, 2022, to review and respond to the draft findings prior to DHCS' formal issuance of the corrective action plan.
- CalOptima Health does not plan to rebut any of the findings.
- Once the corrective action plan request is issued, CalOptima Health will have 30 days to respond.

Background – FYI Only
- Audit engagement notice received on October 7, 2021.

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- Review period was February 1, 2020, through December 31,2021.
- Scope:
  - Non-Seniors and Persons with Disabilities and Seniors and Persons with Disabilities (SPD) members.
  - Utilization management, case management and coordination of care, member's rights, quality management, access & availability, and administrative and organizational capacity.
  - DHCS selected Kaiser, Prospect, and Family Choice Medical Group (FCMG) to participate in various capacities.
- Audit close-out: February 4, 2022. DHCS discussed preliminary observations.
  - ***In partnership with the business areas, the Office of Compliance has worked to address preliminary observations, as appropriate***.

- 2022 Managed Care Entity (MCE) Program Integrity (PI) Review:

  Update: CMS & DHCS have requested CalOptima Health's participation in virtual meetings to discuss the internal PI efforts in place to ensure adequate oversight, as well as to deter and address fraud, waste, and abuse. Virtual meetings are expected between October 24-28, 2022; however, specific dates and times are forthcoming.

  Background – FYI Only
  - April 13, 2022, the DHCS notified CalOptima Health that it had been selected to provide feedback to CMS in respect to CalOptima Health's internal PI efforts that are in place to ensure adequate oversight as well as to deter and address FWA.
  - Review period was the preceding 3 Federal Fiscal Year (FFYs).
  - Focused on CalOptima Health's Medi-Cal program. DHCS requested that CalOptima Health respond to a series of questions within the CMS Template and submit responses and supporting documentation to DHCS, which DHCS would then submit to CMS.
  - May 4, 2022, CalOptima Health provided its timely response to DHCS.

B. Regulatory Notices of Non-Compliance

- CalOptima Health did not receive any notices of non-compliance from its regulators for the month of September 2022.

C. Office for Civil Rights (OCR)

- HIPAA Privacy and Security Audit:

  Update:
  - CalOptima Health received a closure letter from the U.S. Health and Human Services (HHS) Office for Civil Rights (OCR) on October 11, 2022, related to a HIPAA breach that occurred in August 2021 involving 4,732 COVID-19 Vaccine Incentive Approval letters mailed to incorrect addresses.
  - In December 2021, the OCR conducted a desk audit of CalOptima Health, and as a result of the audit, did not have findings.
  - The following technical assistance was provided to CalOptima Health in which the OCR may initiate a compliance review in six months:

1. CalOptima Health is required to complete regular Risk Analyses and corresponding risk management plans.
2. Ensure the Risk Analysis is enterprise-wide and assesses the threats and vulnerabilities to all e-PHI created, received, maintained, or transmitted by CalOptima Health.
3. Ensure the Risk Management plan identifies key staff responsible for completing mitigation and projected completion dates.

The OCR reminded CalOptima Health of additional requirements, such as routine review and updates to its administrative and technical safeguards policies and procedures, including restricting access to its e-PHI to only those persons or software programs it has determined should have access, and to ensure regular staff HIPAA privacy and security trainings with documentation of training attendance.

D. Updates on Internal and Health Network Monitoring and Audits

- Health Network Audits:

  - CalOptima Health's Audit and Oversight (A&O) department completed annual audits on the following delegated health networks to assess their capabilities and performance with delegated activities:

    - CHOC HA – July 1, 2021 – June 30, 2022

  - Audit tools and elements were derived from accrediting, regulatory and CalOptima Health contractual standards. For areas that scored below the 100% threshold, A&O issued a corrective action plan (CAP) request and is actively working with each health network to remediate findings.

Non-Clinical Policy Review

Delegated Entity	Access Availability	Claims	Compliance	Cultural & Linguistics	Customer Service	Provider Network Contracting	Provider Relations	Sub-Contractual
CHOC HA	100%	100%	100%	100%	100%	98%	100%	100%

Non-Clinical File Review

Delegated Entity	Claims, Approved	Claims, Denied	PDR' s	Customer Service	Initial Provider Training		Annual Provider Training		Initial Staff Training		Annual Staff Training	
					TAT	CT	TAT	CT	TAT	CT	TAT	CT
CHOC HA	92%	97%	96%	50%	20%	40%	80%	0%	30%	30%	90%	90%

TAT* Turnaround Time
CT* Completed Training

Clinical Policy Review

Delegated Entity	Case Management	Case Management, Whole Child Model	Medi-Cal Addendum	Utilization Management
CHOC HA	100%	100%	100%	100%

Clinical File Review

Delegated Entity	Blood Lead Screening (MC)	Case Management	Community Support(s) (MC)	Whole Child Model (MC)	Expedited (MC)	NEMT (MC)	PSA (MC)	Retrospective Denials (MC	Standard (MC)
CHOC HA	65%	83%	88%	98%	78%	98%	0%	88%	76%

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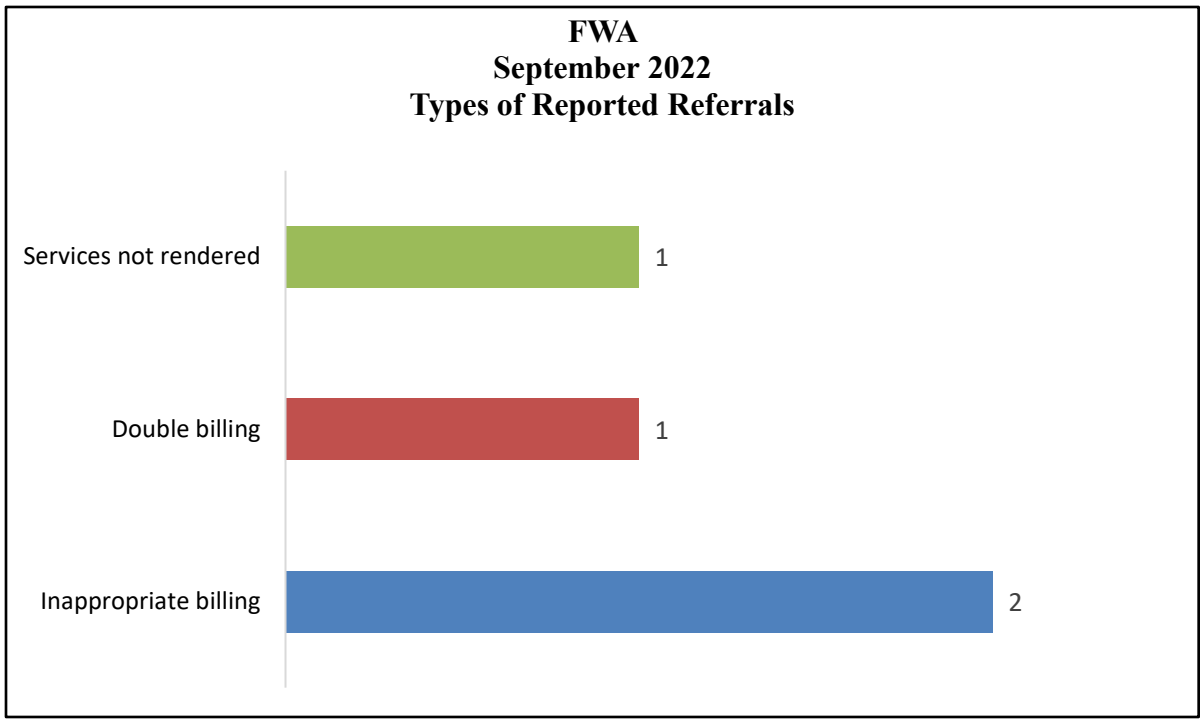
Credentialing and Recredentialing Policy

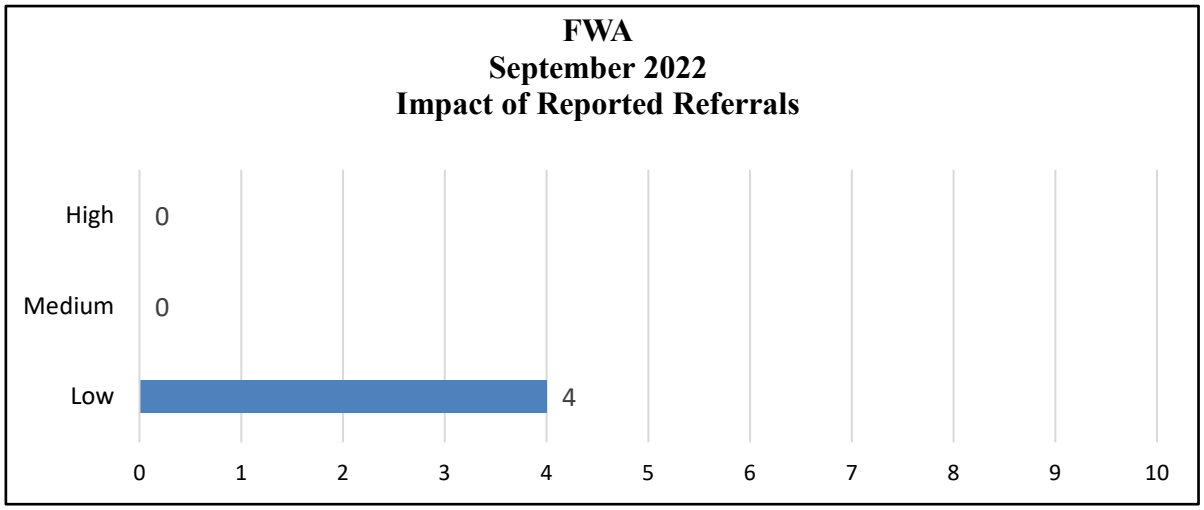
Delegated Entity	Policy Review
CHOC HA	99%

Delegated Entity	Initial Credentialing File Review	Recredentialing File Review
CHOC HA	100%	100%

Delegated Entity	Organizational Providers Initial File Review	Organizational Providers Recredentialing File Review
CHOC HA	100%	100%

D. Fraud, Waste & Abuse (FWA) Investigations (September 2022)

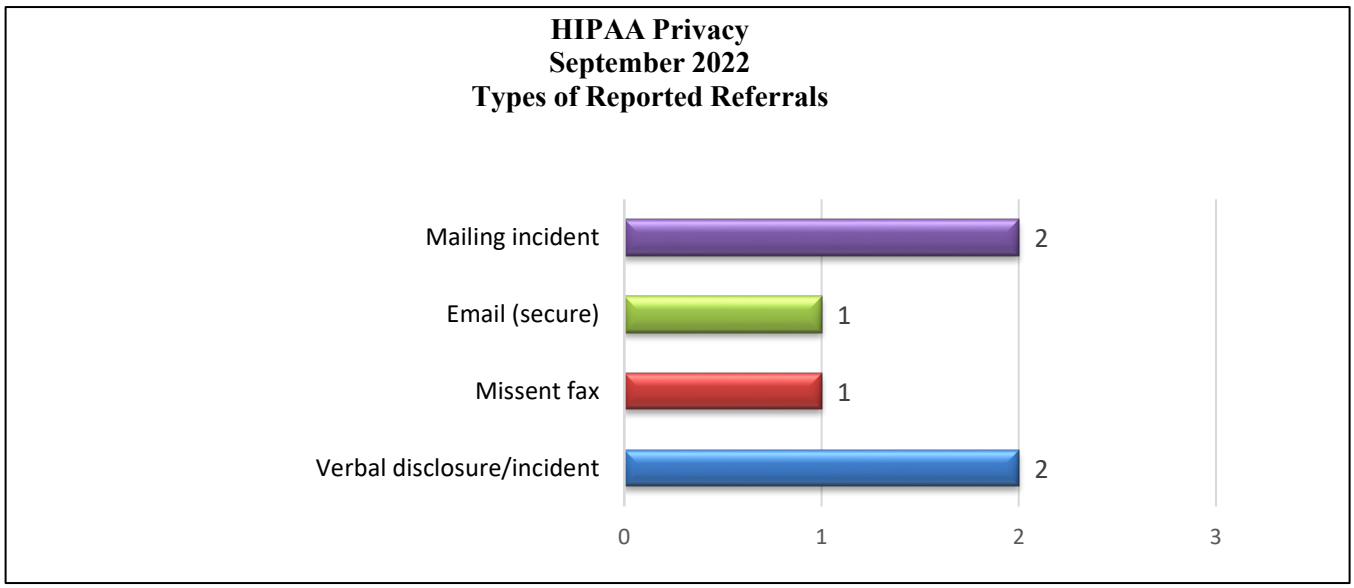


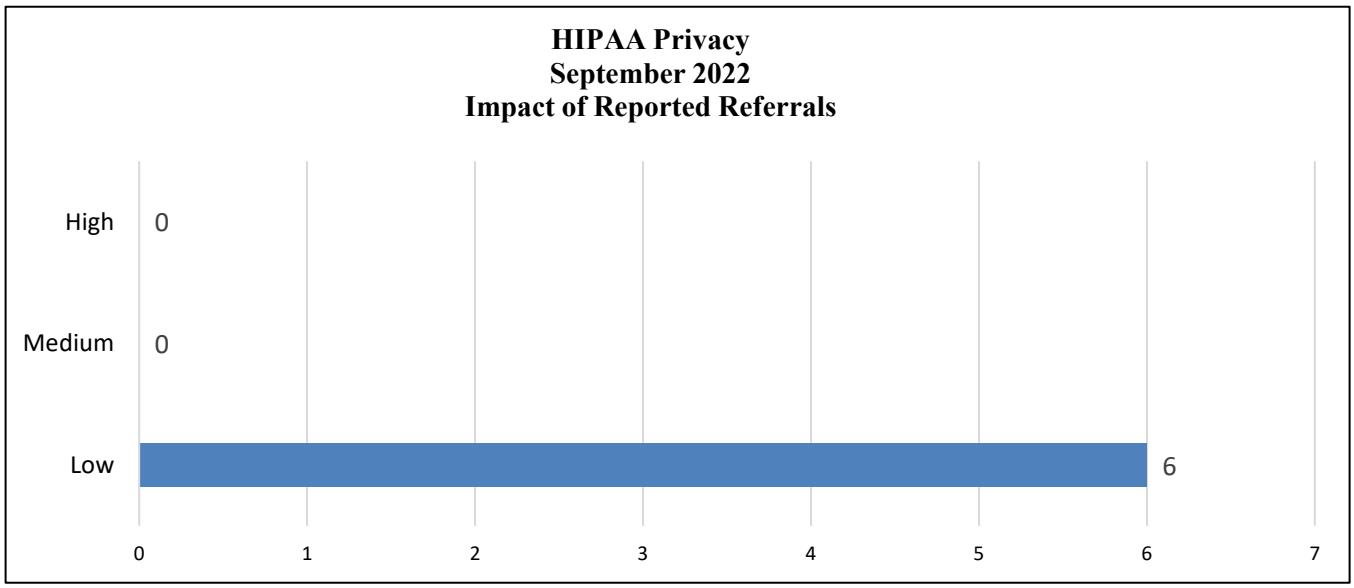


Total Number of New Cases Referred to DHCS (State)	4
Total Number of New Cases Referred to DHCS and CMS*	2
Total Number of Referrals (Subjects) Reported to Regulatory Agencies	**4**

*Effective January 1, 2022, CMS implemented a new portal to report suspicious FWA. Any potential FWA *with impact to Medicare* is reported to both DHCS and CMS at the start of an investigation.

E. Privacy Update: (September 2022)





Total Number of Referrals Reported to DHCS (State)	6
Total Number of Referrals / Breaches Reported to DHCS and Office for Civil Rights (OCR)	0

POTOMAC PARTNERS DC

STRATEGIC HEALTH CARE

M E M O R A N D U M

October 20, 2022

To: CalOptima

From: Potomac Partners DC & Strategic Health Care

Re: October Board of Directors Report

CONGRESSIONAL SCHEDULE

Both chambers of Congress are in recess for the month of October and early November, returning to session after the mid-term elections. The Senate briefly met to begin some procedural motions on the annual defense authorization bill, called the National Defense Authorization Act (NDAA), but no other major legislation is scheduled to be considered during this time.

FY23 APPROPRIATIONS & LIKELY CONTINUING RESOLUTION

At the end of September, Congress passed and the President signed a Continuing Resolution (CR) to temporarily fund the government. A Continuing Resolution was necessary to avoid a government shutdown since none of the 12 Fiscal Year 2023 (FY23) annual appropriations bills have been signed into law. The Continuing Resolution will temporarily extend funding for the federal government at Fiscal Year 2022 levels until December 16. The original text of the CR can be found here, along with a summary here. Prior to passage, a section of the bill sponsored by Sen. Machin related to pipeline permitting was removed prior to Senate passage. A final version of the text of the CR can be found here.

The CR also includes several bipartisan program extensions, outlined below:

Department of Health and Human Services (HHS) extensions:

- Extends the low-volume payment adjustment to Medicare hospital payments
- **Temporary Assistance for Needy Families (TANF)** program allow HHS to make first quarter payments to States through December 16, 2022.

Reduced Funding Programs include:

- Reduction of Medicare Improvement Fund from $7.5 billion to $7.308 billion.

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CDC Changes Rules on Universal Masking for Healthcare Workers

This month, the CDC quietly dropped its universal masking recommendation for healthcare settings, except for in areas of high COVID-19 transmission and other special circumstances. Click here for the CDC document. The agency also made several other changes related to infection control among healthcare workers, including recommending that:

- Vaccination status should no longer guide masking, screening, or post-exposure practices.
- Testing of healthcare workers who are asymptomatic and have no known exposure is now at the discretion of the facility, with certain exceptions.
- Broadly speaking, asymptomatic patients should no longer be required to isolate due to close contact with a person who has a SARS-CoV-2 infection.

Public Health Emergency Extended Another 90 Days

HHS has extended the COVID-19 Public Health Emergency (PHE) another 90 days. Unless there is a major COVID-19 spike, HHS is expected to give its 60-day notice by mid-November that it will terminate the PHE in mid-January. The PHE declaration can be found here.

Medicare Advantage

The White House Office of Management and Budget (OMB) is now reviewing a rule that would put new requirements on Medicare Advantage (MA) plans, Medicaid fee-for-service programs, Medicaid plans and exchange plans to "improve the electronic exchange of health care data and streamline processes related to prior authorization". It would also add measures to the Merit-based Incentive Payment Systems in the interoperability category and for hospitals in their interoperability program. Click here for the OMB notice.

National Strategy to End Hunger

President Biden rolled out a national strategy in late September to end hunger in eight years in the U.S., while tackling nutrition and health disparities that worsened during the pandemic. The plan, unveiled during the White House Hunger Summit, has five key components that include: improving federal nutrition program access; promoting healthy eating and nutrition standards; cutting down on food waste; helping food-insecure kids and veterans; and improving food access for historically underserved Americans. The plan also tries to steer federal funding to organizations that improve food access, especially for vulnerable Americans. The full plan can be found here.

EDELSTEIN GILBERT ROBSON & SMITH LLC

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd Associate Bridget E. McGowan Associate

October 14, 2022

LEGISLATIVE UPDATE

Edelstein Gilbert Robson & Smith LLC

General Update

The Legislature adjourned for final recess on August 31. Since then, the Governor worked his way through all of the bills sent to his desk in the final weeks of session.

The deadline for the Governor to sign or veto bills was September 30. This year, he signed just under 1,000 bills and vetoed 169 of them (about 14.5 percent of bills sent to his desk). This is a higher veto rate than the last two years, and it is worth noting that many of the bills he vetoed were done so based on cost concerns. Recognizing that the economy is slowing, the Governor vetoed many bills to avoid the long-term financial obligations that recurring expenditures bring to the state budget.

Aside from an organizational day of session in early December, legislators will remain in their districts for the rest of the year, focusing on the upcoming midterm elections and other district activities.

Legislation of Interest

AB 498 (Quirk-Silva) - CalOptima Health Board of Directors. This bill locks the CalOptima Health board positions into state statute. The measure also prohibits the County Supervisors and the lawyer/accountant board members from working at CalOptima Health or any entity that received money from CalOptima Health in the previous five years. This prohibition remains in place for one year after these board members leave their board positions. Amendments in late August clarified that funds spent on routine administrative expenditures will not trigger the third-party "employment" prohibition.

The Governor signed this bill on September 19.

SB 1338 (Umberg) - CARE Court. SB 1338 establishes the Community Assistance, Recovery, and Empowerment (CARE) Court Program to provide comprehensive treatment, housing and support services to Californians with complex behavioral health care needs. This measure remains controversial with some because it allows homeless individuals to be confined against their will while they are evaluated to determine whether they would benefit from various social services.

As anticipated, the Governor signed SB 1338 on September 14.

1127 11TH Street SUITE 1030 Sacramento, CA 95814 (916)443-6400 FAX (916)443-6445
www.egrslobby.com

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SB 1342 (Bates) - Older Adult Care Coordination. This bill authorizes counties to create a Multi-Disciplinary Team (MDT) for older adults that would allow county departments and aging services providers to exchange information to improve interagency care coordination and service delivery for older adults and their caregivers.

CalOptima Health supported this bill, which was sponsored by the County of Orange. The Governor signed it on September 27.

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2021–22 Legislative Tracking Matrix

Bill Number Author	Bill Summary	Bill Status	Position/Notes
COVID-19 (Coronavirus)			
H.R. 4735 Axne (IA) **S. 2493** Bennet (CO)	**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). ***Potential CalOptima Health Impact:*** Increased financial stability for CalOptima Health's contracted providers.	**07/28/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 5963 Spanberger (VA) **S. 3611** Shaheen (NH)	**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. ***Potential CalOptima Health Impact:*** Increased financial stability for CalOptima Health's contracted providers.	**11/12/2021** Introduced; referred to committees	CalOptima Health: Watch
SB 1473 Pan	**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. ***Potential CalOptima Health Impact:*** Reimbursement for all in-network and out-of-network medical claims for COVID-19 therapeutics without utilization management (UM) controls.	**09/25/2022** Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Behavioral Health			
H.R. 7780 DeSaulnier (CA)	**Mental Health Matters Act:** Would direct federal departments to award grants for the following purposes: • 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 In addition, would require institutions of higher education to allow incoming students with existing documentation of a disability to access disability accommodations. ***Potential CalOptima Health Impact:*** Increased access to mental health services for school-aged CalOptima Health members.	**09/29/2022** Passed House floor; referred to Senate Committee on Health, Education, Labor, and Pensions	CalOptima Health: Watch
H.R. 8542 Porter (CA) **S. 515** Warren (MA)	**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. ***Potential CalOptima Health Impact:*** Increased access to behavioral health services for CalOptima Health members; decreased rates of arrest and incarceration.	**02/25/2021** Introduced; referred to committees	CalOptima Health: Watch County of Orange: Support
H.R. 1914 DeFazio (OR) **S. 764** Wyden (OR)	**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. ***Potential CalOptima Health Impact:*** Increased behavioral health and SUD services to CalOptima Health Medi-Cal members.	**03/16/2021** Introduced; referred to committees	**08/05/2021** CalOptima Health: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 552 Quirk-Silva	**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. ***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.	**09/19/2022** Vetoed	CalOptima Health: Watch
SB 1019 Gonzalez	**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. ***Potential CalOptima Health Impact:*** Additional member and provider outreach activities by CalOptima Health staff.	**09/30/2022** Signed into law	CalOptima Health: Watch
SB 1338 Umberg	**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. ***Potential CalOptima Health Impact:*** Increased behavioral health and SUD services for eligible CalOptima Health members.	**09/14/2022** Signed into law	CalOptima Health: Watch CAHP: Concern

Bill Number Author	Bill Summary	Bill Status	Position/Notes
Budget			
H.R. 2471 DeLauro (CT)	**Consolidated Appropriations Act, 2022**: Appropriates $1.5 trillion to fund the United States federal government through September 30, 2022, including earmarks for the following projects in Orange County: • Children's Hospital of Orange County: $325,000 to expand capacity for mental health treatment services and programs in response to the COVID-19 pandemic • City of Huntington Beach: $500,000 to establish a mobile crisis response program • County of Orange: $2 million to develop a second Be Well Orange County campus in the City of Irvine • County of Orange: $5 million to develop a Coordinated Reentry Center to help justice-involved individuals with mental health conditions or SUDs reintegrate into the community • North Orange County Public Safety Task Force: $5 million to expand homeless outreach and housing placement services In addition, extends all current telehealth flexibilities in the Medicare program until approximately five months following the termination of the COVID-19 PHE. ***Potential CalOptima Health Impact:*** 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).	**03/15/2022** Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 6833 Craig (MN)	**Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023:** Extends Fiscal Year (FY) 2022 federal spending levels from September 30, 2022, through December 16, 2022. In addition, includes the following supplemental provisions: • $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 ***Potential CalOptima Health Impact**:* Continuation of current federal spending and Medicare programs; increased financial stability of CalOptima Health members.	**09/30/2022** Signed into law	CalOptima Health: Watch
AB 178 Ting **SB 154** Skinner	**Budget Act of 2022:** Makes appropriations for the government of the State of California for Fiscal Year (FY) 2022–23. Total spending is just over $300 billion, of which $234.4 billion is from the General Fund. ***Potential CalOptima Health Impact:*** Impacts are discussed in the enclosed Analysis of the Enacted Budget.	**06/30/2022** Signed into law	CalOptima Health: Watch
AB 186 Committee on Budget	**Skilled Nursing Facility (SNF) Financing Reform Trailer Bill:** Enacts budget trailer bill language containing the policy changes needed to implement FY 2022–23 budget expenditures regarding SNF financing. ***Potential CalOptima Health Impact:*** Impacts are discussed in the enclosed Analysis of the Enacted Budget.	**06/30/2022** Signed into law	CalOptima Health: Watch
AB 204 Committee on Budget	**Health Trailer Bill II:** Would require 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. ***Potential CalOptima Health Impact:*** Increased workforce stabilization and less employee turnover at contracted FQHCs and other community clinics.	**08/31/2022** Passed Legislature; pending action by the Governor	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 184 Committee on Budget and Fiscal Review	**Health Trailer Bill I:** Consolidates and enacts budget trailer bill language containing the policy changes needed to implement most health-related expenditures in the FY 2022–23 state budget. ***Potential CalOptima Health Impact:*** Impacts are discussed in the enclosed Analysis of the Enacted Budget.	**06/30/2022** Signed into law	CalOptima Health: Watch
Covered Benefits			
H.R. 56 Biggs (AZ)	**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. ***Potential CalOptima Health Impact:*** New covered benefit for CalOptima Health's lines of business.	**01/04/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 1118 Dingell (MI)	**Medicare Hearing Aid Coverage Act of 2021:** Effective January 1, 2022, would require Medicare Part B coverage of hearing aids and related examinations. ***Potential CalOptima Health Impact:*** New covered benefit for CalOptima Health OneCare, OneCare Connect and PACE.	**02/18/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 4187 Schrier (WA)	**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. ***Potential CalOptima Health Impact:*** New covered benefits for CalOptima Health OneCare and PACE.	**06/25/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 4311 Doggett (TX) **S. 2618** Casey (PA)	**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: • Dental: Routine dental cleanings and examinations, basic and major dental services, emergency dental care, and dentures • Vision: Routine eye examinations, eyeglasses, contact lenses and low vision devices • Hearing: Routine hearing examinations, hearing aids and related examinations The Senate version would also increase the Medicaid FMAP for hearing, vision and dental services to 90%. ***Potential CalOptima Health Impact:*** New covered benefits for CalOptima Health OneCare, OneCare Connect and PACE; higher federal funding rate for current Medi-Cal benefits.	**07/01/2021** Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 4650 Kelly (IL)	**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. ***Potential CalOptima Health Impact:*** New covered benefits for CalOptima Health OneCare and PACE.	**07/22/2021** Introduced; referred to committees	CalOptima Health: Watch
AB 1929 Gabriel	**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. ***Potential CalOptima Health Impact:*** New covered benefit for CalOptima Health Medi-Cal members.	**08/22/2022** Signed into law	CalOptima Health: Watch
AB 1930 Arambula	**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. ***Potential CalOptima Health Impact:*** New covered benefit for CalOptima Health Medi-Cal members up to one-year postpartum.	**09/27/2022** Vetoed	CalOptima Health: Watch
AB 2697 Aguiar-Curry	**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. ***Potential CalOptima Health Impact:*** New covered benefit for CalOptima Health Medi-Cal members; additional member and provider outreach activities.	**09/23/2022** Signed into law	CalOptima Health: Watch
SB 245 Gonzalez	**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. ***Potential CalOptima Health Impact:*** Modified UM procedures for a Medi-Cal-covered benefit.	**03/22/2022** Signed into law	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 912 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. ***Potential CalOptima Health Impact:*** 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			
H.R. 1738 Dingell (MI) **S. 646** 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. ***Potential CalOptima Health Impact:*** Increased number of CalOptima Health Medi-Cal members.	**03/10/2021** Introduced; referred to committees	CalOptima Health: Watch ACAP: Support
H.R. 5610 Bera (CA) **S. 3001** 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. ***Potential CalOptima Health Impact:*** Increased number of CalOptima Health Medi-Cal members.	**10/19/2021** Introduced; referred to committees	CalOptima Health: Watch ACAP: Support
H.R. 6636 Trone (MD) **S. 2697** 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. ***Potential CalOptima Health Impact*:** 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
AB 2680 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. ***Potential CalOptima Health Impact:*** 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			
AB 498 Quirk-Silva	**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: • 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 ***Potential CalOptima Health Impact:*** Permanent continuation of the current Board structure; new employment restrictions for one year following a Director's Board term.	**09/19/2022** Signed into law	CalOptima Health: Watch
AB 1400 Kalra, Lee, Santiago	**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. ***Potential CalOptima Health Impact***: Unknown but potentially significant impacts to the Medi-Cal delivery system and MCPs, including changes to administration, covered benefits, eligibility, enrollment, financing and organization.	**01/31/2022** Died on Assembly floor	CalOptima Health: Watch CAHP: Oppose
AB 1937 Patterson	**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. ***Potential CalOptima Health Impact:*** Increased financial stability for CalOptima Health Medi-Cal members who are currently or were recently pregnant.	**04/29/2022** Died in Assembly Health Committee	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 1944 Lee	**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. If exercising these flexibilities, a legislative body must comply with the following requirements: • 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. ***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.	**07/01/2022** Died in Senate Governance and Finance Committee	CalOptima Health: Watch
AB 1995 Arambula	**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. ***Potential CalOptima Health Impact:*** Increased financial stability for CalOptima Health Medi-Cal members.	**08/12/2022** Died in Senate Appropriations Committee	CalOptima Health: Watch LHPC: Support
AB 2077 Calderon	**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. ***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.	**09/27/2022** Vetoed	CalOptima Health: Watch CalPACE: Support LHPC: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 2449 Rubio, B.	**Brown Act Flexibilities:** Extends and modifies current Brown Act flexibilities *after* 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: • 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. Does not impact current Brown Act flexibilities while the COVID-19 PHE remains in effect. ***Potential CalOptima Health Impact:*** 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.	**09/13/2022** Signed into law	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
AB 2724 Arambula	**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: • 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 ***Potential CalOptima Health Impact:*** *De facto* 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.	**06/30/2022** Signed into law	**04/07/2022** CalOptima Health: Oppose Unless Amended LHPC: Oppose
SB 250 Pan	**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. ***Potential CalOptima Health Impact:*** Implementation of new UM procedures to assess provider appeals rates and exempt certain providers from UM requirements.	**08/12/2022** Died in Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose
SB 858 Wiener	**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. ***Potential CalOptima Health Impact:*** Increased financial penalties for CalOptima Health OneCare and PACE.	**09/30/2022** Signed into law	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 923 Wiener	**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. ***Potential CalOptima Health Impact:*** Additional training requirement for member-facing CalOptima Health employees; additional requirement for provider directory publication.	**09/29/2022** Signed into law	CalOptima Health: Watch
Older Adult Services			
H.R. 3173 DelBene (WA) **S. 3018** Marshall (KS)	**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. ***Potential CalOptima Health Impact:*** Modified UM procedures and timelines for CalOptima Health OneCare.	**09/14/2022** Passed House floor; referred to Senate	CalOptima Health: Watch
H.R. 4131 Dingell (MI) **S. 2210** Casey (PA)	**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. ***Potential CalOptima Health Impact:*** Continuation of current federal funding rate for HCBS; expansion of HCBS opportunities.	**06/24/2021** Introduced; referred to committees	CalOptima Health: Watch NPA: Support
H.R. 4941 Blumenauer (OR)	**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. ***Potential CalOptima Health Impact****:* Increased enrollment into CalOptima Health PACE by Medicare-only beneficiaries due to decreased out-of-pocket costs.	**08/06/2021** Introduced; referred to committees	CalOptima Health: Watch NPA: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 6770 Dingell (MI) **S. 1162** Casey (PA)	**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. 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. ***Potential CalOptima Health Impact:*** 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).	**04/15/2021** Introduced; referred to committees	CalOptima Health: Watch NPA: Support
H.R. 6823 Brownley (CA) **S. 3854** Moran (KS)	**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. ***Potential CalOptima Health Impact:*** Increased number of CalOptima Health PACE participants; increased care coordination for CalOptima Health PACE participants who are veterans.	**07/19/2022** Passed House Committee on Veterans' Affairs; referred to House floor	CalOptima Health: Watch NPA: Support
S. 3626 Casey	**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: • New PACE program • New centers for an existing PACE program • Expanded service area for an existing PACE center Finally, would allow pilot programs to test the PACE model of care with new populations not currently eligible to participate in PACE. ***Potential CalOptima Health Impact****:* Increased number of CalOptima Health PACE participants; expanded eligibility criteria; new premium development procedure; simplified process to establish new PACE centers.	**02/10/2022** Introduced; referred to committee	CalOptima Health: Watch NPA: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 1342 Bates	**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. ***Potential CalOptima Health Impact:*** Participation in Orange County's MDT; improved care coordination for CalOptima Health's older adult members.	**09/27/2022** Signed into law	**03/29/2022** CalOptima Health: Support County of Orange: Sponsor/Support
Pharmacy			
H.R. 5376 Yarmuth (KY)	**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. ***Potential CalOptima Health Impact:*** Decreased prescription drug costs for CalOptima Health OneCare members; increased costs for CalOptima Health OneCare program.	**08/16/2022** Signed into law	CalOptima Health: Watch
SB 853 Wiener	**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. ***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.	**08/12/2022** Died in Assembly Appropriations Committee	CalOptima Health: Watch CAHP: Oppose

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 958 Limón	**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: • "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. ***Potential CalOptima Health Impacts:*** Increased CalOptima Health costs and decreased member access for certain physician-administered drugs covered by CalOptima Health.	**07/01/2022** Died in Assembly Health Committee	CalOptima Health: Watch CAHP: Oppose LHPC: Oppose Unless Amended
Providers			
AB 2581 Salas	**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. ***Potential CalOptima Health Impact:*** Modified provider credentialing processes for Quality Improvement staff.	**09/25/2022** Signed into law	CalOptima Health: Watch
AB 2659 Patterson	**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. ***Potential CalOptima Health Impact:*** Additional provider contracting and credentialing; increased access to midwifery services for CalOptima Health Medi-Cal members.	**04/29/2022** Died in Assembly Health Committee	CalOptima Health: Watch
SB 966 Limón	**FQHC Provider Types:** Permanently allows FQHCs and RHCs to be reimbursed for visits with an *associate* clinical social worker or an *associate* 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. ***Potential CalOptima Health Impact:*** Increased member access to behavioral health providers at contracted FQHCs.	**09/27/2022** Signed into law	CalOptima Health: Watch LHPC: Support

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 987 Portantino	**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. ***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.	**09/27/2022** Signed into law	CalOptima Health: Watch
Reimbursement Rates			
AB 1892 Flora	**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. ***Potential CalOptima Health Impact***: Increased cost to CalOptima Health Medi-Cal due to higher reimbursement to DME providers; adjustment to DHCS capitation rates.	**08/12/2022** Died in Senate Appropriations Committee	CalOptima Health: Watch
AB 2458 Weber	**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. ***Potential CalOptima Health Impact:*** Increased cost to CalOptima Health Medi-Cal due to higher reimbursement to WCM providers; adjustment to DHCS capitation rates.	**05/20/2022** Died in Assembly Appropriations Committee	CalOptima Health: Watch
Social Determinants of Health			
H.R. 379 Barragan (CA) **S. 104** Smith (MN)	**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. ***Potential CalOptima Health Impact:*** Increased availability of federal grants to address SDOH.	**01/21/2021** Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 943 McBath (GA) **S. 851** Blumenthal (CT)	**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. ***Potential CalOptima Health Impact:*** Additional federal guidance or requirements as well as increased availability of federal grants to address social factors affecting maternal health.	**02/08/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 2503 Bustos (IL) **S. 3039** Young (IN)	**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. ***Potential CalOptima Health Impact:*** Increased availability of federal grants to address the SDOH of members with complex needs.	**07/15/2021** Passed Subcommittee on Health of the House Committee on Energy and Commerce; referred to full Committee	CalOptima Health: Watch
H.R. 3894 Blunt Rochester (DE)	**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. ***Potential CalOptima Health Impact:*** Increased opportunities for CalOptima Health to address SDOH.	**12/08/2021** Passed House floor; referred to Senate Committee on Finance	CalOptima Health: Watch
H.R. 4026 Burgess (TX)	**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. ***Potential CalOptima Health Impact:*** Increased opportunities for CalOptima Health to address SDOH.	**11/30/2021** Passed House floor; referred to Senate Committee on Health, Education, Labor, and Pensions	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
SB 17 Pan	**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. ***Potential CalOptima Health Impact:*** Increased reporting requirements to DHCS.	**08/31/2022** Died on Assembly floor	CalOptima Health: Watch
Telehealth			
H.R. 366 Thompson (CA)	**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. ***Potential CalOptima Health Impact:*** Continuation and expansion of certain telehealth flexibilities allowed during the COVID-19 pandemic for CalOptima Health OneCare, OneCare Connect and PACE.	**01/19/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 1332 Carter (GA) **S. 368** Scott (SC)	**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: • 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 ***Potential CalOptima Health Impact:*** Continuation of certain telehealth flexibilities allowed during the COVID-19 pandemic for CalOptima Health OneCare, OneCare Connect and PACE.	**02/23/2021** Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 2166 Sewell (AL)	**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. ***Potential CalOptima Health Impact:*** For CalOptima Health OneCare, OneCare Connect and PACE, members' risk scores and risk adjustment payments would accurately reflect diagnoses.	**03/23/2021** Introduced; referred to committees	**08/05/2021** CalOptima Health: Support ACAP: Support NPA: Support
H.R. 2903 Thompson (CA) **S. 1512** Schatz (HI)	**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: • 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 ***Potential CalOptima Health Impact:*** Continuation and expansion of telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.	**04/28/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 3447 Smith (MO)	**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: • 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. ***Potential CalOptima Health Impact:*** Permanent continuation of certain telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.	**05/20/2021** Introduced; referred to committees	CalOptima Health: Watch

Bill Number Author	Bill Summary	Bill Status	Position/Notes
H.R. 4058 Matsui (CA) **S. 2061** Cassidy (LA)	**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. ***Potential CalOptima Health Impact:*** For CalOptima Health OneCare and OneCare Connect, decreased in-person behavioral health encounters and increased telehealth behavioral health encounters.	**06/22/2021** Introduced; referred to committees	CalOptima Health: Watch
H.R. 7573 Axne (IA) **S. 3593** Cortez Masto (NV)	**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. ***Potential CalOptima Health Impact:*** Continuation of telehealth flexibilities for CalOptima Health OneCare, OneCare Connect and PACE.	**02/08/2022** Introduced; referred to committee	CalOptima Health: Watch
S. 150 Cortez Masto (NV)	**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. ***Potential CalOptima Health Impact:*** For CalOptima Health OneCare and OneCare Connect, members' risk scores and risk adjustment payments would accurately reflect diagnoses.	**02/02/2021** Introduced; referred to committee	CalOptima Health: Watch ACAP: Support NPA: Support
AB 32 Aguiar-Curry	**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. ***Potential CalOptima Health Impact:*** Continuation and modification of certain telehealth flexibilities for CalOptima Health Medi-Cal and PACE.	**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. ***Potential CalOptima Health Impact:*** 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. ***Potential CalOptima Health Impact:*** 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: October 20, 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.

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 polices 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.

Board of Directors Meeting
November 3, 2022

CalOptima Health Community Outreach Summary — October and November 2022

Background

CalOptima Health is committed to serving the community by sharing information with current and potential members and strengthening relationships with community partners. To this end, our team attends community coalitions, collaborative meetings and advisory groups, and supports our community partners' public activities.

CalOptima Health's participation in public activities promotes:

- Member interaction/enrollment in a CalOptima Health program
- Community awareness of CalOptima Health
- Partnerships that increase positive visibility and relationships with community organizations

We continue to participate in public activities virtually in most instances, with limited in-person attendance. Participation includes providing Medi-Cal educational materials and, if criteria are met, financial support and/or CalOptima Health-branded items.

Community Outreach Highlight

Recently, CalOptima Health collaborated with Anaheim Elementary and Santa Ana Unified School Districts to increase access to COVID-19 vaccines by hosting four COVID-19 vaccine clinics at school sites. The clinics were strategically hosted at school sites and in the county's equity ZIP codes to vaccinate community members aged five years and older as they started school and before the winter COVID-19 season. The vaccine clinics were hosted in August, September and October at Theodore Roosevelt Elementary School, Key Elementary School, Pio Pico Elementary School and Villa Fundamental Intermediate School. In total, 900 individuals were vaccinated/boosted.

CalOptima Health hosted a resource table at the vaccine events to share information about Medi-Cal programs, services, and support services available to members. The County of Orange Social Services Agency was also onsite to process Medi-Cal, CalFresh and CalWORKS enrollment applications. Additionally, Children's Health Orange County and ABRAZAR hosted resource tables to provide community resources to CalOptima Health members and the community at large. These efforts aimed to increase vaccination rates among our members and build partnerships with community stakeholders.

Summary of Public Activities

As of October 11, CalOptima Health plans to participate in, organize or convene 54 public activities in October and November. In October, there will be 33 public activities that include 17 virtual community/collaborative meetings, one community-based presentation, 13 community events, one Health Network Forum and one Cafecito. In November, there will be 21 public activities that include 13 virtual community/collaborative meetings, seven community events and one Health Network Forum. A summary of the agency's participation in community events throughout Orange County is attached.

Endorsements

CalOptima Health provided zero endorsements since the last reporting period (e.g., letters of support, program/public activity events with support or use of name/logo). Endorsement requests must meet the requirements of CalOptima Health's Policy AA.1214: Guidelines for Endorsements by CalOptima Health, for Letters of Support and Use of CalOptima Health's Name and Logo. More information about policy requirements can be found at: https://www.caloptima.org/en/About/CommunityRelations/CommunityOutreach.aspx.

For additional information or questions, contact CalOptima Health Community Relations Manager Tiffany Kaaiakamanu at 657-235-6872 or tkaaiakamanu@caloptima.org.

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List of community events hosted by CalOptima Health and community partners in October and November 2022:

October 2022			
10/1 5–8 p.m.	**Walk to End Alzheimer's Resource Fair hosted by Alzheimer's Association†** Mike Ward Community Park 20 Lake Rd., Irvine	At least two staff members attended (in-person). Sponsorship fee: $1,500; included a resource table at the event, name listing on event t-shirts, logo with a link back to the agency on the event website and featured in the event welcome packet.	• Health/resource fair • Open to the public
10/1 8:30 a.m.–12:30 p.m.	**Together4Teens hosted by the Wellness & Prevention Center†** Capistrano Valley High School 26301 Via Escolar, Mission Viejo	At least one staff member attended (in-person). Sponsorship fee: $500; included resource table at event, mention in e-newsletter and social media, logo on event flyer, opportunity to place branded promotional items in resource bag, and quarter-page digital program ad.	• Health/resource fair • Open to the public
10/6 8 a.m.–6 p.m.	**Breaking Barriers Summit hosted by OC Grantmakers†** Orange Coast College 2701 Fairview Rd., Costa Mesa	At least two staff members attended (in-person). Sponsorship fee: $2,500; included two event tickets, placement of agency's logo and link on event website and all event e-communications, Gold Sponsor social media promotion, inclusion on sponsor page of event app, and recognition as a sponsor at the beginning and end of the event.	• Forum • Open to community stakeholders; registration required
10/12 9–10 a.m.	**CalOptima Health Medi-Cal Overview Presentation in English** Cypress Senior Center 9031 Grindlay St., Cypress	At least one staff member presented (in-person).	• Community-based organization presentation • Open to members only
10/12 8 a.m.–12:45 p.m.	**Community First Conference hosted by College Hospital and HCA†** Delta Hotel 12021 Harbor Blvd., Garden Grove	At least two staff to members attended (in-person).	• Conference • Open to community stakeholders; reservations required
10/13 9 a.m.–1:30 p.m.	**Orange County Substance Abuse Prevention Network (OCSAPN) Conference on Fentanyl and ACEs hosted by HCA†** Behavioral Health Training Center 750 The City Drive South, Suite 130, Orange	At least two staff members attended (in-person). Registration fee: $85; includes resource table at event, lunch for two people and membership in OCSAPN for the year.	• Forum • Open to the public
10/16 9a.m – 2p.m	**Health Fair hosted by Vietnamese Physician Association of Southern California†** Mile Square Park-Freedom Hall	At least two staff members attended (in-person). Sponsorship fee: $6,000; included CalOptima Health's name and logo on all promotional flyers; email blasts; website; social media, television, radio, and	• Health/resource fair • Open to the public

* CalOptima Health-Hosted
† Exhibitor/Attendee

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	16801 Euclid St., Fountain Valley	newspaper recognition; resource table at the event; one sponsor banner (up to 8'x3'); and business cards and brochures in attendee gift bags.	
10/18 10 a.m.–1 p.m.	**2nd Annual Haunted Halloween Resource Fair hosted by H. Louis Lake Senior Center†** H. Louis Lake Senior Center 11300 Stanford Ave, Garden Grove	At least one staff member attended (in-person).	• Health/resource fair • Open to the public
10/20 9–11 a.m.	**Health Network Forum*** Virtual	At least 10 staff members attended.	• Forum • Open to health and human service providers
10/20–10/22 8 a.m.–2 p.m.	**Parkinson's Conference hosted by Give for a Smile†** Hybrid	At least one staff member attended. Sponsorship fee: $1,500; included opportunity to be listed on all printed materials, welcome package press materials and Give For A Smile web page.	• Conference • Open to the public
10/22 8:30 a.m.–2 p.m.	**Annual Alzheimer's Latino Conference hosted by Alzheimer's Orange County†** Templo Calvario Church 2501 W. 5th St., Santa Ana	At least one staff member attended (in-person). Sponsorship fee: $2,000; included recognition at the event during opening ceremonies, acknowledgment in press releases, advertisements one month prior to conference (radio, magazine, website and newspaper), agency's logo placement at conference as well as on event agenda and looping acknowledgment video, agency's information in event goody bag, a resource table at the event, lunch for two attendees, and certificate of recognition.	• Conference • Open to the public
10/25 9–10:30 a.m.	**Cafecito Meeting*** CalOptima Health 505 City Parkway W., Orange	At least five staff members attended (in-person).	• Steering committee meeting • Open to collaborative members
10/25 5–7:30 p.m.	**Trunk-Or-Treat Resource Fair hosted by the Delhi Center†** Delhi Center Parking Lot 505 E. Central Ave., Santa Ana	At least one staff member attended (in-person). Sponsorship fee; $1,000; included display of partnership and a resource table at event.	• Health/resource fair • Open to the public
10/25 11 a.m.–2 p.m.	**Wellness Resource Fair hosted by California State University Fullerton†** CSUF-Tuffy Lawn 800 N. State College Blvd., Fullerton	At least one staff member attended (in-person).	• Health/resource fair • Open to the public
10/29 9 a.m.–Noon	**Health Enrollment Fair for Adults Over 50 and Families hosted by the Office of Congressman Lou Correa†** Santa Ana College-Johnson Student Center 1530 W. 17th St., Santa Ana	At least one staff member attended (in-person).	• Health/resource fair • Open to the public

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10/31 3:30–5:30 p.m.	**Fall Festival hosted by California State University Fullerton Center for Healthy Neighborhoods†** Richman Park 320 W. Elm Ave., Fullerton	At least one staff member attended (in-person).	• Health/resource fair • Open to the public
November 2022			
11/2 10:30 a.m.–Noon	**Resources Wednesday hosted by Irvine Unified School District†** Early Childhood Learning Center 1 Smoketree, Irvine	At least one staff member to attend (in-person).	• Health/resource fair • Open to the public
11/3 9 a.m. – Noon	**IHSS Provider Appreciation Lunch hosted by the United Domestic Workers†** UFCW Union 8530 Stanton Ave., Buena Park	At least one staff member to attend (in-person).	• Health/resource fair • Open to the public
11/4 11 a.m.–2p.m.	**Community Resource Fair hosted by Garden Grove Adult Education†** Lincoln Education Center 11261 Garden Grove Blvd., Garden Grove	At least one staff member to attend (in-person).	• Health/resource fair • Open to the public
11/12 8 a.m.–2 p.m.	**Anaheim Health Fair hosted by the City of Anaheim†** Anaheim Convention Center 800 W. Katella Ave., Anaheim	At least one staff member to attend (in-person). Sponsorship fee: $1,000; includes an opportunity to have name and link to website on the event web page,name and logo on the event banner and in press releases, and a resource table at the event.	• Health/resource fair • Open to the public
11/12 9 a.m. – Noon	**Annual Turkey Giveaway hosted by the United Domestic Workers †** UFCW Union 8530 Stanton Ave., Buena Park	At least one staff member to attend (in-person).	• Health/resource fair • Open to the public
11/17 9–11 a.m.	**Health Network Forum*** Virtual	At least 10 staff members to attend.	• Forum • Open to health and human service providers
11/18 9 a.m.–Noon	**Senior and Caregiver Health Fair hosted by the Institute for Healthcare Advancement†** La Habra Community Center 101 W. La Habra Blvd., La Habra	At least one staff member to attend (in-person).	• Health/resource fair • Open to the public
11/24 8–11 a.m.	**9th Annual Turkey Trot OC hosted by OC Rescue Mission†** Orange County Rescue Mission 1 Hope Dr., Tustin	At least one staff member to attend (in-person). Sponsorship fee: $1,500; includes resource table at event, featured in all event promotion and registration materials, an event press release with an approximate reach of 32 million readers each month, company logo on racer t-shirt and event results page, and registration for number of racers.	• Health/resource fair • Open to the public

* CalOptima Health-Hosted
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These sponsorship request(s) and community event(s) met the requirements of CalOptima Health Policy AA.1223: Participation in Community Events Involving External Entities. More information about policy requirements can be found at: https://www.caloptima.org/en/About/CommunityRelations/CommunityOutreach.aspx

CalOptima Health Board Action Agenda Referral

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Report Item
7. Approve Actions Related to the Street Medicine Pilot Program

Contacts
Michael Hunn, Chief Executive Officer, (657) 900-1481
Kelly Bruno-Nelson, Executive Director, Medi-Cal/CalAIM, (714) 954-2140

Recommended Action
Authorize the Chief Executive Officer to negotiate and execute contracts for the Street Medicine Pilot Program with awarded Medi-Cal providers.

Background
On March 17, 2022, CalOptima Health's Board approved staff's request to allocate $8 million from the Homeless Health Initiatives Reserve and to develop a scope of work (SOW) for the Street Medicine Pilot Program. CalOptima Health staff returned to the Board on May 5, 2022, to obtain approval on the Street Medicine SOW.

CalOptima Health launched the request for qualifications (RFQu) for street medicine services on July 15, 2022. On September 1, 2022, a committee of evaluators from CalOptima Health and Orange County Office of Care Coordination reviewed and scored the proposals received in response to the Street Medicine RFQu. CalOptima Health leadership, with support from other community leaders from the County of Orange Health Care Agency and Mind OC, conducted final interviews with select providers whose proposals most closely aligned with the program goals and the committee's recommendations.

Discussion
CalOptima Health staff recommend that Street Medicine Pilot Program contracts be awarded to Healthcare In Action to provide street canvasing-based medical services and Families Together OC to provide mobile-unit-based clinic services at shelters. The pilot will launch in Garden Grove with an expected contract effective date of December 1, 2022.

The recommendations for inaugural contract award for the Street Medicine Pilot Program were based on a variety of factors, including, but not limited to, experience, capacity, and ability to launch street medicine teams within the desired timeframe. Other providers who responded to the RFQu, and whose qualifications align with the pilot program goals, can be considered for future contracts as the pilot expands to coverage across the county.

In August 2022, the California Department of Health Care Services (DHCS) released a draft all plan letter to provide guidance to Medi-Cal managed care plans on opportunities to use street medicine providers to address clinical and non-clinical needs of their unsheltered Medi-Cal members. Staff will

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continue to monitor and adapt the Street Medicine Pilot Program to ensure contracts meet DHCS requirements.

Fiscal Impact

The recommended action will not have an additional fiscal impact. A previous Board action on March 17, 2022, committed $8 million in Homeless Health Initiative funding under the "Authorize mobile health team to respond to all homeless providers" category for the purposes of street medicine.

Rationale for Recommendation

Due to the diverse needs of individuals experiencing homelessness and expertise of potential providers throughout the County, Street Medicine has been divided into two pathways: street canvasing-based medicine where providers canvas the community to provide medical care to unsheltered individuals residing on the street or in encampments; and mobile-unit-based services provided at shelters and navigation centers.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachments

1. Entities Covered by this Recommendation Action
2. Street Medicine Sample Agreement

Board Action

Board Meeting Dates	Action	Term	Not to Exceed Amount
3/17/2022	Consider Approval of Actions Related to Homeless Health Care Initiative for Street Medicine	-	$8,000,000

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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ENTITIES COVERED BY THIS RECOMMENDED BOARD ACTION

Legal Name	Address	City	State	Zip Code
Healthcare In Action	3800 Kilroy Airport Way, Suite 100	Long Beach	CA	90806
Families Together OC	661 W. First Street #G	Tustin	CA	92780

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ANCILLARY SERVICES CONTRACT

This Ancillary Services Contract (the "Contract") is entered into by and between Orange County Health Authority, a Public Agency, dba CalOptima ("CalOptima"), and _____ ("Provider"), with respect to the following:

RECITALS

A. CalOptima was formed pursuant to California Welfare and Institutions Code Section 14087.54 and Orange County Ordinance No. 3896, as amended by Ordinance Nos. 00-8 and 05-008, as a result of the efforts of the Orange County health care community.

B. CalOptima has entered into a contract with the State of California, Department of Health Care Services ("DHCS") ("DHCS Contract"), pursuant to which it is obligated to arrange and pay for the provision of health care services to certain Medi-Cal eligible beneficiaries in Orange County (referred to herein as the "Medi-Cal Program").

C. CalOptima has entered into a contract with the Department of Health and Human Services ("HHS"), Centers for Medicare and Medicaid Services ("CMS"), to operate a Medicare Advantage ("MA") plan pursuant to Title II of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Pub. L. 108-73) ("MMA"), and to offer Medicare covered items and services to eligible individuals (referred to herein as the "OneCare Program"). CalOptima, as a dual-eligible Special Needs Plan (dual SNP), may only enroll those dual eligible individuals who meet all applicable Medicare Advantage eligibility requirements, and who are eligible to be enrolled in CalOptima's Medi-Cal Managed Care plan, as described in the contract between CalOptima and the California Department of Health Care Services (DHCS).

D. CalOptima has entered into a participation contract with the State of California, acting by and through the Department of Health Care Services ("DHCS" or "State"), and the Department of Health and Human Services ("HHS"), acting by and through the Centers for Medicare & Medicaid Services ("CMS"), to furnish health care services to Medicare/Medi-Cal enrollees who are enrolled in CalOptima's Cal MediConnect program ("DHCS/CMS Cal MediConnect Contract").

E. CalOptima has entered into a contract with the Centers for Medicare and Medicaid Services ("CMS") to operate a Program of All-Inclusive Care for the Elderly ("PACE") as a PACE Organization for the purposes set forth in sections 1894 and 1934 of the Social Security Act, and to offer eligible individuals services through PACE.

F. Provider is a provider of the items and services described in this Contract and has all certifications, licenses and permits necessary to furnish such items and services.

G. CalOptima desires to engage Provider to furnish, and Provider desires to furnish, certain items and services to CalOptima Members as described herein. CalOptima and Provider desire to enter into this Contract on the terms and conditions set forth herein below.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS

The following definitions, and any additional definitions set forth in Attachments and Schedules attached hereto, apply to the terms set forth in this Contract:

1.1 "Cal MediConnect" means a program to furnish health care services to Medicare/Medi Cal members who are enrolled in CalOptima's Cal MediConnect Program. Cal MediConnect is also referred to as OneCare Connect.

1.2 "California Children's Services (CCS)" means those services authorized by the CCS Services Program for the diagnosis and treatment of the CCS Services Eligible Conditions of a specific Member.

1.3 "California Children's Services (CCS) Eligible Condition(s)", means a physically handicapping condition defined in Title 22 CCR Section 41515.2 – 41518.9.

1.4 "California Children's Services (CCS) Program" means the public health program which assures the delivery of specialized diagnostic, treatment, and therapy services to financially and medically eligible children under the age of 21 years who have CCS Eligible Conditions.

1.5 "CalOptima Direct" or "COD" means a program CalOptima administers for CalOptima beneficiaries not enrolled in a Health Network. COD consists of two components:

1.5.1 CalOptima Direct Members who are assigned to CalOptima's Community Network in accordance with CalOptima policy. Members are assigned to Primary Care Physicians (PCP) as their medical home, and their care is coordinated through their PCP in the Community Network.

1.5.2 "CalOptima Direct-Administrative" or "COD-Administrative" provides services to Members who reside outside of CalOptima's service area, are transitioning into a Heath Network, have a Medi-Cal Share of Cost, or are eligible for both Medicare and Medi-Cal. These Members are free to select any registered Practitioner for Physician services.

1.6 "CalOptima Policies" means CalOptima policies and procedures relevant to this Contract, as amended from time to time at the sole discretion of CalOptima.

1.7 "CalOptima Programs" means the Medi-Cal, OneCare, Program of All-Inclusive Care for the Elderly (PACE) and Cal MediConnect (OneCare Connect) programs administered by CalOptima. Provider participates in the specific CalOptima Program(s) identified on Attachment A.

1.8 "CalOptima's Regulators" means those government agencies that regulate and oversee CalOptima's and its first tier downstream and/or related entity's ("FDR's") activities and obligations under this Contract including, without limitation, the Department of Health and Human Services Inspector General, the Centers for Medicare and Medicaid Services, the California Department of Health Care Services, and the California Department of Managed Health Care, the Comptroller General and other government agencies that have authority to set standards and oversee the performance of the parties to this Contract.

1.9 "CCS Providers" or "CCS-Paneled Providers(s)", means any of the following providers when used to treat Members for a CCS condition:

(a) A medical provider that is paneled by the CCS Program, pursuant to Health and Safety Code, Article 5 (commencing with Section 123800 of Chapter 3 of Part 2 of Division 106.

(b) A licensed acute care hospital approved by the CCS Program.

(c) A special care center approved by the CCS Program.

1.10 "Claim" means a request for payment submitted by Provider in accordance with this Contract and CalOptima Policies.

1.11 "Clean Claim" means a Claim that has no defects or improprieties, contains all required supporting documentation, passes all system edits, and does not require any additional reviews by medical staff to determine appropriateness of services provided as defined in the CalOptima Program(s).

1.12 "Community Network" means CalOptima's direct health network that serves members who are enrolled in it pursuant to CalOptima Policies. Community Network Members are assigned to Primary Care Providers as their medical home, and their care is coordinated through the PCP.

1.13 "Compliance Program" means the program (including, without limitation, the compliance manual, code of conduct and CalOptima Policies) developed and adopted by CalOptima to promote, monitor and ensure that CalOptima's operations and practices and the practices of the members of

its Board of Directors, employees, contractors and providers comply with applicable law and ethical standards. The Compliance Program includes CalOptima's Fraud, Waste and Abuse ("FWA") plan.

1.14 "Coordination of Benefits" or "COB" refers to the determination of order of financial responsibility which applies when two or more health benefit plans provide coverage of items and services for an individual.

1.15 "Covered Services" means those services provided under the Fee-for-Service Medi-Cal program, as set forth in Article 4, Chapter 3 (beginning with Section 51301), Subdivision 1, Division 3, Title 22, CCR, and Article 4 (beginning with Section 6840), Subchapter 13, Chapter 4, Division 1 of Title 17, CCR, which (i) are included as Covered Services under the DHCS Contract; and (ii) are Medically Necessary, as described in Attachment A (which may be revised from time to time at the discretion of CalOptima), along with chiropractic services (as defined in Section 51308 of Title 22, CCR), podiatry services (as defined in Section 51310 of Title 22, CCR), speech pathology services and audiology services (as defined in Section 51309 of Title 22, CCR) and effective July 1, 2019, or such later date as the CalOptima Whole Child Model Program becomes effective, Covered Services shall also include CCS Services (as defined in Subdivision 7 of Division 2 of Title 22 of the California Code of Regulations), which shall be covered for Members, notwithstanding whether such benefits are provided under the Fee-for-Service Medi-Cal Program.

1.16 "Effective Date" means the effective date of commencement of the Contract as provided in Article 10.

1.17 "Encounter Data" means the record of a Member receiving any items(s) or service(s) provided through Medicaid or Medicare under a prepaid, capitated or any other risk basis payment methodology submitted to CMS. The encounter data record shall incorporate HIPAA security, privacy, and transaction standards and be submitted in ASCX12N 837 or any successor format required by CalOptima's Regulators."

1.18 "Government Agencies" means Federal and State agencies that are parties to the Government Contracts including, HHS/CMS, DHCS, DMHC and their respective agents and contractors, including quality improvement organizations (QIOs).

1.19 "Government Contract(s)" means the written contract(s) between CalOptima and the Federal and/or State government pursuant to which CalOptima administers and pays for covered items and services under a CalOptima Program.

1.20 "Government Guidance" means Federal and State operational and other instructions related to the coverage, payment and/or administration of CalOptima Program(s).

1.21 "Health Network" means a physician group, physician-hospital consortium or health care service plan, such as an HMO, which is contracted with CalOptima to provide items and services to non-COD Members on a capitated basis.

1.22 "Licenses" means all licenses and permits that Provider is required to have in order to participate in the CalOptima Programs and/or furnish the items and/or services described under this Contract.

1.23 "Medi-Cal" is the name of the Medicaid program for the State of California (*i.e.,* the program authorized by Title XIX of the Federal Social Security Act and the regulations promulgated thereunder).

1.24 "Medically Necessary" or "Medical Necessity" means reasonable and necessary services to protect life, to prevent illness or disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness or injury, achieve age appropriate growth and development, and attain, maintain, or regain functional capacity per Title 22, CCR Section 51303 (a) and 42 CFR 438.210 (a)(5). When determining the Medical Necessity for a Medi-Cal beneficiary under the age of 21, "Medical Necessity" is expanded to include the standards set forth in 42 USC Section 1396d(r), and W & I Code Section 14132(v).

1.25 "Medicare" means the Federal health insurance program defined in Title XVIII of the Federal Social Security Act and regulations promulgated thereunder.

1.26 "Medicare Secondary Payer" or "MSP" means the Medicare coordination of benefits requirements as incorporated in MA regulations.

1.27 "Member" means any person who has been determined to be eligible to receive benefits from, and is enrolled in, one or more CalOptima Program. Member may also be referred to as Enrollee or Participant depending on the CalOptima Program.

1.28 "Memorandum/Memoranda of Understanding" or "MOU" means an agreement(s) between CalOptima and an external agency(ies), which delineates responsibilities for coordinating care to CalOptima Members.

1.29 "Participating Provider" means an institutional, professional or other Provider of health care services who has entered into a written agreement with CalOptima to provide Covered Services to Members.

1.30 "Participation Status" means whether or not a person or entity is or has been suspended, precluded, or excluded from participation in Federal and/or State health care programs and/or has a felony conviction (if applicable) as specified in CalOptima's Compliance Program and CalOptima Policies.

1.31 "Preclusion List" means the CMS-compiled list of providers and prescribers who are precluded from receiving payment for Medicare Advantage (MA) items and services or Part D drugs furnished or prescribed to Medicare beneficiaries.

1.32 "Program of All-Inclusive Care for the Elderly" or "PACE" means a program that features a comprehensive medical and social services delivery system using an Interdisciplinary Team (IDT) approach in an adult day health center that is supplemented by in-home and referral services, in accordance with the enrollee's needs. The IDT is the group of individuals to which a PACE participant is assigned who are knowledgeable clinical and non-clinical PACE center staff responsible for the holistic needs of the PACE participant and who work in an interactive and collaborative manner to manage the delivery, quality, and continuity of participants' care. All PACE program requirements and services will be managed directly through CalOptima. PACE Services shall include the following:

a) All Medicare-covered items and services

b) All Medi-Cal covered items and services; and

c) Other services determined necessary by the IDT to improve and maintain the participant's overall health status.

1.33 "Subcontract" means a contract entered into by Provider with a party that agrees to furnish items and/or services to CalOptima Members, or administrative functions or services related to Provider fulfilling its obligation to CalOptima under the terms of this Contract if, and to the extent, permitted under this Contract.

1.34 "Subcontractor" means a person or entity who has entered into a Subcontract with Provider for the purposes of filling Provider's obligations to CalOptima under the terms of this Contract. Subcontractors may also be referred to as Downstream Entities.

1.35 Whole Child Model Program" or "WCM", means CalOptima's WCM program whereby CCS will be a Medi-Cal managed care plan benefit with the goal being to improve health care coordination for the whole child, rather than handle CCS Eligible Conditions separately.

ARTICLE 2
FUNCTIONS AND DUTIES OF PROVIDER

2.1 Provision of Covered Services.

2.1.1 Provider shall furnish Covered Services identified in Attachment A to eligible Members in the applicable CalOptima Programs. Provider shall furnish such items and services in a manner satisfactory to CalOptima.

2.1.2 Throughout the term of this Contract, and subject to the conditions of the Contract, Provider shall maintain the quantity and quality of its services and personnel in accordance with the requirements of this Contract, to meet Provider's obligation to provide Covered Services hereunder.

2.1.3 In accordance with Section 2.22 of this Contract, Provider and its Subcontractors shall furnish Covered Services to Members under this Contract in the same manner as those services are provided to other patients.

2.2 Licensure. Provider represents and warrants that it has, and shall maintain during the term of this Contract, valid and active Licenses applicable to the Covered Services and for the State in which the Covered Services are rendered.

2.3 Regulatory Approvals. Provider represents and warrants that it has, and shall maintain during the term of this Contract, applicable Medi-Cal and Medicare provider and/or supplier numbers.

2.4 Good Standing. Provider represents it is in good standing with State licensing boards applicable to its business, DHCS, CMS and the DHHS Officer of Inspector General ("OIG"). Provider agrees to furnish CalOptima with any and all correspondence with, and notices from, these agencies of investigations and/or the issuance of criminal, civil and/or administrative sanctions (threatened or imposed) related to licensure, fraud and or abuse (execution of grand jury subpoena, search and seizure warrants, etc.), and/or participation status.

2.5 Geographic Coverage Area. Provider shall serve Members in all areas of Orange County, California.

2.6 Eligibility Verification. Provider shall verify a Member's eligibility for the applicable CalOptima Program benefits upon receiving request for Covered Services. For Members in the Medi-Cal Program with share of cost (SOC) obligations, Provider shall collect SOC in accordance with CalOptima Policies.

2.7 Notices and Citations. Provider shall notify CalOptima in writing of any report or other writing of any State or Federal agency and/or Accreditation Organization that regulates Provider that contains a citation, sanction and/or disapproval of Provider's failure to meet any material requirement of State or Federal law or any material standards of an Accreditation Organization.

2.8 Professional Standards. All Provider Services provided or arranged for under this Contract shall be provided or arranged by duly licensed, certified or otherwise authorized professional personnel in manner that (i) meets the cultural and linguistic requirements of this Contract; (ii) within professionally recognized standards of practice at the time of treatment; (iii) in accordance with the provisions of CalOptima's UM and QMI Programs; and (iv) in accordance with the requirements of State and Federal law and all requirements of this Contract.

2.9 Marketing Requirements. Provider shall comply with CalOptima's marketing guidelines relevant to the pertinent CalOptima Program(s) and applicable laws and regulations.

2.10 Disclosure of Provider Ownership. Provider shall provide CalOptima with the following information, as applicable: (a) names of all officers of Provider's governing board; (b) names of all owners of Provider; (c) names of stockholders owning more than five percent (5%) of the stock issued by Provider; and (d) names of major creditors holding more than five percent (5%) of the debt of Provider. Provider shall complete any disclosure forms required under the CalOptima Programs as requested by CalOptima. Provider shall notify CalOptima immediately of any changes to the information included by Provider in the disclosure forms submitted to CalOptima.

2.11 Provider Agreement to Extend Terms and Rates. Provider agrees to extend to Health Networks the same terms regarding Provider performance, duties and obligation and rates for Covered Services provided to CalOptima Members enrolled in Health Networks. Provider agrees to contract with a Health Network(s) upon the request of a Health Network(s).

2.12 CalOptima QMI Program. Provider acknowledges and agrees that CalOptima is accountable for the quality of care furnished to its Members in all settings including services furnished by Provider.

Provider agrees, when reasonable and within capability of Provider, that it is subject to the requirements of CalOptima's QMI Program and that it shall participate in QMI Program activities as required by CalOptima. Such activities may include, but are not limited to, the provision of requested data and the participation in assessment and performance audits and projects (including those required by CalOptima's regulators) that support CalOptima's efforts to measure, continuously monitor, and evaluate the quality of items and services furnished to Members. Provider shall participate in CalOptima's QMI Program development and implementation for the purpose of collecting and studying data reflecting clinical status and quality of life outcomes for CalOptima Members. Provider shall cooperate with CalOptima and Government Agencies in any complaint, appeal or other review of Provider Services (e.g., medical necessity) and shall accept as final all decisions regarding disputes over Provider Services by CalOptima or such Government Agencies, as applicable, and as required under the applicable CalOptima Program. Provider shall also allow CalOptima to use performance data for quality and reporting purposes including, but not limited to, quality improvement activities and public reporting to consumers, and performance data reporting to regulators as identified in CalOptima Policies.

Provider shall also allow CalOptima to use performance data for purposes including, but not limited to, quality improvement activities and public reporting to consumers, as identified in CalOptima policy GG.1638.

2.13 Utilization & Resource Management Program. Provider acknowledges and agrees that CalOptima has implemented and maintains a Utilization & Resource Management Program ("UM Program") that addresses evaluations of medical necessity and processes to review and approve the provision of items and services, including Covered Services, to Members. Provider shall comply with the requirements of the UM Program including, without limitation, those criteria applicable to the Covered Services as described in this Contract.

2.14 CalOptima Oversight. Provider understands and agrees that CalOptima is responsible for the monitoring and oversight of all duties of Provider under this Contract, and that CalOptima has the authority and responsibility to: (i) implement, maintain and enforce CalOptima Policies governing Provider's duties under this Contract and/or governing CalOptima's oversight role; (ii) conduct audits, inspections and/or investigations in order to oversee Provider's performance of duties described in this Contract; (iii) require Provider to take corrective action if CalOptima or a Government Agency determines that corrective action is needed with regard to any duty under this Contract; and/or (iv) revoke the delegation of any duty, if Provider fails to meet CalOptima standards in the performance of that duty. Provider shall cooperate with CalOptima in its oversight efforts and shall take corrective action as CalOptima determines necessary to comply with the laws, accreditation agency standards, and/or CalOptima Policies governing the duties of Provider or the oversight of those duties.

2.15 Transfer of Care. Upon request by a CalOptima Member, Provider shall assist the CalOptima Member in the orderly transfer of such CalOptima Member's medical care. In doing so, Provider shall make available to the new provider of care for the Member, copies of the medical records, patient files, and other pertinent information, including information maintained by any Subcontractor, necessary for efficient medical case management of Member. In no circumstance shall a CalOptima Member be billed for this service.

2.16 Linguistic and Cultural Sensitivity Services. Provider shall comply with CalOptima Policies including, without limitation, the requirements set forth herein related to linguistic and cultural sensitivity. CalOptima will provide cultural competency, sensitivity, and diversity training. Provider shall address the special health needs of Members who are members of specific ethnic and cultural populations, such as, but not limited to, Vietnamese and Hispanic persons. Provider shall in its policies, administration, and services practice the values of (i) honoring the Members' beliefs, traditions and customs; (ii) recognizing individual differences within a culture; (iii) creating an open, supportive and responsive organization in which differences are valued, respected and managed; and (iv) through cultural diversity training, foster in staff attitudes and interpersonal communication styles that respect Members' cultural backgrounds. Provider shall fully cooperate

with CalOptima in the provision of cultural and linguistic services provided by CalOptima for Members receiving services from Provider. Provider shall provide translation of written materials in the threshold languages identified by CalOptima at no higher than the sixth (6th) grade reading level.

2.17 Provision of Interpreters. Provider shall ensure that CalOptima Members are provided with linguistic interpreter services and interpreter services for Members who are deaf and hard of hearing as necessary to ensure effective communication regarding treatment, diagnosis, and medical history or health education pursuant to the requirements in this Contract, CalOptima Policies and Attachment B to this Contract.

Interpreters shall be used where needed and when technical, medical, or treatment information is to be discussed. Provider shall not require a Member to use friends or family as interpreters. However, a family member may be used when the use of the family member or friend: (a) is requested by a Member; (b) will not compromise the effectiveness of service; (c) will not violate a Member's confidentiality; and (d) Member is advised that an interpreter is available at no cost to the Member.

2.18 CalOptima's Compliance Program and Other Guidance. Provider and its employees, board members, owners, Participating Providers and/or Subcontractors furnishing medical and/or administrative services under this Contract ("Provider's Agents") shall comply with the requirements of CalOptima's Compliance Program, including CalOptima Policies, as may be amended from time to time. CalOptima shall make its Compliance Plan and Code of Conduct available to Provider and Provider shall make them available to Provider's Agents. Provider agrees to comply with, and be bound by, any and all MOUs.

2.19 Equal Opportunity. Provider and its Subcontractors will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Provider and its Subcontractors will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. Provider and its Subcontractors agree to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973, and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state Provider and its Subcontractors' obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

Provider and its Subcontractors will, in all solicitations or advancements for employees placed by or on behalf of Provider and its Subcontractors, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.

Provider and its Subcontractors will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of Provider and its Subcontractors' commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

Provider and its Subcontractors will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity', and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

Provider and its Subcontractors will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity', and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of Provider and its Subcontractors' noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Contract may be cancelled, terminated, or suspended in whole or in part, and Provider and its Subcontractors may be declared ineligible for further federal and state contracts, in accordance with procedures authorized in Federal Executive Order No. 11246 as amended, and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity', and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

Provider and its Subcontractors will include the provisions of this section in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor, issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity', and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each Subcontractor or vendor. Provider and its Subcontractors will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that in the event Provider and its Subcontractors become involved in, or are threatened with litigation by a Subcontractor or vendor as a result of such direction by DHCS, Provider and its Subcontractors may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

2.20 Compliance with Applicable Laws. Provider shall observe and comply with all Federal and State laws and regulations, and requirements established in Federal and/or State programs in effect when the Contract is signed or which may come into effect during the term of the Contract, which in any manner affects the Provider's performance under this Contract. Provider understands and agrees that payments made by CalOptima are, in whole or in part, derived from Federal funds, and therefore Provider and any Subcontractor are subject to certain laws that are applicable to individuals and entities receiving Federal funds. Provider agrees to comply with all applicable Federal laws, regulations, reporting requirements and CMS instructions including Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, the Americans with Disabilities Act, and to require any Subcontractor to comply accordingly. Provider agrees to include the requirements of this section in its contracts with any Subcontractor.

2.21 No Discrimination/Harassment (Employees). During the performance of this Contract, Provider and its Subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religion, creed, color, national origin, ancestry, physical disability (including Human Immunodeficiency Virus (HIV), and Acquired Immune Deficiency Syndrome (AIDS)), mental disability, medical condition, marital status, age (over 40), gender or the use of family and medical care leave and pregnancy disability leave. Provider and Subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Provider and Subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder, (Title 2, CCR, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the CCR are incorporated into this Contract by reference and made a part hereof as if set forth in full. Provider and its Subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

2.22 No Discrimination (Member). Neither Provider nor its Subcontractors shall discriminate against Members because of race, color, national origin, creed, ancestry, religion, language, age, marital status, sex, sexual orientation, gender identity, heath status, physical or mental disability, or identification with any other persons or groups defined in Penal Code 422.56, in accordance with Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d (race, color, national origin); Section 504 of the Rehabilitation Act of 1973 (29 USC §794) (nondiscrimination under Federal grants and programs); Title 45 CFR Part 84 (nondiscrimination on the basis of handicap in programs or activities receiving Federal financial assistance); Title 28 CFR Part 36 (nondiscrimination on the basis of disability by public accommodations and in commercial facilities); Title IX of the Education Amendments of 1973 (regarding education programs and activities); Title 45 CFR Part 91 and the Age Discrimination Act of 1975 (nondiscrimination based on age); as well as Government Code Section 11135 (ethnic group identification, religion, age, sex, color, physical or mental handicap); Civil Code Section 51 (all types of arbitrary discrimination); Section 1557 of the Patient Protection and Affordable Care Act; and all rules and regulations promulgated pursuant thereto, and all other laws regarding privacy and confidentiality.

For the purpose of this Contract, if based on any of the foregoing criteria, the following constitute prohibited discrimination: (a) denying any Member any Covered Services or availability of a Provider, (b) providing to a Member any Covered Service which is different or is provided in a different name or at a different time from that provided to other similarly situated Members under this Contract, except where medically indicated, (c) subjecting a Member to segregation or separate treatment in any manner related to the receipt of any Covered Service, (d) restricting a Member in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any Covered Service, (e) treating a Member differently than others similarly situated in determining compliance with admission, enrollment, quota, eligibility, or other requirements or conditions that individuals must meet in order to be provided any Covered Service, or in assigning the times or places for the provision of such services. Provider and its Subcontractors agree to render Covered Services to Members in the same manner, in accordance with the same standards, and within the same time availability as offered to non-CalOptima patients. Provider and its Subcontractors shall take affirmative action to ensure that all Members are provided Covered Services without discrimination, except where medically necessary. For the purposes of this section, physical handicap includes the carrying of a gene which may, under some circumstances, be associated with disability in that person's offspring, but which causes no adverse effects on the carrier. Such genetic handicap shall include, but not be limited to, Tay-Sachs trait, sickle cell trait, thalassemia trait, and X-linked hemophilia. Provider and its Subcontractors shall act upon all complaints alleging discrimination against Members in accordance with CalOptima's Policies.

2.23 Reporting Obligations. In addition to any other reporting obligations under this Contract, Provider shall submit such reports and data relating to services covered under this Contract as are required

by CalOptima, including, without limitations, to comply with the requests from Government Agencies to CalOptima. CalOptima shall reimburse Provider for reasonable costs for producing and delivering such reports and data.

2.24 Subcontract Requirements. If permitted by the terms of this Contract, Provider may subcontract for certain functions covered by this Contract, subject to the requirements of this Contract. Subcontracts shall not terminate the legal liability of Provider under this Contract. Provider must ensure that all Subcontracts are in writing and include any and all provisions required by this Contract or applicable Government Programs to be incorporated into Subcontracts. Provider shall make all Subcontracts available to CalOptima or its regulators upon request. Provider is required to inform CalOptima of the name and business addresses of all Subcontractors. Additionally, Provider shall require that all Subcontracts relating to the provision of Covered Services include, without limitation, the following provisions:

2.24.1 An agreement to make all books and records relative to the provision of and reimbursement for Covered Services furnished by Subcontractor to Provider available at all reasonable times for inspection, examination or copying by CalOptima or duly authorized representatives of the Government Agencies in accordance with Government Contract requirements.

2.24.2 An agreement to maintain such books and records (a) in accordance with the general standards applicable to such books and records and any record requirements in this Contract and CalOptima Policies; (b) at the Subcontractor's place of business or at such other mutually agreeable location in California.

2.24.3 An agreement for the establishment and maintenance of and access to records as set forth in this Contract.

2.24.4 An agreement requiring Subcontractors to provide Covered Services to CalOptima Members in the same manner as those services are provided to other patients.

2.24.5 An agreement to comply with all provisions of this Contract and applicable law with respect to providing and paying for Emergency Services.

2.24.6 An agreement that Subcontractors shall notify Provider of any investigations into Subcontractors' professional conduct, or any suspension of or comment on a Subcontractor's professional licensure, whether temporary or permanent.

2.24.7 An agreement to comply with CalOptima's Compliance Program.

2.24.8 An agreement to comply with Member financial and hold harmless protections as set forth in this Contract.

2.25 Fraud and Abuse Reporting. Provider shall report to CalOptima all cases of suspected fraud and/or abuse, as defined in 42 Code of Federal Regulations, Section 455.2, relating to the rendering of Covered Services by Provider, whether by Provider, Provider's employees, Subcontractors, and/or Members within five (5) working days of the date when Provider first becomes aware of or is on notice of such activity.

2.26 Participation Status. Provider shall have Policies and Procedures to verify the Participation Status of Provider's Agents. In addition, Provider attests and agrees as follows:

2.26.1 Provider and Provider's Agents shall meet CalOptima's Participation Status requirements during the term of this Contract.

2.26.2 Provider shall immediately disclose to CalOptima, including, but not limited to, any pending investigation involving, or any determination of, suspension, exclusion or debarment of Provider or Provider's Agents occurring and/or discovered during the term of this Contract.

2.26.3 Provider shall take immediate action to remove any employee of Provider that does not meet Participation Status requirements from furnishing items or services related to this

Contract (whether medical or administrative) to CalOptima Members which may include but is not limited to adverse decisions and licensure issues.

2.26.4 Provider shall include the obligations of this Section in its Subcontracts.

2.26.5 CalOptima shall not make payment for a healthcare item or service furnished by an individual or entity that does not meet Participation Status requirements or is included on the Preclusion List. Provider shall provide written notice to the Member who received the services and the excluded provider or provider listed on the Preclusion List that payment will not be made, in accordance with CMS requirements.

2.27 Credentialing and Recredentialing. Prior to providing any Covered Services under, and throughout the duration of, this Contract, Provider, and all Subcontractors, shall be credentialed and periodically recredentialed by CalOptima in the manner and to the extent required by CalOptima Policy.

2.28 Physical Access for Members. Provider's and its Subcontractor's facilities shall comply with the requirements of Title III of the Americans with Disabilities Act of 1990, and shall ensure access for the disabled, which includes, but is not limited to, ramps, elevators, restrooms, designated parking spaces, and drinking water provision.

2.29 Smoke Free Workplace. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party. By signing this Contract, Provider certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994. Provider further agrees that it will insert this certification into any subcontracts entered into that provide for children's services as described in the Act.

2.30 CLIA Laboratories. Provider shall only use laboratories with a Clinical Laboratory Improvement Amendments (CLIA) certificate of waiver or a certificate of registration along with a CLIA identification number. Those laboratories with certificates of waiver shall provide only the types of tests permitted under the terms of their waiver. Laboratories with certificates of registration may perform a full range of laboratory tests.

2.31 Member Rights. Provider shall ensure that each Member's rights, as set forth in state and federal law and CalOptima Policy, are fully respected and observed.

2.32 Electronic Transactions. Provider shall use best efforts to participate in the exchange of electronic transactions with CalOptima, including but not limited to electronic claims submission (EDI), verification of eligibility and enrollment through electronic means and submission of electronic prior authorization transactions in accordance with CalOptima Policy and Procedure.

2.33 Advanced Directives. Provider shall maintain written Policies and Procedures related to Advanced Directives in compliance with State and Federal laws and regulations. Provider shall document patient records with respect to the existence of an Advanced Directive in accordance with applicable law. Provider shall not discriminate against any Member on the basis of that Member's Advanced Directive status. Nothing in this Contract shall be interpreted to require a Member to

execute an Advance Directive or agree to orders regarding the provision of life-sustaining treatment as a condition of receipt of services.

2.34 Whole Child Model Program Compliance. If Provider is a CCS authorized provider, then in the provision of CCS Services to CalOptima Members, the Provider shall follow CCS Program Guidelines, including CCS Program regulations, and where CCS Clinical guidelines do not exist, Provider will use evidence -based guidelines or treatment protocols that are medically appropriate to the Member's CCS Eligible Condition.

2.35 CCS Provider Compliance.

2.35.1 Only CCS-Paneled Providers may treat CCS Eligible Conditions when a Member's CCS Eligible Condition requires treatment.

2.35.2 If Provider is a CCS-Paneled Provider, Provider agrees to provide services for the Whole Child Model Program in accordance with this Contract and CalOptima Policies.

2.35.2.1 Effective July 1, 2019, or such later date as the CalOptima Whole Child Model Program becomes effective, Provider shall provide all Medically Necessary services previously covered by the CCS Program as Covered Services for Members who are eligible for the CCS Program, and for Members who are determined medically eligible for CCS by the local CCS Program.

2.35.2.2 To ensure consistency in the provision of CCS Covered Services, Provider shall use all current and applicable CCS Program guidelines, including CCS Program regulations. When applicable CCS clinical guidelines do not exist, Provider shall use evidence-based guidelines or treatment protocols that are medically appropriate given the Members' CCS Eligible Condition.

2.36 Provider Terminations. In the event that a Participating Provider is terminated or leaves Provider, Provider shall ensure that there is no disruption in services provided to Members who are receiving treatment for a chronic or ongoing medical condition or LTSS, Provider shall ensure that there is no disruption in services provided to the CalOptima Member.

2.37 Government Claims Act. Provider shall ensure that Provider and its agents and Subcontractors comply with the applicable provisions of the Government Claims Act (California Government Code section 900 et seq.), including, but not limited to Government Code sections 910 and 915, for any disputes arising under this Contract, and in accordance with CalOptima Policy AA.1217.

2.38 Certification of Document and Data Submissions. All data, information, and documentation provided by Provider to CalOptima pursuant to this Contract and/or CalOptima Policies, which are specified in 42 CFR 438.604 and/or as otherwise required by CalOptima and/or CalOptima's Regulators, shall be accompanied by a certification statement on the Provider's letterhead sign by the Provider's Chief Executive Officer or Chief Financial Officer (or an individual who reports directly to and has delegated authority to sign for such Officer) attesting that based on the best information, knowledge, and belief, the data, documentation, and information is accurate, complete, and truthful.

ARTICLE 3
FUNCTIONS AND DUTIES OF CALOPTIMA

3.1 Payment. CalOptima shall pay Provider for Covered Services provided to CalOptima Members. Provider agrees to accept the compensation set forth in Attachment C as payment in full from CalOptima for such Covered Services. Upon submission of a Clean Claim, CalOptima shall pay Provider pursuant to CalOptima Policies and Attachment C. Notwithstanding the foregoing, Provider may also collect other amounts (e.g., copayments, deductibles, OHC and/or third party liability payments) where expressly authorized to do so under the CalOptima Program(s) and applicable law. Provider agrees that Members will not be held liable for Medicare Part A and B cost sharing when the State is responsible for paying such amounts and that the provider will (A) accept the plan payment as payment in full, or (B) bill the appropriate State source as required at 42 CFR §422.504(g)(1)(iii).

3.2 Service Authorization. CalOptima shall provide a written authorization process for Covered Services pursuant to CalOptima Policies.

3.3 Limitations of CalOptima's Payment Obligations. Notwithstanding anything to the contrary contained in this Contract, CalOptima's obligation to pay Provider any amounts shall be subject to CalOptima's receipt of the funding from the Federal and/or State governments.

ARTICLE 4
PAYMENT PROCEDURES

4.1 Billing and Claims Submission. Provider shall submit Claims for Covered Services in accordance with CalOptima Policies applicable to the Claims submission process.

4.2 Prompt Payment. CalOptima shall make payments to Provider in the time and manner set forth in CalOptima Policies related to the CalOptima Programs and/or this Contract. Additional procedures related to claims processing and payment are set forth in the attached CalOptima Program Addenda.

4.3 Claim Completion and Accuracy. Provider shall be responsible for the completion and accuracy of all Claims submitted whether on paper forms or electronically including claims submitted for the Provider by other parties. Use of a billing agent does not abrogate Provider's responsibility for the truth and accuracy of the submitted information. A Claim may not be submitted before the delivery of service. Provider acknowledges that Provider remains responsible for all Claims and that anyone who misrepresents, falsifies, or causes to be misrepresented or falsified, any records or other information relating to that Claim may be subject to legal action.

4.4 Claims Deficiencies. Any Claim that fails to meet CalOptima requirements for claims processing shall be denied and Provider notified of denial pursuant to CalOptima Policies and applicable Federal and/or State laws and regulations.

4.5 COB. Provider shall coordinate benefits with other programs or entitlements recognizing where OHC is primary coverage in accordance with CalOptima Program requirements. Provider acknowledges that Medi-Cal is the payor of last resort.

4.6 (This section left intentionally blank)

4.7 Member Financial Protections. Provider and its Subcontractors shall comply with Member financial protections as follows:

4.7.1 Provider agrees to indemnify and hold Members harmless from all efforts to seek compensation and any claims for compensation from Members for Covered Services under this Contract. In no event shall a Member be liable to Provider for any amounts which are owed by, or are the obligation of, CalOptima.

4.7.2 In no event, including, but not limited to, non-payment by CalOptima, CalOptima's or Provider's insolvency, or breach of this contract by CalOptima, shall Provider, or any of its Subcontractors, bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against the State of California or any Member or person acting on behalf of a Member for Covered Services pursuant to this Contract. Notwithstanding the foregoing, Provider may collect SOC, co-payments, and deductibles if, and to the extent, required under a specific CalOptima Program and applicable law.

4.7.3 This provision does not prohibit Provider or its Subcontractors from billing and collecting payment for non-Covered Services if the CalOptima Member agrees to the payment in writing prior to the actual delivery of non-Covered Services and a copy of such agreement is given to the Member and placed in the Member's medical record prior to rendering such services.

4.7.4 Upon receiving notice of Provider invoicing or balance billing a Member for the difference between the Provider's billed charges and the reimbursement paid by CalOptima for any Covered Services, CalOptima may sanction the Provider or take other action as provided in this Contract.

4.7.5 This section shall survive the termination of this Contract for Covered Services furnished to CalOptima Members prior to the termination of this Contract, regardless of the cause giving rise to termination, and shall be construed to be for the benefit of Members. This section shall supersede any oral or written contrary agreement now existing or hereafter entered into between the Provider and its Subcontractors. Language to ensure the foregoing shall be included in all of Provider's Subcontracts related to provision of Covered Services to CalOptima Members.

4.8 Overpayments and CalOptima Right to Recover. Provider has an obligation to report any overpayment identified by Provider, and to repay such overpayment to CalOptima within sixty (60) days of such identification by Provider, or of receipt of notice of an overpayment identified by CalOptima. Provider acknowledges and agrees that, in the event that CalOptima determines that an amount has been overpaid or paid in duplicate, or that funds were paid which were not due under this Contract to Provider, CalOptima shall have the right to recover such amounts from Provider by recoupment or offset from current or future amounts due from CalOptima to Provider, after giving Provider notice and an opportunity to return/pay such amounts. This right to recoupment or offset shall extend to any amounts due from Provider to CalOptima, including, but not limited to, amounts due because of:

4.8.1 Payments made under this Contract that are subsequently determined to have been paid at a rate that exceeds the payment required under this contract.

4.8.2 Payments made for services provided to a Member that is subsequently determined to have not be eligible on the date of service.

4.8.3 Unpaid Conlan reimbursements owed by provider to a Member.

4.8.4 Payments made for services provided by a Provider that has entered into a private contract with a Medicare beneficiary for Covered Services.

ARTICLE 5
INSURANCE AND INDEMNIFICATION

5.1 Indemnification. Each party to this Contract agrees to defend, indemnify and hold each other and the State harmless, with respect to any and all Claims, costs, damages and expenses, including reasonable attorney's fees, which are related to or arise out of the negligent or willful performance or non-performance by the indemnifying party, of any functions, duties or obligations of such party under this Contract. Neither termination of this Contract nor completion of the acts to be performed under this Contract shall release any party from its obligation to indemnify as to any claims or cause of action asserted so long as the event(s) upon which such claims or cause of action is predicated shall have occurred prior to the effective date of termination or completion.

5.2 Provider Professional Liability. Provider, at its sole cost and expense, shall ensure that it and Subcontractors providing professional services under this Contract shall maintain professional liability insurance coverage with minimum per incident and annual aggregate amounts which are at least equal to the community minimum amounts in Orange County, California, for the specialty or type of service which Provider provides, with a minimum of $1,000,000 per incident/$3,000,000 aggregate per year.5.3 Provider Commercial General Liability ("CGL")/Automobile Liability. Provider at its sole cost and expense shall maintain such policies of commercial general liability and automobile liability insurance and other insurance as shall be necessary to insure it and its business addresses, customers (including Members), employees, agents, and representatives against any claim or claims for damages arising by reason of a) personal injuries or death occasioned in connection with the furnishing of any Covered Services hereunder, b) the use of any property of the Provider, and c) activities performed in connection with the Contract, with minimum coverage of $1,000,000 per incident/$3,000,000 aggregate per year.

5.4 Workers Compensation Insurance. Provider at its sole cost and expense shall maintain workers compensation insurance within the limits established and required by the State of California and employers liability insurance with minimum limits of liability of $1,000,000 per occurrence/$1,000,000 aggregate per year.

5.5 Insurer Ratings. All above insurance shall be provided by an insurer:

5.5.1 rated by Best's with a rating of B or better; and

5.5.2 "admitted" to do business in California or an insurer approved to do business in California by the California Department of Insurance and listed on the Surplus Lines Association of California List of Eligible Surplus Lines Insurers (LESLI) or licensed by the California Department of Corporations as an Unincorporated Interindemnity Trust Arrangement as authorized by the California Insurance Code 12180.7.

5.6 Captive Risk Retention Group/Self Insured. Where any of the insurances mentioned above are provided by a Captive Risk Retention Group or are self insured, such above provisions may be waived at the sole discretion of CalOptima, but only after CalOptima reviews the Captive Risk Retention Group's or self-insured's audited financial statements and approves the waiver.

5.7 Cancellation or Material Change. The Provider shall not of its own initiative cause such insurances as addressed in this Article to be canceled or materially changed during the term of this Contract.

5.8 Certificates of Insurance. Prior to execution of this Contract, Provider shall provide Certificates of Insurance to CalOptima showing the required insurance coverage and further providing that CalOptima is named as an additional insured on the Comprehensive General Liability Insurance and Automobile Liability Insurance with respect to the performance hereunder and coverage is primary and non-contributory as to any other insurance with respect to performance hereunder.

ARTICLE 6
RECORDS, AUDITS AND REPORTS

6.1 Access to and Audit of Contract Records. For the purpose of review of items and services furnished under the terms of this Contract and duplication of any books and records, Provider and its Subcontractors shall allow CalOptima, its regulators and/or their duly authorized agents and representatives access to said books and records, including medical records, contracts, documents, electronic systems for the purpose of direct physical examination of the records by CalOptima or its regulators and/or their duly authorized agents and representatives at the Provider's premises. Provider shall be given advance notice of such visit in accordance with CalOptima Policies. Such access shall include the right to directly observe all aspects of Provider's operations and to inspect, audit and reproduce all records and materials and to verify Claims and reports required according to the provisions of this Contract. Provider shall maintain records in chronological sequence, and in an immediately retrievable form in accordance with the laws and regulations applicable to such record keeping. If DHCS, CMS, or the DHHS Inspector General determines there is a reasonable possibility of fraud or similar risk, DHCS, CMS, or the DHHS Inspector General may inspect, evaluate, and audit the Provider at any time. Upon resolution of a full investigation of fraud, DHCS reserves the right to suspend or terminate the Provider and its Subcontractors from participation in the Medi-Cal program; seek recovery of payments made to the Provider; impose other sanctions provided under the State Plan, and Provider's contract may be terminated due to fraud.

6.2 Medical Records. Provider and its Subcontractors shall establish and maintain for each Member who has obtained Covered Services, medical records which are organized in a manner which contain such demographic and clinical information as is necessary to provide and ensure accurate and timely documentation as to the medical problems and Covered Services provided to the Member. Such medical records shall be consistent with State and Federal laws and CalOptima Program requirements and shall include a historical record of diagnostic and therapeutic services recommended or provided by, or under the direction of, the Provider. Such medical records shall be in such a form as to allow trained health professionals, other than the Provider, to readily determine the nature and extent of the Member's medical problem and the services provided, and to permit peer review of the care furnished to the Member.

6.3 Records Retention. The Provider shall maintain books and records in accordance with the time and manner requirements set forth in Federal and State laws and CalOptima Programs as identified in the CalOptima Program Addenda to this Contract. Where the Provider furnishes Covered Services

to a Member in more than one CalOptima Program with different record retention periods, then the greater of the record retention requirements shall apply.

6.4 Audit, Review and/or Duplication. Audit, review and/or duplication of data or records shall occur within regular business hours, and shall be subject to Federal and State laws concerning confidentially and ownership of records. Provider shall pay all duplication and mailing costs associated with such audits.

6.5 Confidentiality of Member Information. Provider agrees to comply with applicable Federal and State laws and regulations governing the confidentiality of Member medical and other information. Provider further agrees:

6.5.1 Health Insurance Portability and Accountability Act (HIPAA). Provider shall comply with HIPAA statutory and regulatory requirements ("HIPAA requirements"), whether existing now or in the future within a reasonable time prior to the effective date of such requirements. Provider shall comply with HIPAA requirements as currently established in CalOptima Policies. Provider shall also take actions and develop capabilities as required to support CalOptima compliance with HIPAA requirements, including acceptance and generation of applicable electronic files in HIPAA compliant standards formats.

6.5.2 Members Receiving State Assistance. Notwithstanding any other provision of this Contract, names and identification numbers of Members receiving public assistance are confidential and are to be protected from unauthorized disclosure in accordance with applicable State and Federal laws and regulations. For the purpose of this Contract, Provider shall protect from unauthorized disclosure all information, records, data and data elements collected and maintained for the operation of the Contract and pertaining to Members.

6.5.3 Declaration of Confidentiality. If Provider and its Subcontractors have access to computer files or any data confidential by statute, including identification of eligible members, Provider and Subcontractors agree to sign a declaration of confidentiality in accordance with the applicable Government Contract and in a form acceptable to CalOptima and DHCS, DMHC (MRMIB) and/or CMS, as applicable.

6.6 Data Submission. Provider shall submit to CalOptima complete, accurate, reasonable, and timely provider data, encounter date, and other data and reports (a) needed by CalOptima in order for CalOptima to meet its reporting requirements to DHCS, and/or (b) required by CalOptima and CalOptima's Regulators as provided in this Contract and in CalOptima's Policies.

ARTICLE 7
TERM AND TERMINATION

7.1 Term. The term of this Contract shall become effective on the Effective Date and continue in effect for five (5) years through (EFFECTIVE DATE + 5 YEARS person completing the contract will need to determine this date) ("Initial Term") and five (5) additional one-year automatic extensions except as directed otherwise by the Board.

7.2 Termination for Default. CalOptima may, in its sole discretion, terminate this Contract whenever CalOptima determines that the Provider or any Subcontractor (a) has repeatedly and inappropriately withheld Covered Services to a CalOptima Member(s), (b) has failed to perform its contracted duties and responsibilities in a timely and proper manner including, without limitation, service procedures and standards identified in this Contract, (c) has committed acts that discriminate against CalOptima Members on the basis of their health status or requirements for health care services; (d) has not provided Covered Services in the scope or manner required under the provisions of this Contract; (e) has engaged in prohibited marketing activities; (f) has failed to comply with CalOptima's Compliance Program, including Participation Status requirements; (g) has committed fraud or abuse relating to Covered Services or any and all obligations, duties and responsibilities under this Contract; or (h) has materially breached any covenant, condition, or term of this Contract. A termination as described above shall be referred to herein as "Termination for Default." In the event of a Termination for Default, CalOptima shall give Provider prior written

notice of its intent to terminate with a thirty (30)-day cure period if the Termination for Default is curable, in the sole discretion of CalOptima. In the event the default is not cured within the thirty (30)-day period, CalOptima may terminate the Contract immediately following such thirty (30)-day period. The rights and remedies of CalOptima provided in this clause are not exclusive and are in addition to any other rights and remedies provided by law or under the Contract. The Provider shall not be relieved of its liability to CalOptima for damages sustained by virtue of breach of the Contract by the Provider or any Subcontractor.

7.3 Immediate Termination. CalOptima may terminate this Contract immediately upon the occurrence of any of the following events and delivery of written notice: (i) the suspension or revocation of any license, certification or accreditation required by Provider and/or Provider Agents; (ii) the determination by CalOptima that the health, safety, or welfare of Members is jeopardized by continuation of this Contract; (iii) the imposition of sanctions or disciplinary action against Provider or against Provider Agents in their capacities with the Provider by any Federal or State licensing agency; (iv) termination or non-renewal of any Government Contract; (v) the withdrawal of DHHS's approval of the waiver granted to the CalOptima under Section 1915(b) of the Social Security Act. If CalOptima receives notice of termination from any of the Government Agencies or termination of the Section 1915(b) waiver, CalOptima shall immediately transmit such notice to Provider.

7.4 Termination for Provider Insolvency. If the Provider and/or any of its Subcontractors becomes insolvent, the Provider shall immediately so advise CalOptima, and CalOptima shall have, at its sole option, the right to terminate the Contract immediately. In the event of the filing of a petition for bankruptcy by or against the Provider or a principal Subcontractor, the Provider shall assure that all tasks related to the Contract or the Subcontract are performed in accordance with the terms of the Contract.

7.5 Modifications or Termination to Comply with Law. CalOptima reserves the right to modify or terminate the Contract at any time when modifications or terminations are (a) mandated by changes in Federal or State laws, (b) required by Government Contracts, or (c) required by changes in any requirements and conditions with which CalOptima must comply pursuant to its Federally-approved Section 1915(b) waiver. CalOptima shall notify Provider in writing of such modification or termination immediately and in accordance with applicable Federal and/or State requirements, and Provider shall comply with the new requirements within 30 days of the effective date, unless otherwise instructed by DHCS and to the extent possible.

7.6 Termination Without Cause. Either party may terminate this Contract, without cause, upon ninety (90) days' prior written notice to the other party as provided herein.

7.7 Rate Adjustments. The payment rates may be adjusted by CalOptima during the Contract period to reflect implementation of Federal or State laws or regulations, changes in the State budget, the Government Contract(s) or the Government Agencies' policies, and/or changes in Covered Services. If the Government Agency(ies) has provided CalOptima with advance notice of adjustment, CalOptima shall provide notice thereof to Provider as soon as practicable.

7.8 Obligations Upon Termination. Upon termination of this Contract, it is understood and agreed that Provider shall continue to provide authorized Covered Services to Members who retain eligibility and who are under the care of Provider at the time of such termination, until the services being rendered to Members are completed, unless CalOptima, in its sole discretion, makes reasonable and medically appropriate provisions for the assumption of such services. Payment for services under this paragraph shall be at the contracted rates. Prior to the termination or expiration of this Contract, and upon request by CalOptima or one of its regulatory agencies to assist in the orderly transfer of Members' medical care, Provider shall make available to CalOptima and/or such regulatory agency, copies of any pertinent information, including information maintained by Provider and any Subcontractor necessary for efficient case management of Members. Costs of reproduction shall be borne by CalOptima or the government agency, as applicable. For purposes of this section only, "under the care of Provider" shall mean that a Member has an authorization from CalOptima to receive services from the Provider issued prior to the Termination, all of the

services authorized under that authorization have not yet been completed, and the time period covered by the authorization has not yet expired.

7.9 Approval By and Notice to Government Agencies. Provider acknowledges that this Contract and any modifications and/or amendments thereto are subject to the approval of applicable Federal and/or State agencies. CalOptima and Provider shall notify the Federal and/or State agencies of amendments to, or termination of, this Contract. Notice shall be given by first-class mail, postage prepaid to the attention of the State or Federal contracting officer for the pertinent CalOptima Program. Provider acknowledges and agrees that any amendments or modifications shall be consistent with requirements relating to submission to such Federal and/or State agency for approval.

ARTICLE 8
GRIEVANCES AND APPEALS

8.1 Provider Grievances. CalOptima has established a fast and cost-effective complaint system for provider complaints, grievances and appeals. Provider shall have access to this system for any issues arising under this Contract, as provided in CalOptima Policies related to the applicable CalOptima Program(s). Provider complaints, grievances, appeals, or other disputes regarding any issues arising under this Contract shall be resolved through such system.

8.2 Member Grievances and Appeals. Member grievances, complaints, and/or appeals shall be resolved in accordance with Federal and/or State laws, regulations and Government Guidance and as set forth in CalOptima Policies relating to the applicable CalOptima Program. Provider agrees to cooperate in the investigation of the issues and be bound by CalOptima's grievance decisions and, if applicable, State and/or Federal hearing decisions or any subsequent appeals.

ARTICLE 9
GENERAL PROVISIONS

9.1 Assignment and Assumption. Provider acknowledges and agrees that a primary goal of CalOptima is to ensure the provision of quality healthcare services to CalOptima Members and that CalOptima and Provider have entered into this Contract for the benefit of CalOptima Members. Accordingly, CalOptima retains the rights set forth in this Section. Except as specifically permitted hereunder, this Contract is not assignable by the Provider, either in whole or in part, without the prior written consent of CalOptima, provided that CalOptima's consent may be withheld in its sole and absolute discretion. For purposes of this Section and this Contract, assignment includes, without limitation, (a) the change of more than twenty-five percent (25%) of the ownership or equity interest in Provider (whether in a single transaction or in a series of transactions), (b) the change of more than twenty-five percent (25%) of the directors or trustees of Provider, (c) the merger, reorganization, or consolidation of Provider with another entity with respect to which Provider is not the surviving entity, and/or (d) a change in the management of Provider from management by persons appointed, elected or otherwise selected by the governing body of Provider (e.g., the Board of Directors) to a third-party management person, company, group, team or other entity.

9.2 Documents Constituting Contract. This Contract and its attachments, schedules, addenda and exhibits and all CalOptima Policies applicable to Covered Services and CalOptima Members (and any amendments thereto) shall constitute the entire agreement between the parties. It is the express intention of Provider and CalOptima that any and all prior or contemporaneous agreements, promises, negotiations or representations, either oral or written, relating to the subject matter and period governed by this Contract which are not expressly set forth herein shall be of no further force, effect or legal consequence after the effective date hereunder.

9.3 Force Majeure. Both parties shall be excused from performance hereunder for any period that they are prevented from meeting the terms of this Contract as a result of a catastrophic occurrence or natural disaster including but not limited to an act of war, and excluding labor disputes.

9.4 Governing Law and Venue. This Contract shall be governed by and construed in accordance with all laws of the State of California and Federal laws and regulations applicable to the CalOptima

Programs and all contractual obligations of CalOptima. Provider shall bring any and all legal proceedings against CalOptima under this Contract in California State courts located in Orange County, California, unless mandated by law to be brought in federal court, in which case such legal proceedings shall be brought in the Central District Court of California.

9.5 Headings. The article and section headings used herein are for reference and convenience only and shall not enter into the interpretation hereof.

9.6 Independent Contractor Relationship. CalOptima and Provider agree that the Provider and any agents or employees of the Provider in performance of this Contract shall act in an independent capacity and not as officers or employees of CalOptima. Provider's relationship with CalOptima in the performance of this Contract is that of an independent contractor. Provider's personnel performing services under this Contract shall be at all times under Provider's exclusive direction and control and shall be employees of Provider and not employees of CalOptima. Provider shall pay all wages, salaries and other amounts due its employees in connection with this Contract and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation, and similar matters.

9.7 No Liability of County of Orange. As required under Ordinance No. 3896 of the County of Orange, State of California, as amended, CalOptima and the Provider hereby acknowledge and agree that the obligations of CalOptima under this Contract are solely the obligations of CalOptima, and the County of Orange, State of California, shall have no obligation or liability therefor.

9.8 No Waiver. No delay or failure by either party hereto to exercise any right or power accruing upon noncompliance or default by the other party with respect to any of the terms of this Contract shall impair such right or power or be construed to be a waiver thereof. A waiver by either of the parties hereto of a breach of any of the covenants, conditions, or agreements to be performed by the other shall not be construed to be a waiver of any succeeding breach thereof or of any other covenant, condition, or agreement herein contained. Any information delivered, exchanged or otherwise provided hereunder shall be delivered, exchanged or otherwise provided in a manner which does not constitute a waiver of immunity or privilege under applicable law.

9.9 Notices. Any notice required to be given pursuant to the terms and provisions of this Contract, unless otherwise indicated herein, shall be in writing and shall be sent by Certified or Registered mail, return receipt requested, postage prepaid to the address set out below. Notice shall be deemed given seventy-two (72) hours after mailing.

If to CalOptima:

CalOptima
Director of Contracting
505 City Parkway West
Orange, CA 92868

If to Provider:

_____
Name

_____
Title

_____
Address

_____

9.10 Omissions. In the event that either party hereto discovers any material omission in the provisions of this Contract which such party believes is essential to the successful performance of this Contract, said party may so inform the other party in writing, and the parties hereto shall thereafter

promptly negotiate in good faith with respect to such matters for the purpose of making such reasonable adjustments as may be necessary to perform the objectives of this Contract.

9.11 Prohibited Interests. Provider covenants that, for the term of this Contract, no director, member, officer, or employee of CalOptima during his/her tenure has any interest, direct or indirect, in this Contract or the proceeds thereof.

9.12 Regulatory Approval. Notwithstanding any other provision of this Contract, the effectiveness of this Contract, amendments thereto, and assignments thereof, is subject to the approval of applicable Governmental Agencies and the conditions imposed by such agencies.

9.13 Authority to Execute. The persons executing this Contract on behalf of the parties warrant that they are duly authorized to execute this Contract, and that by executing this Contract, the parties are formally bound.

9.14 Severability. In the event any provision of this Contract is rendered invalid or unenforceable by Act of Congress, by statute of the State of California, by any regulation duly promulgated by the United States or the State of California in accordance with law or is declared null and void by any court of competent jurisdiction, the remainder of the provisions hereof shall remain in full force and effect.

9.15 Dispute Resolution.

9.15.1 Meet and Confer. For any dispute not subject to or resolved by the provider appeals process, or if either party has a dispute it seeks to address informally, the parties shall use reasonable efforts to informally meet and confer to try and resolve the dispute. The parties shall meet and confer within thirty (30) days of a written request submitted by either party in an effort to settle any dispute. At each meet-and-confer meeting, each party shall be represented by persons with final authority to settle the dispute. If either party fails to meet within the thirty (30)-day period, that party shall be deemed to have waived the meet-and-confer requirement, and at the other party's option, the dispute may proceed immediately to arbitration under Section 9.15.2.

9.15.2 Arbitration. If the parties are unable to resolve any dispute arising out of or relating to this Contract under Section 9.15.1, either party may submit the dispute for resolution exclusively through confidential, binding arbitration, instead of through trial by court or jury, in Orange County, California. The parties may agree in writing prior to commencing the arbitration on the dispute resolution rules and arbitration service that will be used to resolve the dispute. If the parties cannot reach such an agreement, the arbitration will be conducted by Judicial Arbitration and Mediation Services ("JAMS") in accordance with the commercial dispute rules then in effect for JAMS; provided, however, that this Contract shall control in instances where it conflicts with JAMS's (or the applicable arbitration service's) rules. The arbitration shall be conducted on an expedited basis by a single arbitrator. The parties prefer that the arbitrator be a retired judge of the California Superior, Appellate, or Supreme Court or of a United States court sitting in California. If no such retired judge is available, the arbitrator may be an attorney with at least fifteen (15) years of experience, including at least five (5) years in managed health care. If the parties are unable to agree on the arbitrator within thirty (30) days of the date that the arbitration service accepts the arbitration, the arbitrator shall be selected by the arbitration service from a list of four potential arbitrators (all of whom shall be on arbitration services' panel of arbitrators) submitted by the parties, two from each side; provided, however, that nothing stated in this section shall prevent a party from disqualifying an arbitrator based on a conflict of interest. In making decisions about discovery and case management, it is the parties' express agreement and intent that the arbitrator at all times promote efficiency without denying either party the ability to present relevant evidence. In reaching and issuing decisions, the arbitrator shall have no jurisdiction to make errors of law and/or legal reasoning. The parties shall share the costs of arbitration equally, and each party shall bear its own attorneys' fees and costs.

9.15.3 Exclusive Remedy. With the exception of any dispute that under Laws may not be settled through arbitration, arbitration under Section 9.15.2 is the exclusive method to resolve a dispute between the Parties arising out of or relating to this Contract that is not resolved through the provider appeals or meet-and-confer processes.

9.15.4 Waiver. By agreeing to binding arbitration as set forth in Section 9.15.2, the parties acknowledge that they are waiving certain substantial rights and protections which otherwise may be available if a dispute between them was determined by litigation in a court, including the right to a jury trial, attorneys' fees, and certain rights of appeal.

ARTICLE 10
EXECUTION

10.1 Subject to the State of California and United States providing funding for the term of this Contract and for the purposes with respect to which it is entered into, and execution of the Government Contracts and the approval of the Contract by the Government Agencies, this Contract shall become effective on the first day of the first month following execution of this Contract by both parties, (the "Effective Date").

IN WITNESS WHEREOF, the parties have executed this Contract as follows:

Provider	**CalOptima**
_____	_____
Signature	Signature
_____	Yunkyung Kim
Print Name	Print Name
_____	Chief Operating Officer
Title	Title
_____	_____
Date	Date

ATTACHMENT A

COVERED SERVICES

ARTICLE 1
CALOPTIMA PROGRAMS

1.1 CalOptima Programs. Provider shall furnish Covered Services to eligible Members in the following CalOptima Programs:

_____ Medi-Cal Program

_____ Medicare Advantage Program (OneCare)

_____ PACE Program

_____ Cal MediConnect Program/OneCare Connect (Members Dually Eligible for Medicare and Medi-Cal)

ARTICLE 2
SERVICES

2.1 Scope of Covered Services. "Covered Services" as referred to in this Contract means those items and services as defined under applicable CalOptima Programs and CalOptima Policies and required to be furnished under this Contract, and provided to Members who are authorized to receive such items and services including:

@@Custom Field{Ancillary Scope of Covered Service}@@

ATTACHMENT B

PROCEDURES FOR REQUESTING INTERPRETATION SERVICES

ARTICLE 1
CALOPTIMA DIRECT MEMBERS AND PACE PARTICIPANTS

1.1 CalOptima Responsibilities. CalOptima shall provide Members enrolled in CalOptima Direct (COD) and PACE with face-to-face language and sign language interpretation services to ensure effective communication with Providers. Upon notification from Provider pursuant to the provisions of this Contract that interpreter services are required, CalOptima shall arrange for and make payment for interpreter services for COD and PACE Members in accordance with the procedures set forth herein.

1.2 Request for Interpretation Services. To request these interpretation services Provider shall, at least one week before the scheduled appointment with the Member, contact CalOptima Customer Service Department at (714) 246-8500 to be connected with the Cultural and Linguistic (C&L) Coordinator. The following information will be needed at the time of the request:

a. Member name and ID, date of birth and telephone number;
b. Name and phone number of the care taker, if applicable;
c. Language or sign language needed;
d. Date and time of the appointment;
e. Address and telephone number of the facility where the appointment is to take place;
f. Estimated amount of time the interpretation service will be needed; and
g. Type of appointment: assessment, fitting/delivery or other.

1.3 Provider's Responsibilities.

1.3.1 C&L Coordinator. Provider shall make the request at least one week before the scheduled appointment. Provider shall communicate with the CalOptima C&L Coordinator. CalOptima C&L Coordinator will make the best effort to secure an interpreter within 72 hours of a request, and will confirm to the Provider and Member of the result of this effort.

1.3.2 Appointment Changes. If there is any change with the appointment, Provider shall contact CalOptima C&L Coordinator, at least 72 hours before the scheduled appointment.

1.3.3 Provider Obligation For Cost. If Provider fails to communicate with CalOptima C&L Coordinator in a timely manner (less than 72 hours before the appointment), Provider will have to incur the cost of an urgent interpretation service request.

ARTICLE 2
HEALTH NETWORK MEMBERS

2.1 Health Network Contact. Provider shall contact Member's Health Network customer service department to request the needed interpretation services and shall follow the Health Network policy and procedures for those services.

ATTACHMENT C

COMPENSATION

CalOptima shall reimburse Provider, and Provider shall accept as payment in full from CalOptima, the lesser of billed charges or the following amounts:

I. Medi-Cal Program Reimbursement

For Medi-Cal Members, CalOptima shall reimburse for Covered Services as follows:

- **@@Custom Field{Anc Mcal PCT Amt}@@% of the CalOptima Medi-Cal Fee Schedule**, as defined in CalOptima Policy, in effect for the date of service.
- Unless specified otherwise in this contract, Medi-Cal billing rules and payment policies and guidelines for billing and payment will apply.
- By Report Codes shall be billed and paid according to Medi-Cal rules and guidelines.
- Services not contained in the Medi-Cal fee schedule at the time of service are not reimbursable.

II. Medicare Advantage (OneCare) Program Reimbursement

For Medicare Advantage (OneCare) Members, CalOptima shall reimburse for Covered Services as follows:

- **@@Custom Field{Anc McAdv PCT Amt}@@ % of the Medicare Allowable Fee Schedule** in effect for the date of service.
- Unless specified otherwise in this contract, Medicare billing rules and payment policies and guidelines for billing and payment will apply.
- By Report Codes shall be billed and paid according to Medicare rules and guidelines.
- Services not contained in the Medicare Fee Schedule at the time of service are not reimbursable.

III. PACE Program Reimbursement

For PACE Members, CalOptima shall reimburse for Covered Services as follows:

- **@@Custom Field{Anc PACE PCT Amt}@@% of the Medicare Allowable Fee Schedule** in effect for the date of service.
- Unless specified otherwise in this contract, Medicare billing rules and payment policies and guidelines for billing and payment will apply.
- By Report Codes shall be billed and paid according to Medicare rules and guidelines.
- Services not contained in the Medicare Fee Schedule at the time of service are not reimbursable.

IV. Cal MediConnect (OneCare Connect) Program Reimbursement

For Cal MediConnect (OneCare Connect) Members, CalOptima shall reimburse for Covered Services as follows:

- **@@Custom Field{Anc OCC PCT Amt}@@% of the Medicare Allowable Fee Schedule** in effect for the date of service.
- Unless specified otherwise in this contract, Medicare billing rules and payment policies and guidelines for billing and payment will apply.
- By Report Codes shall be billed and paid according to Medicare rules and guidelines.
- Services not contained in the Medicare Fee Schedule at the time of service are not reimbursable.

ATTACHMENT D

DISCLOSURE FORM

_____
Name of Provider

The undersigned hereby certifies that the following information regarding

_____ (the "Provider") is true and correct as of the date set forth below:

Officer(s)/Director(s)/General Partner(s):

_____

_____

Co-Owner(s):

_____

_____

Stockholder(s) owning more than five percent (5%) of the Provider's stock:

_____

_____

Major creditor(s) holding more than five percent (5%) of the Provider's debt:

_____

_____

Form of Provider (Corporation, Partnership, Sole Proprietorship, Individual, etc.):

_____

_____

Dated: _____ Signature: _____

Name: _____
(Please type or print)

Title: _____
(Please type or print)

ADDENDUM 1
MEDI-CAL PROGRAM

The following additional terms and conditions apply to items and services furnished to Members under the CalOptima Medi-Cal Program (COD and Health Network Members): These terms and conditions are additive to those contained in the main Contract. In the event that these terms and conditions conflict with those in the main Contract, these terms and conditions shall prevail.

1. Records Retention. Provider shall maintain and retain all records of all items and services provided Members for a term of at least ten (10) years from the final date of the contract between CalOptima and DHCS, or from the date of completion of any audit, whichever is later. Records involving matters which are the subject of litigation shall be retained for a period of not less than ten (10) years following the termination of litigation. Provider's books and records shall be maintained within, or be otherwise accessible within the State of California and pursuant to Section 1381(b) of the Health and Safety Code. Such records shall be maintained and retained on Provider's State licensed premises for such period as may be required by applicable laws and regulations related to the particular records. Such records shall be maintained in chronological sequence and in an immediately retrievable form that allows CalOptima, and/or representatives of any regulatory or law enforcement agencies, immediate and direct access and inspection of all such records at the time of any onsite audit or review.

   Microfilm copies of the documents contemplated herein may be substituted for the originals with the prior written consent of CalOptima, provided that the microfilming procedures are approved by CalOptima as reliable and are supported by an effective retrieval system. If CalOptima is concerned about the availability of such records in connection with the continuity of care to a Member, Provider shall, upon request, transfer copies of such records to CalOptima's possession.

   This provision shall survive the expiration or termination of this Contract, whether with or without cause, by rescission or otherwise.

2. Access to Books and Records. Provider agrees to make all of its premises, facilities, equipment, books, records, contracts, computer and other electronic systems pertaining to the goods and services furnished under the terms of the Contract, available for the purpose of an audit, inspection, evaluation, examination or copying, including but not limited to Access Requirements and State's Right to Monitor, as set forth in the DHCS Contract, Exhibit E, Attachment 2, Provision 20: (a) by CalOptima, the Government Agencies, CalOptima's Regulators, DOJ, Bureau of Medi-Cal Fraud, Comptroller General and any other entity statutorily entitled to have oversight responsibilities of the COHS program, (b) at all reasonable times at Provider's place of business or at such other mutually agreeable location in California, and (c) in a form maintained in accordance with the general standards applicable to such book or record keeping for a term of at least ten (10) years from the final date of the Contract between CalOptima and DHCS, or from the date of completion of any audit, whichever is later, in which the records or data were created or applied, and for which the financial record was completed, and including, if applicable, all Medi-Cal 35 file paid claims data and encounter data for a period of at least ten (10) years from the date of expiration or termination. Provider shall provide access to all security areas and shall provide reasonable facilities, cooperation and assistance to State representatives in the performance of their duties. If DHCS, CMS, or the DHHS Inspector General determines there is a reasonable possibility of fraud or similar risk, DHCS, CMS, or the DHHS Inspector General may inspect, evaluate, and audit Provider at any time. Upon resolution of a full investigation of fraud, DHCS reserves the right to suspend or terminate the Provider from participation in the Medi-Cal program; seek recovery of payments made to the Subcontractor; impose other sanctions provided under the State Plan, and direct CalOptima to terminate this Contract for provision of services to CalOptima Medi-Cal Members due to fraud.

   Provider shall cooperate in the audit process by signing any consent forms or documents required by but not limited to: DHCS, DMHC, Department of Justice, Attorney General, Federal Bureau of Investigation and Bureau of Medi-Cal Fraud and/or CalOptima to release any records or documentation Provider may possess in order to verify Provider's records.

   This provision shall survive the expiration or termination of this Contract, whether with or without cause, by rescission or otherwise.

3. Form of Records. Provider's and its Subcontractors' books and records shall be maintained in accordance with the general standards applicable to such book or record-keeping.

4. Third Party Tort Liability/Estate Recovery. Provider shall make no claim for the recovery of the value of Covered Services rendered to a Member when such recovery would result from an action involving tort liability of a third party, recovery from the estate of deceased Member, or casualty liability insurance awards and uninsured motorist coverage. Provider shall identify and notify CalOptima, within five (5) calendar days of discovery, which shall in turn notify DHCS, of any action by the CalOptima Member involving the Tort Workers' Compensation liability of a third party or estate recovery that could result in recovery by the CalOptima Member of funds to which DHCS has lien rights under Article 3.5 (commencing with Section 14124.70), Part 3, Division 9, Welfare and Institutions Code.

5. Records Related to Recovery for Litigation.

   5.1 Upon request by CalOptima, Provider shall timely gather, preserve and provide to CalOptima, in the form and manner specified by CalOptima, any information specified by CalOptima, subject to any lawful privileges, in Provider's or its Subcontractors' possession, relating to threatened or pending litigation by or against CalOptima or DHCS. If Provider asserts that any requested documents are covered by a privilege, Provider shall: 1) identify such privileged documents with sufficient particularity to reasonably identify the document while retaining the privilege; and 2) state the privilege being claimed that supports withholding production of the document. Such request shall include, but is not limited to, a response to a request for documents submitted by any party in any litigation by or against CalOptima or DHCS. Provider acknowledges that time may be of the essence in responding to such request. Provider shall use all reasonable efforts to immediately notify CalOptima of any subpoenas, document production requests, or requests for records, received by Provider or its Subcontractors related to this Contract or Subcontracts entered into under this Contract. Provider further agrees to timely gather, preserve, and provide to DHCS any records in Provider's or its subcontractor's possession, in accordance with the DHCS Contract, Exhibit E, Attachment 2, "Records Related to Recovery for Litigation" Provision.

   5.2 In addition to the payments provided for elsewhere in this Contract, CalOptima agrees to pay Provider for complying with Paragraph 5.1, above, as follows:

      5.2.1 CalOptima shall reimburse Provider amounts paid by Provider to third parties for services necessary to comply with Paragraph 5.1. Any third party assisting Provider with compliance with Paragraph 5.1 shall comply with all applicable confidentiality requirements. Amounts paid by Provider to any third party for assisting Provider in complying with Paragraph 5.1, shall not exceed normal and customary charges for similar services and such charges and supporting documentation shall be subject to review by CalOptima.

      5.2.2 If Provider uses existing personnel and resources to comply with Paragraph 5.1, CalOptima shall reimburse Provider as specified below. Provider shall maintain and provide to CalOptima time reports supporting the time spent by each employee as a condition of reimbursement. Reimbursement claims and supporting documentation shall be subject to review by CalOptima.

         5.2.2.1 Compensation and payroll taxes and benefits, on a prorated basis, for the employees' time devoted directly to compiling information pursuant to Paragraph 5.1.

         5.2.2.2 Costs for copies of all documentation submitted to CalOptima pursuant to Paragraph 5.1, subject to a maximum reimbursement of ten (10) cents per copied page.

      5.2.3 Provider shall submit to CalOptima all information needed by CalOptima to determine reimbursement to Provider under this provision, including, but not limited to, copies of invoices from third parties and payroll records.

6. Medical Records. All medical records shall meet the requirements of Section 1300.80(b)(4) of Title 28 of the California Code of Regulations, and Section 1936a(w) of Title 42 of the United States

Code. Such records shall be available to health care providers at each encounter, in accordance with Section 1300.67.1(c) of Title 28 of the California Code of Regulations. Provider shall ensure that an individual is delegated the responsibility of securing and maintaining medical records at each Participating Provider or Subcontractor site.

7. Downstream Contracts. In the event that Provider is allowed to subcontract for services under this Contract, and does so subcontract, then Provider shall, upon request, provide copies of such subcontracts to CalOptima or DHCS.

8. Medi-Cal Policies. Covered Services provided under this Contract shall comply with all applicable Medi-Cal Managed Care Division (MMCD) Policy Letters.

9. Medi-Cal Credentialing. If Provider is of a provider type that is not able to enroll in Medi-Cal through the DHCS, Provider shall provide an accurate, current, signed copy of the DHCS Medi-Cal Disclosure Form, DHCS-6216, or such other disclosure form as DHCS may otherwise specify to meet the requirements of Section 51000.35 of Title 22 of the California Code of Regulations, for its Providers.

10. Changes in Availability or Location of Services. Any substantial change in the availability or location of services to be provided under this Contract requires the prior written approval of DHCS. Provider's proposal to reduce or change the hours, days, or location at which the services are available shall be given to CalOptima at least 75 days prior to the proposed effective date. DHCS' denial of the proposal shall prohibit implementation of the proposed changes.

11. Confidentiality of Medi-Cal Members. Provider and its employees, agents, or Subcontractors shall protect from unauthorized disclosure the names and other identifying information concerning persons either receiving services pursuant to this Contract, or persons whose names or identifying information become available or are disclosed to Provider, its employees, or agents as a result of services performed under this Contract, except for statistical information not identifying any such person. Provider and its employees, agents, or Subcontractors shall not use such identifying information for any purpose other than carrying out Provider's obligations under this Contract. Provider and its employees, or agents shall promptly transmit to the CalOptima all requests for disclosure of such identifying information not emanating from the Member. Provider shall not disclose, except as otherwise specifically permitted by this Contract or authorized by the Member, any such identifying information to anyone other than DHCS or CalOptima without prior written authorization from CalOptima. For purposes of this provision, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

    Names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 42 CFR Section 431.300 et seq., Section 14100.2, Welfare and Institutions Code, and regulations adopted thereunder. For the purpose of this Contract, all information, records, data, and data elements collected and maintained for the operation of the Contract and pertaining to Members shall be protected by Provider from unauthorized disclosure. Provider may release Medical Records in accordance with applicable law pertaining to the release of this type of information. Provider is not required to report requests for Medical Records made in accordance with applicable law. With respect to any identifiable information concerning a Member under this Contract that is obtained by Provider or its Subcontractors, Provider:

    11.1 will not use any such information for any purpose other than carrying out the express terms of this Contract,

    11.2 will promptly transmit to CalOptima all requests for disclosure of such information, except requests for Medical Records in accordance with applicable law,

    11.3 will not disclose, except as otherwise specifically permitted by this Contract, any such information to any party other than DHCS or CalOptima without CalOptima's prior written authorization specifying that the information is releasable under Title 42 CFR Section 431.300 et seq., Section 14100.2, Welfare and Institutions Code, and regulations adopted there under, and

11.4 will, at the termination of this Contract, return all such information to CalOptima or maintain such information according to written procedures sent to the Provider by CalOptima for this purpose.

12. Debarment Certification. By signing this Contract, the Provider agrees to comply with applicable Federal suspension and debarment regulations including, but not limited to 7 CFR 3017, 45 CFR 76, 40 CFR 32, or 34 CFR 85.

12.1 By signing this Contract, the Provider certifies to the best of its knowledge and belief, that it and its principals:

12.1.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

12.1.2 Have not within a three-year period preceding this Contract have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

12.1.3 Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Subprovision 12.1.2 herein; and

12.1.4 Have not within a three-year period preceding this Contract had one or more public transactions (Federal, State or local) terminated for cause or default.

12.1.5 Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under Federal regulations (i.e., 48 CFR 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.

12.1.6 Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

12.2 If the Provider is unable to certify to any of the statements in this certification, the Provider shall submit an explanation to CalOptima.

12.3 The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.

12.4 If the Provider knowingly violates this certification, in addition to other remedies available to the Federal Government, CalOptima may terminate this Contract for cause or default.

13. DHCS Directions. If required by DHCS, Provider and its Subcontractors shall cease specified activities for CalOptima Members, which may include, but are not limited to, referrals, assignment of beneficiaries, and reporting, until further notice from DHCS.

14. Lobbying Restrictions and Disclosure Certification.

14.1 (Applicable to federally funded contracts in excess of $100,000 per Section 1352 of the 31, U.S.C.)

14.2 Certification and Disclosure Requirements

14.2.1 Each person (or recipient) who requests or receives a contract, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds $100,000 at any tier, shall file a certification (in the form set forth in Attachment 1 to this Addendum 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph 14.3 of this provision.

14.2.2 Each recipient shall file a disclosure (in the form set forth in Attachment 2 to this Addendum 1, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using

nonappropriated funds (to include profits from any covered federal action) in connection with a contract or grant or any extension or amendment of that contract or grant, which would be prohibited under Paragraph 14.3 of this provision if paid for with appropriated funds.

14.2.3 Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph 14.2.2 herein. An event that materially affects the accuracy of the information reported includes:

14.2.3.1 A cumulative increase of $25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;

14.2.3.2 A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or

14.2.3.3 A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.

14.2.4 Each person (or recipient) who requests or receives from a person referred to in Paragraph 14.2.1 of this provision a contract, subcontract, grant or subgrant exceeding $100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above.

14.2.5 All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph 14.2.1 of this provision. That person shall forward all disclosure forms to DHCS program contract manager.

14.3 Prohibition—Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

15. Additional Subcontracting Requirements.

15.1 Provider shall ensure that all Subcontracts are in writing and require that the Provider and its Subcontractors:

15.1.1 Make all premises, facilities, equipment, applicable books, records, contracts, computer, or other electronic systems related to this Contract, available at all reasonable times for audit, inspection, examination, or copying by CalOptima, DHCS, CalOptima's Regulators, and/or DOJ, or their designees.

15.1.2 Retain such books and all records and documents for a term minimum of at least ten (10) years from the final date of the DHCS Contract period or from the date of completion of any audit, whichever is later.

15.2 Provider shall require all Subcontracts that relate to the provision of Medi-Cal Covered Services to Members pursuant to the Contract include the following:

15.2.1 Services to be provided by the Subcontractor, term of the Subcontract (beginning and ending dates), methods of extension, renegotiation, termination, and full disclosure of the method and amount of compensation or other consideration to be received by the Subcontractor.

15.2.2 Subcontract or its amendments are subject to DHCS approval as provided in the DHCS Contract, and the Subcontract shall be governed by and construed

in accordance with all laws and applicable regulations governing the DHCS Contract.

15.2.3 An agreement that the assignment or delegation of the Subcontract will be void unless prior written approval is obtained pursuant to Section 21 of this Addendum 1.

15.2.4 An agreement to submit provider data, encounter data, and reports related to the Subcontract in accordance with Sections 2.23 of the Contract, and to gather, preserve, and provide any records in the Subcontractor's possession in accordance with Section 5 of this Addendum 1.

15.2.5 An agreement to make all premises, facilities, equipment, books, records, contracts, computer, and other electronic systems of the Subcontractor pertaining to the goods and services furnished by Subcontractor under the Subcontract, available for purpose of an audit, inspection, evaluation, examination, or copying, in accordance with Section 6.1 of the Contract and Sections 2 and 16 of this Addendum 1.

15.2.6 An agreement to maintain and make available to DHCS, CalOptima, and/or Provider, upon request, all sub-subcontracts related to the Subcontract, and to ensure all sub-contractors are in writing and require the sub-subcontractors to comply with the requirements set forth in Section 15.1 of this Addendum 1.

15.2.7 An agreement to comply with CalOptima's Compliance Program (including, without limitations, CalOptima Policies), all applicable requirements or the DHCS Medi-Cal Managed Care Program, and all monitoring provisions and requests set forth in Section 16 of this Addendum 1.

15.2.8 An agreement to assist Provider and/or CalOptima in the transfer of care of a Member in the event of termination of the DHCS Contract or the Contract for any reason, in accordance with Section 19 of this Addendum 1, and in the event of termination of the Subcontract for any reason.

15.2.9 An agreement to hold harmless the State, Members, and CalOptima in the event the Provider cannot or will not pay for services performed by the Subcontractor pursuant to the Subcontract, and to prohibit Subcontractors from balance billing a Member as set forth in Section 4.7 of the Contract.

15.2.10 An agreement to notify DHCS in the manner provided in Section 7.9 of the Contract in the event the Subcontract is amended or terminated.

15.2.11 An agreement to the provision of interpreter services to Members at all provider sites as set forth in Section 2.17 of the Contract, to comply with the language assistance standards developed pursuant to Health and Safety Code section 1367.04, and to the requirements for cultural and linguistic sensitivity as set forth in Section 2.16 or the Contract.

15.2.12 Subcontractors shall have access to CalOptima's dispute resolution mechanism in accordance with Section 8.1 of the Contract.

15.2.13 An agreement to participate and cooperate in quality improvement system as set forth in Section 2.12 of the Contract, and to the revocation of the delegation of activities or obligations under the Subcontract or other specified remedies in instances where DHCS, CalOptima and/or Provider determines that the Subcontractor has not performed satisfactorily.

15.2.14 If and to the extent Subcontractor is responsible for the coordination of care of Members, an agreement to comply with Section 25 of this Addendum 1 and Section 6.5.3 of the Contract.

15.2.15 An agreement by the Provider to notify the Subcontractor of prospective requirements and the Subcontractor's agreement to comply with the new requirements, in accordance with Section 7.5. of the Contract.

15.2.16 An agreement for the establishment and maintenance of and access to medical and administrative records as set forth in Sections 6.2 and 6.3 of the Contract and Sections 1, 3 and 6 of this Addendum 1.

15.2.17 An agreement that Subcontractors shall notify Provider of any investigations into Subcontractor's professional conduct, or any suspension of or comment on a Subcontractor's professional licensure, whether temporary or permanent.

15.2.18 An agreement requiring Subcontractor to sign a Declaration of Confidentiality pursuant to Section 6.5.3 or the Contract, which shall be signed and filed with DHCS prior to the Subcontractor being allowed access to computer files or any other data or files, including identification of Members.

16. State's Right to Monitor. Provider shall comply with all monitoring provisions of this Contract and the DHCS Contract between CalOptima and DHCS, and any monitoring requests by CalOptima and DHCS. Without limiting the foregoing, CalOptima and authorized State and Federal agencies will have the right to monitor, inspect or otherwise evaluate all aspects of the Provider's operation for compliance with the provisions of this Contract and applicable Federal and State laws and regulations. Such monitoring, inspection or evaluation activities will include, but are not limited to, inspection and auditing of Provider, Subcontractor, and provider facilities, management systems and procedures, and books and records as the Director of DHCS deems appropriate, at anytime, pursuant to 42 CFR Section 438.3(h). The monitoring activities will be either announced or unannounced. To assure compliance with the Contract and for any other reasonable purpose, the State and its authorized representatives and designees will have the right to premises access, with or without notice to the Provider. The monitoring activities will be either announced or announced. Staff designated by authorized State agencies will have access to all security areas and the Provider will provide, and will require any and all of its subcontractors to provide, reasonable facilities, cooperation and assistance to State representative(s) in the performance of their duties. Access will be undertaken in such a manner as to not unduly delay the work of the Provider and/or the subcontractor(s).

17. Provider shall comply with language assistance standards developed pursuant to Health & Safety Code Section 1367.04.

18 Air or Water Pollution Requirements. Any federally funded agreement and/or subcontract in excess of $100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5. Provider agrees to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 USC 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 USC 1251 et seq.), as amended.

19. Prior to the termination or expiration of this Contract, including termination due to termination or expiration of CalOptima's DHCS Contract, and upon request by DHCS or CalOptima to assist in the orderly transfer of Members' medical care and all necessary data and history records to DHCS or a successor DHCS Contractor, the Provider shall make available to DHCS and/or CalOptima copies of medical records, patient files, and any other pertinent information, including information maintained by any Subcontractor necessary for efficient case management of Members, and the preservation, to the extent possible, of Member-Provider relationships. Costs of reproduction shall be borne by DHCS and CalOptima, as applicable.

20. This Contract shall be governed by and construed in accordance with all laws and applicable regulations governing the DHCS Contract between CalOptima and DHCS.

21. Provider agrees that the assignment or delegation of this Contract or Subcontract, either in whole or in part, will be void unless prior written approval is obtained from DHCS and CalOptima, as applicable, provided that approval may be withheld in their sole and absolute discretion. For purposes of this Section, and with respect to this Contract and any Subcontracts, as applicable, an assignment constitutes any of the following: (i) the change of more than twenty-five percent (25%) of the ownership or equity interest in Provider or Subcontractor (whether in a single transaction or in a series of transactions); (ii) the change or more than twenty-five percent (25%) of the directors of trustees of Provider of Subcontractor; (iii) the merger, reorganization, or consolidation of Provider or Subcontractor, with another entity with respect to which Provider or Subcontractor is not the surviving entity; and/or (iv) a change in the management of Provider or Subcontractor from management by persons appointed, elected or otherwise selected by the governing body of Provider

or Subcontractor (e.g., the Board of Directors) to a third-party management person, company, group, team or other entity.

22. Provider further agrees to timely gather, preserve, and provide to DHCS any records in the Provider's or its Subcontractor's possession, in accordance with the State Contract, Exhibit E, Attachment 2, "Records Related to Recovery for Litigation Provision".

23. Provider agrees to assist CalOptima in the transfer of care in the event of any Subcontract termination for any reason.

24. Notwithstanding anything in this Contract to the contrary, Provider shall be entitled to the protections of the Health Care Providers' Bill of Rights, California Health and Safety Code section 1375.7, in the administration of this Contract relative to the Medi-Cal program.

25. If and to the extent that the Provider is responsible for the coordination of care for Members, CalOptima shall share with Provider, in accordance with the appropriate Declaration of Confidentiality signed by Provider and filed with DHCS, any utilization data that DHCS has provided to CalOptima, and Provider shall receive the utilization data provided by CalOptima and use it as the Provider is able for the purpose of Members care coordination.

ADDENDUM 2
MEDICARE ADVANTAGE PROGRAM
(ONECARE)

The following additional terms and conditions apply to items and services furnished to Members under the CalOptima Medicare Advantage Program (OneCare):

1. Record Retention. Provider agrees to retain books, records, Member medical, Subcontractor and other records for at least ten (10) years from the final date of the contract between CalOptima and DHCS, or the date of completion of any audit, which ever is later, unless a longer period is required by law.

2. Right of Inspection, Evaluation, Audit of Records. Provider and its Subcontractors agree to maintain and make available contracts, books, documents, and records involving transactions related to the Contract to CalOptima, DMHC, DHHS, the Comptroller General, the U.S. General Accounting Office ("GAO"), any Quality Improvement Organization ("QIO") or accrediting organizations, including NCQA, and other representatives of regulatory or accrediting organizations or their designees to inspect, evaluate, and audit for ten (10) years from the final date of the Contract period or from the date of completion of any audit, whichever is later. For purposes of utilization management, quality improvement and other CalOptima administrative purposes, CalOptima and officials referred to above, shall have access to, and copies of, at reasonable time upon request, the medical records, books, charts, and papers relating to the Provider's provision of health care services to Members, the cost of such services, and payments received by Provider from Members (or from others on their behalf). Medical records shall be provided at no charge to Members or CalOptima.

3. Accountability Acknowledgement. Provider further agrees and acknowledges that CalOptima oversees and is accountable to CMS for functions or responsibilities described in MA regulations; that CalOptima may only delegate activities or functions in a manner consistent with the MA program delegation requirements; and that any services or other activities performed by Provider pursuant to the Contract are consistent and comply with CalOptima's contractual obligations with CMS and adhere to delegation requirements set forth by MA statutes, regulations and/or other guidance. Where delegated responsibilities are identified in this Contract, the following shall apply:

   (a) Delegation by CalOptima. To the extent that responsibilities are delegated to Provider under this Contract, Provider warrants that it meets CalOptima delegation criteria set forth in the Attachment to this Contract and agrees to accept delegated responsibility for those listed activities. Provider agrees to perform the delegated activities in a manner consistent with the delegation criteria. Provider agrees to notify CalOptima of any change in its eligibility under the delegation criteria within twenty-four (24) hours from the date it fails to meet such delegation criteria. Provider acknowledges that delegation to another entity does not alter Provider's ultimate obligations and responsibilities set forth in this Contract. Provider acknowledges and agrees that CalOptima retains final authority and responsibility for activities delegated under this Contract. Activities not expressly delegated herein by CalOptima or for which delegation is terminated are the responsibility of CalOptima.

   (b) Reports on Delegated Activities. Provider agrees to provide CalOptima with periodic reports on delegated activities performed by Provider as provided in the delegation criteria. The report shall be in a form and contain such information as shall be agreed upon between the parties. Provider agrees to take those corrective actions identified by CalOptima through the audit review process.

   (c) CalOptima Oversight of Delegation. The delegation of the functions and responsibilities stated herein does not relieve CalOptima of any of its accountability to CMS and obligations to its Members under applicable law. CalOptima is authorized to perform and remains liable for the performance of such obligations, notwithstanding any delegation of some or all of those obligations by Provider, which will be monitored by CalOptima on an ongoing basis. In the event Provider breaches its obligation to perform any delegated duties, CalOptima shall have all remedies set forth in this Contract, including, but not limited to, penalties or termination of the delegation of such functions to Provider as set

forth in this Contract. Moreover, CalOptima shall have the right to require Provider to terminate any Subcontracting provider for good cause, including but not limited to breach of its obligations to perform any delegated duties.

(d) Review of Credentials. Provider shall ensure that the credentials of medical professionals affiliated with the Provider are reviewed by it. Provider agrees that CalOptima will review and approve Provider's credentialing process on ongoing basis.

4. COB Requirements.

(a) MSP Obligations. Provider agrees to comply with MSP requirements. Provider shall coordinate with CalOptima for proper determination of COB and to bill and collect from other payers and third party liens such charges for which the other payer is responsible. Provider agrees to establish procedures to effectively identify, at the time of service and as part of their claims payment procedures, individuals and services for which there may be a financially responsible party other than MA Program. Provider will bill and collect from other payers such amounts for Covered Services for which the other payer is responsible.

(a) Provider Authority to Bill Third Party Payers. Provider may bill other individuals or entities for Covered Services for which Medicare is not the primary payer, as specified herein. If a Medicare Member receives from Provider Covered Services that are also covered under State or Federal workers' compensation, any no-fault insurance, or any liability insurance policy or plan, including a self-insured plan, Provider may bill any of the following— (1) the insurance carrier, the employer, or any other entity that is liable for payment for the services under section 1862(b) of the Act and 42 C.F.R. part 411 or (2) the Medicare enrollee, to the extent that he or she has been paid by the carrier, employer, or entity for covered medical expenses.

5. Reporting Requirements. Provider shall comply with CalOptima's reporting requirements in order that it may meet the requirements set forth in MA laws and regulations for submitting encounter and other data including, without limitation, 42 CFR § 422.516. Provider also agrees to furnish medical records that may be required to obtain any additional information or corroborate the encounter data.

6. Submission and Prompt Payment of Claims. Provider agrees to submit claims to CalOptima in such format as CalOptima may require (but at minimum the CMS forms 1500, UB 04 or other form as appropriate) within ninety (90) days after the services are rendered. CalOptima reserves the right to deny claims that are not submitted within ninety (90) days of the date of service, except where Provider bills a third party payor as primary. Provider agrees to refrain from duplicate billing any claims submitted to CalOptima, unless expressly approved by CalOptima in order to process coordination of benefit claims. CalOptima shall provide payment to Provider within forty-five (45) business days of CalOptima's receipt of a clean and uncontested claim from Provider, or, CalOptima will contest or deny Provider's claim within forty-five (45) business days following CalOptima's receipt thereof.

ADDENDUM 3
PACE PROGRAM REQUIREMENTS

The terms and requirements of this Addendum 3 shall apply for services provided by Provider to Members who are enrolled in the CalOptima PACE program only.

1. State Approval and Termination.

   1.1. This Addendum to the Contract shall not become effective until approved in writing by the California Department of Health Care Services (DHCS) and Centers for Medicare and Medicaid Services, (CMS), or by operation of law where DHCS and CMS have acknowledged receipt, verbally or in writing, and has failed to approve or disapprove the proposed contract within sixty (60) days of receipt.

   1.2. Amendments to this Contract and amendments to any subcontract agreements between Provider and subcontractor shall be submitted to DHCS for prior approval at least thirty (30) days before the effective date of any proposed changes governing compensation, services, or term. Proposed changes which are neither approved nor disapproved by DHCS shall become effective by operation of law within thirty (30) days after DHCS has acknowledged receipt, or upon the date specified in the amendment, whichever is later.

   1.3. CalOptima may terminate this Contract as it applies to providing services to CalOptima PACE participants if CalOptima's PACE Agreement or State Medi-Cal contract is terminated for any reason. CalOptima shall notify Provider of any such termination immediately upon its provision of notice of termination of the PACE Agreement or State Medi-Cal contract, or upon receipt of a notice of termination of the PACE Agreement from DHCS/CMS, or the State Medi-Cal Contract from DHCS.

2. Provider's Responsibilities applicable to providing services to CalOptima PACE enrollees. Provider shall be accountable to CalOptima in accordance with the terms of this Contract. For CalOptima PACE enrollees, Provider agrees to do the following:

   2.1. Provider shall make available a location that is accessible to PACE participants within the PACE service area of Orange County, California.

   2.2. Duties Related to Provider's Position. Provider shall perform all the duties related to its position, as specified in this Contract.

   2.3. Services Authorized. Provider shall furnish only those services authorized by the CalOptima PACE Interdisciplinary Team (IDT); PCP referral is deemed as an IDT authorization.

   2.4. Interdisciplinary Team Meeting Participation. If necessary for the benefit of a CalOptima PACE participant's care delivery or planning, Provider shall participate in CalOptima PACE Interdisciplinary Team meetings as required. Such participation may be by telephone, unless in-person attendance at such meetings is reasonably warranted under the circumstances.

   2.5. Payment in Full. Provider shall accept CalOptima's payment as payment in full, and shall not seek any reimbursement for services directly from the CalOptima PACE member, Medi-Cal, Medicare or other insurance carrier or provider. Provider shall not seek any type of copayment from PACE member for Covered Services. CalOptima PACE participants shall not be liable to Provider for any sum owed by CalOptima, and Provider agrees not to maintain any action at law or in equity against CalOptima PACE participants to collect sums that are owed by CalOptima. Surcharges to CalOptima PACE participants by Provider are prohibited. Whenever CalOptima receives notice of any such surcharge, CalOptima shall take appropriate action, and Contractor shall reimburse the participant as appropriate.

   2.6. Hold Harmless. In accordance with the Medi-Cal Contract and the PACE Agreement, Provider will not bill the State of California, CMS or CalOptima PACE participants in the event CalOptima cannot or will not pay for services performed by Provider pursuant to this Contract.

   2.7. Reporting. Provider shall provide such information and written reports to CalOptima, DHCS, and DHHS, as may be necessary for compliance by CalOptima with its statutory

obligations, and to allow CalOptima to fulfill its contractual obligations to DHCS and CMS.

2.8. Coverage of Non-Network Providers. Provider agrees that should arrangements be made by Provider with another physician/provider who is not under contract with CalOptima to provide Covered Services required under this Contract, such physician/provider shall (a) accept Provider's fees from CalOptima as full payment for services delivered to CalOptima PACE participants, (b) bill services provided through Provider's office, unless Provider has made other billing arrangements with CalOptima, (c) not bill CalOptima PACE participants directly, under any circumstances, and (d) cooperate with and participate in CalOptima's quality assurance and improvement program.

2.9. Participant Bill of Rights. Provider shall cooperate and comply with the CalOptima PACE Participant Bill of Rights. A copy of the CalOptima PACE Participant Bill of Rights is attached. CalOptima may, at its sole discretion, make reasonable changes to this document from time to time, and a copy of the revised document will be sent to Provider.

2.10. Provision of Direct Care Services to PACE Participants. Provider hereby represents and warrants that Provider and all employees of Provider providing direct care to CalOptima PACE participant shall, at all time covered by this Contract, meet the requirements set forth in this Section. Provider agrees to cooperate with CalOptima PACE's competency evaluation program and direct participant care requirements, and to notify CalOptima immediately if Provider or any employee of Provider providing services to CalOptima PACE participants no longer meets any of these requirements. All providers of direct care services to CalOptima PACE Members shall meet the following requirements:

2.10.1 Comply with any State or Federal requirements for direct patient care staff in their respective settings;

2.10.2 Meet Medicare, Medi-Cal and CalOptima requirements applicable to the services Provider furnishes;

2.10.3 Have verified current certifications or licenses for their respective positions;

2.10.4 Have not been excluded from participation in Medicare, Medicaid or Medi-Cal;

2.10.5 Have not been convicted of criminal offenses related to their involvements with Medicare, Medicaid, Medi-Cal, or other health insurance or health care programs, or any social service programs under Title XX of the Act;

2.10.6 Not pose a potential risk to CalOptima PACE participants because of a conviction for physical, sexual, drug or alcohol abuse;

2.10.7 Be free of communicable diseases, and up to date with immunizations, before performing direct patient care; and

2.10.8 Participate in an orientation to the PACE program presented by CalOptima PACE, and agree to abide by the philosophy, practices and protocols of CalOptima PACE.

2.11. The CalOptima PACE program director or his or her designee shall be designated as the liaison to coordinate activities between Provider and PACE.

3. Records Retention. Provider and its Subcontractors shall maintain and retain all records, including encounter data, of all items and services provided Members for ten (10) years from the final date of the contract between CalOptima and DHCS, or the date of completion of any audit, which ever is later, unless a longer period is required by law. Records involving matters which are the subject of litigation shall be retained for a period of not less than ten (10) years following the termination of litigation. Provider's and its Subcontractors' books and records shall be maintained within, or be otherwise accessible within the State of California and pursuant to Section 1381(b) of the Health and Safety Code. Such records shall be maintained and retained on Provider's State licensed premises for such period as may be required by applicable laws and regulations related to the particular records. Such records shall be maintained in chronological sequence and in an immediately retrievable form that allows CalOptima, and/or representatives of any regulatory or law enforcement agencies, immediate and direct access and inspection of all such records at the time of any onsite audit or review.

Microfilm copies of the documents contemplated herein may be substituted for the originals with the prior written consent of CalOptima, provided that the microfilming procedures are approved by CalOptima as reliable, and are supported by an effective retrieval system. If CalOptima is concerned about the availability of such records in connection with the continuity of care to a Member, Provider shall, upon request, transfer copies of such records to CalOptima's possession.

This provision shall survive the expiration or termination of this Contract, whether with or without cause, by rescission or otherwise.

4. Access to Books and Records. Provider and its Subcontractors agree to make all of its books and records pertaining to the goods and services furnished under, or in any way pertaining to, the terms of Contract and any Subcontract, available for inspection, examination and copying by the Government Agencies, including the DOJ, Bureau of Medi-Cal Fraud, Comptroller General and any other entity statutorily entitled to have oversight responsibilities of the COHS program, at all reasonable times at the Provider's or Subcontractor's place of business or such other mutually agreeable location in California, in a form maintained in accordance with general standards applicable to such book or record keeping. Provider shall provide access to all security areas and shall provide and require Subcontractors to provide reasonable facilities, cooperation and assistance to State representatives in the performance of their duties.

   Provider and its Subcontractors shall cooperate in the audit process by signing any consent forms or documents required to effectuate the release of any records or documentation Provider may possess in order to verify Provider's records when requested by regulatory or oversight organizations, including, but not limited to; DHCS, DMHC, Department of Justice, Attorney General, Federal Bureau of Investigation and Bureau of Medi-Cal Fraud and/or CalOptima.

   This provision shall survive the expiration or termination of this Contract, whether with or without cause, by rescission or otherwise.

5. Medical Records. All medical records shall meet the requirements of Section 1300.80(b)(4) of Title 28 of the California Code of Regulations, and Section 1396a(w) of Title 42 of the United States Code. Such records shall be available to health care providers at each encounter, in accordance with Section 1300.67.1(c) of Title 28 of the California Code of Regulations. Provider shall ensure that an individual is delegated the responsibility of securing and maintaining medical records at each Participating Provider or Subcontractor site.

6. Downstream Contracts. In the event that Provider is allowed to subcontract for services under this Contract, and does so subcontract, then Provider shall, upon request, provide copies of such subcontracts to CalOptima or DHCS.

7. Assignment and Delegation. This Contract is not assignable, nor are the duties hereunder delegable, by the Provider, either in whole or in part, without the prior written consent of CalOptima and DHCS, provided that consent may be withheld in their sole and absolute discretion. Any assignment or delegation shall be void unless prior written approval is obtained from both DHCS and CalOptima. For purposes of this Section and this Contract, an assignment constitutes any of the following: (i) the change of more than twenty-five percent (25%) of the ownership or equity interest in Provider (whether in a single transaction or in a series of transactions); (ii) the change of more than twenty-five percent (25%) of the directors or trustees of Provider; (iii) the merger, reorganization, or consolidation of Provider with another entity with respect to which Provider is not the surviving entity; and/or (iv) a change in the management of Provider from management by persons appointed, elected or otherwise selected by the governing body of Provider (e.g., the Board of Directors) to a third-party management person, company, group, team or other entity.

8. Third Party Tort Liability/Estate Recovery. Provider shall make no claim for the recovery of the value of Covered Services rendered to a Member when such recovery would result from an action involving tort liability of a third party, recovery from the estate of a deceased Member, Workers' Compensation, or casualty liability insurance awards and uninsured motorist coverage. Provider shall inform CalOptima of potential third party liability claims, and provide information relative to potential third party liability claims, in accordance with CalOptima Policy.

9. Records Related to Recovery for Litigation. Upon request by CalOptima, Provider shall timely gather, preserve and provide to CalOptima, in the form and manner specified by CalOptima, any information specified by CalOptima, subject to any lawful privileges, in Provider's or its

Subcontractors' possession, relating to threatened or pending litigation by or against CalOptima or DHCS. If Provider asserts that any requested documents are covered by a privilege, Provider shall: 1) identify such privileged documents with sufficient particularity to reasonably identify the document while retaining the privilege; and 2) state the privilege being claimed that supports withholding production of the document. Such request shall include, but is not limited to, a response to a request for documents submitted by any party in any litigation by or against CalOptima or DHCS. Provider acknowledges that time may be of the essence in responding to such request. Provider shall use all reasonable efforts to immediately notify CalOptima of any subpoenas, document production requests, or requests for records, received by Provider or its Subcontractors related to this Contract or subcontracts entered into under this Contract.

10. DHCS Policies. Covered Services provided under this Contract shall comply with all applicable requirements of the DHCS Medi-Cal Managed Care Program and the DHCS Long-Term Care Division (LTCD).

11. Changes in Availability or Location of Services. Any substantial change in the availability or location of services to be provided under this Contract requires the prior written approval of DHCS. Provider's or a Subcontractor's proposal to reduce or change the hours, days, or location at which the services are available shall be given to CalOptima at least 75 days prior to the proposed effective date. DHCS' denial of the proposal shall prohibit implementation of the proposed changes.

12. Confidentiality of Medi-Cal Members. Provider and its employees, agents, or Subcontractors shall protect from unauthorized disclosure the names and other identifying information concerning persons either receiving services pursuant to this Contract, or persons whose names or identifying information become available or are disclosed to Provider, its employees, agents, or Subcontractors as a result of services performed under this Contract, except for statistical information not identifying any such person. Provider and its employees, agents, or Subcontractors shall not use such identifying information for any purpose other than carrying out Provider's obligations under this Contract. Provider and its employees, agents, or Subcontractors shall promptly transmit to CalOptima all requests for disclosure of such identifying information not emanating from the Member. Provider shall not disclose, except as otherwise specifically permitted by this Contract or authorized by the Member, any such identifying information to anyone other than DHCS or CalOptima without prior written authorization from CalOptima. For purposes of this provision, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

    12.1 Names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 42 CFR Section 431.300 et seq., Section 14100.2, Welfare and Institutions Code, and regulations adopted thereunder. For the purpose of this Contract, all information, records, data, and data elements collected and maintained for the operation of the Contract and pertaining to Members shall be protected by Provider from unauthorized disclosure. Provider may release Medical Records in accordance with applicable law pertaining to the release of this type of information. Provider is not required to report requests for Medical Records made in accordance with applicable law. With respect to any identifiable information concerning a Member under this Contract that is obtained by Provider or its Subcontractors, Provider:

        12.1.1 will not use any such information for any purpose other than carrying out the express terms of this Contract,

        12.1.2 will promptly transmit to CalOptima all requests for disclosure of such information, except requests for Medical Records in accordance with applicable law,

        12.1.3 will not disclose, except as otherwise specifically permitted by this Contract, any such information to any party other than DHCS or CalOptima without CalOptima's prior written authorization specifying that the information is releasable under Title 42 CFR Section 431.300 et seq., Section 14100.2, Welfare and Institutions Code, and regulations adopted there under, and

        12.1.4 will, at the termination of this Contract, return all such information to CalOptima or maintain such information according to written procedures sent to the Provider by CalOptima for this purpose.

13. Debarment Certification. By signing this Contract, the Provider agrees to comply with applicable Federal suspension and debarment regulations including, but not limited to 7 CFR 3017, 45 CFR 76, 40 CFR 32, or 34 CFR 85.

13.1 By signing this Contract, the Provider certifies to the best of its knowledge and belief, that it and its principals:

13.1.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

13.1.2 Have not within a three-year period preceding this Contract have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

13.1.3 Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Subprovision 13.1.2 herein; and

13.1.4 Have not within a three-year period preceding this Contract had one or more public transactions (Federal, State or local) terminated for cause or default.

13.1.5 Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under Federal regulations (i.e., 48 CFR 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.

13.1.6 Will include a clause entitled, "Debarment and Suspension Certification'' that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

13.2 If the Provider is unable to certify to any of the statements in this certification, the Provider shall submit an explanation to CalOptima.

13.3 The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.

13.4 If the Provider knowingly violates this certification, in addition to other remedies available to the Federal Government, CalOptima may terminate this Contract for cause or default.

14. DHCS Directions. If required by DHCS, Provider and its Subcontractors shall cease specified activities, which may include, but are not limited to, referrals, assignment of beneficiaries, and reporting, until further notice from DHCS.

15. Air or Water Pollution Requirements. Any federally funded agreement and/or subcontract in excess of $100,000 must comply with the following provisions, unless said agreement is exempt under 40 CFR 15.5. Provider agrees to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 USC 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 USC 1251 et seq.), as amended.

16. Lobbying Restrictions and Disclosure Certification. Provider shall complete and submit the lobbying disclosure form required by federal law, when applicable, as set forth in this Addendum 3.

16.1 (Applicable to federally funded contracts in excess of $100,000, per Section 1352 of the 31, U.S.C.)

16.2 Certification and Disclosure Requirements

16.2.1 Each person (or recipient) who requests or receives a contract, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds $100,000 at any tier, shall file a certification (in the form set forth in Attachment 1 to this Addendum 3, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph 16.3 of this provision.

16.2.2 Each recipient shall file a disclosure (in the form set forth in Attachment 2 to Addendum 3, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract or grant or any extension or amendment of that contract or grant, which would be prohibited under Paragraph 16.3 of this provision if paid for with appropriated funds.

16.2.3 Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure, or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph 16.2.2 herein. An event that materially affects the accuracy of the information reported includes:

16.2.3.1 A cumulative increase of $25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;

16.2.3.2 A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or

16.2.3.3 A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.

16.2.4 Each person (or recipient) who requests or receives from a person referred to in Paragraph 16.2.1 of this provision a contract, subcontract, grant or subgrant exceeding $100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above.

16.2.5 All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph 16.2.1 of this provision. That person shall forward all disclosure forms to DHCS program contract manager.

16.3 Prohibition—Section 1352 of Title 31, U.S.C., provides, in part, that no appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

17. Provider shall have a right to submit an Appeal through the mechanisms set forth in CalOptima Policies regarding Provider dispute resolution.

ADDENDUM 4
CAL MEDICONNECT PROGRAM REQUIREMENTS

The following additional terms and conditions apply to items and services furnished to Members under the CalOptima Cal MediConnect Program. These terms and conditions are additive to those contained in the main Contract. In the event that these terms and conditions conflict with those in the main Contract, these terms and conditions shall prevail.

1. Provider shall provide services or perform other activity pursuant to this Contract in accordance with (i) applicable DHCS and CMS laws, regulations, instructions, including, but not limited to 42 CFR Sections 422.504, 423.505, 438.3(k), and 438.414, (ii) contractual obligations with CalOptima, and (iii) CalOptima's contractual obligations to CMS and DHCS.
2. Provider shall (i) safeguard Member privacy and confidentiality of Member health records (ii) comply with all Federal and State laws and regulations regarding confidentiality and disclosure of medical records, or other health and enrollment information, (iii) ensure that medical information is released only in accordance with applicable Federal or State law, or pursuant to court orders or subpoenas, (iv) maintain the records and information in an accurate and timely manner, (v) ensure timely access by Members to the records and information that pertain to them, and (vi) comply with all DHCS and CMS confidentiality requirements.
3. The performance of the Provider and its Downstream Entities is monitored by CalOptima on an ongoing basis and CalOptima may impose corrective action as necessary. Provider shall comply with all CalOptima and DHCS monitoring of performance and any monitoring requests by CalOptima and DHCS.
4. Provider shall also allow CalOptima to use performance data for purposes including, but not limited to, quality improvement activities, monitoring, and, public reporting to consumers as identified in CalOptima policy.
5. Provider shall submit timely and accurate encounter data and other data and reports required by CalOptima and CalOptima's Regulators as provided in this Contract and in CalOptima's Policies.
6. Provider shall comply with CalOptima Policies including, without limitation, the requirements set forth herein related to linguistic and cultural sensitivity. Provider shall address the special health needs of Members who are members of specific ethnic and cultural populations, such as, but not limited to, Vietnamese and Hispanic persons. Provider shall, in its policies, administration, and services, practice the values of (i) honoring the Members' beliefs, traditions and customs; (ii) recognizing individual differences within a culture; (iii) creating an open, supportive and responsive organization in which differences are valued, respected and managed; and (iv) through cultural diversity training, fostering in staff and Subcontractors attitudes and interpersonal communication styles that respect Members' cultural and ethnic backgrounds. Provider shall provide translation of written materials in the Threshold Languages and Concentration Languages identified by CalOptima at no higher than the sixth (6^{th}) grade reading level.
7. Provider shall not close or limit their practice or acceptance of CalOptima Members as patients unless the same limitations apply to all commercially insured Members as well.
8. Provider shall not be prohibited from communicating or advocating on behalf of a Member who is a prospective, current, or former patient of Provider. Provider may freely communicate the provisions, terms or requirements of CalOptima's health benefit plans as they relate to the needs of such Member; or communicate with respect to the method by which such Provider is compensated by the Contractor for services provided to the Member. CalOptima will not refuse to contract or pay Provider for the provision of covered services under the CalOptima Cal MediConnect Program solely because Provider has in good faith communicated or advocated on behalf of a Member as set forth above.
9. CMS Participation Requirements. Provider represents and warrants that: (i) neither Provider nor any of its employees or agents furnishing services under this Contract are excluded from participating in any federal or state healthcare program as defined in 42 U.S.C. Section 1320a-7b(f) ("Federal Health Care Program(s)"); (ii) Provider has not arranged or contracted with (by employment or otherwise) with any employee, contractor or agent that Provider knows or should know are excluded from participation in Federal Health Care Programs; (iii) no action is pending against Provider or any of its employees or agents performing services under this Contract to

suspend or exclude such persons or entities from participation in any Federal Health Care Program; and (iv) Provider agrees to immediately notify CalOptima in the event that it learns that it is or has employed or contracted with a person or entity that is excluded from participation in any Federal Health Care Program. In the event Provider fails to comply with the above, CalOptima reserves the right to require Provider to pay immediately to CalOptima, the amount of any sanctions or other penalties that may be imposed on CalOptima by DHCS and/or CMS for violation of this prohibition, and Provider shall be responsible for any resulting overpayments.

10. Downstream Entity Contracts.

10.1 If any services under this Contract are to be provided by a Downstream Entity on behalf of Provider, Provider shall ensure that such subcontracts are in compliance with 42 CFR Sections 422.504, 423.505, 438.3(k), and 438.414. Such subcontracts shall include all language required by DHCS and CMS as provided in this Contract, including but not limited to, the following:

10.1.1 An agreement that any services or other activity performed under the subcontract shall comply with Section 1 of this Addendum 4 and Section 2.20 of the Contract.

10.1.2 An agreement to (i) Member financial protections in accordance with Section 4.7 of the Contract, including prohibiting Downstream Entities from holding an Member liable for payment of any fees that are the obligation of the Provider, and (ii) safeguard Member privacy and confidentiality of Member health records.

10.1.3 An agreement to comply with the inspection, evaluation, and/or auditing requirements of Section 11 of this Addendum 4 and the reporting requirements of Section 5 of this Addendum 4.

10.1.4 An agreement to (i) the revocation of the delegation activities and related reporting requirements or other specified remedies in accordance with Section 12 of this Addendum 4 and 2.14 of the Contract, and (ii) monitoring and corrective action in accordance with Section 3 of this Addendum 4.

10.1.5 If the subcontract is for credentialing of medical providers, an agreement to the requirements of Section 13 of this Addendum 4.

10.1.6 An agreement to provide a written statement to provider of the reason(s) for termination for cause as set forth in Section 14 of this Addendum 4.

10.1.7 Language that specifies the First Tier, Downstream and Related Entities must comply with the federal and state laws, regulations and CMS instructions.

10.1.8 Notify DHCS in the even the agreement with the subcontract is amended or terminated. Notice is considered given when properly addressed and deposited in the United States Postal Service as first-class registered mail, postage attached.

10.2 In addition to Section 10.1 of this Addendum 4, Provider shall further ensure any subcontracts with its Downstream Entities for medical providers include the following:

10.2.1 Term of the subcontract (beginning and ending dates), methods of extension, renegotiation, termination, and full disclosure of the method and amount of compensation or other consideration to be received from the Provider.

10.2.2 An agreement that the contracted medical providers are paid under the terms of the Subcontract, including but not limited to, a mutually agreeable prompt payment provision.

10.2.3 An agreement that services are provided in a culturally competent manner to all Members, including those with limited English proficiency or reading skills, and diverse cultural and ethnic backgrounds, in accordance with Section 6 of this Addendum 4.

10.2.4 An agreement to comply with (i) the confidentiality requirements of Member records and information in accordance with Section 2 of this Addendum 4.

10.2.5 An agreement that (i) providers shall not close or otherwise limit their acceptance of Members as patients unless the same limitations apply to all commercially insured Members, and (ii) Members shall not be held liable for Medicare Part A and B cost sharing in accordance with Section 4.7.1 of the Contract and Section 19 of this Addendum.

10.2.6 An agreement regarding (i) provider communication or advocacy on behalf of Members as set forth in Section 8 of this Addendum 4, and (ii) specified circumstances where indemnification is not required by provider as set forth in Section 16 of this Addendum 4.

10.2.7 An agreement that the medical provider assist the Provider and/or CalOptima in the transfer of care of a Member in accordance with Section 15 of this Addendum.

10.2.8 An agreement (i) that the assignment or delegation of the subcontract will be void unless prior written approval is obtained pursuant to Section 17 of this Addendum 4, and (ii) to notify DHCS in the manner set forth in Section 7.9 of the Contract in the event the subcontract is amended or terminated.

10.2.9 An agreement to (i) gather, preserve, and provide records as set forth in Section 18 of Addendum 4, and (ii) provider's right to submit a grievance in accordance with Section 8.1 of the Contract for issues arising under the subcontract related to the provision of services to CalOptima Members under the Cal MediConnect Program, as provided in CalOptima Policies relative to the Cal MediConnect Program, and excluding any contract disputes between Provider and medical provider, particularly regarding, but not limited to, payment for services under the subcontract.

10.2.10 An agreement to (i) participate and cooperate in quality improvement system as set forth in Section 2.12 of the Contract, and (ii) the provision of interpreter services for Members at all provider sites in accordance with Section 2.17 of the Contract.

11. Right of Inspection, Evaluation, and Audit of Records. Provider and its Downstream Entities agree to maintain and make available contracts, books, documents, records, computer, other electronic systems, medical records, and any pertinent information related to the Contract to CalOptima, DMHC, HHS, the Comptroller General, the U.S. General Accounting Office ("GAO"), any Quality Improvement Organization ("QIO") or accrediting organizations, including NCQA, and other representatives of regulatory or accrediting organizations or their designees to inspect, evaluate, and audit for ten (10) years from the final date of the Contract period or from the date of completion of any audit, whichever is later. For purposes of utilization management, quality improvement and other CalOptima administrative purposes, CalOptima and officials referred to above, shall have access to, and copies of, at reasonable time upon request, the medical records, books, charts, and papers relating to the Provider's provision of health care services to Members, the cost of such services, and payments received by Provider from Members (or from others on their behalf). Medical records shall be provided at no charge to Members or CalOptima.

12. Provider and its Downstream Entities agree to the revocation of the delegation of activities or obligations and related reporting requirements or other remedies set forth in Section 2.12 of the Contract in instances where CMS, DHCS, and/or CalOptima determines that the Provider and/or its Downstream Entities have not performed satisfactorily.

13. Review of Credentials. Provider shall ensure that the credentials of medical professionals affiliated with the Provider are reviewed by it. Provider agrees that CalOptima will review, approve, and audit Provider's credentialing process on ongoing basis.

14. Provider Terminations. In the event a provider is terminated for cause by Professional, Provider shall provide the provider with written notice of the reason or reasons for the action and as required by applicable Federal and State laws. In the event Provider terminates a provider for deficiencies in the quality of care provided, Provider shall give notice of the action to the appropriate licensing and disciplinary agencies.

15. In addition to Section 2.15 of the Contract, Provider agrees to assist CalOptima in the transfer of care of a Member. Provider shall further assist CalOptima in the transfer of care of a Member in the event of Subcontract termination for any reason.

16. Provider is not required to indemnify CalOptima for any expenses and liabilities, including, without limitation, judgments, settlements, attorneys' fees, court costs and any associated charges, incurred in connection with any claim or action brought against CalOptima based on CalOptima's management decisions, utilization review provisions, or other policies, guidelines, or actions relative to CalOptima Cal MediConnect Program.

17. Assignment or Delegation. Provider agrees that the assignment or delegation of this Contract or subcontract, either in whole or in part, will be void unless prior written approval is obtained from DHCS and CalOptima, as applicable, provided that approval may be withheld in their sole and absolute discretion. For purposes of this Section, and with respect to this Contract and any subcontracts, as applicable, an assignment constitutes any of the following: (i) the change of more than twenty-five percent (25%) of the ownership or equity interest in Provider or Downstream Entity (whether in a single transaction or in a series of transactions); (ii) the change of more than twenty-five percent (25%) of the directors of trustees of Provider or Downstream Entity; (iii) the merger, reorganization, or consolidation of Provider or Downstream Entity, with another entity with respect to which Provider or Downstream Entity is not the surviving entity; and/or (iv) a change in the management of Provider or Downstream Entity from management by persons appointed, elected or otherwise selected by the governing body of Provider or Downstream Entity (e.g., the Board of Directors) to a third-party management person, company, group, team or other entity.

18. Provider agrees to timely gather, preserve, and provide to DHCS or CalOptima, as applicable, any records in the Provider's or its Subcontractor's possession.

19. In addition to Section 4.7.1 of the Contract, Provider acknowledges and agrees that Medicare Parts A and B services shall be provided at zero-cost sharing to Members.

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, “Disclosure of Lobbying Activities" in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of $100,000 or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Name of Contractor	Printed Name of Person Signing for Contractor
Contract / Grant Number	Signature of Person Signing for Contractor
Date	Title

After execution by or on behalf of Contractor, please return to:

Department of Health Care Services
Medi-Cal Managed Care Division
MS 4415, 1501 Capitol Avenue, Suite 71.4001 P.O.
Box 997413
Sacramento, CA 95899-7413

CERTIFICATION REGARDING LOBBYING

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

1. Type of Federal Action: contract grant cooperative agreement loan loan guarantee loan insurance	2. Status of Federal Action: bid/offer/application initial award post-award	3. Report Type: initial filing material change For Material Change Only: Year _____ quarter_____ date of last report

4. Name and Address of Reporting Entity: Prime Subawardee Tier , if known: Congressional District, If known:	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, If known:
6. Federal Department/Agency:	Federal Program Name/Description: CDFA Number, if applicable:
8. Federal Action Number, if known:	9. Award Amount, if known:
10. a. Name and Address of Lobbying Entity (If individual, last name, first name, MI): (attach Continuation Sheets(s)	b. Name and Address of Lobbying Entity (If individual, last name, first name, MI): SF-LLL-A, If necessary)
Amount of Payment (check all that apply): $ actual planned Form of Payment (check all that apply): a. cash b. in-kind, specify: Nature Value	13. Type of Payment (Check all that apply): a. retainer b. one-time fee c. commission d. contingent fee e. deferred f. other, specify:

14. Brief Description of Services Performed or to be Performed and Dates(s) of Service, including Officer(s), Employee(s), or Member(s) Contracted for Payment indicated in item 11:

(Attach Continuation Sheet(s) SF-LLL-A, If necessary)

15. Continuation Sheet(s) SF-LLL-A Attached: Yes No

16. Information requested through this form is authorized by Title 31, U.S.C., Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to Title 31, U.S.C., Section 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $19,000 and not more than $100,000 for each such failure.	Signature: Print Name: Title: Telephone No.: Date:
Federal Use Only	Authorized for Local Reproduction Standard Form-LLL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipients at the initiation or receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31, U.S.C., Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered federal action. Use the SF - LLL- A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.

Identify the status of the covered federal action.

Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.

Enter the full name, address, city, state, and ZIP code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants, and contract awards under grants.

If the organization filing the report in Item 4 checks “Subawardee,” then enter the full name, address, city, state, and ZIP code of the prime federal recipient. Include Congressional District, if known.

Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation United States Coast Guard.

Enter the federal program name or description for the covered federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CDFA) number for grants, cooperative agreements, loans, and loan commitments.

Enter the most appropriate federal identifying number available for the federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., “RFP-DE-90401.”

For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.

10. (a) Enter the full name, address, city, state, and ZIP code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.

10. (b) Enter the full names of the Individual(s) performing services and include full address if different from 10.(a). Enter last name, first name, and middle initial (MI).

Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.

Check the appropriate box(es). Check all boxes that apply. If other, specify nature.

Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials, identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.

Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.

The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and renewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Office of Management and Budget, Paperwork Reduction Project, (0348-0046), Washington, DC 20503.

CalOptima Health Board Action Agenda Referral

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Report Item

8. Approve Actions Related to the CalOptima Health Member Health Needs Assessment 2023

Contacts

Michael Hunn, Chief Executive Officer, (657) 900-1481
Rachel Selleck, Executive Director, Government Affairs and Strategic Development, (657) 900-1096

Recommended Actions

1. Approve the scope of work (SOW) for the CalOptima Health 2023 Member Health Needs Assessment (MHNA) and release a request for proposal.
2. Authorize unbudgeted expenditures and appropriate funds in an amount up to $1 million from existing reserves for the CalOptima Health 2023 MHNA.

Background

In 2017-18, CalOptima Health conducted a comprehensive MHNA of approximately 5,800 members to identify the focused needs of Orange County's Medi-Cal beneficiaries – in particular, ethnic minorities and their health needs and interests. The results of the 2017-18 assessment highlighted key findings in the areas of social determinants of health, mental health, primary care, provider access, and dental care.

Assessments such as Population Needs Assessment, Health Effectiveness Data and Information Set (HEDIS) reports, and member satisfaction surveys are periodically conducted to identify the health risks, beliefs, and practices of CalOptima Health's Medi-Cal members. However, these assessments and surveys do not represent the full scope and depth of the health needs of CalOptima Health members. In March of 2022, the Board of Directors adopted a new mission and vision statement. The new vision statement sets the following goals for the agency to be achieved by 2027: 1) Same Day Treatment Authorizations; 2) Real-Time Claims Payments; and 3) Annual Assessments of Members' Social Determinants of Health. The MHNA will provide the foundational data for CalOptima Health's annual social determinants of health assessment.

Discussion

Given the inequities revealed through the COVID-19 pandemic and an increase in CalOptima Health's membership, staff recommends engaging the professional services of a research consultant to conduct another MHNA in Q1 2023. The MHNA will be an expanded version of the original assessment completed in 2017-18, surveying at least 10% of CalOptima Health's membership, to help CalOptima Health identify additional and/or confirm the needs of members, barriers to accessing care, gaps in services, and disparities in health among members and the general community.

The 2023 MHNA will assist CalOptima Health with:

- Implementing Department of Health Care Services population health strategies (e.g., population health management strategy, support health and opportunity for children and families,

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comprehensive quality strategy, etc.) and California Advancing and Innovating Medi-Cal (CalAIM) initiatives.
- Improving member health outcomes by identifying opportunities and solutions of health care access specific to each ethnic community.
- Identifying and establishing opportunities for meaningful engagement and partnerships regarding health and well-being, especially for underserved and difficult-to-reach populations.
- Addressing health equity and influences of the social determinants of health.
- Highlighting inequities that have/were amplified by COVD-19 pandemic and identify sustainable solutions.

Staff recommends that the Board authorize $1 million from existing reserves to conduct the 2023 MHNA as the results of the MHNA will be utilized to inform strategic initiative development (e.g., health equity, social determinants of health, homeless health etc.), future strategic planning efforts, and targeted program development and to support opportunities for meaningful engagement to improve the overall health of CalOptima Health members. The results may also guide service providers, community agencies, County of Orange departments, and policy makers on the specific needs of Orange County's Medi-Cal beneficiaries.

Fiscal Impact
The recommended action is unbudgeted. An appropriation of up to $1 million from existing reserves will fund this action.

Rationale for Recommendation
The recommended actions will support CalOptima Health's health equity and social determinants of health strategies to improve the overall health of CalOptima Health members.

Concurrence
James Novello, Outside General Counsel, Kennaday Leavitt

Attachments
1. Proposed CalOptima Health Member Health Needs Assessment 2023 Scope of Work

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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SCOPE OF WORK
Member Needs Health Assessment 2023

I. OBJECTIVE

CalOptima Health is seeking to engage the professional services of a community research consultant with knowledge of multi-cultural populations and strategies for improved program engagement to conduct a comprehensive Member Health Needs Assessment (MHNA) 2023.

The MHNA 2023 will be an expanded version of the original assessment completed in 2017-18, ensuring a diverse group of at least 10% of CalOptima Health members at the time the survey is conducted are surveyed. Given the inequities revealed through the COVID-19 pandemic, the MHNA 2023 assessment will result in a final report that includes recommendations on how to address the needs of members and newly identified populations, barriers to access care, gaps in services and disparities in health among members. The project shall incorporate coordination and collaboration (as feasible) with external partners (e.g. Orange County Health Care Agency and Social Services Agency) to provide complementary information and avoid duplication of efforts to the extent possible.

The MHNA 2023 will assist CalOptima Health with:

- Implementing DHCS population health strategies (e.g., Population Health Management Strategy, Support Health and Opportunity for Children and Families, Comprehensive Quality Strategy, etc.) and California Advancing and Innovating Medi-Cal (CalAIM) initiatives
- Improving member health outcomes by identifying opportunities to improve health care access specific to each ethnic community
- Identifying and establishing opportunities for meaningful engagement with new partnering organizations regarding health and well-being, especially for underserved, difficult-to-reach and newly identified populations (increase capacity and extend services)
- Analyzing social determinants of health impacting CalOptima Health members and designing strategies, programs and interventions to address them (e.g., food and nutritional assistance, medically prescribed food boxes, linkages to housing support and other community and social support services, etc.)
- Identifying opportunities for partnership with social service type providers
- Highlighting inequities that have/were amplified by COVD-19 pandemic and identify sustainable solutions
- Identifying and recommending unique services for new populations, such as the justice-involved and foster care populations

The anticipated launch date for this project is February 2023. A final report shall be prepared and presented to the Board by the fourth quarter of 2023.

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II. SCOPE OF WORK

1. PRODUCTS/SERVICES

A. Project Plan and Budget

1. Proposal project plans must clearly articulate VENDOR approach and address the following elements:
    a. Development of survey instruments and associated facilitation guides,
    b. Facilitation of in-person and/or virtual community town halls/forums and focus group meetings,
    c. Data collection and analysis,
    d. Development of draft report by the third quarter of 2023, executive summary, final report and presentation to the Board by the fourth quarter of 2023.
    e. Include detailed timeline with duration of tasks (by number of days) and VENDOR resources and responsibilities.
    f. Proposed number of survey collection to ensure results are statistically significant and representative of CalOptima Health members.
2. Proposal must include a detailed project budget and justifications based on proposed project plan, timeline, direct labor costs (including hourly rates), travel, subcontracts (if applicable), supplies/materials, etc.
3. Proposals must outline how VENDOR will safeguard and store member information and protected health information that may be obtained throughout the course of the project.

B. Survey Instruments and Facilitation Guides

1. VENDOR shall determine appropriate methodologies and resources to be used for development of the MHNA 2023 survey instruments, group facilitation guides and/or other assessment tools. VENDOR will provide recommendations and seek input from CalOptima Health staff and Committee on development and finalization of survey instruments, facilitation guides, presentations, etc.
2. The final survey instruments (e.g., member, provider, key informant) and facilitation guides may leverage information gathered by VENDOR, through focus groups, other CalOptima Health surveys and clinical data, other internal data collection efforts and external secondary data sources e.g. Advance OC 2020 Social Progress Index, the 27th Annual Report on the Conditions of Children in Orange County (Orange County Children's Partnership), 2021-2022 Orange County Community Indicators Report, 2022 Report on Aging in Orange County, (Orange County Strategic Plan for Aging), etc..

C. Survey Administration and Group Meeting Facilitation

1. VENDOR shall recommend the best practice of survey administration for members, such as: mailed and online surveys, telephone interviews, text messaging, in-person data collection components, etc.
    a. Mailed/online/text messaging member survey and telephone scripts will be translated into Spanish, Vietnamese, Korean, Farsi, Arabic and Chinese (additional languages may be included depending on preliminary research findings) by CalOptima Health.

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b. If selected, telephone interviews are to be conducted by VENDOR, and must be conducted in English, Spanish, Vietnamese, Korean, Farsi, Arabic and Chinese by VENDOR.
c. Provider surveys may be mailed and/or provided as an online survey option.
d. The VENDOR shall have enough trained, experienced interviewers capable to conduct the identified volume of interviews and other data collection activities in the identified languages.

2. CalOptima Health staff will work collaboratively with VENDOR to promote member surveys (if applicable) at:
   a. In-person and/or virtual community town halls/forums and focus groups,
   b. Community resource and health fair events,
   c. New member orientations,
   d. Health education seminars,
   e. Faith-based group meetings,
   f. Other events/activities as identified, etc.

   CalOptima Health staff can utilize existing community relationships to make introductions for the VENDOR to connect with these organizations. VENDOR shall coordinate the events.
3. CalOptima Health staff can provide VENDOR with points of contact to administer provider and community leader/key informant interviews (if applicable) either virtually and/or at:
   a. Provider offices,
   b. Network forums,
   c. Community organization offices, and
   d. Other locations where providers and community leaders/key informants congregate.

   VENDOR will lead group facilitation, data collection and distribution of nonmonetary gift cards (if applicable) at such events.
4. VENDOR is responsible for tabulation of data (e.g., member, provider and key stakeholder data) collected through the agreed upon methods.
5. VENDOR is responsible for evaluation and analysis of all data collected and synthesis with CalOptima Health clinical or other data, as well as other secondary source data to inform identification of key findings in the MHNA report and executive summary, of which will summarize findings and include recommendations.
6. VENDOR will provide all raw data to CalOptima Health.

D. Member Incentives
1. If applicable, VENDOR shall receive and secure member incentives (i.e., digital nonmonetary gift cards) from CalOptima Health. Distribute and track incentive to member upon receipt of completed survey (mailed, telephone, text and/or in-person completion).
   a. Establish a mechanism for safekeeping of the gift cards from loss, theft, or delivery to non-CalOptima Health Medi-Cal members. The mechanism for safekeeping of the gift cards shall be mutually agreed upon between VENDOR and CalOptima Health.
   b. Only use the gift cards consistent with this scope of work. A maximum of one incentive per survey respondent will be awarded and for participation in one focus group, if applicable.

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c. Coordinate with CalOptima Health staff to validate Medi-Cal eligibility and CalOptima Health membership prior to distributing the gift cards.
d. Return to CalOptima Health all gift cards that were not distributed to the designated CalOptima Health members, within thirty (30) calendar days of completion of all member surveys and focus groups.
e. VENDOR will establish an automated method to report to CalOptima Health following the delivery of the gift card, of which the minimum requirements include:
    i. The date of delivery or mailing and number of gift cards received by VENDOR from CalOptima Health.
    ii. A list of eligible members who received the gift card, including but not limited to member name, member CalOptima Health ID, and the date member participated in the survey or focus group.
    iii. Whether the gift card was hand delivered or mailed.
    iv. The number of gift cards remaining to be distributed.
f. VENDOR shall reasonably ensure use of the gift cards are solely used as contemplated in this Agreement and in compliance with DHCS requirements (gift cards is not to be used to purchase firearms, tobacco, alcohol, etc.). CalOptima Health retains the right to recover any gift card(s) or face value of such gift card(s) if it (or any of its regulators) determines that, as a result of VENDOR's negligence, the gift card(s) were not provided in accordance with (1) the terms of this Agreement; or (2) applicable federal and state laws, regulations, guidance and/or funding source requirement. This Section shall survive the termination of this Agreement.

E. Member Health Needs Assessment 2023 Report and Executive Summary
1. Once survey administration, data collection and analysis are finished, VENDOR will seek input and feedback from CalOptima Health executives, develop a draft written report, executive summary and final written report of findings and recommendations for CalOptima Health, and will present findings to the Board of Directors (the Board) in the form of a public presentation.
2. The executive summary and final report will be used for internal and external publication. The report shall include details on main issues that current CalOptima Health members encounter, the barriers to those issues, potential solutions and methods of prevention (if available). Additionally, the report shall include consideration(s) and recommendation(s) of newly identified populations, such as the justice-involved and foster care populations.

   The Board will be provided regular updates by CalOptima Health staff on the progress of the MHNA 2023 activities. CalOptima Health staff will share the draft written report with the Board and with the MHNA 2023 Committee for review and comment. If applicable, VENDOR will incorporate comments into the draft report to generate the final report, executive summary and presentation.

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CALOPTIMA HEALTH BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Report Item
9. Approve Extension of Ancillary Services Contracts with Disposable Incontinence Supplies and Non-Medical Transportation Vendors

Contacts
Yunkyung Kim, Chief Operating Officer (714) 923-8834
Michael Gomez, Executive Director, Network Operations (714) 347-3292

Recommended Action
Approve extension of Medi-Cal, OneCare, and PACE fee-for service ancillary services contracts with disposable incontinence supplies and non-medical transportation vendors, for a period of one year – January 1, 2023, through December 31, 2023.

Background and Discussion
Disposable incontinence supply (DIS) and non-medical transportation (NMT) services are covered benefits under the Medi-Cal program. CalOptima Health utilizes the ancillary services contract for these service providers. The contracts with current DIS and NMT vendors became effective on January 1, 2019, for an initial three-year term, with two additional one (1)-year extension options. The first one (1)-year extension renewed the contracts from January 1, 2022, through December 31, 2022. The contracts are eligible for one (1) remaining extension option from January 1, 2023, through December 31, 2023, upon approval by the CalOptima Health Board of Directors (Board). The vendors currently eligible for the final one-year (1) extension are:

- Caremax RM Corporation (DIS);
- Schraders' Medical Supply Inc. (DIS);
- Byram Healthcare Centers Inc. (DIS);
- Medline Industries (DIS);
- Shield-California Health Care Center (DIS), and
- Veyo LLC (NMT).

Staff have reviewed the performance of these vendors and the overall vendor network, and requests the Board approve the final one (1)-year extension with the above-mentioned vendors under the existing contract terms and conditions. Extending these contracts will support the stability of CalOptima Health's provider network and ensure consistent delivery of DIS and NMT services.

Staff will determine early next year whether CalOptima Health will renew contracts for another term or issue a request for proposal ahead of the expiration of these vendors' final contract extension.

Fiscal Impact
The recommended action to extend Medi-Cal, OneCare, and PACE ancillary services contracts with DIS and NMT providers through December 31, 2023, under the existing terms and conditions, has no additional fiscal impact to the CalOptima Fiscal Year (FY) 2022-23 Operating Budget. Management

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will include funding for the period of July 1, 2023, through December 31, 2023, in the CalOptima FY 2023-24 Operating Budget.

Rationale for Recommendation

The above-named vendors are part of a broad network of provider types that CalOptima Health maintains to support member health needs. Board approval to extend the ancillary fee-for-service contracts with DIS and NMT providers will ensure members' continued access to needed supplies and services.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachments

1. Entities Covered by this Recommended Board Action
2. Amendment to Ancillary Services Contract Template

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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ENTITIES COVERED BY THIS RECOMMENDED BOARD ACTION

Name	Address	City	State	Zip Code
Byram Healthcare Centers Inc.	5302 Rancho Road	Huntington Beach	CA	92647
Caremax RM Corporation	8271 Commonwealth Ave.	Buena Park	CA	90621
Medline Industries Inc.	42500 Winchester Road	Temecula	CA	92590
Schraders Medical Supply Inc.	5507 Brooks St.	Montclair	CA	91763
Shield-California Health Care Center	27911 Franklin Pkwy.,	Valencia	CA	91355
Veyo LLC	4250 Executive Square, Suite 200	San Diego	CA	92037

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AMENDMENT # TO

ANCILLARY SERVICES CONTRACT

THIS AMENDMENT # TO THE ANCILLARY SERVICES CONTRACT ("Amendment #") is effective as of **January 1, 2023**, by and between Orange County Health Authority, a Public Agency, dba CalOptima Health ("CalOptima"), and **[Provider name]** ("Provider"), with respect to the following facts:

RECITALS

A. CalOptima and Provider entered an Ancillary Services Contract, by which Provider has agreed to provide or arrange for the provision of Covered Services to Members.

B CalOptima and Provider desire to amend this Contract on the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Section 7.1 shall be deleted in its entirety and replaced with the following:

   "7.1 Term. Contract shall become effective following execution by both parties commencing on January 1, 2023 (the "Effective Date") and remaining in effect up to and through December 31, 2023."

2. CONTRACT REMAINS IN FULL FORCE AND EFFECT – Except as specifically amended by this Amendment #, all other conditions contained in the Contract as previously amended shall continue in full force and effect.

IN WITNESS WHEREOF, CalOptima and **[Provider name]** have executed this Amendment #.

FOR PROVIDER:	FOR CALOPTIMA:
_____	_____
SIGNATURE	SIGNATURE
_____	_____
PRINT NAME	PRINT NAME
_____	Chief Operating Officer
TITLE	TITLE
_____	_____
DATE	DATE

CALOPTIMA HEALTH BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Health Board of Directors

Report Item
10. Approve Actions Related to the Procurement of an Enterprise Resource Planning System

Contact
Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Actions
1. Approve the scope of work (SOW) for the Enterprise Resource Planning (ERP) system; and
2. Authorize the Chief Executive Officer to release the ERP system request for proposal (RFP) with the approved SOW and to negotiate and contract with the selected vendor.

Background
As part of CalOptima Health's Workplace Modernization and Digital Transformation Strategy, Information Technology Services (ITS) will be evaluating and deploying multiple solutions. Those solutions coincide with CalOptima Health's Cloud First strategy and take regulatory compliance and security measures into consideration. These initiatives will assist CalOptima Health in achieving its vision statement of removing barriers to achieve real-time claims payments and 24-hour treatment authorization and doing annual assessments around social determinants of health by 2027. The projects and products that CalOptima Health implements will result in value-based care and improvements for member, provider, and employee experiences. These enhancements will provide CalOptima Health with the ability to be robust and agile and to scale as a future-focused healthcare organization.

Discussion
Staff requests Board approval of the SOW for an ERP system and to release the RFP to select and contract with the selected vendor to provide the solution. Currently CalOptima Health utilizes multiple systems to address ERP needs, including:

- Microsoft Dynamics Great Plans for accounting;
- Solver for financial reporting and budgeting;
- ReqNet for requisitions; and
- An in-house system for travel and expense reimbursements.

Staff seeks to upgrade CalOptima Health to a single ERP system to provide, at minimum, the following services:

- Accounting and finance-related transactions, including but not limited to, general ledger, cash management, accounts payable, accounts receivables, fixed assets, requisition and procurement, grants, and project accounting;
- Customizable financial reporting capabilities and/or ability to interface with Solver;
- Travel and expense reimbursement;

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- Budgeting;
- Workflow approvals;
- Ability to interface with other systems within CalOptima Health, including, but not limited to, claims processing and human resource management systems; and
- Support and maintenance services

If approved, staff will issue the RFP consistent with CalOptima Health's Purchasing Policy. A committee made up of internal departments will review, score, and rank complete proposals submitted through the RFP process. Upon completion, CalOptima Health will select, negotiate, and execute a contract with the vendor. The contract will include the cost of implementation, annual licenses, and training and support services at an annual cost of no more than $1.312 million. Staff projects a contract award date in Fiscal Year (FY) 2022-23 and an implementation in FY 2023-24.

Fiscal Impact

The recommended action is a budgeted item. An estimated cost of $1.312 million for the capital project, "Cloud Migration – Financial System" under the "Applications Management" category was included in the FY 2022-23 Digital Transformation Year One Capital Budget approved by the Board on June 2, 2022.

Rationale for Recommendation

An ERP system will support increasing organizational efficiency through managing and improving how company resources are utilized and automating processes and workflows.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachments

1. Proposed Scope of Work

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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Enterprise Resource Planning (ERP) system

A. OBJECTIVE

CalOptima Health is looking for an Enterprise Resource Planning (ERP) system or combination of systems that can provide all the services outlined in the Statement of Work. CalOptima Health's currently utilizes Microsoft Dynamics Great Plains (GP) for our accounting system, Solver for financial reporting and budgeting, Reqnet for requisition, and an in-house system for travel and expense reimbursements.

CalOptima Health is seeking to upgrade to a system(s) with the capabilities to provide the following services, at the minimum:

1. An ERP system that can support accounting and finance related transactions such as:
    a. General Ledger
    b. Cash Management
    c. Accounts Payables
    d. Accounts Receivables
    e. Fixed Assets
    f. Requisition and Procurement
    g. Grants and Project Accounting.
2. Customizable Financial Reporting capabilities
3. Budgeting
4. Travel and expense reimbursement
5. Workflow approvals
6. Ability to interface with other systems such as but not limited to:
    a. Claims processing system
    b. Human Resource Management system
7. Support and maintenance

B SCOPE OF WORK

Please note if your product can perform the following task/functions:

1. Accounting
    a. General Ledger
        i. Chart of Accounts can support complex and multi-dimensional set ups
        ii. Support various views of the General Ledger (Line of Business, Departments, Projects)
        iii. Ability to search transactions and supports drill-down capabilities
        iv. Ability to view transaction history such as accessed, created, and modified by
        v. Supports accrual and cash basis accounting
        vi. Supports unlimited number of accounts.
        vii. Allow at least 13 periods per year with open periods.
        viii. Ability to lock the previous year after year end closure to avoid inadvertent changes.
        ix. Ability to lock the previous month after month end closure to avoid inadvertent changes.
        x. Supports automatic reversals of journal entries

xi. Automatic year-end closing without loss of detail
xii. Allocation of GL account balances by fixed percentages
xiii. Allocation of GL account balances based on balances in other accounts or account groups
xiv. Allocations may include weighting factors/driver data (for example, units sold) held as statistical data
xv. Fiscal Year Configuration.

b. Sales/Accounts Receivable
i. Ability to support at a minimum, 35,000 transactions per month
ii. Full integration with general ledger and cash management modules
iii. Single centralized AR Master record for all receivables
iv. Ability to generate invoices and remit to customers/members
v. Recurring invoice entry capability
vi. Distributes appropriate information to General Ledger
vii. Provides for acceptance of on-line payments.
viii. Allows for credit card payments.
ix. Provides daily activity print out showing account codes and system user's name.
x. Ability to calculate late fees and penalties based on user define set up
xi. Ability to send notification of unpaid balances to customers/members

c. Accounts Payable
i. Track aging items and other exceptions.
ii. Support one-time vendor override payments. Allow for simplified temporary vendors directly from transaction input process.
iii. Recurring payables processing
iv. Vendor discount management.
v. Access vendor history by vendor name, vendor number, invoice date and number, purchase orders, and check date
vi. Block duplicate invoice processing
vii. Laser check printing.
viii. Supports 1099 reporting requirements. 1099 management to the invoice line-item level; not just the vendor or the invoice.
ix. Integrates with other systems such as General Ledger, Fixed Assets, Cash receipting (refunds)
x. Check reconciliation system.
xi. Electronic payment to vendors (ACH, wire, debit).
xii. Sales and use tax tracking and reporting
xiii. Generates check batch reports allowing users to view reports on-line or by print
xiv. Bank reconciliation for multiple accounts
xv. Posting account allocation options
xvi. Capable of issuing checks/warrants up to $999,999,999.99
xvii. Upload/Import templates for uploading of multi-supplier invoice transactions and purchase orders

d. Vendor Management
i. Integration to upload a vendors file for adding new vendors or updating existing vendor information (including banking information for EFT/ACH)
ii. Integration to upload a vendors file for activating or deactivating with status notes
iii. Capable of upload and store pdf documents and notes for supporting purpose (Lien, Levy, etc.)
iv. Capable of system generated email to send RA to vendors
v. Include functions and fields for 1099 reporting

e. Inventory Management
    i. Ability to transfer all current inventory sku's to new solution
    ii. Ability to inactivate sku's no longer needed
    iii. Ability to create new sku's via large upload
    iv. Ability to create new sku's manually one by one
    v. Ability to integrate sku's into the requisition SW
    vi. Ability to link items to specific vendors or across all vendors
    vii. Ability to utilize 0-5 decimals for vendor setup, can sort by U/M
    viii. Ability to utilize at minimum 13 characters for item #'s
f. Fixed Assets
    i. Alpha-Numeric number assignment for each asset
    ii. Integrated with the accounts payable system for additions to construction projects designated by the capital budget
    iii. Assign fixed assets to one or more funds, users, and/or locations
    iv. Define classes and categories of fixed assets
    v. Acquisition method is tracked
    vi. Bar coding assets for physical inventory
    vii. System generated depreciation postings and post automatically to the general ledger
    viii. Ability to enter asset disposal with sale proceeds
    ix. Disposal process creates appropriate accounting entries
    x. Gains and losses on disposed assets are automatically calculated
    xi. Partial disposal of assets
    xii. Ability to add asset components during life cycle
    xiii. Ability to switch depreciation methods with appropriate accounting entries generated
    xiv. Depreciation pro-rated for current period from in-service date
    xv. Depreciation starts from next full month

2. Financial Reporting
    a. Built in accounting logic
    b. Predefined templates
    c. User defined templates (ad-hoc or ability to change predefined)
    d. Enable Drill down from the report to the data origin detail capability (list or pivot-table format)
    e. Drag and drop excel based report design
    f. On demand or ad-hoc report updates
    g. Link to Real-time data to create accurate reporting
    h. Easy to use web interface
    i. Automated narrative reporting
    j. Include graphs/charts/logos in reports
    k. Easy to learn & use
    l. GAAP compliant report production
    m. Excel-based
    n. Supports Microsoft Excel 2007 or 2010 versions
    o. Presentation quality reports
    p. Out of the box integration with limited need of customization
    q. Dashboard reporting
    r. Ad hoc query capabilities
    s. Multiple output options (web, pdf, office, mobile)
    t. Automatic scheduling and distribution of reports

u. Flexible report scheduling
v. Email scheduling Alerts
w. Multi format publishing
x. Ability to include excel and word reports in with published financials
y. Sarbanes Oxley (SOX) compliant, including audit trial of adjustments.
z. Assist with changing account number structure to add more segments and update chart of accounts, in a project management type role

3. Procurement – Requisition Workflow
   a. Online vendor master contract maintenance entry
   b. Rule-based contract approval workflow, how many levels allowed?
   c. Contracts can be scanned and attached to system record
   d. Online requisition entry
   e. Create requisitions from online catalog
   f. Rule-based requisition approval workflow, how many levels allowed?
   g. Requisition approval subject to available funds checking live
   h. Mobile app for requisition approval
   i. Online entry of purchase orders
   j. Create purchase orders by selecting and grouping requisition lines
   k. Create purchase orders directly from master vendor contract
   l. Purchase orders can contain scheduled delivery line items
   m. Supports blanket orders (frame agreement)
   n. Change order capability, with audit trail documenting the change
   o. Purchase order approval subject to available funds checking
   p. Process returns against a purchase order
   q. Dock receiving at the purchase order line level
   r. Integration with third-party applications such as bar code scanners or RFID for dock receiving of purchase order line level details
   s. Desktop receiving for services and consumables
   t. Ability to close out purchase orders either individually or a mass change
   u. Purchase can be sent via email, pdf or other electronic format, including vendor portal
   v. Ability to create supplier master data without a vendor being established in the accounts payable (AP) module
   w. Ability to mask private information such as bank account numbers unless the user has appropriate access rights
   x. Unapproved requisitions by requisitioner
   y. Unapproved requisitions by approver
   z. Unapproved purchase orders by approver
   aa. Open purchase orders by supplier
   bb. Open purchase orders by approver
   cc. Requisition history (shows requisitioner status of any requisition including related purchase orders, receipts, and invoices)
   dd. Purchase orders by supplier
   ee. Purchase order audit (history of any purchase order, showing related requisitions, receipts, and invoices along with any change order activity)
   ff. Unfulfilled purchase orders by date (shows purchase order lines that are not yet fully received by user-defined date ranges)
   gg. Ability to create users
   hh. Ability to have an alternate approver for each user
   ii. Admin ability to inactive users
   jj. Admin ability to change passwords

kk. User ability to change their own password, or reset forgotten
ll. Tracking of last login by each user
mm. Ability to setup Approval groups so that more than 1 person can be copied on a req
nn. Ability to create routing tables based on GL segment 4 (Department)
oo. Ability to have entry users, and as many approvers as needed (minimum 10)
pp. Routing to be based on dollars threshold of Req
qq. Ability to have more than 1 GL on each req
rr. Ability to have user defined fields (minimum 10)
ss. User defined fields to be picklist style or other styles as available.
tt. Ability to open multiple budgets at the same time
uu. Ability to send reminder emails for reqs in people's queues
vv. Ability to allow req entry users to submit for multiple departments and see multiple GLs as needed, and they can be different.
ww. Ability to limit some levels of users to have different access to things that others may not.
xx. Ability to stop over budget reqs from being submitted automatically by system, and ability to overpass this requirement if needed.
yy. Ability to stop over budget reqs from being approved automatically by system, and ability to overpass this requirement if needed.
zz. Ability to stop over budget reqs from being turned into a PO automatically by system, and ability to overpass this requirement if needed.
aaa. Visual notification if a req is over or under budget
bbb. ability to drill into the GL to see what is remaining in the GL
ccc. Ability to re-route reqs stuck in someone's queue, all at once, or a subset of reqs only
ddd. Ability to replace someone in the routing table completely at once, or ability to replace them in only a subset of areas as needed.
eee. Ability to merge onto an already open PO
fff. Can provide additional requirements from current system as needed.

4. Procurement – Purchase Order Workflow
   a. Ability to create a PO manually
   b. Ability to create a PO from the Requisition System
   c. Ability to create a PO using any # we needed, minimum 15 characters
   d. Ability to have specific Buyers called out on their PO's
   e. Ability to change Ship To, Bill To, Vendor Address, etc.…at the PO level
   f. Ability to add lines to a PO create by the Req
   g. Ability to change the GL on a req already created
   h. Ability to create change orders or to change things without being forced to call something a change order
   i. Ability to modify verbiage we want on every PO, i.e., T&Cs that cover all
   j. Ability to have different tax %'s
   k. ability to add comments to PO line items
   l. Ability to have a reversed payment to go back onto the PO automatically
   m. Ability to have multiple dates on a PO…Date PO created Date items due, date PO expires, etc.…
   n. Ability to create different freight choices
   o. Ability to link POs to a certain Contract
   p. Ability to integrate in our Contract Mgmt. System
   q. Ability to reference the req # on the PO

r. Ability to change U/M's
s. Ability to have CalOptima's Logo on the PO
t. Ability for PO # to be numeric or alphabetic
u. Place to put payment terms
v. Ability to print PO physically, to File, print to pdf
w. Ability to see remaining amount and Qty directly from the PO.
x. Ability to report off open PO's, payments made to vendors from a PO, payment made to that vendor across multiple PO's. report to include PO #, GL's, Vendor Name, and ID at minimum.

5. Expense and Travel Management
   a. Integrate with Financial Accounting Software
   b. Ability to integrate with Budgeting software
   c. Flexibility to set up various general ledger coding for each expense type
   d. Workflow management and ability to assign backup for approval
   e. Ability to upload and store receipts and other documentation

6. Budget and Forecasting
   a. Budget modules/templates - general ledger, payroll, medical expense, capital planning and budget assumptions
   b. Line-item detail budgeting
   c. Enterprise-wide planning, budgeting, and forecasting
   d. Rolling forecasts capability
   e. User defined templates (ability to customize template format and design)
   f. Excel based
   g. Easy to use web interface
   h. End user ease of entry
   i. Dynamic report design for analysis
   j. Drill down to detail capability
   k. Drag-and-drop function
   l. On demand report updates
   m. Include charts in budget
   n. Dashboard reporting ability for various departments: marketing, claims, IT
   o. Presentation quality reports
   p. Workflow functionality
   q. Budget approval workflow
   r. Email notification, alerts, task list
   s. Out of the box integration with limited need of customization
   t. Multiple output options (web, pdf, office, mobile)
   u. User access administration

C. SUPPLIER'S RESPONSIBILITIES

1. Installation and configuration of software and equipment
2. Test deployed software and equipment prior to go live
3. Provide end-user technical training prior to implementation
4. Provide live on-going support services
5. Provide end-user reference guides

CALOPTIMA BOARD ACTION AGENDA REFERRAL

Action To Be Taken November 3, 2022
Regular Meeting of the CalOptima Board of Directors

Report Item

11. Approve Actions Related to the Procurement of a Web Content Management and Digital Experience Platform Solution

Contacts

Wael Younan, Chief Information Officer / Chief Information Security Officer, (657) 900-1154
Rick Cabral, Associate Director, Information Technology Services, (714) 347-5788

Recommended Actions

1. Approve the scope of work (SOW) for the Web Content Management and Digital Experience Platform Solution.
2. Authorize the Chief Executive Officer to release the request for proposal (RFP), select a vendor, and negotiate and execute a contract with the selected vendor.

Background

As part of CalOptima Health's Workplace Modernization and Digital Transformation Strategy, Information Technology Services (ITS) will be evaluating and deploying multiple solutions. These solutions coincide with CalOptima Health's Cloud First strategy and take regulatory compliance and security measures into consideration. These initiatives will assist CalOptima Health in achieving its vision statement of removing barriers to achieve real-time claims payments and 24-hour treatment authorizations and doing annual assessments around social determinants of health by 2027. The projects and products that CalOptima Health implements will result in value-based care and improvements for member, provider, and employee experiences. These enhancements will provide CalOptima Health with the ability to be robust and agile and to scale as a future-focused healthcare organization.

Discussion

CalOptima Health's ITS and Communications staff are seeking approval for the attached SOW for a Web Content Management and Digital Experience Platform (CM/DXP) solution and request approval to release the RFP to select and contract with a vendor to provide the solution. The CM/DXP solution will provide CalOptima Health's staff with a modern set of tools to build and manage websites that provide website visitors with personalized content and experiences based on their needs. This will allow CalOptima Health members and providers to get the information they seek quickly when they visit CalOptima Health's website. The new solution will leverage the user's activities on CalOptima Health's website to gain insights into user needs and provide them with tailored information. Capabilities of CM/DXP solutions have increased dramatically over the past decade since CalOptima Health originally implemented its current content management solution. Implementing a modern CM/DXP solution will lead to better website content design and delivery, provide for improved usage of CalOptima Health's websites and portals, and make information about CalOptima Health programs and services easier for members and providers to access and utilize.

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The ITS and Communications teams will work in conjunction with Vendor Management to review the proposals received to determine the vendor that best meets the needs of the organization. Once the vendor is selected, CalOptima Health will negotiate and execute a contract with the vendor for implementation. The initial contract term will be for three years with two one-year options to extend at an estimated annual cost of no more than $600,000.

Fiscal Impact

The recommended action is a budgeted item. Funding for the recommended action of up to $600,000 is included as part of the capital project, "Migrate Website Content Management System to the Cloud" under the "Applications Development" category in the Fiscal Year 2022-23 Digital Transformation Year One Capital Budget approved by the Board on June 2, 2022.

Rationale for Recommendation

CalOptima Health recognizes the importance of giving its members and providers access to accurate and timely information on its web site and portals. By modernizing their CM/DXP toolset, CalOptima Health staff will be enabled to deliver a better user experience to website visitors and provide easier access to information about CalOptima Health programs and services. By providing easy to use resources on CalOptima Health's websites, CalOptima Health contributes to improved health outcomes for members, reduces administrative burdens on its providers and promotes healthy lifestyles for children and families in the Orange County community at large.

Concurrence

James Novello, Outside General Counsel, Kennaday Leavitt

Attachment

1. Scope of Work for the Web Content Management and Digital Experience Platform Solution.

/s/ Michael Hunn *10/27/2022*
Authorized Signature **Date**

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Project Objective

The objective of the current initiative is for CalOptima to identify and select the most appropriate software vendor for its Website Content Management System (CMS) / Digital Experience (DXP) requirements. The DXP to be implemented will enable, or help enable, the organization to achieve the following business objectives:

- Improved Member experience and care outcomes
- Improved Provider experience and administrative simplification
- Improved stakeholder experience

CalOptima invites interested parties that meet the qualifications listed in this document to submit proposals regarding their product and related service offerings

Instructions

This section presents functional requirements, requests and/or related questions to the basic vendor information required by CalOptima – please respond to all questions in each section. Failure to provide answers to these questions may eliminate the evaluation of your firm's proposal.

CalOptima anticipates the Web Content Management / Digital Experience solution implementation to be completed by Oct 2023.

SUBMISSION OF PRODUCT OFFERING

General Vendor Information:

1. Please share your current client mix and their demographics. Please elaborate clients that have Health Plan, Medicaid and/or Medicare business models.	
2. Describe the approach used to arrive at the appropriate cloud allocations for a client. Please attach any sizing/costing estimation values you used.	
3. Describe any limitations that may inhibit application access through a VPN, firewall or other network security hardware or software.	
4. Describe the scalability capabilities of your application as number of users and record counts increase and/or decrease over time.	
5. Describe all network monitoring and management tools included to monitor application health and stability. Describe how these tools are used by your support teams to actively monitor the application and alert the client when issues are encountered. Describe any monitoring and management tools available to the client.	
6. Describe one or more examples of recent data conversions from prior Web Content Management Systems (specifically Sitecore if an example is available). Elaborate on the following areas related to data conversions: Describe your approach to client success regarding data conversions. Define number of records or amount of data	

that was converted and the duration to convert. Describe the types of fallouts from previous data conversions.	
7. Describe your approach to client implementations and cite recent successes.	
8. Describe current or future functionality aimed at supporting the following: Robotic Process Automation (RPA). Natural Language Processing (NLP). Artificial Intelligence (AI).	

HIPAA Requirements:

1. Describe how your application supports all applicable HIPAA requirements including: Privacy controls Transaction standards Code set standards Security standards Third-party certification	
2. Describe any areas where your application and cloud services is not compliant with published or proposed HIPAA standards.	

Non-Functional Requirements:

1. The application should have a web-based, software as a service (SaaS) architecture. Identify all components that contribute to redundancy and fault tolerance.	
2. CalOptima prefers applications supported on the Chrome browser. CMS regulatory requirements of a Health Plan is to stay within one version of the latest release from the Browser vendors. Describe your process to keep application up to date and the process to maintain and validate application functionality on every browser update. If Chrome is not your supported browser describe your browser choice(s) and ongoing version support.	
3. The user interface should be a responsive design that conforms to devices and monitors of varying shapes and sizes. Describe how your application automatically adapts to various client equipment types including tablet and mobile devices.	
4. The vendor must provide multiple application environments with the purpose of supporting multiple needs of the customer. Environments expected to be provided are listed but may not be limited to: Production QA/UAT Development Additional environments may be required in the	

future to support CalOptima operations. Describe typical environments provided to customers.	
5. The product must support application program interfaces (APIs) for both inbound and outbound data exchange. Vendor must provide documentation and technical support for all APIs. Provide a list of all current APIs. Provide a list of all future APIs planned. Provide a list of your most commonly used APIs. Approximately what proportion of your current UI can be supported through your API library?	

Functional Requirements – Content Authoring and Management:

1. Business users must be able to create pages and microsites with very little training. Describe how your platform supports ease of use.	
2. The product must be able to maintain, access and compare previous versions of content when updated or changed.	
3. The product must be able to track user, date and time of content modifications.	
4. The product must be able to create web content. Describe the process of creating/authoring web content.	
5. The product must allow for the reuse of content and templates to enforce a common “look and feel” and brand identity.	
6. The product must be able to create content for multiple channels, including web, email, social media, mobile apps, and SMS.	
7. The product must be able to allow authors to preview content in a WYSIWYG editor with preview for all device types (desktop, tablet, mobile)	
8. The product must be able to support in-context (what you see is what you get [WYSIWYG]) editing.	
9. The product must be able to support metadata schemas out-of-the-box. Please describe.	
10. The product must include a search engine as part of the standard system. Please identify search engines that are shipped with a standard system. Please identify any search that your product can integrate with.	
11. The product must allow users to define meta-data. Describe your capabilities for users to define and configure metadata (e.g., fields, predefined values)	
12. The product must be able to manage content for embedded HTML tags (e.g., page title, meta description, analytics tracking.) Describe how this capability is supported.	
13. The product must be able to allow the user to preview rendered content in a staging area. Describe this capability.	
14. The product must be able to migrate web-based content to a records management system. Describe this capability.	
15. The product must be able to allow users to search	

for objects by free text/metadata/content attributes. Please describe.	
16. The product must be able to support the combination of text and other page elements, such as graphics, multimedia audio/video and other rich media.	
17. The product must be able to maintain and access older versions of content (archiving and rollback).	
18. The product must be able to support previewing content prior to deployment. Please describe this capability.	
19. The product must be able to support unpublishing/deleting. Please describe this capability.	
20. The product must be able to allow users to add/modify/delete content assets.	
21. The product must be able to support multiple renditions of content.	
22. The product must be able to support aging/content expiration, and content retention policies. Please describe this capability.	
23. The product must be able to support the use of assets (e.g., interactive files) located outside CMS (e.g., external system).	
24. The product must be able to support the use of large files (e.g. video files to be housed in the CMS)?	
25. The product must be able to allow users to easily assign content types to templates	
26. The product must be able support SCORM-compliant content for integration with Cornerstone learning management system tools.	
27. The product must be able to support pass-through content that may need to be converted, such as PDFs.	
28. The product must be able to support nontechnical business users ability to create and/or manage templates. Describe this capability.	
29. The product must be able to support themes. Describe your capabilities for users to easily create/delete/modify templates/themes.	
30. The product must be able to prevent data loss (e.g., autosave, save prompt on exit, confirmation of exit on incomplete action, delete confirmations/ warnings). Describe how this capability is supported.	
31. The product must be able to support accessibility features and current/future Section 508/WCAG compliance standards. Please describe this capability.	
32. The product must be able to integrate components/plug-ins (custom and third-party). Please describe this capability.	
33. The product must be able to support custom template development. Describe how this capability is supported.	
34. The product must be able to support creating public APIs and internal APIs. Please describe.	

35. The product must be able to allow internal content development users to define bookmarks or favorites. Please describe.	
36. The product must be able to support Windows PCs, Macs, mobile devices and tablets. Please describe.	
37. The product must be able to support migrating code between environments. Please describe this capability.	
38. The product must be able to support integration with external system and web analytical reporting tools. Please describe this capability.	
39. The product must be able to support using workflows to archive and remove content from the website. Please describe this capability.	
40. The product must be able to create an audit trail of all actions carried out using the workflow. Please describe this capability.	
41. The product must be able to support workflow creation and editing via graphical/scripting process or Microsoft Visio. Please describe this capability.	
42. The product must be able to support isolating and executing individual workflow tasks during development. Please describe this capability.	
43. The product must be able to support mass-publishing/publication of multiple items. Please describe this capability.	
44. The product must be able to support capability to define publishing rules (e.g., by content type or combination-content type). Please describe this capability.	
45. The product must be able to support timed and future deployments. Please describe this capability.	
46. The product must be able to support review and approval processes for web content. Please describe this capability.	
47. The product must be able to support capabilities to stage code, configurations and customizations to development, quality and production. Please describe this capability.	
48. The product must be able to maintain integrity across dev, QA and production environments. Please describe this capability.	
49. The product must be able to support moving a package of associated content through workflow together. Please describe this capability.	
50. The product must support targeted and global search and replace of text/content. Please describe this capability.	

Functional Requirements – Administrative

1. The product must be able to support extensible identity management and authentication, including Windows authentication and Multi-Factor Authentication. Please describe this capability.	
2. The product must be able to support easily create/delete/modify roles. Please describe this	

capability.	
3. The product must be able to support easily create/delete/modify users. Please describe this capability.	
4. The product must be able to support administrative capabilities — e.g., database administration, user and group administration, backup and recovery, cache management and web administration. Please describe this capability.	
5. The product must be able to support application development tools, programming languages and application programming interfaces (APIs) that enable users to develop and customize their enterprise content management (ECM) applications. Please describe this capability. Which standards and development environments are supported with the APIs (e.g., web services, .NET and Java)?	
6. The product must be able to support ability to integrate with custom-developed applications running on external systems. Please also describe how your product supports such integration.	
7. The product must be able to support ability to apply reusable wrappers/skins/chrome to custom-developed applications external to the platform. Please describe this capability.	
8. The product must be able to support ability to audit users, groups and roles. Please describe this capability.	
9. The product must be able to support ability to identify prevent and fix broken links. Please describe this capability.	
10. The product must be able to support user-definable audit reporting on an ad hoc basis. Please describe this capability.	
11. The product must be able to support to audit content types and publishing. Please describe this capability.	
12. The product must be able to support to generate a report of active page inventory. Please describe this capability.	
13. The product must be able to support manual indexing. Please describe this capability.	
14. The product must be able to support searching CMS by metadata. Please describe this capability.	
15. The product must be able to allow users to define rules for component placement and content displayed within components. Please describe this capability.	
16. The product must be able to create reusable components/plug-ins and easily share them among different website instances. Please describe this capability.	
17. The product must be able to create/delete/modify components	
18. The product must be able to integrate third-party components/plug-ins, such as through an "app store"	

model. Please describe this capability.	
19. The product must be able to enable a rich developer community. Describe the architecture, languages and tools used to develop your proposed solution.	
20. The product must be able to manage editions (versions/rollback) of the website, website pages and content items. Please describe this capability.	
21. The product must be able to allow users to create/delete/modify forms (e.g., user input, polls, simple surveys) from an existing form. Please describe this capability.	
22. The product must be able to allow users to easily create/delete/modify forms (e.g., user input, polls, simple surveys). Please describe this capability.	
23. The product must be able to allow users to securely access data collected from input forms (e.g., view, download, data export through CSV, XML), or to receive visitor input via email. Please describe this capability.	
24. The product must be able to support a robust form element library for form building (e.g., user input, polls, simple surveys). Please describe this capability.	
25. The product must be able to securely accept and ingest site visitor input with optional review workflow. Please describe this capability.	
26. The product must be able to support form configuration (e.g., data validation, session management, access control, availability/expiration, display logic, decision tree/branching). Please describe this capability.	
27. The product must be able to apply clean/friendly URLs and multiple URLs to the same content (vanity URLs). Please describe this capability.	
28. The product must be able to support link management capabilities. Please describe.	
29. The product must be able to support integration with translation management technologies (e.g. Trados/SDL or similar). Please describe.	
30. The product must be able to support managing content in multiple languages. Please describe this capability.	
31. The product must be able to support reporting capabilities, including, but not limited to, third-party reporting tool interfacing, types of report, statistical reports and report exportation.	
32. The product must be able to support sites and pages being set up (and then later changed). Please describe this capability.	
33. The product must be able to stage content, code, configurations and customizations between systems such as development, quality and production systems. Please describe this capability.	
34. The product must be able to support scheduled publication of content/layouts. Please describe this capability.	
35. The product must be able to support templates that	

are compatible with responsive design. Please describe this capability.	
36. The product must be able to support global and site-specific templates. Please describe this capability.	
37. The product must be able to support website testing. Describe how the website is tested.	
38. The product must be able to support version content elements smaller than pages. Please describe this capability.	
39. The product must be able to support defining rules for automatic version control. Please describe this capability.	
40. The product must be able to support having multiple versions of the same asset available in production at the same time (e.g. a revision to a research paper). Please describe this capability.	
41. The product must be able to support limiting either the size or number of versions on a per-website instance. Please describe this capability.	
42. The product must be able to support user ability to manage version control settings (e.g., new version on save, on published, etc.). Please describe this capability.	

Functional Requirements – Extensibility-Interoperability

1. The product must be able to support built-in public-facing APIs. Please describe capabilities and technologies supported (REST, GraphQL, JSON, etc.).	
2. The product must be able to support controls associated with the public API, such as token authorization, request throttling, quota limits, etc.	
3. The product must be able to pull feeds from external sources for display	
4. The product must be able to respond to requests from external sources (e.g., mobile apps, desktop apps)	
5. The product must be able to surface content for delivery by external engines	
6. The product must be able to support disaster recovery, backup, load balancing and security in the cloud environment	
7. The product must be able to support embedded test suites or integration with test suites	
8. The product must be able to support creation data-driven form fields in content templates (such as a value look-up from a database table) from external sources (XML, database, etc.)	
9. The product must be able to support debugging applications and content templates in a shared solution (e.g., localized log files)	
10. The product must be able to support reuse code/component	
11. The product must be able to support separation of application code from the website content	
12. The product must be able to support multiple coding languages and scripting	

13. The product must be able to support using and extending existing custom libraries	
14. The product must be able to support APIs, web services and SDKs.	
15. The product must be able to support chatbot and digital assistant integrations	
16. The product must be able to support containerization, serverless services and microservices.	
17. The product must be able to support mobile application development.	
18. The product must be able to support multichannel delivery (web, mobile apps, in-location kiosks, etc.)	
19. The product must be able to support SPA (single-page applications) and PWA (progressive web applications) development	
20. The product must be able to support template development.	
21. The product must be able to display video from external systems.	
22. The product must be able to support extraction, transformation and loading (ETL) technology to support the cost-effective and efficient migration of content to your platform.	
23. The product must be able to support scalability and the features that enable that scalability.	
24. The product must be able to support integration with the portal products (APIs, web services or custom code). Identify the portal products that you integrate with out of the box or for which you have prepackaged connectors.	
25. The product must support industry standards such as XML, WCAG 2.0, ISO, FedRAMP, Section 509.	
26. The product must be able to support web services or service-oriented architecture (SOA). If this is planned for a future release, please provide a time frame for availability.	

Functional Requirements – Multi-experience Delivery

1. The product must support finding and repairing broken links quickly.	
2. The product must support tracking and reporting on-site use and demographics.	
3. The product must support real-time analysis and optimization capabilities. Please Describe your real-time analysis and response capabilities.	
4. The product must provide integrated visitor analytics out of the box from log file analysis. Also, describe your ability to integrate with industry-standard analytics programs (e.g., WebTrends, GoogleAnalytics, etc.)	
5. The product must support event-driven publication. Describe your capabilities for event-driven publication (e.g., event-triggered publication of content and/or layouts)	
6. The product must provide support for automated	

content hygiene. Describe how the system verifies content for hygiene (for example, accessibility, spelling, format validation, privacy, security, speed of deployment)?	
7. The product must support targeting content based on visitor-supplied preferences. Please describe how.	
8. The product must support targeting content based on external analytics data. Please describe how.	
9. The product must provide ability to deliver tailored users experiences based on user attributes. Please describe.	
10. The product must support integration with application servers. Please describe.	
11. The product must support publishing to multiple locations based on predefined attributes. Please describe.	
12. The product must support staging of the content prior to deployment. Describe how content is staged and deployed to the web. Is a separate deployment engine required?	
13. The product must support catalog creation/customization. Please describe.	
14. The product must support integration with Adobe Dreamweaver and Microsoft Visual Studio templates.	
15. The product must support dynamic presentation of content through templates. Please describe.	
16. The product must support multiple character sets and mime types. Please describe.	
17. The product must support delivering content in the following languages. Currently, CalOptima Health's threshold languages include English, Spanish, Vietnamese, Farsi, Korean, Chinese* Written – Traditional* Spoken –Mandarin, Arabic. Please list all supported languages.	
18. The product must support capabilities to create content variations to be displayed depending on view (e.g., Print View) or device (e.g., mobile, tablet). Please describe,	
19. The product must support delivery of dynamic content based on the user device.	
20. The product must support integrated mobile device support for templates.	
21. The product must support the ability to log reports of the status and history of a piece of content. Please describe.	
22. The product must support Search Engine Optimization (SEO). Please describe.	
23. The product must support authoring and delivery template creation and maintenance. Please describe.	

Functional Requirements – Personalization

1. The product must support personalization. Please	

describe.	
2. The product must support rule-based personalization. Please describe.	
3. The product must support internal content management users to apply personalized templates and themes. Please describe.	
4. The product must support users display content targeted toward specific user profiles?	
5. The product must support targeting of content based on visitor-supplied preferences or attributes, or external analytics-based data.	

Functional Requirements – Account Services (Internal users)

1. The product must support captcha capability. Please describe.	
2. The product must support integrations with common authentication mechanisms, such as CASB. Please describe.	
3. The product must support authentication (e.g., Lightweight Directory Access Protocol [LDAP], Azure Active Directory)	
4. The product must provide support for group creation and rights assignment for individuals, roles, and the entire organization. Please describe.	
5. The product must support manage and protect personal data, especially under the legal mandates of HIPAA and similar regulations. Please describe	
6. The product must support restriction of access to content or areas based on the user's role within the system. Please describe.	
7. The product must support cloud-based security capabilities. Please describe.	
8. The product must support Security Assertion Markup Language (SAML).	
9. With what other systems does the product integrate for user-level security?	
10. The product must support extensible identity management and authentication.	
11. The product must support ability to lock an account after consecutive attempts.	
12. Describe your capability to define error messaging for unsuccessful login attempts	
13. The product must support ability to provide secure login	
14. The product must support the ability to allow actions to be performed without authentication (such as approving content via email or allowing workflow approvals from external links).	
15. The product must support two-factor authentication mechanisms. Please describe.	

PERFORMANCE STANDARDS CONSIDERATIONS:

CalOptima shall include the following performance standards in the final support agreement. Provide and define

your company's position on each of the following:

Standard	Measure	Remedy	YOUR RESPONSE	
Response Time			**Measure**	**Remedy**
Application performance	85% of all transactions: 1 second - field to field 1 second - screen to screen 1 second - screen/database updates 1 second - inquiry	Time frame identified for correction and restoration to an acceptable level within 24 hours. Escape clause for consistent patterns of poor response.		
Adequate Growth/Capacity	Specific growth/capacity plan	No cost to CalOptima for unanticipated system upgrades.		
Customer Support Response			**Measure**	**Remedy**
Support available: direct calls	7am - 7pm normal business days, pacific time	Escape clause for consistent patterns of poor response.		
Support available: after hours	24 x 7, 365 days per year			
Support available: e-mail/ web services	7am-7pm normal business days, pacific time			
Support Levels			**Measure**	**Remedy**
	L1: system down/dead callback 1 hour fix or work-around 4 hours fix within 2 days	Escape clause for consistent patterns of poor response.		
	L2: critical, no work-around callback 1 hour fix or work-around 1 day fix within 3 days	Escape clause for consistent patterns of poor response.		
	L3: non-critical callback 4 hours fix or work-around 2 days fix within 5 days			
	L4: cosmetic callback 5 days fix by next upgrade			
	L5: modification request callback within 1 day to get high level requirements and assess feasibility			

Board of Directors Meeting
November 3, 2022

Regular Meeting of the
Whole-Child Model Family Advisory Committee
Report to the Board

On September 20, 2022, the Whole-Child Model Member Family Advisory Committee (WCM FAC) conducted its quarterly meeting as a hybrid and a teleconference meeting using Zoom Webinar technology.

At this meeting, the WCM FAC welcomed two new members, one filling the authorized family member seat and one filling the consumer advocate seat. The committee also approved a recommendation for chair and vice chair as well as a recommendation to allow all committee members the option to serve as chair or vice chair. Previously, only authorized family members could serve as chair or vice chair.

Michael Hunn, Chief Executive Officer, provided updates on CalOptima Health's community outreach and vaccination efforts. Mr. Hunn also discussed the Department of Health Care Services (DHCS) redetermination which will take place once the Public Health Emergency (PHE) ends.

Yunkyung Kim, Chief Operating Officer, discussed the need to make sure that families eligible for California Children Services (CCS) are made aware that there is a program that is available to them and noted that CalOptima Health will work with the health networks to ensure they are also aware of this program.

Richard Pitts, D.O., Ph.D., Chief Medical Officer, reported that CalOptima Health has received a 4-Star rating from the National Committee for Quality Assurance (NCQA). He noted that CalOptima Health's goal is to receive a 5-Star rating. Dr. Pitts also provided a COVID update and noted that COVID is now the third leading cause of death. The top three causes of death are heart disease, cancer and COVID. Dr. Pitts encouraged everyone to stay current on their vaccinations, including getting a flu shot.

Kelly Bruno-Nelson, Executive Director, Program Implementation, provided an update on the CalAIM program noting that the program was scheduled to start on January 1, 2022 with rollout to certain populations of Medi-Cal members and reviewed the timeline for the program's full implementation.

Kristin Gericke, PharmD., Director, Pharmacy Management, provided an update on the Medi-Cal Rx transition and Doris Billings of the Orange County Health Care Agency provided a CCS update to the committee.

The WCM FAC appreciates and thanks the CalOptima Board for the opportunity to present input and updates on the WCM FAC's current activities.

Board of Directors Meeting
November 3, 2022

Regular Joint Meeting of the Member Advisory Committee and the Provider Advisory Committee

Report to the Board

The Member Advisory Committee (MAC), and the Provider Advisory Committee (PAC) held their regular joint meeting on October 13, 2022 to discuss topics of mutual interest.

Michael Hunn, Chief Executive Officer (CEO), provided a comprehensive CEO update that touched upon CalFresh, an increase in emergency room visits, vaccines, quality initiative programs as well as the Redetermination Initiative being undertaken by the Social Services Agency for both Medi-Cal and Medicare.

Richard Pitts, D.O., Ph.D., Chief Medical Officer, provided several updates to the committees on COVID, Syphilis and Monkeypox and encouraged everyone to continue to stay up to date with vaccinations, especially this year's flu vaccine.

MAC and PAC received information on both Medi-Cal and Medicare on the redetermination effort underway from the Orange County Social Services Agency that is being undertaken in preparation for the end of the public health emergency.

PAC member Patty Mouton of Alzheimer's Orange County along with Dr. Lisa Gibbs and Minahil Khan from University of California Irvine presented on the Department of Health Care Services Dementia Care Aware Initiative.

Ladan Khamseh, Executive Director, Operations presented on changes to the health network minimum and maximum enrollment.

The members of the MAC and PAC appreciate the opportunity to update the Board on their current activities.