



CenCal Health Board of Directors Information Update

For Activities within the Months of June and July 2022

August 11, 2022

CONTENTS

- 1. Administrative Report
- 2. Health Services Department Report
- 3. Operations Report
- 4. IT/EPMO Report
- Report of Chief Financial Officer
 5.1 Financial Statements
- 6. Appendices
- 7. Provider Bulletin



Administrative Report

Date: August 11, 2022

From: Marina Owen, Chief Executive Officer

Michael Harris, Government Affairs and Administrative Services Director

Executive Summary

CenCal Health staff continue to work in several policy and operational areas that will be reported throughout your August Board report. Continued focus remains on implementing various complex aspects of CalAIM, submitting deliverables in anticipation of a new 2024 managed care plan contract and moving into the second part of the legislative session after legislators are reporting back from the summer break.

While many CenCal Health staff have returned to the office, some caution is being exercised based on new COVID infection rates. Some staff who are required to provide onsite services, or who want to work at their office, are doing in both the San Luis Obispo and Calle Real offices. Over the last two years of the pandemic, staff have continued to work effectively and efficiently. With the increased infection rates that have been experienced recently, prudent caution of getting staff back into the office is taking place. Management's continued focus on having staff return to the office remains on employees' health and well-being.

During the first part of the session, legislative activities have been numerous. Various legislative initiatives continue to work their way through the process. With the Kaiser Permanente issue behind us, staff focus continues to be on maintaining a positive and supportive relationship with DHCS and working with the department to address the various challenging health issues and social issues that affect our members' health. CalAIM, student health, expanding the eligible providers of medical services such as community health workers, and other State strategic efforts are being supported by CenCal Health.

Government Affairs

With the legislature returning, CenCal Health's advocate in Sacramento has been engaging legislators on a wide variety of issues. The report from Public Policy Advocates (PPA) is attached for your reference and describes the session ahead.

With the Sacramento legislature coming back in from a break, Congress is moving forward with several areas of health care before it goes on break. Paul Beddoe, CenCal Health's Washington, DC legislative advocate has provided a report for your board.



Administrative Services

Office Re-Opening

CenCal Health has been welcoming back its employees in various stages. However, as we move into the flu season and with infection rates from the COVID BA5 variant increasing, staff have slowed down the re-introduction of employees into the workspace.

As your board has heard before, focus remains on principles of safety first; adaptability of operations; flexibility for staff; empathy in communication and responsiveness to our customers. We remain aligned with public health guidelines distributed by the Human Resources Department. Remaining supportive of staff who, for variety of legitimate reasons cannot risk infection, and maintaining operational excellence is staff's priority.

Organizational Insurance

As your board will recall during the June budget discussion, some insurance costs increased substantially. The increases were identified as industry trends and were not attributed to any CenCal Health issues. One of the areas that saw a particular increase was in cyber insurance. Staff have been engaged with our insurance brokers on the insurance policy renewals. Our brokers are anticipating more rate increases in several areas. As part of the renewal process, our brokers will be working with administrative staff to ensure all measures are being undertaken as A way of trying to reduce insurance premium increases.

As insurance policies are being finalized, staffs' goals remain to ensure appropriate coverage, including that of your board, and to soften cost issues.



Health Services Report

Date: August 11, 2022

To: Board of Directors

From: Amanda Flaum, Chief Operating Officer

Dr. Emily Fonda, MMM, CHCQM, Chief Medical Officer

Contributors: Carlos Hernandez, Quality Officer

Chris Hill RN, Director of Medical Management Jeff Januska, PharmD, Director of Pharmacy Services Seleste Bowers, DBH, Director of Behavioral Health

Lauren Geeb, MBA, Director of Quality

Rita Washington, Health Services Program Manager

Dual Special Needs Program (DSNP) Assessment

CenCal Health engaged Belong Health to deliver a refreshed assessment of the organization's operational and technical readiness to implement a Dual Special Needs Program (D-SNP) product line as of 1/1/26. Belong interviewed senior and executive leaders to assess capabilities, competencies, and areas of operational and/or technical development or gaps to inform their final assessment. Belong will present their final deliverable to include a high-level planning and implementation roadmap, governance and resource structure, as well as gap analysis on August 11, 2022, to the Executive Leadership Team and will provide your Board an update at the September 2022 meeting.

Enhanced Care Management (ECM)

Enhanced Care Management (ECM) went live as of July 1, 2022, with the Phase 1 population of focus. CenCal Health identified approximately 3,000 members presumed eligible for ECM. CenCal Health partnered with Good Samaritan Shelter, Independent Living Systems and Partners in Care Foundation to provide services to our highest needs members. CenCal continues to hold bi-weekly ECM round table meetings to provide information on ECM services to our community partners and Network Providers.

Medically Tailored Meals and Recuperative Care Community Support services went live as of July 1, 2022. A top priority has been providing education to our provider network, members, and community-based partners, as well as internal staff. The training/education has been done via Community Advisory Board presentations, Provider Bulletin articles and Provider Network training Video. CenCal Health continues to meet regularly with recuperative Care partners; hospitals and shelters, to transition the current Recuperative Care models to the CalAIM program.



Quality Improvement

2022 Population Needs Assessment

Each year, CenCal Health is required to conduct a Health Education and Cultural and Linguistic (C&L) Population Needs Assessment (PNA). The goal of the PNA is to improve health outcomes for members and ensure that CenCal Health is meeting their needs by:

- Identifying member health needs and health disparities.
- Evaluating health education, C&L, and quality improvement (QI) activities and available resources to address identified concerns.
- Implementing targeted strategies for health education, C&L, and QI programs and services.

CenCal Health's 2022 PNA was submitted to DHCS in June 2022 and was "Approved as Submitted" by DHCS in early July 2022. Based on the findings of the 2022 PNA report, CenCal Health has developed an Action Plan that will address the identified gaps in services and education. Some of these strategies may involve provider education or partnership. Action Plan objectives include:

- Increase the rate of childhood developmental screening for children aged 1 year in San Luis Obispo County.
- Increase the rate of breast cancer screening for English speaking members in both Counties.
- Increase the percentage of members who have completed clinically recommended cervical cancer screening.
- Increase the percentage of hypertensive members in Santa Barbara County that have a recorded blood pressure measurement.

For more information about the PNA results, including CenCal Health's specific Action Plan Objectives and Strategies, please contact (805) 562-1662 or healthed@cencalhealth.org

NCQA HEDIS® Compliance Audit

Prior to the June 15th national deadline, CenCal Health successfully reported final quality of care results for the period ending December 31, 2021, to the California Department of Health Care Services (DHCS) and the National Committee for Quality Assurance (NCQA). Health Services Advisory Group (HSAG), an NCQA-licensed audit organization, independently certified the results with no reporting restrictions.

Out of 40 measurements reported for each county, 15 must meet a minimum performance level (MPL). In Santa Barbara County, 20% of required measurements rated above the Medicaid 90th percentile, while over 33% rated above the Medicaid



90th percentile in San Luis Obispo County. Across both counties, 27% rate above the Medicaid 90th percentile. Exceptional performance was achieved for postpartum care, pediatric preventive care, and diabetes blood glucose control. Improvement is needed in chlamydia screening and well-child visits for infants.

DHCS uses these results to evaluate the value that CenCal Health and its providers bring to the community, and to acknowledge or sanction plans for their performance. DHCS' analysis of plan-to-plan comparisons will likely not be available until late in the year; however, CenCal Health's recent results are expected to confirm CenCal Health's traditionally high standing among Medi-Cal plans.

Analysis is underway to complete performance reporting to the Quality Improvement Committee, as your Board's designated entity to oversee CenCal Health's Quality Improvement System. Subsequently, detailed results will be reported to your Board, including specific aspects of care prioritized for improvement, and those for which excellence was achieved.

Quality Care Incentive Program (QCIP)

In July 2022, CenCal Health distributed over \$3.5 million in Quality Care Incentive Program (QCIP) payments to 85 eligible primary care providers (PCPs), marking the first payment for the recently launched pay-for-performance program in March 2022. Replacing five different incentive programs previously utilized, this single integrated QCIP will more extensively support PCPs to achieve excellence in quality care. The innovative program was designed to encourage increased utilization of evidence-based treatment, screening, and preventive health services. Performance is based on how often the standard of care is met.

The program encompasses 5 clinical categories of care (Women's Health, Pediatric Care, Behavioral Health, Respiratory Care, and Diabetes Care) using the most recently available NCQA HEDIS® Volume 2 Technical Specifications. To monitor progress, PCPs receive monthly performance reports and gaps in care data through CenCal Health's secure provider portal. Incentives are earned according to a 5-star methodology for all capitated PCPs with QCIP-qualifying members ≥ 30. Payments are distributed quarterly. If a PCP does not qualify to participate, the PCP's contribution from their capitation withhold is returned since the PCP had no opportunity to earn any quarterly incentive.

The Population Health team continues to assist PCPs with clinical measure criteria, quality scoring, and how to navigate the new provider portal screens. The team continues to support program inquiries, evaluate enhancements, and request input regarding areas for improvement. Program information and resources are available on CenCal Health's <u>website</u> or can be requested via email at <u>QCIP@cencalhealth.org</u>.

Department of Health Care Services (DHCS) Value Based Payment (VBP) Program

The Department of Health Care Services' (DHCS) Value Based Payment Program (VBP) concluded on June 30, 2022. Utilizing DHCS-provided funding from *The California*



Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), CenCal Health distributed nearly \$5.1 million in VBP incentive payments to 249 eligible providers since inception of the program and will continue to distribute funds monthly until July 2023 to ensure all incentives earned are distributed to providers for services rendered but not yet reported.

The VBP program provides supplemental payments to plan-contracted providers for meeting 17 measures across 4 domains aimed at improving care for some of the most vulnerable members in our community. CenCal Health began the payment process in December 2020 for eligible claims received on or after July 1, 2019. Increased payments were made for members diagnosed with substance use disorder, serious mental illness, homelessness or inadequate housing. Federally Qualified Health Centers, Rural Health Clinics, American Indian Health Clinics, and Cost Based Reimbursement Clinics were excluded by DHCS program eligibility.

Measures are consistent with well-established, evidence-based, clinical practice recommendations. At 72%, the early childhood preventive care domain represents the highest percentage of total payout (\sim \$3.7 million). Over \$1.47 million has been distributed to providers for ensuring children had recommended preventive services in their 3^{rd} – 6^{th} years of life. See table below for additional detail regarding total payments made:

Domain	Measure	Payment to Date	Percentage of Total Payout			
Prenatal &	Prenatal Pertussis Vaccine	\$24,813				
Postpartum	Prenatal Care Visit	\$36,015	5.3%			
Care	Postpartum Care Visits	\$176,750	0.076			
Cuie	Postpartum Birth Control	\$30,800				
Early (Well Child Visits in First 15 Months of Life	\$1,182,195				
Early Childhood	Well Child Visits in 3rd – 6th Years of Life	\$1,472,660				
Preventive	All Childhood Vaccines for Two Year Olds	\$514,575	72.7%			
Care	Blood Lead Screening	\$86,663				
	Dental Fluoride Varnish	\$431,225				
	Controlling High Blood Pressure	\$8,800				
Chronic	Diabetes Care	\$138,760				
Disease	Control of Persistent Asthma	\$229,920	12.7%			
Management	Tobacco Use Screening	\$79,025				
	Adult Influenza ('Flu') Vaccine	\$187,988				
Behavioral	Screening for Clinical Depression	\$271,250				
Health	Management of Depression Medication	\$23,340	9.3%			
Integration	Screening for Unhealthy Alcohol Use	\$178,900				



DHCS Women's Health Collaborative

In June, Santiago Segovia, Population Health Specialist, presented CenCal Health's ongoing Prenatal Outreach Program to the California Department of Healthcare Services' (DHCS) Quality Improvement Women's Health Collaborative. In late 2016, it was identified that pregnant members were receiving timely prenatal care at a rate of 88.06%, rating below the Medicaid 90th percentile. Since the program's implementation in 2017, 1133 members who had not established prenatal care were contacted and assisted in scheduling their prenatal care appointment. The rate of members receiving timely prenatal care has remained above the 90th percentile in both Santa Barbara and San Luis Obispo Counites since 2017.

Introducing CenCal Health's new Health Promotion Educator

Zena Chafi-Aldwaik is CenCal Health's new Health Promotion Educator within the Health Promotion team. She holds a Master's of Public Health in Health Promotion and is a Certified Health Education Specialist. She comes to CenCal with 3 years of Community Organizing experience where she led various youth programs and trainings, managed COVID-19 health education and promotion teams, and co-led Diversity, Equity, and Inclusion efforts at Cal State Fresno.

Medical Management and Pharmacy

Medical Management is in the process of re-instituting the MCMC contract (physician review organization); this will provide additional Medical Director support for inventory management and expanded like-specialty review as required for appeal determinations. Medi-Cal RX (administered by Magellan) rolled out their planned 3-phased approach to reinstate the suspended claims edits and prior authorization requirements for retail prescriptions. A modified Wave 1, Phase I implemented July 22, 2022. For Adult and Peds Utilization Management (UM) in July, Turn-Around Time (TAT) rates for urgent pre-service authorizations (\leq 72 hours) were high at (99%), retrospective (\leq 30 days) or post-service authorizations were at (99%) and standard pre-service (\leq 5 days) authorizations were at (99%).

Pediatric Care Management and Whole Child Model

The Pediatric Care Management (CM) team finalized the phase two of the Individualized Care Plan (ICP) Enhancement Project. The enhancement of diagnosis-specific goals is completed. The training of the case managers on the newly developed ICP process with emphasis on when to use the enhanced care plan goals has been completed. The top referral source in Peds case management comes from our data reporting then followed by California Children's Services (CCS) County offices from Santa Barbara (SB) and San Louis Obispo (SLO). The referrals are mostly for CCS members being reviewed for their annual CCS medical eligibility redetermination. The Pediatric team made a total of 115 referrals to the County CCS offices in July which is a slight drop from the previous month. Member outreach is done when there is lack of recent medical visit notes on file and to determine if continued follow-up for the CCS



condition is required. The counties are now requesting more support from the plan to obtain clinical records.

Behavioral Health

The Behavioral Health Department has implemented several utilization management process improvements to remove administrative burdens on Providers and increase access for Members. The Behavioral Health Department, along with Provider Services and Claims, has successfully conducted two ABA Provider Symposiums and one Psychologist Symposium to support providers in these upcoming changes. CenCal Health has created training materials and tools for PCPs and are working closely with our FQHC's to support.

Long Term Care

Long Term Care (LTC) and Skilled Nursing Facility (SNF) policies were revised to reflect updated process of determining medical necessity, level of care and discharge planning, Legal and CMO provided input and approval on these policies.



Operations Report

Date: August 7, 2022

From: Eric Buben, Director of Member Services

Contributors: Gary Ashburn, Director of Claims

Nancy Vasquez, Provider Services Operations Manager

Sheila Thompson, R.N., Provider Quality & Credentialing Manager

Member Services

CenCal Health membership totals 222,309 as of August 3, 2022. The Public Health Emergency (PHE) was extended until October 15, 2022, pausing re-determinations. Member Portal design continues, with an effective date of December 2022 and CenCal Health is soliciting member feedback on design ideas via a member survey, and through polling our Community Advisory Board and community Promotoras. Member Services recently finalized a contract with Mixteco/Indigena Community Organizing Project (MICOP) to offer face-to-face, phone and video remote interpreting (VRI) options for our Mixteco-speaking population. This new MICOP contract will provide much needed, secondary access for these interpreter needs to the already contracted Certified Languages International (CLI) services. All Member Services metrics are at goal or better. Daily member call averages in June were 361 and 358 in July and the average speed to answer within 30 seconds was 89% in June and 88% in July, which is exceeds the goal of 85%. Call abandon rate was 1% in June and 2% in July, exceeding the goal of 3% or less both months. Member grievance and appeals receipts were in normal ranges for both months.

Provider Services

Provider Services staff continue to engage potential providers for Enhanced Care Management/Community Support (ECM/CS) programs to build a provider network for these two CalAIM initiatives. To date, CenCal Health has fully executed three contracts for ECM services and one contract for Medically Tailored Meals covering both San Luis Obispo and Santa Barbara Counties. Additional providers are expected to contract for ECM services in the coming months, as work to expand access continues in anticipation of increasing member referrals. In late August, Provider Services will host a Community Supports Engagement Session to share with interested stakeholders the opportunity to provide housing-related Community Support services beginning in January 2023.

Claims

All CenCal Health claims processing operational metrics in June and July were within target range. Medical claim receipts totaled 238,314, which is 8% over the prepandemic baseline, which is in line with seasonal receipts from past years. Provider calls increased steadily due to the integration of the mental health claims processing and membership growth, including requests for claims submission instructions and access to the provider portal. Average talk time was approximately 8 minutes and average



speed to answer 26 seconds. All other metrics are well within goals for the critical measures, including productivity, accuracy and timeliness targets.



Information Technology and Project Management Office Report

Date: August 11, 2022

From: Bill Cioffi, CIO

Contributors: Jai Raisinghani, Director of IT,

Gayla Bierend, Associate Director EPMO

Information Technology

The Service Desk Upgrade project is in process to replace the current ticketing system Axosoft. This ticketing system is used by internal CenCal users to receive assistance from IT Department, Communication and Facilities. The HALO Help Desk and Ticket tracking system has been approved by the CenCal business teams and will better support a remote workforce. HALO will add additional features that are aligned with the Information Technology Service Management and Information Technology Infrastructure Library framework. The project is in the planning phase and the IT Help Desk team is developing workflows and metrics for this system implementation. HALO implementation is scheduled for December of 2022.

The IT Department has hired an additional Programmer/Analyst with 14+ years of experience in Oracle related technologies and has worked with various clients like IBM, Hyundai, Deloitte and Fist American and is actively recruiting for IT Operations Manager and IT System/ Network Administrator.

KnowBe4: The IT Department recently implemented KnowBe4 as a software solution to create security awareness and training around Phishing Email attacks. This software integrates which CenCal Health's email system which allows staff to report suspicious emails using a single click of button. KnowBe4 is the world's largest integrated platform for security awareness training combined with simulated phishing attacks.

Project Management

In July 2022, CenCal Health's Enterprise Project Management Office was actively managing ten projects (10). There are seven (7) projects that are on-track and CalAIM Enhanced Care Management (ECM) and Community Supports (CS) is currently being addressed to accelerate project completion with project teams identifying risk mitigation strategies.



Financial Report for Month Ending July 31, 2022

Date: August 10, 2022

From: Leanne Bauer, Director of Finance

Through: David Ambrose, Chief Financial Officer / Treasurer

Executive Summary

This memo summarizes the health plan's financial performance fiscal year-to-date through July 31, 2022 and provides insight on how the health plan is operating against budget forecast expectations. Included within also is a high-level preview of how the health plan operated for the fiscal year ending June 30, 2022, subject to final adjustments associated with: (a) a final journal entry associated with the CalPERS pension liability, pending receipt of the CalPERS Valuation Report and (b) an independent financial audit to occur during the months of August and September.

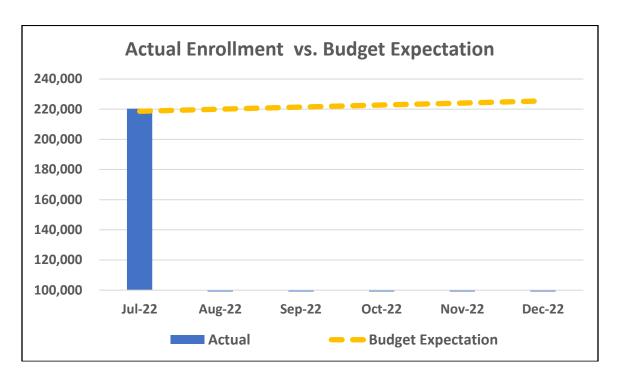
Financial Highlights (fiscal year-to-date: July)

- Operation Gain (Loss): Through one (1) month of the new fiscal year, we are reporting an operating gain of \$121,000.
- Capitation Revenue is at \$95.1 million; over budget by \$5.4 million and 6.0%.
- **Medical Expenses** are at \$82.7 million; over budget by \$5.2 million and 6.8%.
- Administrative Expenses are at \$5.8 million; under budget by \$430,000 and 6.9%.
- MCO Tax Expense is at \$6.7 million; essentially at budget.
- **Tangible Net Equity (TNE)** is at \$169.6 million; representing 457% of the minimum regulatory requirement and 71% of the minimum Board of Directors desired TNE target.
- **Total Cash and Short-Term Investments** are at \$259.5 million. Cash and Short-Term Investments available for operating the health plan is at \$134.3 million, representing 53 Days Cash on Hand.
- **Member Enrollment** is at 220,317 for the month of July 2022.

Enrollment Trend FYTD

The health plan's enrollment count as of July 2022 is forecasted at 220,317 compared to a budget expectation of 218,632. Through July, total member months are over budget expectations by 0.8%.





Capitation Revenue

Base Capitation Revenue is over budget with a variance of 2.9% due to actual enrollment by member case mix (e.g. by aid category grouping) being slightly difference than the member case mix assumed within the budget.

Revenue Type	FYTD Actual Dollars	FYTD Budget	FYTD Variance	% Variance
Base Capitation Revenue	\$89,458,336	\$86,939,000	\$2,519,336	2.9%
Supplemental Revenue	\$1,839,080	\$2,792,000	(\$952,920)	(34.1%)
Budgeted Revenue Items	\$91,297,416	\$89,731,000	\$1,566,416	1.7%
Prior Year Revenue Adjustments: Prior Year Retroactive Items Recorded in Current Fiscal Year	\$3,832,287		\$3,832,287	
TOTAL CAPITATION REVENUE	\$95,129,703	\$89,731,000	\$5,398,703	6.0%

Supplemental Revenue [Behavioral Health Therapy Services, Maternity Deliveries, and visits to American Indian Health Clinics] is under budget by 34.1% due to recent utilization data trending lower than budget expectations.

Overall, actual budgeted revenue is exceeding budget expectations by 1.7%.



The following retroactive revenue adjustment is also impacting the current total capitation revenue:

 Prior year changes in enrollment counts added \$3.8 million of revenue into the current period due to retroactive eligibility changes reported within the most recent DHCS eligibility files. Prior year enrollment counts increased from what was previously known within prior eligibility files.

Medical Expenses

Medical Costs & Incentives are trending over budget with a variance of 5.5%. Two (2) medical expense categories are primarily currently contributing to this budget variance: Long Term Care Facility costs and Mental Health Services.

	FYTD		FYTD	%
Medical Expense Type	Actual Dollars	FYTD Budget	Variance	Variance
Medical Costs + Incentives	\$81,473,461	\$77,200,000	\$4,273,461	5.5%
Reinsurance – net	(\$43,132)	\$314,000	(\$357,132)	
Budgeted Medical Items	\$81,430,329	\$77,514,000	\$3,916,329	5.1%
Prior Year Expense Adjustments:	\$1,316,118		\$1,316,118	
Prior Year Retroactive Items				
Recorded in Current Year				
TOTAL MEDICAL COSTS	\$82,746,447	\$77,514,000	\$5,232,447	6.8%

The estimate for Reinsurance-net is under budget by \$357,000 due to no meaningful paid medical claims to date for a member has exceeded the reinsurance deductible amount. As the fiscal year proceeds, this situation is anticipated to begin incurring qualifying medical costs which are subject to reinsurance proceeds earned by the health plan.

Overall, actual budgeted medical costs are over budget by 5.1%.

The following retroactive medical expense adjustment is also impacting the current total medical cost:

\$1.3 million of additional cost is recorded as a result of a change in estimate
within the recent (month of July) Incurred But Not Paid (IBNP) Model forecasting
an increase in the total projected medical costs for dates of service occurring on
or before June 30, 2022.

The following table summarizes major medical costs by expense category against budget forecast expectations associated with fee-for-service medical claims. Cells colored Orange indicate where actual trend is exceeding the budget forecast.



Expense	FYTD Actual Average Unit Cost	FYTD Projected Util per 1,000	Budget Forecasted Average Unit Cost	Budget Forecasted Util per 1,000
Physician Specialty	\$182.46	5,279	\$136.35	5,361
FQHC Specialty	\$33.81	2,184	\$31.40	2,611
Hospital IP In-Area	\$10,972	70.9	\$9,563	67.7
Hospital IP Out-of-Area	\$8,412	12.8	\$37,180	8.7
Hospital OP In-Area	\$314.85	1,102	\$246.53	1,100
Hospital OP Out-of-Area	\$745.61	95	\$638.68	96
LTC Facilities	\$318.64	1,892	\$279.43	2,072
Home Health	\$282.41	67	\$229.92	74
Hospice	\$1,362.40	12	\$2,677.89	15
Laboratory	\$47.66	1,740	\$55.48	1,576
Transportation	\$269.48	186	\$154.95	153
Physical Therapy	\$64.49	225	\$51.38	262
Durable Medical Equip.	\$150.73	278	\$134.32	316
Dialysis	\$339.70	37	\$830.95	41
Behavioral Health Therapy	\$366.70	225	\$327.97	225
Mental Health	\$122.02	874	\$151.52	702

For the two new medical care benefits which became effective July 1, 2022 for the health plan, projected actual experience against budget forecast expectation is as follows:

Enhanced Care Management (ECM):

- Santa Barbara County actual is estimated at \$0.52 pmpm while budget forecast is at \$0.52 pmpm.
- San Luis Obispo County actual is estimated at \$0.59 pmpm while budget forecast is at \$0.59 pmpm.

Currently for ECM, there is no actual paid claim experience so the actual estimate is solely based on the budget forecast.

Community Support Services (CS):

- Santa Barbara County actual estimate is at \$1.30 pmpm while budget forecast is at \$1.30 pmpm.
- San Luis Obispo County actual estimate is \$1.30 pmpm while budget forecast is at \$1.30 pmpm.

Currently for CS, there is no actual paid claim experience so the actual estimate is solely based on the budget forecast.

MCO Tax Expense

MCO Tax expense is at \$6.7 million and is under budget by .01%.



Administrative Expenses

Administrative Expenses are at \$5.8 million and under budget by \$430,000 and 6.9% primarily driven by:

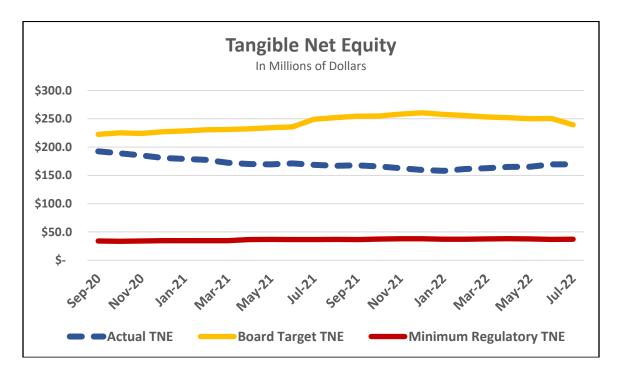
- Staffing Vacancies; 32 budgeted positions are currently vacant representing a 9.4% vacancy rate. The Administrative budget incorporated an 8% assumed vacancy rate.
- Salaries and Fringes are over budget however due to three pay periods occurring in July 2022 --- a timing issue; and a front-loading cost associated with the CalPERS employer contribution requirements.
- Contract Services are lower than expected, primarily due to Legal and Outside Processing costs being lower than budget expectations.
- Rent and Occupancy is lower than budget expectations mainly due to janitorial costs and other occupancy costs. Janitorial costs should increase as staff are reintroduced into the CenCal offices over the duration of the fiscal year. Utilities also vary from month to month.
- Travel Costs are under budget due to the timing of actual conferences/seminars.
- Office Supplies & Equipment are under budget primarily due to the timing of needs for printing and supplies.
- Other Expenses are under budget due to items anticipated to occur later during the Fall of 2022.

Tangible Net Equity (TNE)

As of July 2022, actual TNE is at \$169.6 million. This level represents 457% of the Regulatory Minimum TNE level and 71% of the Board of Director's minimum TNE target currently at \$239.4 million.

The following chart provides a visual representation of the health plan's TNE trend over the past two (2) years.





<u>Treasury Activities for the Month of July 2022</u>

Total Cash Received is at \$79.1 million. Total Cash Disbursements is at \$74.5 million. Accrued and Earned Interest Income is at \$279,000.

Unusual Cash events to note for the month:

• Disbursement of \$18.3 million for the quarterly MCO Tax payment.

Preliminary result for FY21/22 (July 1st, 2021 to June 30th, 2022); pending audit

- **Total FYTD Operation Gain (Loss):** reporting an operating loss of \$686,000.
- Capitation Revenue is at \$1.2 billion.
- **Medical Expenses** are at \$1.0 billion; a medical loss ratio of 83.3%
- Administrative Expenses are at \$128.9 million.

Recommendation

Staff recommends the adoption of the financial statements covering one month ending July 31, 2022.

Financial Statements and Additional Information For The Period Ended July 31, 2022

Basic Financial Statements:	
Statement of Financial Condition (Balance Sheet)	1
Statement of Revenue and Expense - (Income Statement)	2
Supplemental Financial Reports:	
FYTD Direct Medical Expenses by Category	3
Medi-Cal: Santa Barbara County Operating Statement	4
Medi-Cal: San Luis Obispo County Operating Statement	5
Condensed Functional G & A Operating Expenses	6
Notes to the Financial Statements	7
Tangible Net Equity (TNE) Calculation	8

Balance Sheet As of July 31, 2022

ASSETS	Cash and Short-Term Investments		\$ 259,492,866.75
			200,100,000
	Receivables A/R - Medi-Cal Capitation	363,301,443.97	
	A/R - Recoveries	197,928.52	
	A/R - Reinsurance A/R-BHI	2,536,000.00 330,000.00	
	A/R-CalAIM IPP	6,412,173.00	
	Interest Receivable Other Receivables	27,737.61 361,108.64	
	Total Receivables	301,100.04	373,166,391.74
	Total Nobel Adules		373,100,031.74
	Prepaid Expenses	422 520 22	
	Prepaid Insurance Other Prepaids	422,630.22 1,883,103.98	
	Total Prepaid Expense		2,305,734.20
	Other Current Assets Security Deposits	88,386.34	
	Total Other Current Assets	00,000.01	88,386.34
	Total Strict Surrent/18388		
	Total Current Assets		635,053,379.03
	Net Property, Plant, & Equipment		29,465,330.37
	Other Assets Restricted CD - Knox-Keene		300,000.00
	Restricted COLI		10,537,801,49
	Lease Asset SLO-Ekwill		2,431,421,95
	Acc Amort, Lease SLO-Ekwi		(864,390.63)
	Deferred Outflow of Resources		
	Deferred pensions		6,274,156.00
	TOTAL ASSETS		\$ 683,197,698.21
LIADIUTIC	6		
LIABILITIE	Current Payables		
	Medical Claims - Incurred But Not Paid	\$ 95,801,000.00	
	Other Current Payables	1,146,936.87	00.045.000.03
	Total Current Payables		96,947,936.87
	Accrued Payables		
	Accrued Salary, Wages, & Benefits	2 491 396 26 63,027,742,00	
	Accrued Rate Range IGT Pmts Accrued BHI	243,855.00	
	Accrued Hospital Directed Pmts	207,942,900.00	
	Accrued HQAF Directed Pmts Accrued DHCS Revenue Recoups	22,513,355.00 69,522,779.50	
	Accrued CalAIM IPP	12,824,346.00	
	Accrued VRP	356 827.11	
	Accrued MCO Tax Other Accrued Expenses	10,315,532.11 7,896,370.27	
	Total Accrued Payables		397,135,103.25
	Other Current Liabilities Primary Care Provider Incentives	4,945,561.66	
	Quality Initiative Incentives	4,150,000.00	
	Total Other Current Liabilities		9,095,561.66
	Total Current Liabilities		503,178,601.78
	Other Non-Current Liabilities		8,125,246.93
	Accrued Unfunded Pension Liability - GASB 68		0,123,240.33
	Other Liabilities		404540004
	Acc. Amort. Lease		1,645,100.21
	Deferred Inflow of Resources		
	Deferred pensions		651,019.00
	Total Liabilities		513,599,967.92
	ANOSO		
FUND BAI	LANCES Designated - Contingency Reserve	169,477,265.24	
	Undesignated - Current Year	120,465 05	
	Total Fund Balance		169,597,730.29
	Total Liabilities and Fund Balance		\$ 683,197,698.21
	Total Liabilities and Fund Datance		₩ 000,107,000.Z1

Consolidated Statement of Revenue and Expense As of July 31, 2022

MEDICAL COSTS PCP capitation and incentives 3,381,743 3,381,743 3,695,000 (313,257) -8.5% Physician services 15,077,987 15,077,987 15,481,000 (403,013) -2.6% Hospital inpatient 18,000,203 18,000,203 17,912,000 88,203 0.5% Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$431.79 \$15.35 \$68.44 \$81,70 \$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03 \$20.00
MEDICAL COSTS PCP capitation and incentives 3,381,743 3,381,743 3,695,000 (313,257) -8.5% Physician services 15,077,987 15,077,987 15,481,000 (403,013) -2.6% Hospital inpatient 18,000,203 18,000,203 17,912,000 88,203 0.5% Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$68.44 \$81.70 \$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
PCP capitation and incentives 3,381,743 3,381,743 3,695,000 (313,257) -8.5% Physician services 15,077,987 15,077,987 15,481,000 (403,013) -2.6% Hospital inpatient 18,000,203 18,000,203 17,912,000 88,203 0.5% Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$68.44 \$81.70 \$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Physician services 15,077,987 15,077,987 15,481,000 (403,013) -2.6% Hospital inpatient 18,000,203 18,000,203 17,912,000 88,203 0.5% Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$68.44 \$81.70 \$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Hospital inpatient 18,000,203 18,000,203 17,912,000 88,203 0.5% Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$81.70 \$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Hospital outpatient 6,454,213 6,454,213 6,128,000 326,213 5.3%	\$29.30 \$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Troopital outpations	\$52.14 \$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
	\$2.78 \$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Long term care facilities 11,487,876 11,487,876 10,548,000 939,876 8.9%	\$0.54 \$1.30 \$3.85 \$14.01 \$6.03
Dialysis 612,506 612,506 633,000 (20,494) -3.2%	\$1.30 \$3.85 \$14.01 \$6.03
Enhanced care mgmt (ECM) 120,000 120,000 - 0.0%	\$3.85 \$14.01 \$6.03
Community support services (CS) 286,000 286,000 - 0.0%	\$14.01 \$6.03
Home health & hospice 847,374 847,374 1,038,000 (190,626) -18.4%	\$6.03
Mental health services 3.086,093 3.086,093 1,956,000 1,130,093 57.8%	
Behavioral health therapy 1,327,712 1,327,712 1,350,000 (22,288) -1.7%	\$20.00
All other health care services 4,405,551 4,405,551 4,634,000 (228,449) 4.9%	
HQAF Directed Pmts 3,318,554 3,318,554 3,206,000 112,554 3.5%	\$15.06
Hospital Directed Pmts 9,283,914 9,283,914 6,422,000 2,861,914 44.6%	\$42.14
Rate Range IGT Pmts 3,783,734 3,783,734 3,791,000 (7,266) -0.2%	\$17.17
Reinsurance/recoveries - net (43,132) (43,132) 314,000 (357,132) -113.7%	(\$0.20)
Prior year change in estimates 1,316,118 1,316,118 1,316,118	\$5.97
Total Medical Costs 82,746,447 82,746,447 77,514,000 5,232,447 6.8%	\$375.58
ADMINISTRATIVE COSTS	
Salary, wages, & benefits 4,629,550 4,629,550 4.413,448 216,102 4.9%	\$21.01
Contract services 459,635 459,635 861,625 (401,990) -46.7%	\$2.09
Travel expense 6,249 6,249 43,072 (36,823) -85.5%	\$0.03
Rent & occupancy 52,884 52,884 111,350 (58,466) -52.5%	\$0.24
Office supplies & equip 80,201 80,201 116,460 (36,259) -31.1%	\$0.36
Insurance 98,564 98,564 139,250 (40,686) -29.2%	\$0.45
Depreciation & amortization 143,770 143,770 132,000 11,770 8.9%	\$0.65
Other expenses 358,204 358,204 441,661 (83,457) -18.9%	\$1.63
Total Administrative Costs 5,829,058 5,829,058 6,258,866 (429,808) -6.9%	\$26.46
MCO Tax Expense 6,715,532 6,715,532 6,716,000 (468) 0.0%	\$30.48
TOTAL OPERATING EXPENSES 95,291,037 95,291,037 90,488,866 4,802,171 5.3%	\$432.52
OTHER REVENUE (EXPENSE)	
Interest income 171,698 171,698 50,000 121,698 243,4%	\$0.78
Realized gain (loss) on investments	\$0.00
Unrealized gain (loss) on investments 106,842 106,842 - 106,842	\$0.48
Other activities 3,259 3,000 259 8.6%	\$0.01
NET OPERATING GAIN (LOSS) \$ 120,465 \$ 120,465 \$ (704,866) \$ 825,331 -117.1%	\$0.55
Average Member Count 220,317 220,317	
FYTD Member Months 220,317	
Medical Loss Ratio (MLR) 87% 87%	
Admin Ratio 6% 6%	
Pct. Admin to Total Operating Expenses 6% 6%	
Operating Margin Gain (Loss) 0.1% 0.1%	

Medical Expenses by Category

As of July 31, 2022

All Programs Combined, excludes pass-thru items.

Direct Medical Expenses Paid to Providers	F	FYTD Actual	F	YTD Budget	С	Over (Under) Budget	Percentage Over (Under) Budget	FYTD al PMPM \$
PCP capitation and incentives	\$	3,381,743	\$	3,695,000	\$	(313,257)	-8.5%	\$15.35
Physician services	•	15,077,987	•	15,481,000	Ť	(403,013)	-2.6%	\$68.44
Hospital inpatient - in area		7,430,614		7,710,000		(279,386)	-3.6%	\$33.73
Hospital inpatient - out of area		6,292,572		5,985,000		307,572	5.1%	\$28.56
Hospital capitation - inpatient services		4,277,017		4,217,000		60,017	1.4%	\$19.41
Hospital outpatient: in-area		2,189,558		1,853,000		336,558	18.2%	\$9.94
Hospital outpatient: out-of-area		1,099,922		1,133,000		(33,078)	-2.9%	\$4.99
Hospital capitation - outpatient services		3,164,733		3,142,000		22,733	0.7%	\$14.36
Long term care facilities		11,487,876		10,548,000		939,876	8.9%	\$52.14
Chiropractic		2,203		3,000		(797)	-26.6%	\$0.01
Acupuncture		4,406		8,000		(3,594)	-44.9%	\$0.02
Optometry		179,103		150,000		29,103	19.4%	\$0.81
Optician		7,266		5,000		2,266	45.3%	\$0.03
Audiology		102,419		99,000		3,419	3.5%	\$0.46
Mental health services		3,086,093		1,956,000		1,130,093	57.8%	\$14.01
Behavioral health therapy (BHT)		1,327,712		1,350,000		(22,288)	-1.7%	\$6.03
Podiatry		118,496		122,000		(3,504)	-2.9%	\$0.54
Physical therapy		237,492		248,000		(10,508)	-4.2%	\$1.08
Speech therapy		5,062		-		5,062	0.0%	\$0.02
Transportation		612.386		944,000		(331,614)	-35.1%	\$2.78
Prosthetics		170,111		167,000		3,111	1.9%	\$0.77
Home health		281,776		315,000		(33,224)	-10.5%	\$1.28
Hospice		565,597		723,000		(157,403)	-21.8%	\$2.57
Dialysis		612,506		633,000		(20,494)	-3.2%	\$2.78
Enhanced care mgmt (ECM)		120,000		120,000		-	0.0%	\$0.54
Community support services (CS)		286,000		286,000		-	0.0%	\$1.30
Laboratory		1,537,370		1,614,000		(76,630)	-4.7%	\$6.98
Durable medical equipment		788,751		783,000		5,751	0.7%	\$3.58
All other medical services		644,966		491,000		153,966	31.4%	\$2.93
	\$	65,091,738	\$	63,781,000	\$	1,310,738	2.1%	\$ 295.45

Santa Barbara County Medi-Cal

Operating Statement As of July 31, 2022

	FYTD Actual	FYTD Flexible Budget	Over (Under) Flexible Budget	Pct. Over(Under) Budget	YTD Actual PMPM\$
PROGRAM REVENUE	<u> </u>				
Capitation Revenue	\$ 65,586,840	\$ 60,881,000	\$ 4,705,840	7.7%	\$ 423.70
MEDICAL COSTS					
PCP capitation and incentives	2,335,304	2,556,000	(220,696)	-8.6%	15.09
Physician services	11,070,519	11,391,000	(320,481)	-2.8%	71.52
Hospital inpatient - in area	7,987,517	7,900,000	87,517	1.1%	51.60
Hospital inpatient - out of area	4,747,563	4,302,000	445,563	10.4%	30.67
Hospital outpatient - in area	4,319,261	3,928,000	391,261	10.0%	27.90
Hospital outpatient - out of area	763,139	826,000	(62,861)	-7.6%	4.93
Long term care facilities	7,647,572	7,010,000	637,572	9.1%	49.40
Dialysis	503,084	511,000	(7,916)	-1.5%	3.25
Enhanced care mgmt (ECM)	81,000	81,000	•	0.0%	0.52
Community support services (CS)	201,000	201,000	•	0.0%	1.30
Home health & hospice	589,769	736,000	(146,231)	-19.9%	3.81
Mental health services	1,823,485	1,232,000	591,485	48.0%	11.78
Behavioral health therapy (BHT)	902,653	934,000	(31,347)	-3.4%	5.83
All other health care services	2,935,935	3,126,000	(190,065)	-6.1%	18.97
Reinsurance/recoveries - net	(62,828)	221,000	(283,828)	-128.4%	(0.41)
HQAF Directed Pmts	2,260,126	2,183,000	77,126	3.5%	14.60
Hospital Directed Pmts	6,462,149	4,406,000	2,056,149	46.7%	41.75
Rate Range IGT Pmts	2,576,758	2,581,000	(4,242)	-0.2%	16.65
Prior year change in estimates	2,162,773	•	2,162,773		13.97
Total Medical Costs	59,306,779	54,125,000	5,181,779	9.6%	383.13
ADMINISTRATIVE COSTS - allocation	4,095,196	4,397,000	(301,804)	-6.9%	26.46
MCO Tax Expense	4,717,988_	4,701,000	16,988_	0.4%	30.48
TOTAL OPERATING EXPENSES	68,119,963	63,223,000	4,896,963	7.7%	440.07
NET OPERATING GAIN (LOSS)	\$ (2,533,123)	\$ (2,342,000)	\$ (191,123)	8.2%	\$ (16.36)
Average FYTD Member Count	154,795	-	Admin Ratio		6.2%
Current Month Member Count	154,795		Pct. Admin to Total Open	ating Expenses	6.0%
EYTD Member Months	154,795				
Medical Loss Ratio (MLR)	90%				
Operating Margin Gain (Loss) %	-3.9%				

San Luis Obispo County Medi-Cal

Operating Statement As of July 31, 2022

		FYTD Actual		FYTD Flexible Budget		er (Under) ible Budget	Pct. Over(Under) Budget	YTD Actual PMPM\$	
PROGRAM REVENUE				_					
Capitation Revenue	\$	29,542,862	\$	28,850,000	\$	692,862	2.4%	\$ 450.88	
MEDICAL COSTS									
PCP capitation and incentives		1,046,439		1,139,000		(92,561)	-8.1%	15.97	
Physician services		4,007,469		4,090,000		(82,531)	-2.0%	61.16	
Hospital inpatient - in area		3,720,114		4,027,000		(306,886)	-7.6%	56.78	
Hospital inpatient - out of area		1,545,009		1,683,000		(137,991)	-8.2%	23.58	
Hospital outpatient - in area		1,035,031		1,067,000		(31,969)	-3.0%	15.80	
Hospital outpatient - out of area		336,783		307,000		29,783	9.7%	5.14	
Long term care facilities		3,840,304		3,538,000		302,304	8.5%	58.61	
Dialysis		109,422		122,000		(12,578)	-10.3%	1.67	
Enhanced care mgmt (ECM)		39,000		39,000		-	0.0%	0.60	
Community support services (CS)		85,000		85,000		-	0.0%	1.30	
Home health & hospice		257,605		302,000		(44,395)	-14.7%	3.93	
Mental health services		1,262,609		724,000		538,609	74.4%	19.27	
Behavioral health therapy (BHT)		425,058		416,000		9,058	2.2%	6.49	
All other health care services		1,469,616		1,508,000		(38,384)	-2.5%	22.43	
Reinsurance/recoveries - net		19,696		93,000		(73,304)	-78.8%	0.30	
HQAF Directed Pmts		1,058,428		1,023,000		35,428	3.5%	16.15	
Hospital Directed Pmts		2,821,765		2,016,000		805,765	40.0%	43.07	
Rate Range IGT Pmts		1,206,976		1,210,000		(3,024)	-0.2%	18.42	
Prior year change in estimates		(846,656)		-		(846,656)		 (12.92)	
Total Medical Costs		23,439,668		23,389,000		50,668	0.2%	357.74	
ADMINISTRATIVE COSTS - allocation		1,733,861		1,861,000		(127,139)	-6.8%	26.46	
MCO Tax Expense		1,997,544		2,015,000		(17,456)	-0.9%	 30.49	
TOTAL OPERATING EXPENSES		27,171,073		27,265,000		(93,927)	-0.3%	414.69	
NET OPERATING GAIN (LOSS)	\$	2,371,789	\$	1,585,000	\$	786,789	-49.6%	\$ 36.20	
Average FYTD Member Count		65,522	Admin Ratio			5.9%			
Current Month Member Count		65,522			Pct. A	dmin to Total Oper	ating Expenses	6.4%	
FYTD Member Months		65,522						j	
Medical Loss Ratio (MLR)		79%							
Operating Margin Gain (Loss)		8.0%							

Total Administrative Expenses

Fiscal Year-to-Date as of July 31, 2022

	Current YTD Actual	Current YTD Budget	Over (Under) Variance
Salaries & Wages	\$ 2,761,038	\$ 2,589,203	\$ 171,835
Fringe Benefits	1,868,512	1,824,245	44,267
Contract Services	459,625	861,625	(402,000)
Travel Expenses	6,249	43,072	(36,823)
Rent & Occupancy	52,884	111,350	(58,466)
Office Supplies & Equip.	80,201	116,460	(36,259)
Insurance	98,564	139,250	(40,686)
Depreciation	109,194	128,200	(19,006)
Equipment/Software Maintenance	2,224	8,660	(6,436)
Communications	40,678	52,400	(11,722)
Publications	2,308	7,675	(5,367)
Software Licensing Fees	187,910	245,450	(57,540)
Professional Association Dues	30,351	25,004	5,347
Community Relations and Marketing	75,017	34,000	41,017
Community Health Promotion	•	9,300	(9,300)
Member and Provider Materials	-	1,700	(1,700)
Provider Relations & Recruitment	-	5,300	(5,300)
Credentialing Fees	414	2,350	(1,936)
Director and Advisory Board Fees	2,300	2,975	(675)
Business Meeting Costs	785	17,760	(16,975)
All Other Misc Expenses	14,118	22,787	(8,669)
Total	\$ 5,792,372	\$ 6,248,766	\$ (456,394) -7.3%
			-1.3%
PMPM	\$ \$26.29	\$28.36	

NOTES TO THE FINANCIAL STATEMENTS FOR 1 MONTH ENDING 7/31/2022

<u>USE OF ESTIMATES</u> The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. CenCal Health's principal areas of estimates include reinsurance, third-party recoveries, retroactive capitation receivables, and claims incurred but not yet reported. Actual results could differ from these estimates.

REVENUE RECOGNITION Under contracts with the State of California, Medi-Cal is based on the estimated number of eligible enrollees per month, times the contracted monthly capitation rate. Revenue is recorded in the month in which eligible enrollees are entitled to health care services. Revenue projections for Medi-Cal are based on draft capitation rates issued by the DHCS effective as of January 1, 2022, as well as prior year any retroactive rate adjustments issued by the DHCS.

SIGNIFICANT ITEMS REPORTED IN THE CURRENT MONTH'S FINANCIAL STATEMENTS

- Reserve for 85% Medical Loss Ratio (MLR) contractual provision on the Affordable Care Act
 (ACA) Medi-Cal Expansion (MCE) population: At July 31, 2022 \$48.4 million is reserved on the
 balance sheet as potential Medi-Cal capitation revenue that will be recouped back to the DHCS
 under the terms of the MLR contract language. A recoupment of this amount will result in an MLR
 of 85% for the MCE Adult population. This reserve covers the period July 1, 2017 July 31st,
 2022.
- Reserve for Prop 56 MLRs including for Physician Services, Development Screening Services, Adverse Childhood Event (Trauma) Screening Services, Family Planning Services and the Value Based Payment Program. This reserve covers the periods July 2019 through Dec 2020, Calendar Year 2021 and YTD Calendar Year 2022 for a total amount of \$19.6 million.
- GASB 68 requires the health plan to record the magnitude of the unfunded pension liability.
 Accrued CalPERS Pension Liability is reserved on the balance sheet as of July 31, 2022 in the amount of \$8,125,247 based on current estimates. The GASB 68 liability amount is derived by smoothing and amortizing the health plan's actual unfunded liability over several years and as a result will normally be calculated at a lower amount than the unfunded liability derived by CalPERS.

The CalPERS Annual Valuation Report dated July 2021 reports the health plan's actual unfunded pension liability at \$10,198,049 as of June 30, 2020.

CalPERS Misc Plan for employees hired prior to Jan 1, 2013	\$9,446,850
CalPERS PEPRA Misc Plan for employees hired on or after Jan 1, 2013	751,199
	\$10,198,049

CenCal Health TANGIBLE NET EQUITY CALCULATION

As of July 31, 2022

(1)	Total Assets		\$ 683,197,698
(2)	Less: Intangible assets		
(3)	Less: Obligations of officers, directors or owners, which are not fully secured		
(4)	Less: Obligations of affiliates which are not current, or not fully secured		
(5)	Less: Long-term prepayments of deferred charges or nonreturnable deposits		
(6)	Less: Total Liabilities		(513,599,968)
(7)	Add: Subordinated debt	0	
	Less: Other	0	
	Total Line 7 (net)		0
(8)	ACTUAL TANGIBLE NET EQUITY (Line 1 through 7)		\$ 169,597,730
	Title 10, CCR, Section 1300.76 TNE Requirement:		
(9)	Minimum TNE Requirement (\$1 million)		\$ 1,000,000
(10)	2% of first \$150M of annualized premium revenue	\$ 3,000,000	
	PLUS: 1% of annualized premium revenue > \$150M	9,659,218	
	Total (Line 10)		\$ 12,659,218
(11)	8% of first \$150M of annualized health care expenditures, except those paid on a capitated or managed hospital payment basis	\$ 12,000,000	
	PLUS: 4% of first \$150M of annualized health care expenditures > \$150M,	44.070.050	
	EXCEPT those paid on a capitated or managed hospital payment basis	14,272,358	
	PLUS: 4% of the annualized hospital expenditures paid on a managed hospital payment basis (i.e., per diem payments made to the hospitals)	10,861,109	
	Total (Line 11)		\$ 37,133,468
(12)	The greater of lines 9, 10, or 11		\$ 37,133,468
(13)	% of the amount required by Title 10, CCR, Section 1300.76 ©		100%
(14)	Tangible Net Equity - Minimum required (Line 12 x Line 13)		\$ 37,133,467.73
(15)	Actual Tangible Net Equity (Line 8)	457%	\$ 169,597,730
(16)	Tangible Net Equity - Excess (Deficiency) (Line 15 - Line 14)		\$ 132,464,263



Appendices

Appendix A: Compliance Report

Appendix B-1: Public Policy Advocates (State) Legislative Report

Appendix B-2: Paul V. Beddoe (Federal) Legislative Report

Appendix C: Communications and Community Relations Department

Report

Appendix D: Provider Grievance Tracking Report

Appendix E: Provider Services Departmental Metrics

Appendix F: Claims Report

Appendix G: Member Services Telephone Statistics

Appendix H: Member Grievance, System Grievance & Appeal Receipts

Appendix I: CenCal Health Monthly Enrollment by Program



Compliance Department Monthly Report

Date: August 8, 2022

From: Karen S. Kim, JD, MPH, Chief Legal and Compliance Officer

Contributors: Krisza Vitocruz, Compliance Director and Privacy Officer

Kimberly Wallem, Senior Delegation Oversight Specialist

Allison Bartee, Compliance Specialist

Executive Summary

The purpose of this memo is to provide the CenCal Health Board of Directors with an overview of current compliance activities for the organization. The memo highlights certain compliance activities and includes the 2024 Contract Operational Readiness, Department of Health Care Services (DHCS) Medical Audits, DHCS APLs, and other Compliance Department updates.

Department of Health Care Services: 2024 Contract Operational Readiness

As part of the California Department of Health Care Services (DHCS) efforts to redefine how Medi-Cal managed care is delivered to the 12 million Californians receiving health care benefits, DHCS has restructured the managed care contract to hold plan partners and subcontractors more accountable for high-quality, accessible, and comprehensive care, to reduce health disparities, and to improve health outcomes. The new contract (2024 Contract or Contract) is effective January 1, 2024.

DHCS has structured the 2024 Contract Operational Readiness process into two (2) distinct periods: (1) Implementation Period; and (2) Operations Period. The Implementation Period is from August 1, 2022 through December 31, 2023. The Operations Period Commences on January 1, 2024. The Implementation Period includes a total of 237 deliverables due to DHCS. The deliverables are spread across 3 phases and 7 due dates. Some deliverables are multi-faceted and require multiple documents for a complete submission, including but not limited to, policies and procedures, flow charts, boilerplate contracts, MOUs, Program descriptions, Model of Care, protocols, sample reports, and organizational charts. The first due date is August 12, 2022. The remaining due dates are about every month through July 2023.

The Compliance Department is leading efforts to ensure the Plan's compliance with the 2024 Contract requirements for CenCal Health.



Department of Health Care Services: Medical Audits

2021 DHCS Medical Audit

The 2021 Department of Health Care Services (DHCS) Medical Audit (Audit) was held virtually from October 25 through November 5, 2021. The Audit was a full scope audit with a two-year look-back period from November 1, 2019 through September 30, 2021 and included the following components: Utilization Management, Case Management and Coordination of Care, Access and Availability, Member Rights, Quality Management, Administrative and Organizational Capacity, and State Supported Services. The CenCal Health delegate selected for the Audit was the Radiology Benefit Manager, Care to Care.

The DHCS Exit Interview with CenCal was held on April 26, 2022 to review preliminary audit results and to provide the Plan with an opportunity to ask questions before formal rebuttals are submitted to DHCS and the final audit report is published. On May 11, 2022, CenCal Health formally submitted a response to the DHCS Preliminary Audit Report with supporting documentation. The Plan was successful in removing one (1) finding, amending language in two (2) findings and removal of inflammatory text contained in the report.

On June 2, 2022, the Plan received the final report for the 2021 DHCS Medical Audit. The final report indicated no fines and penalties, zero findings for State Supported Services, and eleven (11) findings in five (5) categories. On July 7, 2022, the Plan formally submitted its Corrective Action Plan (CAP) to DHCS along with supporting documentation. The Plan will continue to update DHCS monthly of its progress on the CAP. The next update is due to DHCS on August 15, 2022.

2022 DHCS Medical Audit

On July 18, 2022, the Plan received notice of the 2022 Routine Medical Audit from the Department of Health Care Services (DHCS). The audit will be conducted virtually, similar to the Plan's 2021 audit, occurring from October 17, 2022 through October 28, 2022. The 2022 audit will be limited scope and evaluate the Plan's compliance with contract requirements and regulations in the areas of Utilization Management, Case Management and Care Coordination, Access and Availability, Member Rights, Quality Improvement, Administrative and Organizational Capacity and State Supported Services Contract. The scope of the audit period is from October 1, 2021 through September 30, 2022. Each year the auditors identify a delegate to evaluate and interview, and this year's focus will be on Care to Care. The Compliance Team is leading audit preparation through guidance around pre-audit activities, documentation collection and submission, and plans to conduct mock audit interviews in early October.



Department of Health Care Services: All Plan Letters

For the month of June, three DHCS APLs released.

- 22-009: COVID-19 Guidance for Medi-Cal Managed Care Health Plans
 - o Released 6/13/2022
- 22-010: Cancer Biomarker Testing
 - o Released 6/22/2022
- 22-011: Proposition 56 Directed Payments for Family Planning Services (Supersedes APL 20-013)
 - a. Released 6/23/2022

For the month of July, three DHCS APLs were released.

- 22-012 Governor's Executive Order N-01-19, Regarding Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal RX (Released 7/11/2022)
 - o Supersedes APL 20-020
- 22-013 Provider Credentialing/Re-Credentialing and Screening/Enrollment (Released 7/19/2022)
 - o Supersedes APL 19-004
- 22-014 Electronic Visit Verification Implementation Requirements (Released 7/21/2022)

Compliance Department Operational Updates

Delegation Oversight

In May of 2022, Compliance oversaw the 2022 Annual Audit of Ventura Transit Systems, Inc. (VTS), the Plan's delegate for transportation. Final audit findings were provided to the delegate in early July and a Corrective Action Plan (CAP) was requested.

The 2022 Annual Audit of Care to Care, the Plan's delegate for Radiological services, was also completed in mid-July 2022. Compliance is working with internal stakeholders to prepare final audit findings to Care to Care in mid-August 2022.

Policies and Procedures

The Compliance Department is actively implementing PolicyTech, a policy management tool, with Navex. PolicyTech will facilitate the drafting, review, and approval process for organizational policies. In addition, the tool will store policies with the ability to search and view approved policies. The Compliance Department is



finalizing installation of the tool with the vendor for Phase 1 of the project. Phase 2 of the project is set for Quarter 4 of 2022 and will involve migrating existing policies into PolicyTech for storing and searching for policies. Phase 3 of the project is set for 2023 and will include training on PolicyTech to utilize the tool for policy drafting, review, and approval process.

Recommendation

This memo is intended to be informational only and no action by the Board of Directors is being requested at this time.



1015 K Street, Suite 200 Sacramento, CA 95814-3803 Tel 916.441.0702 Fax 916.441.3549

To: Marina Owen, Chief Executive Officer

Michael Harris, Director of Government Affairs

CenCal Health

From: Russ Noack, Legislative Advocate

Subject: Legislative Update –August 2022

The California Legislature has returned to the Capitol from their month-long Summer Recess to complete the remaining work for the 2022-23 Session. The body will adjourn sine die on August 31. Since the policy committee deadline occurred prior to the break, hearings by the Appropriation Committees of both houses dominated the activity in Sacramento last week. Most of the measures heard were referred to their respective "Suspense Files" with items scheduled to be taken up in toto on August 11.

As you are all aware, Assembly Bill 2724 by Dr. Joaquin Arambula of Fresno reached final form before the Summer Recess and was signed into law by Governor Gavin Newsom. The measure authorizes the Department of Health Care Services (DHCS) to contract directly with an alternative health care service plan (AHCSP), defined to refer exclusively to Kaiser Permanente, to serve as the primary Medi-Cal managed care plan for eligible beneficiaries in specific geographical regions, so long as they already provide commercial coverage in that market. Kaiser is not active in the Santa Barbara County and San Luis Obispo County markets. CenCal Health actively opposed the bill with a strong coalition that included the LHPC, other COHS and the NUHCW labor union. Working closely with our Senator, Monique Limon and Senator Pan, the Chair of the Senate Health Committee, I am very pleased to report that the clarifying amendments sought by CenCal were included in the final version signed by the Governor. The extraordinary effort by these legislators was required since DHCS did not engage in negotiation on the Bill. Sustained strategic analysis and active outreach to multiple legislators and staff was carried out by CenCal Health's CEO, Director of Government Services, Counties and many board members and proved crucial in achieving the positive political result for CenCal Health.

Assembly Bill 2724 becomes effective on January 1,2024 and among other things, will require DHCS to conduct an assessment of Kaiser's readiness to meet behavioral health network adequacy requirements pursuant to Medi-Cal managed care contract requirements, post the findings on their website and include any corrective action plan imposed due to noncompliance. Additionally, DHCS is required to submit a report to the Assembly Health and Fiscal Committees in 2026.

A record \$308 billion state budget agreement was reached a few days before the start of the July 1 Fiscal Year. The budget included the Governor-backed landmark provision of expanding Medi-Cal coverage for all income eligible adults regardless of

immigration status. The budget provided discretion for DHCS and the Department of Finance to implement the expansion earlier than the 2024 date designated in the bill. The Legislature also passed and the Governor signed into law Senate Bill 154 by Nancy Skinner of Berkeley, a budget trailer bill containing a host of health care related provisions including the implementation of the Office of Health Care Affordability, telehealth enhancements, CalAIM improvements and the governing language expanding Medi-Cal eligibility for undocumented people between 26 and 49 years old.

As the Legislature steps up the tempo of processing the remaining bills before the curtain comes down on the Session, political concerns remain bubbling just under the surface. As reported earlier, Robert Rivas, a Democratic Assembly Member from Salinas appeared to have the votes to become the next Speaker of the Assembly in May thereby unseating their long-time leader, Anthony Rendon of Lakewood. The caucus decided to defer the selection of their next leader until the legislative session concluded, but rumors are circulating that the caucus may act as soon as this week. Regardless of the timing of a decision on leadership in the Assembly, it should be noted that due to term limits and retirements, approximately ¼ of the seats in the Legislature will be held by new members after the November Election. The ability to establish and maintain a strong and deep working relationship with our elected state Senators and Assembly Members will continue to be a vital factor in helping us accomplish our legislative goals in 2023.

Paul V. Beddoe Government Affairs, LLC

811 4TH ST NW UNIT 911 WASHINGTON DC 20001-4925

To: Marina Owen, Chief Executive Officer

Michael Harris, Director of Government Affairs

CenCal Health

From: Paul V. Beddoe, Principal

Paul V. Beddoe Government Affairs, LLC

Subject: Federal Report, July-August 2022

Overview

On Sunday, August 7, after a rare weekend all-night session, the U.S. Senate passed the long-sought budget reconciliation bill, H.R. 5376, the Inflation Reduction Act of 2022. The bill includes health, energy and climate and tax provisions. Senate Democrats advanced the legislation under the Senate's special budget rules, which allowed them to bypass the 60-vote threshold to end debate, with all fifty Senate Democrats and Vice President Kamala Harris voting for final passage. The Senate is now out for its August recess, returning after Labor Day. The House is expected to return briefly to Washington from its recess on Friday, August 12, to take up the Senate bill and send it to President Joe Biden to sign.

Inflation Reduction Act (IRA) Health Provisions of Note

Enhanced ACA Marketplace Premium Support Extended

The Senate-passed IRA includes a three-year extension (through calendar year 2025) of the expiring enhanced subsidies for low- and moderate-income individuals and families to purchase health insurance coverage on the Affordable Care Act Marketplaces (e.g., Covered California). The enhanced subsidies were enacted as part of the 2021 American Rescue Plan Act but are set to expire at the end of this year.

Prescription Drug Price Reform in Medicare

The IRA would allow Medicare to negotiate drug prices for the first time. At first, CMS would start negotiations over ten high priced drugs in 2026, expanding in subsequent years. Also, Medicare beneficiaries' out of pocket costs for prescription drugs would be capped at \$2000 per year. There is currently no cap.

Improving Access to Vaccines for Adults in Medicaid

The IRA would also require coverage of all Advisory Committee on Immunization Practices (ACIP)-recommended vaccines for Medicaid and CHIP without cost-sharing. Under current law, Medicaid enrollees under the ACA Medicaid expansion have coverage of all vaccines recommended by the ACIP without cost sharing, but coverage of vaccines for other adults in Medicaid is optional, and states can determine which vaccines to cover and whether to apply cost sharing.

Paul V. Beddoe Government Affairs, LLC

811 4TH ST NW UNIT 911 WASHINGTON DC 20001-4925

HHS Extends the COVID Public Health Emergency

On July 15, as expected, HHS Secretary Becerra extended the COVID Public Health Emergency (PHE). Advocates and stakeholders are expecting one final extension in mid-October to the end of the year. At a special public meeting of the Medicaid and CHIP Payment Advisory Commission (MACPAC) several states surveyed were said to relatively unconcerned about the end of the enhanced FMAP and that sixty days' notice would be sufficient to begin redeterminations. Advocates remain concerned about significant loss of coverage.

Activities

We continue to monitor the California Department of Health Care Services pending State Plan Amendments (SPAs) submitted to CMS, and CMS approved SPAs for California. We are preparing to engage with staff for relevant members of the California Congressional Delegation in DC.

We continue to monitor for, and report to CenCal Health on any legislation introduced and or proposed CMS regulations which would impact the County Organized Health System (COHS) model.



To:

CenCal Health's Board of Directors

From:

Nicolette Worley Marselian Director, Communications & Community Relations

Date:

August 8, 2022

What's **Inside**

EARNED MEDIA.....pg. 1

- Public Relations/Publicity Efforts
- Media Coverage Report
- Press Releases

SHARED MEDIA.....pg. 17

Social Media Campaigns

COMMUNITY RELATIONS.....pg. 19

- Meals That Connect
- Community Meetings
- **Activities Report**
- Welcome New Hires

EARNED MEDIA

Public Relations/Publicity Efforts

The Communications and Community Relations department distributed the following three press releases in June and July 2022:

June

Medi-Cal Expansion of Healthcare Coverage for Older **Adults Now in Effect**

Regardless of immigration status, area residents 50+ years may be eligible for CenCal Health plan

Community Health Centers of the Central Coast Receives National Award for Supporting the Safety Net

The network of community health clinics was nominated by local health plan CenCal Health

July

 CenCal Health Appoints New Chief Medical Officer Community health plan also promotes two employees to key positions

(Note: to read the press releases, go to page 12.)

The bilingual news release regarding Medi-Cal's expansion to eligible older adults, 50 years of age or older — regardless of immigration status — generated nine mentions in various publications including NonProfit Resource Network, Amigos 805 (bilingual report), Noozhawk, Santa Barbara News-Press, and Santa Ynez Valley News among others.

The initiative, known as the Older Adult Expansion, took effect on May 1, 2022, and is modeled after the Young Adult Expansion, which provides full-scope Medi-Cal to young adults ages 19 through 25, regardless of their immigration status. Government officials estimate that close to 235,000 older adults across California are now eligible for Medi-Cal.

CenCal HEALTH® Local. Quality. Healthcare.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

EARNED MEDIA

Public Relations/Publicity Efforts (cont.)

Positive publicity was secured for CenCal Health's press release announcing the recipient of the Association for Community Affiliated Plans' (ACAP) 2022 Annual Supporting the Safety Net Award. In June, the health plan's longstanding network provider Community Health Centers of the Central Coast (CHC) was recognized with the prestigious award at ACAP's CEO Summit in Washington, DC. Prior to the provider's Medical Director Dr. Steve Clark accepting the award, CenCal Health CEO Marina Owen, who was also in attendance, did an introductory presentation of CHC. The clinics' award winning nomination was produced by the Communications and Community Relations department, with the support of Ms. Owen.



Ms. Owen presented ACAP's 17th Annual Supporting the Safety Net Award to CHC Medical Director Dr. Steve Clark.

Photo credit: Rachel Lincoln Photography

News of the award was published by NonProfit Resource Network, Santa Barbara News-Press, Pacific Coast Business Times, Central Coast Medical Association's (CCMA) e-newsletter The Pulse, and the Local Health Plans of California (LHPC) – both on LHPC's website and its media monitoring email Member Mentions. Coverage was provided on six separate occasions.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



EARNED MEDIA

Public Relations/Publicity Efforts (cont.)

Publicity continued from the May press release announcing CenCal Health's \$200K funding for CommUnify's Adolescent Family Life Planning (AFLP) program, which provides case management support for expectant and young parents in Santa Barbara County aged 12 to 21. The media mention appeared in the CCMA e-newsletter *The Pulse*.

Due to CenCal Health's continued support of CommUnify, the health plan was also recognized as a Double Diamond sponsor of CommUnify's annual Champions Dinner & Awards fundraiser, which took place in June. The event received significant coverage from Noozhawk, Santa Barbara News-Press, and LHPC's email Member Mentions.

Other CenCal Health sponsored events garnered press coverage too, including the annual Magoo's Shoes, and the FoodBank of Santa Barbara County's Lompoc Empty Bowls luncheon fundraiser.

Another press mention was also received for a San Luis Obispo County provider partnership.

Additionally, June and July rendered organic publicity for the health plan, due to numerous media outlets reporting on Dr. Van Do-Reynoso's transition from the Santa Barbara County Public Health Department to CenCal Health, where she will serve as the new Chief Experience Officer (CXO). The news was reported on KEYT-TV, Santa Barbara News-Press, Edhat, Noozhawk, and Santa Barbara Independent among several others. Dr. Do-Reynoso's transition, including the announcement of Daniel Nielson being appointed interim County Public Health Director, generated more than 15 media mentions in two months.

CenCal Health will distribute a press release in early August to publicize Dr. Do-Reynoso's executive appointment.

In July, the news release announcing Dr. Emily Fonda's position as Chief Medical Officer (CMO), and the promotions of Quality Officer Carlos Hernandez and Quality Director Lauren Geeb, generated coverage by five media outlets. Mentions were made by the Santa Barbara News-Press, Noozhawk, Nonprofit Resource Network, Payers & Providers, and LHPC's email Member Mentions.

CenCal Health CEO Marina Owen and former CEO Bob Freeman were both in attendance at CommUnify's annual Champions Dinner & Awards fundraiser. Mr. Freeman was among the Champions honored that evening.

Photo credit: Keith Munyan Photography





To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

EARNED MEDIA

Media Coverage Report

CenCal Health received 49 media mentions, including press release coverage, for the months of June and July 2022.

	CenCal	Health	Media	Coverage	Report - June and	d July 2022
Date	Name	Туре	Page	Section	Subject	Headline
7/28/2022	LHPC Email	Email		Member Mentions	Van Do-Reynoso to CenCal Health	Daniel Nielson Named as Interim County Public Health Director
*7/27/2022	Santa Maria Sun	Print & digital		News	Van Do-Reynoso to CenCal Health	Daniel Nielson Named as Interim County Public Health Director
7/26/2022	Noozhawk	Digital		Good for Santa Barbara	CenCal Health Sponsorship	Foodbank of Santa Barbara County Hosts 17th Lompoc Empty Bowls Benefit
7/23/2022	Santa Ynez Valley News, Santa Maria Times, Lompoc Record	Print & digital		Opinion: Roses & Raspberries	Van Do-Reynoso to CenCal Health	Recycling Decision Earns Sour Fruit, Roses for Public Service (Dr. Do-Reynoso)
*7/22/2022	CCMA's The Pulse e-newsletter	Email		News	2022 ACAP Awardee Nominated by CenCal Health	Community Health Centers of the Central Coast Receives National Award for Supporting the Safety Net
7/21/2022	LHPC Email	Email		Member Mentions	Van Do-Reynoso to CenCal Health	Public Health Director Dr. Do-Reynoso Praised as She Leaves Santa Barbara County
*7/20/2022	Healthcare Innovation	Digital		Population Health Mana- gement	SLO County partnership to employ a homeless health coordinator for CalAIM Enhanced Care Management	Pilots Focus on Care for Californians Experiencing Homelessness
7/19/2022	KEYT-TV Channels 12-3-11	TV & digital		Lifestyle	CenCal Health Sponsorship	Donations Help 200 United Boys & Girls Club Kids Pick Up Deckers Brand Footwear with Magoo's Shoes
7/19/2022	Santa Maria Times	Print & digital		News	Van Do-Reynoso to CenCal Health	Public Health Director Dr. Do- Reynoso Praised as She Leaves Santa Barbara County
7/18/2022	LHPC Email	Email		Member Mentions	Van Do-Reynoso to CenCal Health	Daniel Nielson Named Interim Director of Santa Barbara County Public Health
7/18/2022	Santa Barbara News-Press	Print & digital	Front 1	Local	Van Do-Reynoso to CenCal Health	Nielson Named Interim Director of Public Health Department
7/18/2022	Payers & Providers	Digital & email		News Bullets	New CMO for CenCal Health	CenCal Health Appoints New Chief Medical Officer



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

EARNED MEDIA

Media Coverage Report (cont.)

	CenCal	Health	Media	Coverage	Report - June and	d July 2022
Date	Name	Туре	Page	Section	Subject	Headline
*7/17/2022	Santa Barbara News-Press	Print & digital	В3	Life	New CMO for CenCal Health	CenCal Health Names Dr. Emily Fonda as Its New Chief Medical Officer
7/16/2022	Edhat	Digital & email		Public News	Van Do-Reynoso to CenCal Health	Daniel Nielson Named Interim Director of Santa Barbara County Public Health
7/16/2022	Santa Maria Times	Print & digital	B1	Central Coast News: County Lines	Medi-Cal Expansion to Older Adults	CenCal Health Expands Health- Care Coverage for Adults 50 Years or Older
7/15/2022	Santa Barbara Independent	Print & digital		News	Van Do-Reynoso to CenCal Health	Daniel Nielson Named Interim Director of Santa Barbara County Public Health
7/15/2022	Noozhawk	Digital & email		Local News	Van Do-Reynoso to CenCal Health	County Picks Social Services Director Daniel Nielson as Interim Public Health Director
7/15/2022	KSBY-TV Channel 6	TV & digital		Local News	Van Do-Reynoso to CenCal Health	Nielson Appointed Interim County Health Director, Dr. Do- Reynoso Reflects on Experience
7/15/2022	Pacific Coast Business Times	Print & digital	3A	News	2022 ACAP Awardee Nominated by CenCal Health	CHC Wins National Award for Safety Net, COVID Effort
7/14/2022	Santa Ynez Valley News	Print	A3	News	Medi-Cal Expansion to Older Adults	CenCal Health Expands Health- Care Coverage for Adults 50 Years or Older
7/14/2022	LHPC email	Digital & email		Member Mentions	New CMO for CenCal Health	CenCal Health Appoints Dr. Emily Fonda New Chief Medical Officer
7/13/2022	Lompoc Record	Print & digital	A2	News	Medi-Cal Expansion to Older Adults	CenCal Health Expands Health- Care Coverage for Adults 50 Years or Older
*7/13/2022	Noozhawk	Digital & email		Homes & Lifestyle	New CMO for CenCal Health	CenCal Health Appoints Dr. Emily Fonda New Chief Medical Officer
7/12/2022	Nonprofit Resource Network	Digital		News	New CMO for CenCal Health	CenCal Health Appoints Dr. Emily Fonda New Chief Medical Officer
7/10/2022	San Luis Obispo Tribune	Print & digital		Local News	CenCal Health Mental Health Services	SLO Father Who Died by Suicide Struggled to Find Help



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

EARNED MEDIA

Media Coverage Report (cont.)

	CenCal	Health	Media	Coverage	Report - June and	d July 2022
Date	Name	Туре	Page	Section	Subject	Headline
7/7/2022	LHPC Email	Email		Member Mentions	Medi-Cal Expansion to Older Adults	CenCal Health Expands Healthcare Coverage for Adults 50 Years Or Older
7/5/2022	Santa Ynez Valley News, Santa Maria Times, Lompoc Record	Digital		Local News	Medi-Cal Expansion to Older Adults	CenCal Health Expands Healthcare Coverage for Adults 50 Years or Older
6/30/2022	LHPC Email	Email		Member Mentions	2022 ACAP Awardee Nominated by CenCal Health	Community Health Centers of Central Coast Receives Safety Net Award
*6/29/2022	Santa Barbara News-Press	Print & digital	B2	Life	2022 ACAP Awardee Nominated by CenCal Health	Community Health Centers of Central Coast Receives Safety Net Award
6/27/2022	LHPC	Digital		Media	2022 ACAP Awardee Nominated by CenCal Health	Community Health Centers of The Central Coast Receives National Award for Supporting the Safety Net
6/24/2022	Nonprofit Resource Network	Digital		News	2022 ACAP Awardee Nominated by CenCal Health	Community Health Centers of The Central Coast Receives National Award for Supporting the Safety Net
6/24/2022	Santa Barbara News-Press	Print & digital	A1 & A2	Local News	Dr. Van Do-Reynoso to CenCal Health	Dr. Do-Reynoso to Leave SB County Public Health
6/23/2022	KEYT-TV News Group Channels 3-12	TV & digital	A3	Local News	Dr. Van Do-Reynoso to CenCal Health	Santa Barbara County Public Director to Leave for New Position at CenCal Health
6/20/2022	EdHat	Email & digital		News Report	Dr. Van Do-Reynoso to CenCal Health	Santa Barbara County Public Health Director Steps Down
6/20/2022	LHPC Email	Email	A2	Member Mentions	Dr. Van Do-Reynoso to CenCal Health	Dr. Do-Reynoso Leaving Santa Barbara County Public Health for New Position
6/20/2022	KEYT-TV News Group Channels 3-12	TV & digital		Local News	Dr. Van Do-Reynoso to CenCal Health	Santa Barbara County Public Health Director to Step Down
*6/17/2022	Noozhawk	Email & digital		Local News	Dr. Van Do-Reynoso to CenCal Health	Dr. Do-Reynoso Leaving Santa Barbara County Public Health for New Position
6/17/2022	EdHat	Email & digital		News Report	Provider News	Santa Barbara's 'Unicorn' Ob Calls it Quits



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

EARNED MEDIA

Media Coverage Report (cont.)

	CenCal	Health	Media	Coverage	Report - June and	d July 2022
Date	Name	Туре	Page	Section	Subject	Headline
*6/17/2022	Santa Barbara News-Press	Digital	B1 & B2	Featured	CenCal Health Sponsorship	CommUnify honors Community Champions
*6/16/2022	CCMA's e-newsletter The Pulse	Email		News	CenCal Health Program Funding	CenCal Health to Provide \$200,000 in Funding for Adolescent Family Life Planning
6/16/2022	Santa Barbara News-Press	Print & digital	B2	Life	Medi-Cal Expansion to Older Adults	Medi-Cal Services Expanded for Adults 50 and Older
*6/16/2022	LHPC Email	Email		Member Mentions	CenCal Health Sponsorship	CommUnify Champions Dinner Lauds Honorees, Raises Funds for Youth, Families
6/16/2022	Santa Barbara Independent	Print & digital		Health	Provider News	Santa Barbara's 'Unicorn' Ob Calls it Quits
6/15/2022	Noozhawk	Digital & email		Homes & Lifestyle	Medi-Cal Expansion to Older Adults	Medi-Cal Expansion of Healthcare Coverage for Older Adults Now in Effect
6/14/2022	Noozhawk	Digital & email		Good for Santa Barbara	CenCal Health Sponsorship	CommUnify Champions Dinner Lauds Honorees, Raises Funds for Youth, Families
*6/14/2022	Amigos 805	Digital		Health	Medi-Cal Expansion to Older Adults	Bilingual report — Medi-Cal Expansion of Healthcare Coverage for Older Adults Now in Effect
6/13/2022	Nonprofit Resource Network	Digital		News	Medi-Cal Expansion to Older Adults	Medi-Cal Expansion of Healthcare Coverage for Older Adults Now in Effect
6/9/2022	LHPC Email	Email		Member Mentions	Dr. Van Do-Reynoso to CenCal Health	Santa Barbara County's Public Health Director Stepping Down in August
6/7/2022	Santa Barbara Independent	Print & digital	Pg. 7	Health - News of the Week	Dr. Van Do-Reynoso to CenCal Health	Santa Barbara County's Public Health Director Stepping Down in August

^{*}Clippings of digital and/or print articles included below.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



Clippings Samples

Of the 49 press mentions, below are 11 notable samples.

1

7/27/2022 – Santa Maria Sun,Daniel Nielson Named as Interim
County Public Health Director



2

7/22/2022 – The Pulse
e-newsletter, CCMA,
Community Health Centers
of the Central Coast Receives
National Award for Supporting
the Safety Net



CMA Publishes Fact Sheet on CalHHS Data
Exchange Framework. The California Health and Human Services Agency (CalHHS)
published the Data Exchange Framework, a first-ever statewide data sharing agreement that is intended to support health information exchange between all health and human services organizations throughout California. By law, physician practices and medical groups must comply with the requirements of the framework by January 31, 2024 (2026 for smaller practices).

CMA has published a fact sheet to help physicians understand the new framework and how it will affect California health care.



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



Clippings Samples (cont.)



7/20/2022 – Healthcare Innovation,

Pilots Focus on Care for Californians Experiencing Homelessness



7/17/2022 – Santa Barbara News-Press,

CenCal Health Names
Dr. Emily Fonda as its
New Chief Medical Officer



Gardner Health Services and Catholic Charities of Santa Clara County. Create a system that guides people experiencing homelessness through Medi-Cal enrollment and eligibility issues, coordinates care for those qualified for Enhanced Managed Care, and helps address housing insecurity.

Marian Regional Medical Center, 5 Cities Homeless Coalition, Community

Action Partnership of San Luis Obispo County, Good Samaritan Shelter, and

CenCal Health. Employ a homeless health coordinator to provide Enhanced Care

Management to people experiencing or at risk of homelessness discharged from the hospital





7/13/2022 – Noozhawk,CenCal Health Appoints Dr.
Emily Fonda New Chief Medical
Officer



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



Clippings Samples (cont.)



6/29/2022 – Santa Barbara News-Press,

Community Health Centers of Central Coast Receives Safety Net Award



6/17/2022 - Noozhawk,

Van Do-Reynoso Leaving Santa Barbara County Public Health for New Position

Community Health Centers of Central Coast receives Safety Net Award

Community Health Centers of the Central Coast has received the 17th annual Supporting the Safety Net Award from the Association for Community Affiliated Health Plans, according to CenCal Health, the Medi-Cal-managed care plan for Santa Barbara and San Luis Obispo counties.

This prestigious national award honors a community organization or individual that exceeds expectations in implementing health programs to benefit underserved populations.

Health nominated CHC for this recognition due to CHC's vital role in serving the vulnerable and disenfranchised on the Central Coast during the COVID-19 pandemic, most notably supporting Hispanic and Latinx/e workers employed in food production and agriculture.

Exporting to more than 30 countries and rendering more than \$1.8 billion in production value, agriculture is one of the largest industries in Santa Barbara County, according to a 2020 agricultural report published by the county. Though designated as critical members of the workforce, being a farm laborer

often comes at a dangerous price. According to the Centers for Disease Control and Prevention, Hispanic and Latinx/e workers employed in food production or agriculture have a substantially higher risk of COVID-19 infection, hospitalization and death compared to non-Hispanic workers in those industries.

- Marilyn McMahon







CommUnify honors community champions

Awards dinner raises more than \$170,000 for nonprofit's Family & Youth Services division

News-Press. CommUnify honors Community Champions

6/17/2022 - Santa Barbara

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



Clippings Samples (cont.)

9

6/16/2022 – The Pulse e-newsletter, CCMA, CenCal Health to Provide \$200,000 in Funding for Adolescent Family Life Planning



10

6/16/2022 – Member Mentions email, LHPC, CommUnify Champions Dinner Lauds Honorees, Raises Funds for Youth, Families

11

6/14/2022 – Amigos 805,
Bilingual report — Medi-Cal
Expansion of Healthcare
Coverage for Older Adults Now
in Effect





CenCal HEALTH®
Local. Quality. Healthcare.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Press release #1

Medi-Cal Expansion of Healthcare Coverage for Older Adults Now in Effect

Regardless of immigration status, area residents 50+ years may be eligible for CenCal Health plan

SANTA BARBARA, Calif. – June 13, 2022 – CenCal Health, the community-accountable health plan on the Central Coast, announced that residents of Santa Barbara and San Luis Obispo counties who are 50 years of age or older may qualify for full scope Medi-Cal benefits, regardless of their immigration status. Effective May 1, 2022, this initiative is the result of a new law in California that expands eligibility for the state's low-income health insurance to individuals who are 50 years of age or older, regardless of citizenship or immigration status. Medi-Cal eligibility is determined by each county's Department of Social Services, with health plan benefits for Santa Barbara and San Luis Obispo counties' residents administered by CenCal Health.

"The pandemic provided a vivid picture of how underserved populations, including migrants and people of color, are at increased risk of experiencing adverse health challenges due to unequal access to care," said CenCal Health CEO **Marina Owen**. "Through the expansion of Medi-Cal to more adults, CenCal Health can continue to proactively address the disparities affecting low-income Californians in our service area, regardless of their immigration status. As we well know, prioritizing the health of all residents benefits the entire community."

Potential new enrollees include individuals 50 years of age or older who are otherwise eligible for Medi-Cal, but did not have the immigration status required for full scope Medi-Cal, (or were unable to verify citizenship), and are not yet enrolled in Medi-Cal. California residents 50 years of age or older who are currently enrolled in restricted scope Medi-Cal, which is often called "emergency Medi-Cal", that covers limited services – emergency, pregnancy-related, and long-term care – may also now be eligible for expanded coverage. Existing Medi-Cal beneficiaries will be automatically transitioned to full scope eligibility and have access to more health care benefits.

Full scope Medi-Cal is the entire range of benefits available to beneficiaries and includes emergency care; medical care, tests, referrals to specialists, if needed, medicine and supplies; mental health care; alcohol and drug use treatment; personal attendant care and other services that help people stay out of nursing homes; transportation to doctor and dental visits and to get medicine at the pharmacy; family planning; foot care; hearing aids; vision care (eyeglasses); and dental care.

Qualified children and young adults up to 26 years of age – regardless of immigration status – have been eligible for full scope Medi-Cal since 2016 and 2020, respectively.

Residents can apply for Medi-Cal online, by mail, by fax or in person at their local county Department of Social Services, or by calling (844) 289-4682 (Santa Barbara County residents) or (805) 781-1600 (San Luis Obispo County residents). More information on how and where to apply is available on CenCal Health's website at cencalhealth.org/howtoapply.

More information about the state's Older Adult Expansion of Medi-Cal can be found at www.dhcs.ca.gov.

CenCal HEALTH®
Local. Quality. Healthcare.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Press release #2

Community Health Centers of the Central Coast Receives National Award for Supporting the Safety Net

The network of community health clinics was nominated by local health plan CenCal Health

SANTA BARBARA, Calif. – June 24, 2022 – CenCal Health, the Medi-Cal managed care plan for both Santa Barbara and San Luis Obispo counties, announced that its provider partner Community Health Centers of the Central Coast (CHC) has received the 17th Annual Supporting the Safety Net Award from the Association for Community Affiliated Health Plans (ACAP). This prestigious national award honors a community organization or individual that exceeds expectations in implementing health programs to benefit underserved populations. ACAP member CenCal Health nominated CHC for this recognition due to CHC's vital role in serving the vulnerable and disenfranchised on the Central Coast during the COVID-19 pandemic, most notably supporting Hispanic and Latinx/e workers employed in food production and agriculture.

Exporting to over 30 countries, and rendering more than \$1.8 billion in production value, agriculture is one of the largest industries in Santa Barbara County, according to a 2020 agricultural report published by Santa Barbara County. Though designated as critical members of the workforce, being a farm laborer often comes at a dangerous price. According to the **Centers for Disease Control and Prevention**, Hispanic and Latinx/e workers employed in food production or agriculture have a substantially higher risk of COVID-19 infection, hospitalization, and death compared to non-Hispanic workers in those industries.

Eager to provide local farmworkers resources that could potentially safeguard them and their families from infection, CHC's Education and Outreach teams collaborated with numerous agricultural support organizations, including the **Santa Barbara Vintners Foundation**, **Grower-Shipper Association of Santa Barbara County**, **Lideres Campesinas**, farm labor contractors, and local growers. As a result of the crossagency collaboration carried out in early 2020, farmworkers were afforded personalized support during 31 CHC visits to agriculture fields, and migrant and public housing sites throughout northern Santa Barbara County. The services included COVID-19 education in the farmworkers' native languages; medical treatment; distribution of more than 5,350 free "COVID Care Kits"; and distribution of personal protective equipment (PPE), including over 20,000 face masks. Likely, the outreach also rendered a significant secondary effect – avoiding a serious disruption of the local food supply chain and potential food shortage crisis worldwide.

"As one of the largest Medi-Cal providers in our service area, CHC is integral to the success of our local safety net. CenCal Health was honored to nominate this outstanding organization," said **Marina Owen**, CenCal Health CEO.



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Press release #2 (cont.)

CHC was founded in 1978 with seven employees and one part-time volunteer doctor operating out of a converted bungalow in Nipomo, California. Over four decades later, the non-profit network of community health centers has strategically established sites in underserved neighborhoods expanding across San Luis Obispo and northern Santa Barbara counties. Within its 31 state-licensed clinics, nearly 500,000 annual visits take place. Those primarily served include homeless individuals, public housing residents, school-based children, and migrant and seasonal farm workers. For patients, the clinics are a "one-stop" resource that address barriers to successful treatment by providing full scope services, including routine preventative care and beyond. Specialized medical personnel include OB/GYN physicians; behavioral health clinicians; pediatricians; internists; dentists; optometrists; chiropractors; registered dietitians; diabetes educators; and other ancillary staff. In its commitment to address accessibility barriers, CHC also runs the Community Health Outreach Program, which includes a fleet of state-of-the-art mobile medical and mobile dental units.

CHC Medical Director **Steve Clarke**, MD accepted the ACAP Supporting the Safety Net Award on June 23 at the ACAP CEO Summit in Washington, DC. "CHC was created to serve vulnerable populations," said Dr. Clarke. "We treat more than 110,400 patients, 35% of which are low-income. Of the total patients, nearly 32% are children, 8% are homeless adults and 13% are uninsured. A significant portion of CHC's patients identify as Hispanic/Latino, therefore 68% of our clinic employees are of Hispanic/Latino ethnicity. In addition, the majority of CHC's medical assistants are bilingual, some are also trilingual, speaking English, Spanish, and Mixteco. On behalf of all of us at Community Health Centers, we humbly accept this award and are immensely grateful for the recognition."

The Central Coast health clinic network also received a \$1,000 donation from the host association. More information on Community Health Centers of the Central Coast can be found www.communityhealthcenters.org.

About ACAP

ACAP represents 66 health plans which collectively provide health coverage to more than 20 million people in 29 states. Safety Net Health Plans serve their members through Medicaid, Medicare, the Children's Health Insurance Program (CHIP), the Marketplace and other publicly-sponsored health programs. For more information, visit www.communityplans.net.

CenCal
HEALTH®
Local. Quality. Healthcare.

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Press release #3

CenCal Health Appoints New Chief Medical Officer

Community health plan also promotes two employees to key positions

SANTA BARBARA, **Calif.** – July 12, 2022 – **Emily Fonda**, MD, MMM, CHCQM has been named Chief Medical Officer (CMO) at CenCal Health, the Medi-Cal managed care plan for both Santa Barbara and San Luis Obispo counties. Dr. Fonda will provide medical leadership to the organization by ensuring quality and adherence to professional and ethical medical standards by the health plan and its network of providers. She assumed the role on June 13.

Fonda was previously the CMO at CalOptima, a public health plan in Orange County, California, where she served since 2013 starting as a Medical Director. Fonda was instrumental in leading the agency's COVID-related medical activities for members and staff, including overseeing and expanding the Orange County Nursing Home COVID Infection Prevention Program that provided intense training for healthcare staff to protect themselves and long-term care members during the pandemic.

Fonda's formal education includes the following degrees: Bachelor of Science at the University of Southern California (USC); Doctor of Medicine from the University of California, Irvine School of Medicine; and Master of Medical Management at the Marshall School of Business at USC, where she was also a Dean's Scholar.

"The CenCal Health Board of Directors join me in wholeheartedly welcoming Dr. Fonda, who brings tremendous experience and expertise with her to our organization," said **Marina Owen**, CenCal Health CEO. "Emily's background in internal medicine, private practice and hospital health care is an exceptional asset for collaborating with our local provider partners."

In addition to the CMO appointment, CenCal Health promoted **Carlos Hernandez** to Quality Officer, a new position. Hernandez will lead the development and evolution of an organization-wide quality strategy to improve member health outcomes. For the past 28 years, he has overseen the effectiveness of CenCal Health's Quality Management program, including but not limited to the program's regulatory compliance, implementation of pay-for-performance innovations to improve quality of care, and all aspects of National Committee for Quality Assurance Healthcare Effectiveness Data and Information Set (HEDIS®) quality reporting. Hernandez earned a Bachelor of Arts (BA) degree in Economics from Stanford University and participated in Northwestern University's Executive Programs of the Kellogg School of Management.

"With his dedication to continuous quality management, and breadth of experience in health plan operations, Carlos is a dedicated catalyst for improved care equity and quality, and invaluable to our organization," said Owen.



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Press release #3 (cont.)

Earlier this year, **Lauren Geeb** was promoted to Director of Quality at CenCal Health. Within the Quality Department, Geeb is responsible for the direction, leadership and supervision of quality measurement, population health, health promotion, and clinical quality. At the health plan, she reports to the Quality Officer. Geeb came to CenCal Health in 2004 as a Quality Management Health Programs Specialist. She has a BA in International Relations with a Minor in Spanish Language from USC, and subsequently earned an MBA from California State University Channel Islands.

For the past four years, CenCal Health has been listed at the top of Best Places to Work on the Central Coast by business publication Pacific Coast Business Times. In 2019 and again in 2021, the agency rated #1 Best Place to Work on the Central Coast. More information on CenCal Health is available at cencalhealth.org.



Dr. Emily FondaChief Medical Officer



Carlos Hernandez

Quality Officer



Lauren Geeb Quality Director

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



SHARED MEDIA

CenCal Health uses social media platforms to communicate with our members, providers, staff, and communities at large.

June Social Media Campaigns

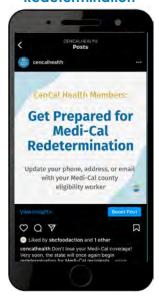
Men's Health Month



Pride Month



Medi-Cal Redetermination



ACAP Supporting the Safety Net Award



July Social Media Campaigns

Affordable Connectivity Program



Mental Health Resources for Teens



Newly Appointed and Promoted



Kids 6 Months+ Are Now Eligible for COVID-19 Vaccines





To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

SHARED MEDIA (cont.)

As a reminder, we encourage members of the Board to:

- Follow CenCal Health on Facebook, Instagram, and LinkedIn.
- "Like" posts.
- Post comments as appropriate.
- Share posts you think others could find interesting or informative.



On our social media platforms, you will see what we're communicating to our viewers, as well as teleworking posts with CenCal Health staff. Together, we will reach a larger audience, become a resource for our local communities, and connect with local partners and stakeholders.





COMMUNITY RELATIONS

Meals That Connect



CenCal Health is pleased to continue its partnership with the community-based organization Meals That Connect (MTC), to ensure accessibility of proper nutrition, social interaction, and connections for homebound seniors in San Luis Obispo County.

In May, during MTC's annual Night of a Million Meals fundraiser, the organization raised over \$100,000 dollars — an amount that CenCal Health matched with an additional \$100,000.

Last year, CenCal Health's funds allowed MTC to serve 33,334 meals to seniors, plus quarterly assessments of 92 homebound seniors to ensure their safety while living alone. All meals were delivered to seniors' homes, and volunteers prioritized making social interactions with homebound clients.

MTC has received over \$1 million dollars in funding from the health plan in the last seven years. Through the ongoing partnership, CenCal Health looks forward to supporting the physical and social nutrition of SLO County seniors for years to come.

Community Meetings

CenCal Health staff is active on community boards, councils, and committees representing issues on access to healthcare, children and senior issues, behavioral health, Latino outreach, individuals with developmental disabilities, and homelessness. Our focus is improving access to high-quality healthcare, reducing health inequities, providing education, and promoting a healthy lifestyle.



To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022

Activities Report

CenCal Health participated in 12 community-focused meetings and activities in June and July 2022. Meetings were held both remotely and in person. Due to the COVID-19 pandemic, remote meetings and events are prioritized to ensure our staff's safety while maintaining engagement. On occasions when events are attended in person, staff are encouraged to follow recommended preventive safety measures, like mask wearing and social distancing.

Date	Activity/Event/Meeting	Audience Reached
July 28	Suicide Prevention Council Meeting (SLO)	Public/CBOs/Business Community/County/ Provider
July 28	Healthy Lompoc Coalition Meeting	Public/CBOs/Business Community/County
July 19	Lompoc Advisory and Behavioral Health Care Collaborative	Public/CBOs/Business Community/County/ Provider/Legislators/
July 12	Farm Worker Outreach Task Force (SLO)	CBOs/Business Community/County/ Business Community
July 8	Help Me Grow Advisory Board Meeting (SB)	Public/CBO/Business Community/County
June 30	Regional Equity Roundtable (SLO)	Public/CBOs/Business Community/County
June 30	Mixteco Cultural Awareness Training (SLO, SB)	Public/CBOs/Business Community/County/ Provider/Legislators
June 29	Care Together Santa Barbara County Quarterly Meeting (SB)	Public/CBOs/Business Community/County/ Provider
June 28	California Family Resource Association (Webinar)	Public/CBOs/Provider
June 23	Suicide Prevention Council Meeting (SLO)	Public/CBOs/Business Community/County/ Provider
June 23	Healthy Lompoc Coalition	Public/CBOs/Business Community/County/ Provider
June 15	Behavioral Health Board (SLO)	Public/CBOs/Business Community/County/ Business Community/Legislators/Law Enforcement

To: CenCal Health's Board of Directors From: Nicolette Worley Marselian, Director, Communications & Community Relations Date: August 8, 2022



Welcome New Hires

Introducing Christy Nichols, Andrea Montes Alvarado and Naomi Magaña:



Christy Nichols joined CenCal Health in June 2022 as the new Community Relations Specialist for the Communications and Community Relations department. You'll see Ms. Nichols contributing to CenCal Health's priorities at many coalitions, collaboratives, and other meetings. For more than a decade, Ms. Nichols worked in international settings as a Public Health Community Liaison, including with Doctors Without Borders, Peace Corps and Vitamin Angels.

She received a bachelor's degree in Pacific Island Studies from Brigham Young University–Hawaii, and subsequently earned her master's degree in International Training and Education from American University.

Ms. Nichols is a Santa Barbara County native. Now, living and working back home, she looks forward to using her skills and experience in her home community.



Andrea Montes Alvarado joined CenCal Health in May 2022 as the new Community Outreach Coordinator for the Communications and Community Relations department. Ms. Montes Alvarado is responsible for CenCal Health's participation in community events and other outreach.

She holds a bachelor's degree in Sociology from University of California, Davis, and earned her master's degree in Sociology from California State University, Northridge. Ms. Montes Alvarado has a background in nonprofit work and academia.

Originally from Los Angeles County, Ms. Montes Alvarado moved to the San Luis Obispo County in 2019. She looks forward to using her bilingual skills in English and Spanish to connect with our members and the community at large through her in-the-field outreach efforts. She also looks forward to facilitating CenCal Health's sponsorship and donation support for organizations that complement CenCal Health's mission, vision and values.



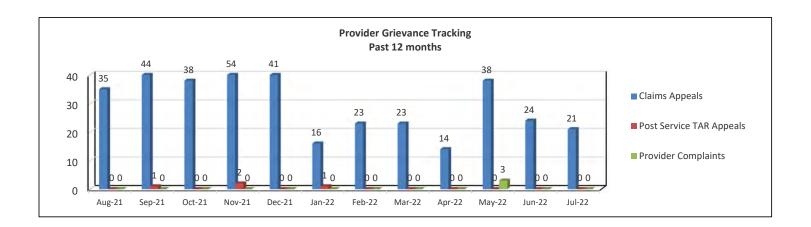
Naomi Magaña joined CenCal Health in June 2022 as the new Project Coordinator for the Communications and Community Relations department. Ms. Magaña is key to "trafficking" the dozens of communications projects in flight.

Ms. Magaña recently graduated from the University of California, Santa Barbara with a bachelor's degree in English and minor in Education. She is bilingual in English and Spanish.

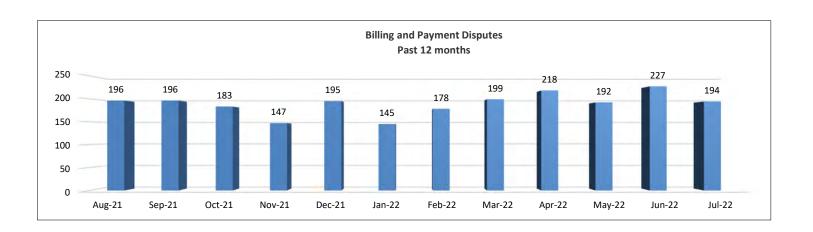
Originally from the Central Valley, Ms. Magaña's positive experience working and studying in Santa Barbara influenced her to continue living locally after graduating.

She looks forward to connecting more with the communities CenCal Health serves and gaining expertise in the nonprofit sector, in service to our membership, providers and other stakeholders.

CenCal Health Type of Indicator: Service Indicator: Provider Grievance Tracking Rolling 12 months







CenCal Health Type of Indicator: Service Indicator: Provider Grievance Tracking Rolling 12 months

Executive Summary:

Measure Description: This report tracks all provider disputes, appeals and grievances; including provider complaints/grievances, provider claims disputes and appeals, and provider TAR appeals. This report does not track outcomes (except for claims disputes and appeals, see below), only the number and type of disputes, appeals and grievances. August 2017 bundles were removed from data clollection and a third graph with total disputes was added.

Strategic Importance: Provider satisfaction and plan responsiveness to provider issues are important to maintaining the provider network. Tracking of grievances allows trending of number and type of grievances, and also ensures plan compliance with regulatory and contractual requirements (i.e. timeliness of resolution).

Benchmark or Goal: There are no established benchmarks or goals for number or type of disputes, appeals or grievances; however changes in trends may be indicative of system or process changes or problems. Plan expectations are that all disputes and appeals will be resolved within the timelines established by applicable regulations, and grievances will be resolved within 45 business days.

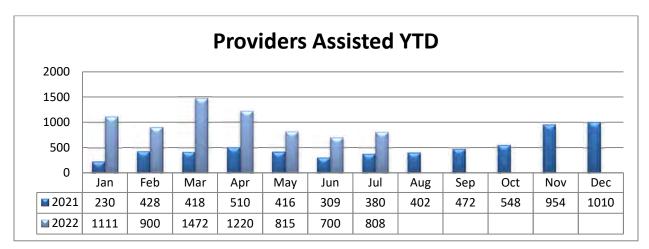
Conclusions & Actions: Disputes for July came in at 194. Claims Appeals came in at 21 for the month. There were 18 claims appeals in favor of the plan and 0 in favor of the provider with 3 having no resolution. There was 0 Post Service TAR Appeals and no Provider Complaints for July.

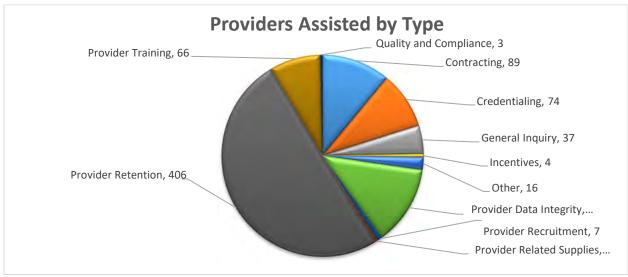
General Trend & Comparison to Benchmark or Goal: Claims disputes and appeals outcome categories have been revised in this report beginning with the December 2016 data to reflect whether the resolution was in favor of the Plan ("Plan") or the Provider ("Provider"). This is in alignment with how the Claims department reports data to Plan regulators. Resolutions in favor of the Plan include those formerly categorized as "Upheld", while those in favor of the Provider include those formerly categorized as either "Adjusted" or "Overturned". Roughly 30-50% of claims appeals received each month are adjusted based on additional information received (beyond the required non-claim mail process). Tar appeals are averaging 0 to 2 per month. Provider Services uses Case Tracking to capture provider complaints in a standardized fashion, with outcome & severity criteria. This report shows a rolling 12 months of data, rather than calendar year.

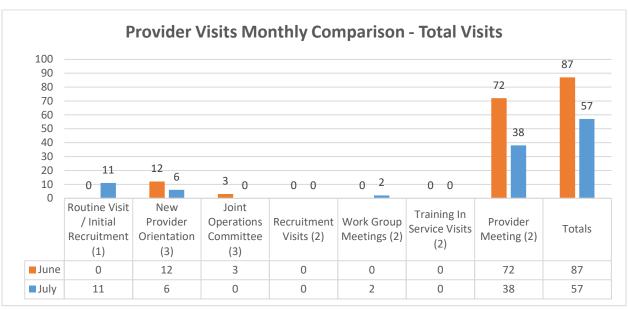
Caveats and Limitations: Claims disputes and appeals reports are run by Resolution Date, so data may be incomplete at the time it is first reported as some disputes and appeals may not yet be resolved, categorized as "Open". The graph will be updated the following month with the appropriate outcome codes. Claims and Provider Services staff are collaborating to ensure timely and accurate reporting. Post-service TAR appeals are processed and tracked by the Health Services Department.

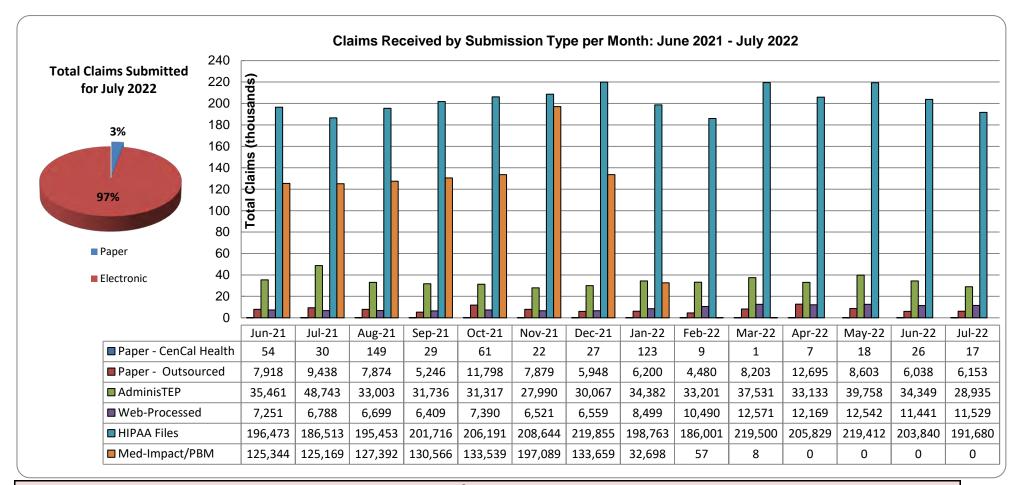
Provider Services Departmental Metrics

Providers Assisted – July 2022





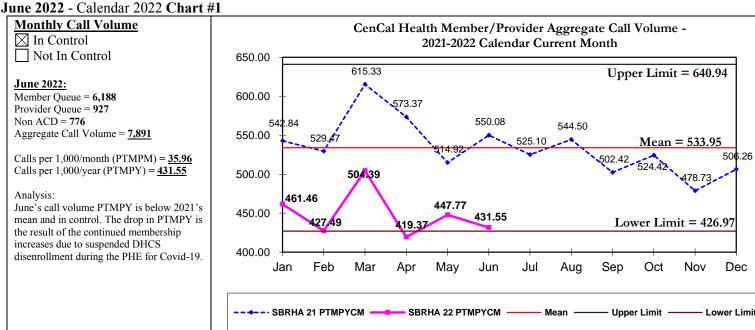




	Summary:
Measure Description:	Monthly report used to oversee total claims received by submission type.
Submission Types:	Paper CenCal Health - Claims processed "in-house" by staff at CenCal Health due to special circumstances (example Infusion Providers).
	Paper Outsourced - Claims outsourced to Smart Data Solutions for data entry and imaging.
	AdminisTEP - Paper claims submitted through outsourcing vendor to assist with reduction of Paper claim submission.
	Web Processed - Claims submitted by providers through the CenCal Health website.
	HIPAA Files -HIPAA compliant electronic claims submitted directly to the FTP server, including crossover claims from the
	Benefits Coordination & Recovery Center (BCRC).
	Med-Impact - Pharmacy claims managed and processed by a contracted PBM

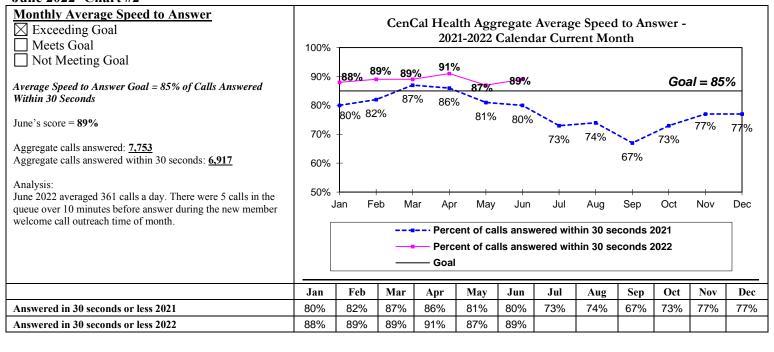
AGGREGATE CALL VOLUME FOR HEALTH PLAN (CHART #1) AGGREGATE AVERAGE SPEED TO ANSWER (CHART#2)

Reporting period:



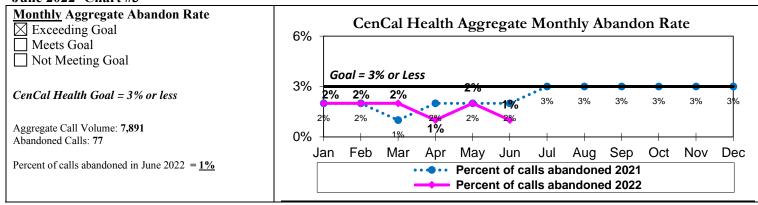
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
21 Members	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
Call Volume	8,842	8,698	10,179	9,567	8,673	9,302	8,941	9,319	8,652	9,093	8,364	8,870
PTMPYCM	542.84	529.47	615.33	573.37	514.92	550.08	525.10	544.50	502.42	524.42	478.73	506.26
22 Members	211,466	212,410	213,193	214,434	218,712	219,425						
Call Volume	8,132	7,567	8,961	7,494	8,161	7,891						
PTMPYCM	461.46	427.49	504.39	419.37	447.77	431.55						

June 2022- Chart #2



AGGREGATE MONTHLY ABANDON RATE (CHART #3) AGGREGATE MONTHLY CALL CODING PERCENTAGE (CHART#4)

June 2022- Chart #3



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2021	2%	2%	1%	2%	2%	2%	3%	3%	3%	3%	3%	3%
% of Abandoned Calls 2022	2%	2%	2%	1%	2%	1%						

June 2022- Chart #4

Monthly Aggregate Calls Coded

Exceeding Goal

Meets Goal

☐ Not Meeting Goal

Goal for Percentage of Coded Calls = 95%

Queue Calls Handled: 6,977 Oueue Calls Coded: 6,715

Percentage of calls coded in June 2022 = 96%

Total Issues Coded: 7,522

*Calls may have more than one category.

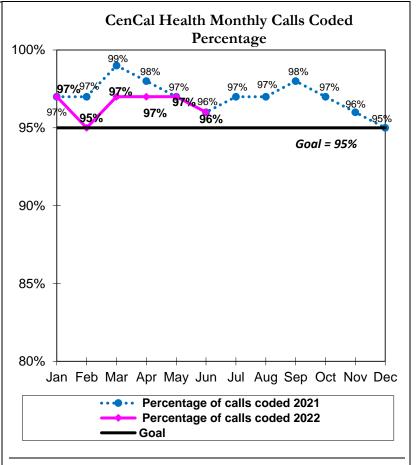
Top 5 Call Codes:

Category	Calls	% of Total
Eligibility	2,149	29%
PCP Selection	1,424	19%
Transfer	808	11%
Benefits	796	11%
Miscellaneous	520	7%

^{*}Miscellaneous = calls dropped/disconnect or N/A to a preset category.

June Analysis:

- *Eligibility Calls 55% Eligibility verification, 32% Referred to DSS/SSA, 9% Coordination of Benefits (OHC) Verification.
- *Transferred Calls 22% to Ventura Transit, 17% to Med. Management, 17% to Behavioral Health.
- *Benefits 34% Dental, 13% Specialists, 11% Vision, 13%.
- *Pharmacy 57 Total pharmacy related calls, 14 resulted in a transfer to Magellan RX.
- *COVID specific calls 24 total calls regarding testing sites, vaccinations, new at-home testing coverage and general questions.
- *Provider Call Volume (1,142) = 15% of all calls coded. 60% were for Eligibility, 17% were transferred out of Member Services (51% to Medical Management), & 12% for PCP selections.

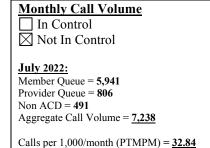


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Calls Coded 2021	97%	97%	99%	98%	97%	96%	97%	97%	98%	97%	96%	95%
% of Calls Coded 2022	97%	95%	97%	97%	97%	96%						

AGGREGATE CALL VOLUME FOR HEALTH PLAN (CHART #1) AGGREGATE AVERAGE SPEED TO ANSWER (CHART#2)

Reporting period:

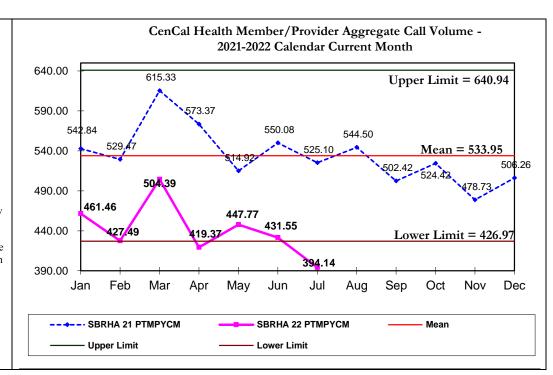
July 2022 - Calendar 2022 Chart #1



Calls per 1,000/year (PTMPY) = 394.14

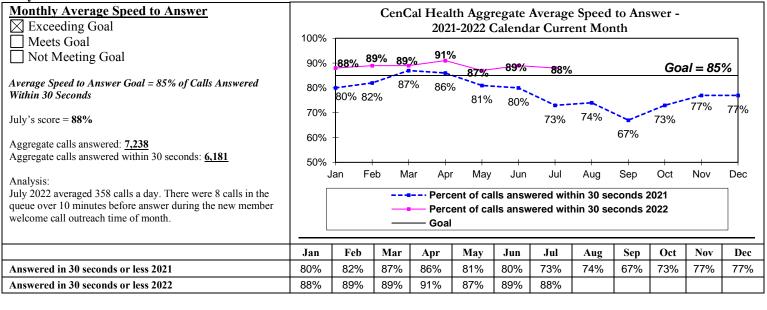
Analysis

July's call volume PTMPY is significantly below 2021's Mean of 533.95. The drop in PTMPY is the result of the continued membership increases due to suspended DHCS disenrollment during the PHE for Covid-19 counted in the denominator, in combination with reduction in the numerator of pharmacy call volume and re-design of the call menu for members with options to route directly to the behavioral health team or Medi-Cal Rx directly. Provider menu options now also allow direct transfer to Claims, Provider Services or Medical Management vs. entering the Member Services provider eligibility queue.



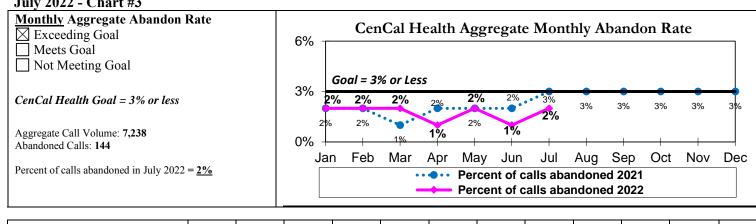
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
21 Members	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
Call Volume	8,842	8,698	10,179	9,567	8,673	9,302	8,941	9,319	8,652	9,093	8,364	8,870
PTMPYCM	542.84	529.47	615.33	573.37	514.92	550.08	525.10	544.50	502.42	524.42	478.73	506.26
22 Members	211,466	212,410	213,193	214,434	218,712	219,425	220,370					
Call Volume	8,132	7,567	8,961	7,494	8,161	7,891	7,238					
PTMPYCM	461.46	427.49	504.39	419.37	447.77	431.55	394.14					

July 2022 - Chart #2



AGGREGATE MONTHLY ABANDON RATE (CHART #3) AGGREGATE MONTHLY CALL CODING PERCENTAGE (CHART#4)

July 2022 - Chart #3



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2021	2%	2%	1%	2%	2%	2%	3%	3%	3%	3%	3%	3%
% of Abandoned Calls 2022	2%	2%	2%	1%	2%	1%	2%					

July 2022 - Chart #4

Monthly Aggregate Calls Coded

Meets Goal

Not Meeting Goal

Goal for Percentage of Coded Calls = 95%

Queue Calls Handled: 6,539 Oueue Calls Coded: 6,286

Percentage of calls coded in July 2022 = 96%

Total Issues Coded: 6,999

*Calls may have more than one category.

Top 5 Call Codes:

Category	Calls	% of Total
Eligibility	1,973	28%
PCP Selection	1,417	20%
Transfer	844	12%
Benefits	712	10%
Miscellaneous	514	7%

^{*}Miscellaneous = calls dropped/disconnect or N/A to a preset category.

- *Eligibility Calls 53% Eligibility verification, 33% Referred to DSS/SSA, 9% Coordination of Benefits (OHC) Verification.
- *Transferred Calls 27% to Ventura Transit, 17% to Med. Management, 14% to Behavioral Health.
- *Benefits 28% Dental, 13% Specialists, 9% Vision.
- *Pharmacy 49 Total pharmacy related calls, 12 resulted in a transfer to Magellan RX.
- *COVID specific calls 30 total calls regarding testing sites, vaccinations, new at-home testing coverage and general questions.
- *Provider Call Volume (942) = 13% of all calls coded. 58% were for Eligibility, 19% were transferred out of Member Services (45% to Medical Management), & 11% for PCP selections.

CenCal Health Monthly Calls Coded Percentage 100% 98% 96% **97%** 96% 97% 95% 96% 96% 95% Goal = 95%90% 85% 80% Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Percentage of calls coded 2021 Percentage of calls coded 2022 Goal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Calls Coded 2021	97%	97%	99%	98%	97%	96%	97%	97%	98%	97%	96%	95%
% of Calls Coded 2022	97%	95%	97%	97%	97%	96%	96%					

CENCAL HEALTH CALENDAR 2022

MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

MEMBER GRIEVANCES & APPEALS

Reporting period:

June 2022 - Calendar 2022



Not in Control

June's PTMPY for grievance and appeals was **2.52**, slightly above 2021's Mean of 1.93 and in control.

June Grievance/Appeals = 46

 $\overline{\text{Appeals}} = 16$ (2 Expedited Appeals)

Administrative = 10

Quality of Care = 7 (1 Expedited Grievance)

Access = 5

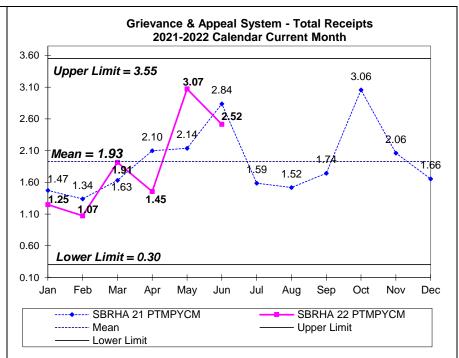
Interpersonal = 5

Benefit = 3

Analysis and Trends

- * Appeals: 12 TAR appeals for various service types, 3 RAF appeals including 2 for BH treatment, 1 MRF appeal for an injectable medication and no trends.
- * Administrative: Most are centered on member's dissatisfaction with the referral process to see a specialist, expected time for the office to complete paperwork or dissatisfaction with timely communication.
- * QOC Grievances (3 PCPs, 2 Mental Health, 1 Specialist, & 1 Hospital): These were against different providers/clinics for various perceived quality of care concerns/reasons with no trends.
- * Ventura Transit System had 8 total grievances filed against them. Most for member dissatisfaction with customer service when scheduling a ride or driver interaction, 3 for missed appointment.
- * 11 Total Mental/Behavioral Health grievances & appeals.

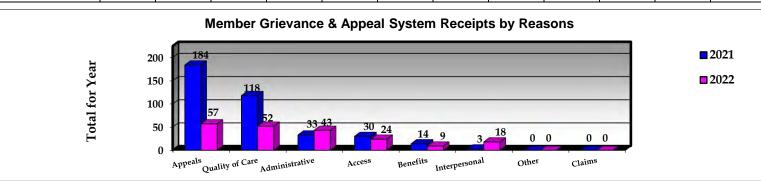
 Common complaints about appointment availability or being dismissed as a patient. Two providers had 2 grievances filed against them in June.



Of the 46 grievances/appeals filed:

- 33 = SB County (10 Appeals = 30% of SB Vol.)
- $\overline{13}$ = SLO County (6 Appeals = 46% of SLO Vol.)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 21 Mbrshp	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
CenCal G&A Issues	24	22	26	35	35	47	27	26	29	47	36	28
CenCal PTMPYCM	1.47	1.34	1.63	2.10	2.14	2.84	1.59	1.52	1.74	3.06	2.06	1.66
CenCal 22 Mbrshp	211,466	212,410	213,193	214,434	218,712	219,425						
CenCal G&A Issues	22	19	34	26	56	46						
CenCal PTMPYCM	1.25	1.07	1.91	1.45	3.07	2.52						



Туре	Calendar 2021	Calendar 2022 (Through June)
Appeals	185	57
Quality of Care	118	52
Administrative	33	43
Access	30	24
Benefits	14	9
Interpersonal	3	18

Analysis: The transition of pharmacy benefits to Medi-Cal Rx has significantly lowered overall appeals averaging 9 Appeals/month in 2022 compared to 15/month in 2021. MRF appeals accounted for 55% of all appeals in 2021. Additionally, with the addition of Behavioral/Mental Health grievance management transitioned to CCH, we expect an increase in all grievance types related to behavioral and mental health providers, being included within those types vs. as "Holman grievances aggregated" previously.

CENCAL HEALTH CALENDAR 2022

MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

MEMBER GRIEVANCES & APPEALS

Reporting period:

July 2022 - Calendar 2022

⊠ In Control

Not in Control

July's PTMPY for grievance and appeals was **1.96**, slightly above 2021's Mean of 1.93 and in control.

July Grievance/Appeals = 36

Quality of Care = 12

Appeals = $8 (\underline{1} \text{ Expedited Appeals})$

Administrative = 6

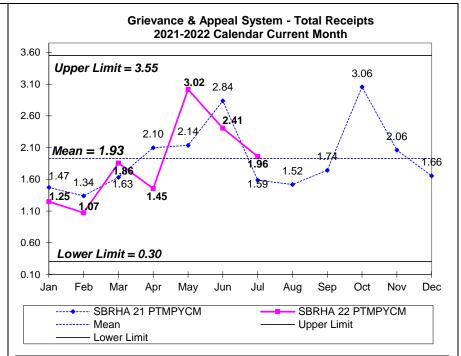
Access = 4

Benefit = 4

Interpersonal = 2

Analysis and Trends

- * QOC Grievances (7 PCPs, 4 Specialist, 1 Mental Health): These were against different providers/clinics for various perceived quality of care concerns/reasons with no trends.
- * **Appeals**: <u>5 TAR</u> appeals for various service types, <u>3 RAF</u> appeals including 2 to out of area providers, <u>1 MRF</u> with no trends.
- * Administrative: 3 were filed against CenCal Health including 2 for not having a current list of contracted behavioral health providers.
- * Ventura Transit System had 5 total grievances filed against them. Most for member dissatisfaction with customer service when scheduling a ride or driver interaction, no missed appointments.
- * 8 Total Mental/Behavioral Health (3Access, 3 Admin., 1 QOC, 1 Appeal) grievances & appeals. 4 filed against CenCal Health for general benefit dissatisfaction or lack of provider listing. No MH/BHT provider had more than one filed against them with no trends.

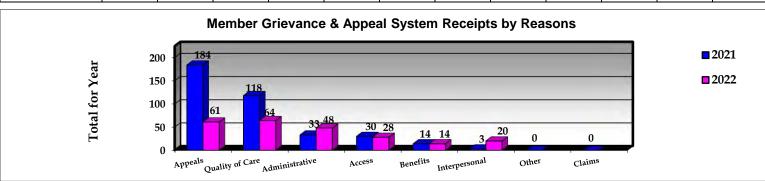


Of the 36 grievances/appeals filed:

29 = SB County (12 Quality of Care = 41% of SB Vol.)

 $\overline{7}$ = SLO County (3 Appeals = 43% of SLO Vol.)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 21 Mbrshp	195,461	197,133	198,508	200,226	202,122	202,922	204,328	205,378	206,647	208,069	209,655	210,248
CenCal G&A Issues	24	22	26	35	35	47	27	26	29	47	36	28
CenCal PTMPYCM	1.47	1.34	1.63	2.10	2.14	2.84	1.59	1.52	1.74	3.06	2.06	1.66
CenCal 22 Mbrshp	211,466	212,410	213,193	214,434	218,712	219,425	220,370					
CenCal G&A Issues	22	19	33	26	55	44	36					•
CenCal PTMPYCM	1.25	1.07	1.86	1.45	3.02	2.41	1.96					•



Туре	Calendar 2021	Calendar 2022 (Through July)
Appeals	185	61
Quality of Care	118	64
Administrative	33	48
Access	30	28
Benefits	14	14
Interpersonal	3	20

Analysis: The transition of pharmacy benefits to Medi-Cal Rx has significantly lowered overall appeals averaging 9 Appeals/month in 2022 compared to 15/month in 2021. MRF appeals accounted for 55% of all appeals in 2021. Additionally, with the addition of Behavioral/Mental Health grievance management transitioned to CCH, we expect an increase in all grievance types related to behavioral and mental health providers, being included within those types vs. as "Holman grievances aggregated" previously.

CENCAL HEALTH - Calendar 2022 CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

MEMBER ENROLLMENT BY MONTH: JULY 2022 - SBHI & SLOHI

Reporting period:

July 2022 – Calendar 2022

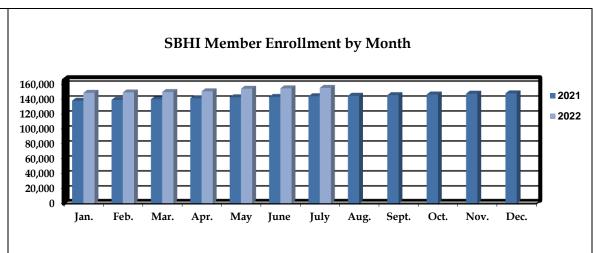
SBHI Monthly Enrollment 2022

July 2022 = 154,717

Membership increased by a net **640** members when compared to last month.

New members for July = 1,362

DHCS has suspended negative redeterminations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued membership increases due to lack of negative redeterminations.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021 Members	137,567	138,654	139,589	140,795	142,111	142,618	143,540	144,225	144,983	145,940	147,038	147,397
2022 Members	148,119	148,657	149,203	150,143	153,555	154,077	154,717					

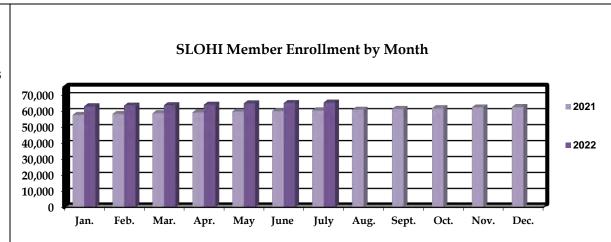
SLOHI Monthly Enrollment 2022

July 2022 = 65,653

Membership increased by a net **305** members when compared to last month.

New members for July = 659

DHCS has suspended negative redeterminations for Medi-Cal Eligibility through the end of the public health emergency. Expected continued membership increases due to lack of negative redeterminations.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021 Members	57,894	58,479	58,919	59,431	60,011	60,304	60,788	61,153	61,664	62,129	62,617	62,851
2022 Members	63 347	63 753	63 990	64 291	65 157	65 348	65 653					

CENCAL HEALTH - Calendar 2022 CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

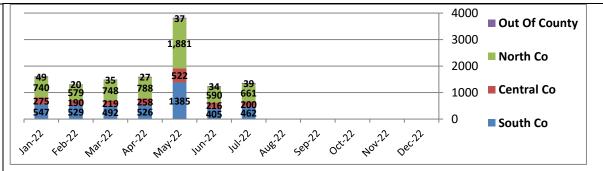
SANTA BARBARA NEW MEMBER ENROLLMENT BY MONTH: JULY 2022

Reporting period:

July 2022 – Calendar 2022

Santa Barbara County New Member Enrollment by Area

July 2022 = 1,362



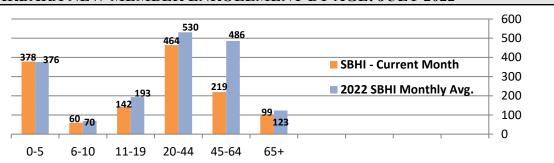
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021 Members	1,602	1,598	1,698	1,825	1,702	1,345	1,506	1,488	1,567	1,712	1,789	1,365
2022 Members	1,611	1,318	1,494	1,599	3,825	1,245	1,362					

SANTA BARBARA NEW MEMBER ENROLLMENT BY AGE: JULY 2022

Santa Barbara County New Members by Age

July 2022 = 1,362

The 2022 monthly average is swayed for new membership ages 50+ due to the expanded Medi-Cal coverage for undocumented older adults, known as the Older Adult Expansion (OAE) population effective May 2022.

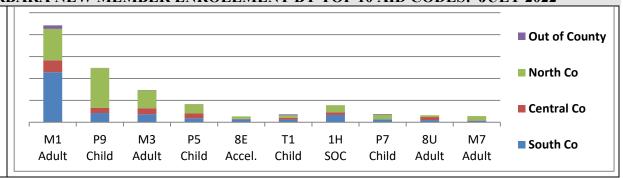


New Members by Age	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0-5	388	290	373	418	425	361	378					
6-10	95	57	71	82	70	56	60					
11-19	213	202	197	224	233	142	142					
20-44	595	520	596	596	520	422	464					
45-64	241	195	188	209	2,145	206	219					
65+	79	54	69	70	432	58	99					

SANTA BARBARA NEW MEMBER ENROLLMENT BY TOP 10 AID CODES: JULY 2022

Santa Barbara County New Members by Top 10 Aid Codes

July 2022



Aid Code	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
M1	579	503	545	535	1,210	425	442					
P9	209	198	241	268	273	225	248					
M3	136	119	179	183	627	124	147					
P5	118	121	126	153	127	83	83					
8E	123	57	33	29	19	30	27					
T1	56	40	44	51	46	27	36					
1H	53	40	57	52	300	37	78					
P7	44	22	42	59	49	41	38					
8 U	35	30	32	32	42	38	32					
M7	30	24	24	28	29	23	28					

South Co

CENCAL HEALTH - Calendar 2022 CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY MONTH: JULY 2022 San Luis Obispo County 1,500 **New Member Enrollment by** Area 21 Out Of County 1,000 632 July 2022 = 659North Co 452 382 500 326 291 **178** ■ Central Co 225 202 205

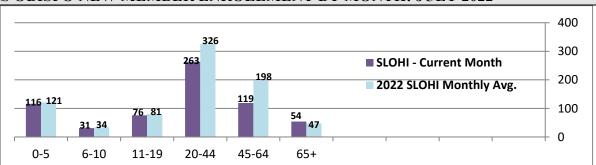
Mar. 22 May. 22 MESS Monys Mu.33 Sepil Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2021 Members 1,004 861 741 821 875 736 765 823 800 867 2021 Members 893 762 797 764 1,172 608 659

SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY MONTH: JULY 2022

San Luis Obispo County New Members by Age

July 2022 = 659

The 2022 monthly average is swayed for new membership ages 50+ due to the expanded Medi-Cal coverage for undocumented older adults, known as the Older Adult Expansion (OAE) population effective May 2022.

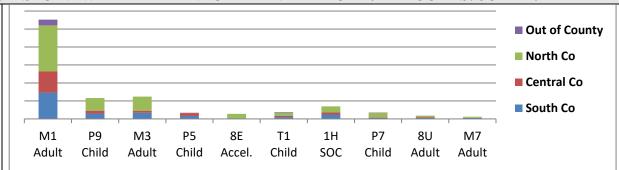


New Members by Age	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0-5	121	123	125	139	113	112	116					
6-10	35	36	38	40	31	27	31					
11-19	87	89	110	82	67	58	76					
20-44	415	351	356	328	321	250	263					
45-64	188	140	138	128	540	130	119					
65+	47	23	30	47	100	31	54					

SAN LUIS OBISPO NEW MEMBER ENROLLMENT BY TOP 10 AID CODES: JULY 2022

San Luis Obispo County New Members by Top 10 **Aid Codes**

July 2022



Aid Code	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
M1	435	371	377	331	468	274	276					
M3	83	61	59	69	61	56	58					
P9	60	66	59	69	140	68	62					
P5	50	25	31	30	30	21	17					
1H	38	28	26	11	20	13	14					
T1	22	29	29	18	20	14	19					
P7	34	15	22	38	72	21	35					
60	13	18	10	26	21	17	18					
T2	12	15	18	16	8	11	9					
8II	6	6	10	12	8	8	6					

PROVIDER BULLETIN

A PUBLICATION FOR OUR PROVIDERS FROM CENCAL HEALTH

VOL. 32 NO. 6 • JUNE 2022

What's Inside

PROVIDER NEWS

Alternative Format Selections (AFS)

Provider Trainings on The Horizon

Provider Portal Enhancements

Behavioral and Mental Health Updates

HEALTH PROMOTION UPDATE

New 2022 Preventive Health Guidelines

CLINICAL CORNER

National HIV Testing Day & Provider Training

Palliative Care Member Benefit

CLAIMS CORNER

Value Based Payment Program

PHARMACY UPDATE

Medical Pharmacy Benefit Physician
Administered Drug Update

Medi-Cal Rx Benefit Updates

PROVIDER NEWS

Alternative Format Selections (AFS)

In compliance with the requirements of the American Disabilities Act, CenCal Health is committed to ensuring effective communication to members with visual impairments or other disabilities.

The standard Alternative Format Selection (AFS) options are large print, audio CD, data CD, and Braille. Below are descriptions of each format:

- a. Large print: Large (20-point) size Arial font or greater.
- **b. Audio CD:** Provides the ability to listen to recordings of member materials on CD (files will be encrypted).
- c. Data CD: This allows for member materials in electronic format to be accessible on CD in their format .pdf, .xlsx, .txt, .docx, etc. (files will be encrypted).
- d. Braille: Uses raised-dots that can be read with fingers.

For more information, visit: https://www.dhcs.ca.gov/Pages/Alternative-Formats.aspx

Members can also request material in the AFS format via the application system at https://afs.dhcs.ca.gov/ or call the Medi-Cal Help Line at (833) 284-0040. Please direct members to these resources as needed or contact CenCal Health's Member Services Department at: (877) 814-1861 if you have additional questions or concerns.

Provider Resources and Training is available at: cencalhealth.org/providers/cultural-linguistic-resources/cultural-competency-and-health-literacy/

Provider Trainings on The Horizon

Mental Health Provider Clinical Symposium:

June 21, 2022 • 12:00 – 1:00 p.m.

This monthly refresher will address frequently asked questions covering claims submissions, clinical standards, care coordination to County Department of Behavioral Health, forms, and billing for psychotherapy, medication management, and psychological testing.

Our Provider Relations Team will also present information on CenCal Health's cultural & linguistic

language assistance program through our interpreter services available to our members.



This monthly refresher will address frequently asked questions, covering topics such as the authorization process, referrals and forms.

This meeting will be very helpful for referral coordinators and office staff.



We invite our providers and their staff to attend these trainings.

Register at www.cencalhealth.org/providers/provider-training-resources/

Medi-Cal Rx Benefit Updates

New Medi-Cal RX Pharmacy Benefit -Automatic/Digital Home Blood Pressure Monitors

Effective June 1, 2022, home blood pressure monitors and blood pressure cuffs for use with personal home blood pressure monitoring devices will be a covered benefit under Medi-Cal Rx. A valid prescription must be sent to the member's contracted retail pharmacy for fulfillment. Covered products are restricted to the newly created List of Covered Personal Blood Pressure Monitoring Devices and Blood Pressure Cuffs found on the Medi-Cal Rx Web Portal. Quantity and billing restrictions apply. Please refer to the List of Covered Medical Supplies Product Descriptions and Billing Information for billing and reimbursement information.



Medi-Cal Rx Home Blood Pressure Monitor benefit details:

- One home blood pressure monitor every 5-years with a valid prescription from a provider
- Claim submission with a code I diagnosis of any ICD-10-CM diagnosis code that justifies medical necessity for cardiovascular monitoring for a chronic condition or on a regular basis; documentation in the electronic file or on the prescription is required.
- Wrist Personal Blood Pressure Monitoring Devices are not a Medi-Cal Rx benefit.
- For a list of covered personal blood pressure monitoring devices and the list of covered medical supplies and billing information, please visit the Medi-Cal Rx Web Portal at https://medi-calrx.dhcs.ca.gov/provider/forms.

Continuous Glucose Monitors (CGM)

Therapeutic CGM (DexCom or Libre) are the responsibility of Medi-Cal Rx, and all claims should be submitted directly to Medi-Cal Rx for processing. If a provider is requesting either of these products, the provider is to send a prescription to a pharmacy to process the claim through Medi-Cal Rx, and any utilization management/prior authorization policies are at the direction of Medi-Cal Rx. In cases where a Prior Authorization (PA) is required, please submit PA requests for the therapeutic CGM products directly to Medi-Cal Rx for review.

In an effort to minimize member and provider disruption, existing, active TAR requests for K0553 and K0554 will be honored by CenCal Health through June 30, 2022.

After June 30, 2022, all claims for therapeutic CGM will not be processed through CenCal Health, and must be submitted directly to Medi-Cal Rx though the member's contracted retail pharmacy.

For the latest Therapeutic CGM benefit offerings, quantity limits, and prior authorization requirements, please visit the Covered Product Lists section of the Medi-Cal Rx website at

https://medi-calrx.dhcs.ca.gov/provider/forms.

For any questions regarding the Home Blood Pressure Monitor or CGM benefit, please contact MediCal Rx at (800) 977-2273 or CenCal Health Pharmacy Department at (805) 562-1080.



CLINICAL CORNER

National HIV Testing Day

June 27th is National HIV Testing Day, which is a great opportunity to discuss HIV and STI exposure with your patients. THE PART OF THE PA

CDC recommends that everyone between the ages of 13 and 64 get tested for HIV at least once as part of routine health care.

HIV and STI rates have continued to increase over the last eight years, so it is important to discuss risk factors with your patients. You can begin the conversation by completing a comprehensive sexual history with all of your patients including those who identify as LGBTQ. Be sure to test your patients for the core four (Chlamydia, Gonorrhea, Syphilis, and HIV).

Testing is the first step towards treatment and transmission reduction. Discuss HIV and STI testing with your patients today.

STI & HIV Prevention & Treatment Training, July 19, 2022 12pm – 1pm

Due to the low utilization of STI/HIV screening, prevention, and treatment services, CenCal Health will be hosting a 'STI & HIV Prevention and Treatment Webinar.

Our guest speaker will provide screening and prevention tips, and our Population Health Team will provide a high-level overview of the QCIP portal so you can identify members for screening.

Please pre-register for this event at cencalhealth.org/providers/provider-training-resources/

For more information, you can go to:

- National HIV Testing Day: hiv.gov/events/awareness-days/hiv-testing-day
- HIV & STIs in California: cdph.ca.gov/Programs/CID/DCDC/Pages/STD.aspx





CLINICAL CORNER

Palliative Care Member Benefit

Palliative Care is a patient and familycentered care that optimizes quality of life by anticipating, preventing, and treating suffering.



It addresses physical, emotional, mental, social, and spiritual needs to facilitate patient autonomy and informed choice. It can be provided in addition to curative care.

Palliative Care is available for adult and pediatric members. It includes services such as advanced care planning, access to the Palliative Care team (MD, RN, and SW), pain management and coordination of care.

Palliative Care is not Hospice. It can precede Hospice within the continuum of care as a member is facing a life-threatening illness. It cannot be given in conjunction with Hospice. CenCal Health will approve (auto-approve) the initial assessment (T2024) and completion of Physician Orders for Life Sustaining Treatment, "POLST" (99497). Ongoing Palliative Care (T2025) needs review and prior authorization.

For information on eligibility criteria, please refer to CenCal Health's Provider Manual, Section E15 cencalhealth.org/providers/forms-manuals-policies/ provider-manual/

You may access the recorded Palliative Care Provider Training video online at cencalhealth.org/providers/provider-training-resources/provider-training-library/.

Please contact the Provider Services Department at (805) 562-1676 for further benefit questions.

For questions regarding authorizations and care management support, please contact the Medical Management Department at (805) 562-1082.

BEHAVIORAL AND MENTAL HEALTH UPDATES

New Behavioral Health Care Coordination Request Form

If a member needs care coordination to a mental health provider or substance use treatment, please see our new form.

This form is replacing the use of the Case Manager **Referral form for Behavioral Health Care** Coordination requests.

Please complete all sections and return by fax or secure link.

Our Behavioral Health Navigators will reach out to the member and coordinate care appropriately.

You can access the new document here: cencalhealth.org/providers/behavioral-health-treatment-andmental-health-services/

June 2022 Provider Bulletin

Provider Services (805) 562-1676 Claims Services (805) 562-1083 Pharmacy Services (805) 562-1080 Health Services (805) 562-1082 Member Services (877) 814-1861 Behavorial Health (805) 562-1600



4050 Calle Real Santa Barbara, Ca 93110

Standard Presort US Postage PAID Santa Barbara, CA Permit No. 625

HEALTH PROMOTION

New 2022 Preventive Health Guidelines

Behavioral Health Care

Coordination Request Form

CenCal HEALTH

CenCal Health covers and ensures that members have access to all preventive services for adult and pediatric members as recommended by:

- U.S. Preventive Services Task Force (USPSTF) A&B Recommendations for Normal Risk Adults
- American Academy of Pediatrics (AAP) Bright Futures Periodicity Schedule
- Centers for Disease Control (CDC) Recommended Immunization Schedule for Adults, Children, and Adolescents

The recommendations from these professional organizations are summarized in CenCal Health's 'Preventive Health Guidelines' member handout, which is annually distributed to all health plan members.

The 2022 Preventive Health Guidelines are available to view on our website at: cencalhealth.org/providers/care-guidelines/preventive-health-guidelines/

Adult Preventive Health Guidelines Preventive Health Guidelines For Your Child

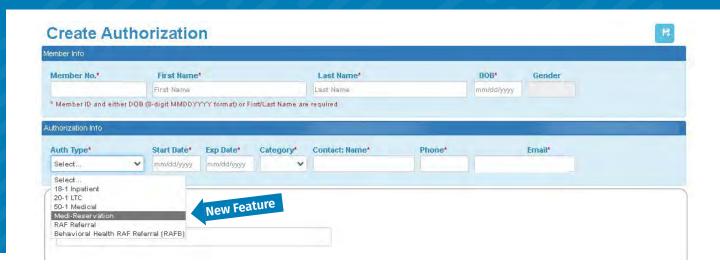
The 2022 Preventive Health Guidelines are available by mail to anyone that cannot access the guidelines online.

MED-RESERVATION

Attention Audiologists, Chiropractors, and Acupuncture providers, CenCal Health will be enhancing the Transaction Services>Medi-Reservation tool and merge it into the main Authorization Module in mid June!

You can now reserve your member's two visits or services per month by navigating to 'Authorization' and clicking on the green NEW icon and referencing Medi-Reservation in the 'Auth Type' drop down.

Once your Medi-Reservation is successfully submitted you will receive your 'M' confirmation number and view it within the main dashboard. For more resources, please reference the 'Authorization Quick Reference Guide' online at cencalhealth.org/providers/provider-portal/ or contact the Medical Management Department at (805) 562-1082



Medical Pharmacy Benefit

CenCal Health is committed to providing our members with access to high-quality health care. To ensure our members receive quality care, we will implement updates to the review and approval processes of certain Physician-Administered-Drugs (PADs).

Effective July 1, 2022, CenCal Health now prefers select infliximab biosimilar products over the reference product for adult members. This determination is consistent with the enabling statute of the Medi-Cal program found in title 22 around the provision of the lowest cost medically necessary service as well as the unanimous adoption by the network physician and pharmacists at the February 2022 CenCal Health Pharmacy & Therapeutics Committee meeting.

CenCal Health's preferred biosimilars are for the following physician administered drug:

All affected codes remain as TAR required, but at least **one** of the preferred biosimilar products must be tried and failed before consideration of coverage of the reference product. The biosimilar products are not interchangeable with the reference product, and will require new orders. Biosimilar products are highly similar, and have no clinically meaningful differences from an existing FDA-approved reference product.

If you have questions or need additional information, please contact CenCal Health Pharmacy Department at (805) 562-1080.

Procedure Code	Drug Description				
Preferred Biosimilar					
Q5103	INJECTION, INFLIXIMAB-DYYB, BIOSIMILAR (INFECTRA) 10MG				
Q5105	INJECTION, INFLIXIMAB-ABDA, BIOSIMILAR (RENFLEXIS) 10MG				
Q5121	INJECTION, INFLIXIMAB-AXXQ, BIOSIMILAR (AVSOLA) 10MG				
Non Preferred Reference Product					
J1745	INJECTION, INFLIXIMAB, NON-BIOSIMILAR (REMICADE) 10MG				

Value Based Payment Program

The Department of Health Care Services' (DHCS) Value Based Payment Program (VBP) will conclude on June 30, 2022. The VBP program provides supplemental payments to eligible contracted providers for meeting 17 specific measures aimed at improving care for some of the most vulnerable members in our community.

An increased payment is allocated for members diagnosed with substance use disorder, serious mental illness, homelessness, or inadequate housing.

Claims for VBP program services must be received by CenCal Health no more than one year after date of service.

Utilizing funding from The California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), as of May 2022, CenCal Health has distributed nearly \$4.8 million in supplemental incentive payments and will continue to distribute funds monthly. At 72%, the early childhood preventive care domain represents the highest percentage of total payout (\$3.48 million). More than \$1.38 million has been distributed to providers for ensuring children had recommended preventive services in their 3rd – 6th years of life. See table below for the full list of VBP measures and payments made to date.

Domain	Measure	Basic Payment	At Risk Payment	Payment to Date	Percentage of Total Payout	
	Prenatal Pertussis Vaccine	25.00	37.50	22,900.00		
Prenatal &	Prenatal Care Visit	70.00	105.00	33,775.00	5.22%	
Postpartum Care	Postpartum Care Visits	70.00	105.00	164,780.00		
Curc	Postpartum Birth Control	25.00	37.50	28,725.00		
	Well Child Visits in First 15 Months of Life	70.00	70.00	22,900.00		
Early	Well Child Visits in 3rd – 6th Years of Life	70.00	105.00	33,775.00		
Childhood Preventive	All Childhood Vaccines for Two Year Olds	25.00	25.00	164,780.00	72.59%	
Care	Blood Lead Screening	25.00	25.00	28,725.00		
	Dental Fluoride Varnish	25.00	25.00	28,725.00		
	Controlling High Blood Pressure	40.00	60.00	7,900.00		
Chronic	Diabetes Care	80.00	120.00	125,720.00		
Disease	Control of Persistent Asthma	40.00	60.00	228,620.00	12.99%	
Management	Tobacco Use Screening	25.00	37.50	74,250.00		
	Adult Influenza ('Flu') Vaccine	25.00	37.50	185,787.50		
Behavioral	Screening for Clinical Depression	50.00	75.00	256,025.00		
Health	Management of Depression Medication	40.00	60.00	23,100.00	9.21%	
Integration	Screening for Unhealthy Alcohol Use	50.00	75.00	162,125.00		

As a reminder, payments must be made to the rendering provider. CenCal Health contracts a select number of providers that are associated to a group; therefore, payment will sometimes be made at the group-level. Supplementary reports are provided for each incentive payment, and can be accessed via the provider portal.

Federally Qualified Health Centers, Rural Health Clinics, American Indian Health Clinics, and Cost Based Reimbursement Clinics are excluded from VBP program eligibility.

To learn more, please refer to a short training video located under the Proposition 56 section of our website. Once there, click on the Value Based Payments (VBP) drop down. cencalhealth.org/providers/proposition-56/



PROVIDER BULLETIN

A PUBLICATION FOR OUR PROVIDERS FROM CENCAL HEALTH

VOL. 32 NO. 7 • IULY 2022

PROVIDER NEWS

California Advancing & Innovating Medi-Cal (CalAIM)



What's Inside

PROVIDER NEWS

California Advancing & Innovating
Medi-Cal (CalAIM)

BEHAVIORAL & MENTAL HEALTH UPDATES

A message for our Primary Care Physicians (PCP) A message for our

mental health providers

CLINICAL CORNER

Help keep pregnancy care a priority

Reminder: Sending essential medical records securely

CLAIMS CORNER

Calling all newly contracted
Enhanced Care Management & Community
Supports Providers!

Provider Services (805) 562-1676 Claims Services (805) 562-1083 Pharmacy Services (805) 562-1080 Health Services (805) 562-1082

Member Services (877) 814-1861 Behavorial Health (805) 562-1600 CalAIM is a multi-year initiative by the Department of Health Care Services (DHCS) to improve the quality of life and health outcomes of our population by implementing broad delivery system, program and payment reform across the Medi-Cal program.

Some key CalAIM Initiatives include: Enhanced Care Management (ECM); Community Supports(CS); Full Integration of Physical, Behavioral and Dental Health; and NCQA Accreditation for health plans.

Enhanced Care Management (ECM) is a new statewide Medi-Cal benefit. The goal of ECM is to provide a whole-person approach to care that addresses the clinical and non-clinical needs of high-need Medi-Cal beneficiaries enrolled in managed care health plans. ECM provides comprehensive care services to specific populations of focus through systemic coordination that is collaborative, interdisciplinary, community-based, high-touch, and person-centered.

Effective July 1, 2022, CenCal Health launched the Medi-Cal ECM benefit. The overall goal of the ECM benefit is to provide comprehensive care and achieve better health outcomes for our most vulnerable members.

The seven core services for ECM are:

- 1. Outreach and engagement.
- 2. Comprehensive assessment and care management plan.
- 3. Enhanced care coordination.
- 4. Health promotion.
- 5. Comprehensive transitional care.
- 6. Member and family supports.
- 7. Coordination of and referral to community and social support services.
- 8. CenCal Health is required to contract with community-based ECM providers that have experience in serving the populations of focus and that have expertise in providing the core ECM services.

The first eligible populations of focus for the ECM benefit are:

- 1. Individuals & Families Experiencing Homelessness
- 2. High Utilizers of the Healthcare Systems Adults
- 3. Adults with Severe Mental Illness (SMI)/ Substance Use Disorder (SUD)

If you are interested in becoming an ECM provider, please contact the Provider Services Department at (805) 562-1676 to learn more, or visit cencalhealth.org/providers/calaim/. For more information about ECM or how to refer members please contact our Member Services Department 1 (877) 814-1861.

Help keep pregnancy care a priority

Despite the ongoing COVID-19 pandemic, it is important to continue providing routine prenatal and postpartum care to your pregnant patients.

Prenatal care, including prenatal screening and diagnosis, has played an important part in reducing the frequency of maternal death, miscarriages, birth defects, low birth weight, neonatal infections, and other preventable health problems. Postpartum checks for blood pressure, postpartum mood and anxiety disorder (PMAD), reproductive life planning, and education on services, such as lactation classes, are also highly important.

You can perform these services via telehealth, curbside visits, or through the use of doulas and community health workers. Woman, Infants & Children (WIC) programs and the distribution of informational fliers are also great resources. Ensure the health and wellbeing of your pregnant patients by continuing to provide comprehensive pregnancy care today.

If you would like more information about perinatal care guidelines during Covid-19, you can visit the following websites:

- American College of Obstetricians & Gynecologists: https://www.acog.org/topics/ covid-19
- FAQ for Providers: https://www.acog.org/clinicalinformation/physician-faqs/covid-19-faqs-for-obgyns-obstetrics

You can also contact CenCal Health's Population Health team with any questions at populationhealth@cencalhealth.org



BEHAVIORAL & MENTAL HEALTH UPDATES



A message for our Primary Care Physicians (PCP)

Members do not require a referral or authorization for initial mental health assessments, psychotherapy or medication management services.

Our CenCal Health members can contact the Behavioral Health Call Center at (877) 814-1961 or reference the Contracted Provider Directory at cencalhealth.org to find a behavioral health specialist for an initial mental health assessment or to start mental health services.

A message for our Mental Health Providers

To ensure that members are at the appropriate level of care, please complete a Level of Care Screening.

The mental health benefit is for members with mild to moderate impairments or symptoms. Please develop an individualized treatment plan that ensures the frequency of services supports the treatment of a mild to moderate impairment of functioning. Members who benefit from multiple sessions per week, should be screened to determine if they would benefit from Specialty Mental Health Services offered by the County Department of Behavioral Health.

If a member meets criteria for Specialty Mental Health Services, please send the Behavioral Health Department a Transition of Care Form and Level of Care Screening. Forms are available at cencalhealth.org/providers/behavioral-health-treatment-and-mental-health-services/

Help kids' get back on track with routine vaccines before school Starts

CenCal Health and Santa Barbara County Public Health Department want to ensure that children return back to school safely, and encourage that they get caught up on vaccines that were missed over the last year.

Kids need to get caught up now so that they are protected as they go back to school. Catch-up vaccination will require efforts from health care providers, schools, state and local governments, and families. Don't wait for fall to schedule routine vaccinations.

Provider Call to Action:

- Identify and prioritize children who are due or overdue for recommended vaccines and contact families to schedule appointments.
- Remind all families of the importance of recommended vaccines as children return to in-person school.
- · Assess vaccination status at every visit.
- Encourage co-administration of vaccinations.
- Be a champion for vaccination in your practice by ensuring all staff share a consistent message with parents about the importance of childhood vaccines.
- For patients who are eligible for COVID-19 vaccination, you play a critical role
 in helping vaccine recipients understand the importance of vaccination
 and that COVID-19 vaccines are safe and effective.
- Enroll as a COVID-19 vaccine provider and be ready for the authorization of vaccine for children 6 months-4 years. They will depend on your readiness when the time comes!
 Parents put their trust in their medical provider to be there for their children.
 - o The State of California has invested \$10 million in New KidsVaxGrant.
 All medical organizations are eligible for \$10-15k grants if enrolling or already enrolled in the Vaccines for Children Program.





Would you like immunization posters for your practice? Contact Santa Barbara County Public Health Department at phdiz@co.santa-barbara.ca.us

New member newsletter hits homes

The summer issue of the Member Newsletter was mailed to all member households at the end of June. Regular distribution of the Member Newsletter is a key method for CenCal Health to promote better health, and maintain compliance with necessary member notifications.

This issue includes the following topics:

- Back to School preparation
- Mental Health benefits
- Transportation benefit
- Fraud Reporting
- Adult & Pediatric Preventive Health Guidelines
- Redetermination announcement



CLINICAL CORNER

Reminder: Sending essential medical records Securely

Medical records are essential in the review and medical necessity determination of authorizations by CCH's Utilization Management (UM) teams.

Supporting documentation for a service request must be uploaded in CCH's Provider Portal system.



The best way for providers to send

additional medical records is via CCH's Secure Link system: https://gateway.cencalhealth.org/form/hs. Medical records may also be faxed to (805) 681-3071 for adult members (21 years old and older) and to (805) 692-5140 for pediatric members (0-20 years old).

Sending medical records by mail is not ideal and may delay determinations. Please call (805) 562-1082 prior to mailing medical records.

July 2022 Provider Bulletin



Standard Presort US Postage PAID Santa Barbara, CA Permit No. 625

CLAIMS CORNER

Calling all newly contracted Enhanced Care Management & Community Supports Providers!

Starting July 1, 2022, CenCal Health is ready to support you and process your claims.

Your claims can be submitted to CenCal Health in 3 ways:

- 1. CenCal Health's secure Provider Portal at cencalhealth.org/providers/claims/
- 2. Electronically, through a clearinghouse
- Via paper mailed USPS

The fastest most efficient method is though our secure Provider Portal. You can ensure your claim is received the same day, with real-time claims status. When the claim is submitted it can be verified to make sure all required fields are complete.

If you need assistance with the portal, or have any questions, please feel free to give the Claims Customer Service Representatives a call at (800) 421-2560 ext. 1083.

