



CenCal HEALTH[®]
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40th
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1983 - 2023



CenCal Health Board of Directors Information Update

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**For Activities within
the month of October 2023**

November 16, 2023

CEO Executive Summary

Date: November 10, 2023
To: CenCal Health Board of Directors
From: Marina Owen, Chief Executive Officer

Quality Care Incentive Program

In October 2023, CenCal Health **distributed \$4.0 million in Quality Care Incentive Program (QCIP) incentive payments** to 88 Primary Care Providers (PCPs). Since the program's inception in March 2022, \$22.8 million has been distributed to PCPs. CenCal Health's QCIP is a pay-for-performance system used to motivate primary care practice transformation to sustainably provide high quality, evidence-based, preventive care, and treatment. The QCIP system satisfies an important NCQA standard for accreditation, and Department of Health Care Services (DHCS) requirements. Since the QCIP launch, compliance with established clinical guidelines has improved as follows:

Members that Received Timely Recommended Treatment or Preventive Services							
Categories of Care	Baseline Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
Behavioral Health	50.0%	50.6%	50.9%	52.4%	56.3%	63.5%	65.1%
Diabetes Care	48.5%	49.9%	50.7%	54.5%	53.3%	53.6%	53.6%
Pediatric Care	57.2%	57.1%	57.2%	57.2%	57.2%	57.2%	58.4%
Respiratory Care	73.9%	78.2%	78.8%	78.3%	73.6%	70.7%	68.0%
Women's Health	55.7%	56.1%	56.4%	56.9%	56.4%	56.3%	57.5%
Totals	56.4%	56.6%	56.8%	57.0%	56.8%	57.0%	58.1%

Additional details can be found in the *Quality and Population Health Reports* provided by Dr. Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer, Carlos Hernandez, Quality Officer, and Lauren Geeb, MBA, Quality Director.

Strategic Engagement and Community Outreach

Through community outreach, engagement, and investment, the Strategic Engagement Department aims to support CenCal Health's Strategic Priority of cultivating community partnerships. Following are just a few activities in October 2023:

- CenCal Health Behavioral Health representatives supported the 2023 **Immigrant Provider Forum: Promoting Resiliency for Immigrant Families**. Staff shared helpful information related to member benefits, behavioral health treatment, and mental health services to providers attending the community event.

- CenCal Health Provider Services representatives supported the **Cuyama Valley Community Health Fair**, which was hosted by the Cuyama Valley Family Resource Center and our longstanding provider partner Community Health Centers of the Central Coast (CHC).
- Board Member and Santa Barbara County Third District Supervisor Joan Hartmann and CenCal Health SED Director Citlaly Santos attended the **Experience of Aging in Santa Barbara County – A Master Plan for Aging** Local Convening in Buellton. Building upon the State's Master Plan for Aging, Santa Barbara County is developing and adopting long-term tactics to address challenges faced by older adults, their families, and aging Santa Barbara County communities.

Additional detail can be found in the [Strategic Engagement Report](#) provided by Citlaly Santos, Strategic Engagement Director.

2023 DHCS Medical Audit and Focused Audits

CenCal Health participated in the 2023 DHCS Medical and Focused Audits, which occurred Oct 9-20th, 2023. Through the Medical Audit, CenCal Health was evaluated in six (6) categories of performance: *utilization management, case management and coordination of care, access and availability, member's rights, administrative and organizational capacity, and state supported services*. The Focused Audits evaluated CenCal Health in the areas of *transportation and behavioral health*.

Following the audit, the Department of Health Care Services (DHCS) noted that there were no **preliminary findings at the preliminary exit conference**. Compliance will receive the final draft report in the next few months.

Additional detail can be found in the [Compliance Report](#) provided by Karen Kim, JD, MPH, Chief Compliance Officer.

Financial Position

For calendar year 2023 ending October, the following are financial highlights:

- **Operating Gain (Loss):** Through ten (10) months of the calendar year we are reporting an operating gain of \$61.0 million.
- **Capitation Revenue** is at \$1,030.7 million; over budget by \$59.1 million and 6.1%.
- **Medical Expenses** are at \$897.7 million; over budget by \$11.0 million and 1.2%.
- **Administrative Expenses** are at \$61.1 million; under budget by \$2.0 million and 3.2%. Strategic Investments are under budget by \$7.0 million and 91.7%.
- **Tangible Net Equity (TNE)** is at \$273.8 million, representing 851% of the minimum regulatory requirement and 95.1% of the minimum Board desired TNE target.
- **Member Enrollment** is at 230,279 for the month of Oct 2023.

Additional detail can be found in the [Financial Report](#) and [CY23 Financial Statements](#) provided by Kashina Bishop, CPA, Chief Financial Officer, and Treasurer.

Quality Report

Date: November 10, 2023

From: Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer
Carlos Hernandez, Quality & Population Health Officer

Through: Marina Owen, Chief Executive Officer

Executive Summary

This report provides an overview of recent achievements in managed care quality program operations, implications of significance for CenCal Health, and next steps and best practices to assure continuous improvement and CenCal Health's compliance with regulatory requirements.

CenCal Health's Quality Care Incentive Program (QCIP) is a pay-for-performance system used to motivate primary care practice transformation to sustainably provide high quality, evidence-based, preventive care, and treatment. The QCIP system satisfies an important NCQA standard for accreditation, and Department of Health Care Services (DHCS) requirements.

In October 2023, CenCal Health distributed \$4.0 million in QCIP incentive payments to 88 Primary Care Providers (PCPs). Since the program's inception in March 2022, \$22.8 million has been distributed to PCPs. The QCIP program encompasses five clinical categories of care -- Behavioral Health, Diabetes Care, Pediatric Care, Respiratory Care, and Women's Health. Compliance with established clinical guidelines has improved as follows:

Members that Received Timely Recommended Treatment or Preventive Services							
Categories of Care	Baseline Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
Behavioral Health	50.0%	50.6%	50.9%	52.4%	56.3%	63.5%	65.1%
Diabetes Care	48.5%	49.9%	50.7%	54.5%	53.3%	53.6%	53.6%
Pediatric Care	57.2%	57.1%	57.2%	57.2%	57.2%	57.2%	58.4%
Respiratory Care	73.9%	78.2%	78.8%	78.3%	73.6%	70.7%	68.0%
Women's Health	55.7%	56.1%	56.4%	56.9%	56.4%	56.3%	57.5%
Totals	56.4%	56.6%	56.8%	57.0%	56.8%	57.0%	58.1%

Note: Includes all QCIP-eligible PCPs and all aspects of care evaluated for incentive payment calculations. Diabetes Care domain includes Diabetes Retinal Exam only.

Background

In October, \$4.0 million in QCIP payments were distributed to 88 eligible PCPs. This marks the sixth quarterly payment for the innovative pay-for-performance program launched in March 2022.

PCPs eligible for QCIP participation earn payment based on their delivery of care that aligns with well-established, evidence-based, standards of care. Incentives are earned according to a 5-star methodology for all capitated PCPs with QCIP-qualifying members ≥ 30.

The program encompasses five clinical care domains -- Behavioral Health, Diabetes Care, Pediatric Care, Respiratory Care, and Women's Health. Individual aspects of care have improved significantly within three of the five total domains since the QCIP program was launched. The most noteworthy achievements include antidepressant medication management, well-child visits for infants 15 months of age, lead testing in children, and chlamydia screening for women. Well-child visits for infants, lead testing in children, and chlamydia screening for women have been longstanding challenges for CenCal Health. The table below provides detail:

Percentage of Members that Received Timely Recommended Treatment or Preventive Services					
QCIP Categories of Care	Baseline Mar-22	Sep-23	Change	Statistically Meaningful	
Behavioral Health					
Antidepressant Medication Management Effective Acute Phase Treatment	57.3%	72.7%	15.4%	Yes	
Antidepressant Medication Management Effective Continuation Phase Treatment	42.8%	57.5%	14.7%	Yes	
Diabetes Care					
Comprehensive Diabetes Care - Eye Exam	48.5%	53.6%	5.1%		
Pediatric Care					
Child and Adolescent Well-Care Visits	56.5%	57.5%	1.0%		
Immunizations for Adolescents - Combination 2	51.2%	44.2%	(7.0%)	Yes	
Lead Screening in Children	59.1%	67.3%	8.2%	Yes	
Well Child Visits - 2+ visits before 30th month of age	78.7%	79.9%	1.2%		
Well Child Visits - 6+ visits before 15th month of age	50.6%	61.2%	10.6%	Yes	
Respiratory Care					
Asthma Medication Ratio	73.9%	68.0%	(5.9%)	Yes	
Women's Health					
Breast Cancer Screening	60.5%	60.9%	0.4%		
Cervical Cancer Screening	54.4%	55.5%	1.1%		
Chlamydia Screening in Women	57.3%	64.4%	7.1%	Yes	

To motivate continuous improvement, CenCal Health distributes monthly QCIP performance reports and member-level detail to PCPs via CenCal Health's secure Provider Portal.

QCIP engagement is managed through recurring meetings with CenCal Health's largest PCPs to motivate practice transformation to increase practice guideline compliance, and consequently earn greater incentives. Assistance is also provided to PCPs to orient them to the QCIP's easily accessible analytical tools to maximize performance.

Detailed QCIP program information and resources are available on CenCal Health's website or may be requested via email at QCIP@cencalhealth.org.

Next Steps

The QCIP program was recently refined to incorporate two new clinically important aspects of care that warrant significant improvement. The refinements add measurements for seasonal flu vaccination for two-year-olds, and human papilloma virus (HPV) vaccination for adolescents. For these aspects of care, PCPs will not be accountable for QCIP performance during an initial 12-month transitional reporting period. This period provides sufficient time for PCPs to maximize their member outreach and immunization practices. Effective April 2024, these important aspects of care will then be used for incentive calculations. The addition will strengthen CenCal Health's incentive to complete each multi-dose influenza and HPV vaccination series in accordance with the guidelines of the Centers for Disease Control & Prevention Advisory Committee on Immunization Practices.

Recommendation

This Quality Report is presented for information only.

Population Health Management Report

Date: November 10, 2023

From: Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer
Carlos Hernandez, Quality & Population Health Officer

Contributor: Lauren Geeb, MBA, Director, Quality

Through: Marina Owen, Chief Executive Officer

Executive Summary

This report highlights recent achievements with CenCal Health's Population Health Management (PHM) Program and progress to ensure ongoing improvement in the quality of care for CenCal Health's members. CenCal Health's PHM program was created to guarantee that all members have access to inclusive, equitable health services across the continuum of care.

CenCal Health is committed to assessing and understanding the cause of health disparities and working with stakeholders to overcome inequities. To that end, Quality staff designed and implemented two robust dashboards (*Health Equity and PHM Utilization Dashboard*) that will serve as pivotal tools to monitor CenCal Health's PHM Program effectiveness and its impact on outcomes over time. To optimize quality improvement prioritization efforts, both dashboards include stratification functionalities using key features of race, ethnicity, language, geography, gender, and age. Additional social drivers of health that may negatively influence access to care and/or exacerbate inequities have also been programmatically incorporated.

The development of both these dashboards, which also leverage various external data sources in addition to claims data, will enable proactive outreach to increase utilization of clinically recommended services and reduce healthcare disparities. Quality staff will continue to refine and expand dashboard capabilities and functionalities to meet evolving CalAIM requirements, membership needs, and increase operational efficiency in support of achieving the Department of Health Care Services' (DHCS) Bold Goals.

Background

The statewide initiative to transform Medi-Cal, known as California Advancing and Innovating Medi-Cal (CalAIM), assures access to a more equitable, coordinated, and person-centered approach to population health. CenCal Health's goal is to ensure all members have access to a comprehensive PHM Program that achieves improved health equity and outcomes. CenCal Health developed and implemented two new

dashboards to monitor, assess, and continuously improve the impact of its PHM Program.

To optimize quality improvement prioritization efforts for interventions, both dashboards include stratification functionalities using key features of race, ethnicity, language, geography, gender, and age. Additional social drivers of health that may negatively influence access to care and/or exacerbate inequities have also been programmatically incorporated. End-users can tailor the dashboards to focus on specific metrics relevant to their oversight within the organization. Results from the dashboards can also be segmented by Primary Care Providers (PCPs) to help identify gaps in services and/or referrals. Additional refinements can be made based on evolving needs. Below are details regarding the dashboards:

1. The **Health Equity Dashboard** displays performance rates for quality measures in accordance with pre-defined, industry-standard measurement specifications maintained by the National Committee for Quality Assurance (NCQA). Performance rates are inclusive of claims data and supplemental data sources including but not limited to data from DHCS, immunization registries, electronic health records, and laboratory results.
2. The **PHM Dashboard** is a claims-based (including supplemental data provided by DHCS) dashboard to monitor utilization trends for key performance indicators (KPIs) based on encounters per member per month. It provides real-time updates allowing for immediate responsiveness to emerging trends.

Both dashboards support efforts to measure and monitor equity across specific populations, domains, and categories as required by DHCS and noted below.

Monitoring Domains	Categories
PHM Program Areas/Themes	Basic Population Health Management (BPHM) <ul style="list-style-type: none"> • Preventive Services • Primary Care Engagement • Chronic Disease Management • Community Health Worker Integration
Populations	Children and Youth
	Birthing Populations
	Individuals with Behavioral Health Needs
	Seniors and Persons with Disabilities

CenCal Health staff will regularly communicate findings with providers and support outcomes improvement through routine provider practice transformation initiatives.

Next Steps

Training will be provided to CenCal Health staff on dashboard functionalities to ensure monthly monitoring of stratified KPIs and quality measures. This systematic ongoing review process is integral to enable proactive outreach to increase utilization of clinically recommended services and reduce healthcare disparities. Quality staff will continue to refine and expand the dashboards' capabilities to meet evolving CalAIM requirements, membership needs, and increase operational efficiency to achieve DHCS' Bold Goals by 2025.

Recommendation

This Population Health Management Report is presented for information only.

Health Services Report

Date: November 10, 2023

To: Board of Directors

From: Christopher Hill, RN, MBA, Health Services Officer

Contributors: Chris Hill, RN, MBA, Health Services Officer
Sue Fischer RN, MA, Director medical Management
Jeff Januska, PharmD, Director of Pharmacy Services
Seleste Bowers, DHA, LCSW, Director of Behavioral Health
Blanca Zuniga, Associate Director, Care Management
Ana Stenersen, Associate Director, Utilization Management

Through: Marina Owen, Chief Executive Officer

Medical Management

Prior authorization turnaround time has been improving, with five (5) of the six (6) categories achieving the monthly timeliness standard 95% of the time or greater, and pre-service urgent authorizations remaining below the standard. Health Services continues to work with Provider Services on provider education and training, to support appropriate use of the urgent referral process. Additional data validation is in process to ensure only urgent authorizations are being evaluated against the urgent turnaround standard.

The DHCS medical audit concluded in October 2023, and CenCal Health is awaiting final results. Preliminary results indicate healthy performance across Health Services departments and processes. Health Services continues to focus on the 2024 Contract implementation and is on-track for the January 01, 2024 implementation.

Enhanced Care Management and Community Supports

ECM Birth Equity and Justice Involved Population of Focus (POF) are set to go-live January 01, 2024. The ECM POF criteria for Birth Equity are adults and youth who:

- Are pregnant or are postpartum (through 12 months period); and
- Are subject to racial and ethnic disparities as defined by California public health data on maternal morbidity and mortality.

Based on the California Department of Public Health's (CDPH) most recent State public health data (including the Prenatal Care Dashboard and Pregnancy-Related Mortality

Dashboard), the racial and ethnic groups experiencing disparities in care for maternal morbidity and mortality are:

- Black;
- American Indian;
- Alaska Native; and,
- Pacific Islander.

The current focus is on finalizing the identification of eligible individuals based on the ECM criteria, and recruiting ECM providers with the expertise to serve this specific POF.

The ECM POF criteria for Justice Involved includes adults and youth that have been incarcerated in the past 12 months and those that are being released from jails, prisons, and youth correctional facilities. Guided by your Board, the Community Supports team focused heavily on developing new Community Support services for launch on January 01, 2024, including:

- Day Habilitation;
- Short-Term Post Hospitalization Housing;
- Respite Services; and
- Personal Care and Homemaker Services.

In Q4 2023, the goal is to present the new Community Support services during all Joint-Operating Committee meetings to support providers awareness of these services. Please reference the CalAIM implementation Memo for further information on Enhanced Case Management and Community Supports.

Behavioral Health

Behavioral Health prior authorizations continue to maintain at 100% compliance for post-service and pre-service authorizations, with a small decline in authorization volume noted in October.

Behavioral Health Care Coordination teams are showing 81% (County Care Coordination), 93% (Navigator Care Coordination) and 100% (Call Center). Twelve percent (12%) of adult level of care screenings indicated that the member would benefit from county level services. Additionally, 17% of pediatric/youth level of care screenings indicated that the member would benefit from county level services.

Behavioral Health Call Center call volume decreased in October, and target performance for all average speed to answer, call abandonment rate, and call waiting metrics was achieved. Behavioral Health is working closely with both counties to support care coordination, including presenting and sharing a standard operating

procedure for maintaining the referral log, which includes turnaround time for providing updates on care coordination efforts.

Behavioral Health is onboarding the following positions in Q4 2023: Data Business Analyst, Behavioral Health Community Integration Specialist-Santa Barbara, and Behavioral Health Community Integration Specialist- San Luis Obispo. Finally, Behavioral Health is actively interviewing for Behavioral Health Operations Manager and Administrative Assistant.

Pharmacy

In beginning our winter quarter, the physician administered drugs (PADs) authorization volume of 2023 continues the upward trend experienced throughout 2022, and has experienced a double-digit growth since October 2022. Greater than half of the activity continues to come from oncology as a combination of chemo-therapeutic and chemo-supportive followed by immunology; we continue to follow this closely and support our determination through like-specialty match review when appropriate. Our biosimilar preferred benefit design across several oncology products and immunology now represents an ~75% market share. All cases were processed within regulatory turnaround time standards.

Recommendation

This material is informational and no action is requested at this time.

Performance Division Report

Date: November 10, 2023

From: Chris Morris, MSOD, Chief Performance Officer

Contributors: Andrew Hansen, MBA, Operational Excellence Director
Joanna Hayes, Human Resources Director

Executive Summary

The following report provides updates surrounding the development and execution of Performance Division functions where applicable, including human resources, organizational development, strategic development, and operational excellence.

Human Resources

Talent Acquisition and Retention Update

As a result of Board approval of new FTE through the CY23 budget, total vacancy peaked at 22.3% in January 2023. Recruiting capacity was subsequently increased and vacancy currently sits at 11.0%, on track for staff's 9.0% goal by end of year. Highlights surrounding key senior leadership team recruitments include:

- Bao Xiong, joining CenCal Health as our new Program Development Director in November 2023
- Mike Ascarate, joining CenCal Health as a Data Analytics / Business Intelligence Director in November 2023
- Luis Somoza, joining CenCal Health as Provider Services Director in November 2023
- Recruitment for the Medical Director position is underway.

Voluntary turnover remains healthy at an annualized year-to-date average and 12-month rolling average of 10.3% and 9.5%, respectively, two-points below the CY22 average, and greater than 20 points below the industry average (Bureau of Labor Statistics). CenCal Health is committed to remaining an employer of choice for mission-driven professionals, through a thoughtful and competitive hybrid workforce strategy that meets the needs of our members, providers and community partners, and supports the collaboration and belonging needs of our team members.

Operational Excellence Update

Organizational Dashboard

Results for the Q323 Organizational Dashboard are currently being compiled and will be provided for your Board's consideration in December 2023.

2024 Strategy Execution Planning

Staff have initiated 2024 strategy execution planning, including the selection of relevant working strategies from the 2023 – 2025 CenCal Health Strategic Plan for pursuit in 2024, and the initial identification of responsive tactics to begin the 2024 CenCal Health Operating Plan development process. The 2024 Operating Plan will be shared for Board awareness in Q1 2024.

2023 Operating Plan Update

The 2023 Operating Plan is comprised of forty-four (44) tactics. To date, six (6) tactics have completed, two (2) have been deferred to begin after 2023, and the remaining thirty-four (34) are active. Of the active tactics, progress is as follows: 9 (26%) are between 0-25% complete, 7 (21%) are between 25-50% complete, 7 (21%) are between 50-75% complete, and 11 (32%) are between 75-100%. Additionally, 94% (n=32) of active tactics are in good health, and two (2) are at-risk of becoming off-track with planned mitigations as follow:

- Implement 2024 DHCS Contract Requirements – This tactic is intended to *meet regulatory and contractual requirements* through the implementation of 2024 DHCS contractual requirements. Timelines are currently compressed in order to meet all requirements by the contract effective date. The project team is working to mitigate this risk by aligning the right team members to progress work in order to meet all project deliverables.
- Implement Student Behavioral Health Incentive Program – This tactic is intended to develop new Medi-Cal programs and benefits by increasing access to preventive, early intervention and behavioral health services by school-affiliated behavioral health providers for transitional kindergarten – grade 12 children in public schools. A few Local Educational Agencies (LEAs) are behind or at risk of becoming behind on deliverables. The project team is providing additional support and clarification to LEAs that funding is contingent upon completion of milestones.

Next Steps

- Share the Q323 Organizational Dashboard in December 2024.
- Share the 2024 Operating Plan in Q124.

Recommendation



This material is informational with no action being requested at this time.

Enclosure

1. October 2023 CenCal Health Operating Plan

2023 Operating Plan

October 2023

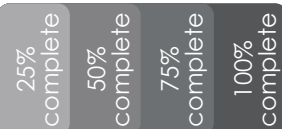
	Organizational Tactics				Objectives	Priorities		
	Partner to Assess Healthcare Infrastructure and Workforce needs	Design Collaborative CalAIM Convening Groups	Enhance and Facilitate Provider Engagement and Education	Develop Doorway to Health Foundation Roadmap	Facilitate community collaboration to strengthen the health system	Cultivate Community Partnerships		
	Enhance Insight Into Member Experience through CAHPS	Enhance Insight Into Healthcare Effectiveness through HEDIS	Conduct NCQA Accreditation Readiness	Enhance the Quality Improvement System to Meet QIHETP Requirements	Exceed quality standards and expectations	Advance Quality and Health Equity for All		
	Ensure Equitable Provision of Preventive Services	Implement Population Health Management Capabilities	Enhance Collection of Population Health Data	Implement Transitional Care Services	Reduce health disparities in our populations	Expand our Service Role and Reach		
			Expand Medi-Cal to County Residents (ages 26-49)	Develop and Execute D-SNP Roadmap	Prepare to serve new members			
	Implement Housing and Homelessness Incentive Program	Implement Student Behavioral Health Incentive Program	Expand Community Supports Responsive to Local Needs	Expand Enhanced Care Management Program	Implement and Expand CHW and Doula Benefits	Develop new Medi-Cal programs and benefits		
Advance the Organization	Develop and Execute a Compliance Risk Assessment Plan	Evolve the Auditing and Monitoring Program	Enhance Policy and Procedure Management	Develop and Enhance Process Improvement Capabilities	Develop an Organizational Dashboard	Evolve the Governance System for Tactics	Advance organizational readiness to support strategy	
					Create New Performance Management System	Develop and Deploy Talent Development Program	Foster employee growth and inclusion towards a diverse culture	
		Design Technology Strategy Responsive to Strategic Plan	Assess Data Exchange Framework	Develop Health Information Exchange Capabilities	Enhance Processes and Integration through New Health Mgmt. Software	Enhance Financial Accounting and Reporting Capabilities through New Software	Develop Advanced Financial Analytics Capability	Leverage and adapt technology and analytics to enable transformation
								Ensure financial performance to support sustainability
								Organize for Impact and Effectiveness

Mission
To improve the health and well-being of the communities we serve by providing access to high quality health services, along with education and outreach, for our membership

Vision
To be a trusted leader in advancing health equity so that our communities thrive and achieve optimal health together

Maintain the Organization	
Implement HIPAA-Compliant National LTC Claim Billing	Implement Redetermination Retention Strategy
Launch a Member Portal	Assess and Implement FQHC Alternative Payment Model
Evaluate Quality Based Provider Reimbursement Strategies (deferred)	Assess and Implement Targeted Rate Increases (MCO Tax)
Expand Deployment of Contract Management Software (deferred)	Implement 2024 DHCS Contract Requirements
Develop Future of Work Strategy	Conduct 2024 DHCS Contract Operational Readiness
Develop Comprehensive Payment Integrity Program	
Maintain Operations and Meet Regulatory and Contractual Requirements	

Progress Legend



Customer Experience Division Report

Date: November 10, 2023

From: Van Do-Reynoso, MPH, PhD,
Chief Customer Experience Officer and Chief Health Equity Officer

Contributors: Eric Buben, Member Services Director
Nicolette Worley Marselian, Communications & Community Relations
Director

Through: Marina Owen, Chief Executive Officer

The November 2023 report from the Customer Experience Division provides operational trends and initiatives in the Communications and Marketing, Member Services, and Program Developments. This report highlights two key updates: the Community Advisory Board selected MaryEllen Rehse as the inaugural Chair, and Sara McDonald, CenCal Board member, as Vice-Chair; and the Communications Department is now the Communications and Marketing Department to reflect expanding scope of work.

Member Services Department

Membership Fluctuations due to Medi-Cal Renewals

CenCal Health's aggregate membership as of November 6th is 228,899, which is a 1,692 decrease from October. As observed in the previous three months, substantial re-instatement is occurring from the beginning to end of each month during the renewal process, thus this initial loss of membership is highly likely to be less when reviewing final November enrollment. As an example, a net loss from June to July was finalized at 633 members, but began as a 1,939 loss at the beginning of July. The cure period appears to be working well throughout the month as members who lose eligibility are reinstated. Final November counts will be ready on December 3, 2023.

Member Services continue to receive calls from members with questions about the renewal process. We provide guidance as provided by DHCS to 296 members in October.

Monthly Department Performance Highlights

October's call volume of 9,292 was well above 2022's monthly average of 7,939. Member Portal calls for assistance with password reset and troubleshooting have averaged 10+ minutes per call. Combined with the call center being short-staffed by

two MSRs (1 in training, 1 open position), and scheduled and unscheduled PTO our Average Speed to Answer (ASA) goal to answer 85% of calls within 30 seconds was not met at 80% in October. Member Services is exploring increasing call center staffing for 2024 to address the higher average call volume being experienced due to Medi-Cal redeterminations, new Member Portal accounts, and Medi-Cal expansion. The abandon rate is 2.7%, which is below the threshold goal of 5% or less. The call center successfully met the goal of tracking 95% of queue calls answered with an October score of 96%.

Grievance & appeal volume remained in control with usual volume and all turnaround times for G&A were all met.

Community Advisory Board (CAB)

CenCal Health hosted the final CAB meeting of the year on October 26. A separate Board Memo for this CAB Meeting Agenda and copy of the Cab-approved Minutes from the July 13, 2023 CAB meeting will be submitted for BOD approval in the January Board packet.

The October CAB Agenda included:

1. Approval of the new CAB Charter for 2024 – Aligned with new 2024 DHCS Contract requirements for CAB duties, composition, and purpose.
2. Transition of CAB Chair from CenCal Health Leadership to Community Leadership. CAB approved the following new Chair and Vice Chair for a 2-year term:
 - **Chair:** MaryEllen Rehse, MSW, Executive Director, Children and Family Resource Services of Santa Barbara County.
 - **Vice Chair:** Sara Macdonald, CenCal Health Board Liaison.
3. Cultural and Linguistic Sensitivity, Competency, and Health Equity Training for all-staff, providers and contractors. Presented for input to CAB.
4. Health Promotion and final 2023 Population Needs Assessment Reports were presented by CenCal Health's Health Promotion Educator.
5. Population Health Report

Program Development

Bao Xiong started on November 13th as the new Director of Program Development. With over 13 years of exceptional experience in healthcare operations, program development, community engagement, and regulatory affairs, Bao brings a wealth of strategic expertise to her new role as our Program Development Director. Bao's impressive professional experience includes serving as Program Manager of Strategy Alignment and Integration at Dignity Health and Chief of Staff to the CEO, and as Deputy Director of Health Center Operations at the California Primary Care Association.

Student Behavioral Health Incentive Program (SBHIP):

CenCal Health team continues to meet with the nine Local Education Agencies to support achievement of their local Scope of Work, include selection of a referral system and preparation for participation in the fee schedule.

Housing and Homelessness Incentive Program (HHIP):

We are collaborating with funded partners and community stakeholders to collect data and information for the final report of metrics and measurements, which will determine the final round of funding for HHIP from DHCS.

Health Equity

October efforts in our health equity program included supporting NCQA Health Equity accreditation, drafting implementation plan for APL 23 - 025, which details diversity, equity, and inclusion training requirements, and engaging community partners for outreach on Medi-Cal expansion to remaining eligible community residents.

Communications & Marketing Department

Department Evolution

In October, the name of the department changed to “Communications and Marketing,” to more accurately reflect new efforts focused on retention and expansion. With the January 1, 2024 expansion of eligibility regardless of age and immigration status, as well as early planning for a D-SNP product that will need to be marketed and sold, the department focus is evolving, and a new name was in order.

2024 Contract Implementation

October 2023 was focused on supporting numerous 2024 contract provisions in support of other departments. Over 70 projects were started or supported in October. These include over two dozen new health education-focused pieces focused on a variety of required topics, including asthma control; screenings for colorectal, breast, and cervical cancer; post-partum care and more.

Other Efforts

Both the Redetermination and Expansion FAQ sheets were revised to reflect DSS software changes and distributed. We are actively involved in multiple groups agreeing to distribute expansion information. Additional printing cost savings occurred from turning mailers into buck slips for new member packets. Other work included modifying the Fast Start Guide, various forms, and materials like the Member Rights &

Responsibilities, all revised for 2024. The department also began planning an end of year event for staff.

Recommendation

The Customer Experience Division report is informational, and no action is requested.

Operations Division Report

Date: November 10, 2023

From: Jordan Turetsky, MPH, Chief Operating Officer

Through: Marina Owen, Chief Executive Officer

Contributors: Gary Ashburn, Claims Director
Cathy Slaughter, Provider Relations Director
Provider Services Department

Executive Summary

This Operations Report provides an overview of October activities specific to the Claims, Provider Services, and Provider Relations teams, inclusive of department operational metrics. Additional information on the CenCal Health Incentive Payment Program and the Equity and Practice Transformation Payment Program is also included.

Incentive Payment Program

The Incentive Payment Program (IPP) is an opportunity offered by the Department of Health Care Services (DHCS) to health plans to support the initiation and uptake of Enhanced Care Management (ECM) and Community Supports (CS).

CenCal Health earned and received a second installment of IPP funds totaling \$6.4M in July 2023, allowing the IPP application process to reopen. In August, staff adopted an award strategy which considers unmet member need, service expansion opportunities, geographically underserved areas, and support of upcoming services. The revised funding strategy was used by the IPP Application Review Committee (Committee) to support their review of pending IPP applications on September 28th.

Since that time, four awards have been issued and decisions regarding the remaining four applications will be made by the Committee during the week of November 13, 2023. Staff will provide a comprehensive update on the latest award cycle in an upcoming report to the Board.

Equity and Practice Transformation Payments Program

In support of achieving the goals of CalAIM, the Department of Health Care Services (DHCS) launched the Equity and Practice Transformation (EPT) Payments Program, a visionary initiative with a commitment of \$700 million over five years. This program seeks to bridge gaps in care by bolstering up-stream care models and fostering partnerships

dedicated to health and wellness. Through strategic investments in practice transformation via directed payments, DHCS aims to strengthen the capacity of Medi-Cal providers to better serve the diverse Medi-Cal population.

The EPT Payments Program is available for primary care practices and is structured into three distinct pathways:

1. Medi-Cal Managed Care Plan (MCP) Initial Provider Planning Incentive Payments: Funding for Medi-Cal Managed Care Plans (\$25M in total) to support collaboration with small-to medium-sized independent Practices during the first year of the program (2024) to prepare practices for participation in the multi-year EPT Program.
2. EPT Directed Payment Program: \$650M over 5 years to support the practice transformation efforts of primary care practices.
3. Statewide Learning Collaborative: \$25M to support a multiyear collaborative to share and disseminate best practices among participating provider organizations.

Applications for interested primary care organizations were due to DHCS on October 23, 2023. CenCal Health was informed by DHCS on October 27, 2023 that 8 local provider organizations submitted applications for EPT funding. CenCal Health is currently in the process of completing a required review of those 8 applications, utilizing the rubric created by DHCS. The final rubric inclusive of CenCal Health's review is due to DHCS by November 27, 2023, after which DHCS will consider and issue award determinations.

Claims

The Claims Department monitors core service metrics across all operational and customer service functions. The included Claims Dashboard includes a suite of key operational metrics ranging from Claims Volume to Provider Call Center performance. For the October 2023 reporting period, all operational metrics were at or above goal and are within normal range, with no notable trends identified.

Provider Services and Provider Relations

CenCal Health values the opportunity to engage our providers through webinars and live training and education sessions on topics related to Medi-Cal. In October, staff hosted four provider engagement sessions on topics including: Enhanced Care Management and Community Supports; the Equity and Practice Transformation Payment Program; and whole person care, specifically focused on how to identify and refer members eligible for new Medi-Cal programs. Additionally, staff attended and presented at a regional Community Health Worker (CHW) collaborative meeting, including partners from Ventura, Santa Barbara, and San Luis Obispo Counties. We are

excited to continue to support our growing CHW network in providing services to CenCal Health members.

Operational metrics for Provider Services and Provider Relations were at or above goal for October 2023, with no notable trends or concerns.

Recommendation

This Operations Division Report is informational only and no action is required.

Compliance Department Monthly Report

Date: November 10, 2023

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

Contributors: Puja Shah, Esq., Audits and Monitoring Director
Yadira Casarrubias, 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 Department of Health Care Services (DHCS) Medical Audits, DHCS APLs, Audits and Monitoring, and other Compliance Department updates.

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.

CenCal Health has received approvals for all submitted deliverables. CenCal Health's remaining deliverables for operational readiness are for various Memorandum of Understandings (MOUs) required by the 2024 Contract. DHCS has started releasing the MOU templates for Managed Care Plans to utilize. All remaining deliverables related to MOUs will fall under scope of the 2024 MOU Execution workgroup as part of 2024 Contract Implementation tactic under the operating plan. As a result, the 2024 Contract Operational Readiness tactic will be closed.

Audits & Monitoring (A&M)

The Audits & Monitoring Department (A&M) is responsible for performing internal audits of CenCal Health business units and processes, facilitating external audits with our

regulators, assisting business owners with audit remediation efforts, and conducting delegation oversight of our delegated providers. A&M has recently filled the Senior Delegation Oversight Specialist position and is currently recruiting to fill a Senior Compliance Strategist and two Compliance Auditor positions.

Internal Audit

A&M is collaborating with CenCal Health business units to develop an internal reporting, monitoring, auditing, and remediation cadence resembling our oversight of delegates as well as the Department of Health Care Services' (DHCS) oversight of CenCal Health. A&M is currently evaluating the results of a recent audit of the Grievances & Appeals (G&A) process.

External Audit – 2022 DHCS Medical Audit

A&M has successfully led the remediation efforts in response to the 2022 DHCS Medical Audit findings, addressing all matters cited in DHCS's final report (issued on May 23, 2023). DHCS issued an audit closure letter to that effect on October 13, 2023.

External Audit – 2023 DHCS Medical Audit and Focused Audits

CenCal Health participated in the 2023 DHCS Medical and Focused Audits, which occurred Oct 9-20, 2023. Through the Medical Audit, CenCal Health was evaluated in six (6) categories of performance: utilization management, case management and coordination of care, access and availability, member's rights, administrative and organizational capacity, and state supported services. The Focused Audits evaluated CenCal Health in the areas of transportation and behavioral health.

With the Focused Audits running concurrently with the Medical Audit, A&M worked within tight deadlines to submit responses to an increased number of additional document requests, both during and after the audit period. Although the results are not final and subject to change, **DHCS noted that there were no preliminary findings at the preliminary exit conference.** A&M expects the final draft report to be provided by DHCS in the next few months.

Delegation Oversight

A&M closed the 2023 Annual Audit of Care to Care (CenCal Health's delegated radiological services provider), with all CAP deficiencies resolved. A&M is working closely with Ventura Transit Systems, Inc. (CenCal Health's transportation broker) to resolve all deficiencies addressed in their CAP. A&M has scheduled audits of Sansum Clinic (for credentialing) and Carenet (which provides CenCal Health's nurse advice line) to occur in early December 2023. The Delegation Oversight Committee (DOC) met for Q42023 on October 16, 2023, and will next convene for Q12024 on January 22, 2024.

Department of Health Care Services: All Plan Letters

For the month of October, there were three (3) released, two (2) retired, and two (2) revised DHCS APLs.

Released APLs:

1. 23-028: Dental Services - Intravenous Moderate Sedation and Deep Sedation/General Anesthesia Coverage
 - Released 10/03/2023
 - Supersedes APL 15-012
2. 23-029: Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans and Third-Party Entities
 - Released 10/11/2023
3. 23-030: Medi-Cal Justice-Involved Reentry Initiative-Related State Guidance
 - Released 10/24/2023

Retired APLs:

1. 18-009: Memorandum of Understanding Requirements for Medi-Cal Managed Care Health Plans and Regional Centers
 - Retired 10/23/2023
2. 18-015: Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans
 - Retired 10/23/2023

Revised APLs:

1. 17-020: American Indian Health Programs
 - Revised 10/06/2023
2. 23-020: Requirements for Timely Payments
 - Revised 10/12/2023

Recommendation

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

Government Affairs & Administrative Report

Date: November 10, 2023

From: Michael Harris, Government & Administrative Officer

Through: Marina Owen, Chief Executive Officer

Contributors: Hon Chan, Senior Associate Counsel, Legal Department
Kaleb Madrid, Director, Administrative Services Department
Citlaly Santos, Director, Strategic Engagement Department

Executive Summary

The California State legislature has completed its first year of a two-year session. During this past session, 203 bills were heard in the Senate and Assembly health and budget committees. Of those, 79 have become law. Of course, the major health issue to come out of the legislature was around mental health services in California.

The legislature will reconvene in 2024 to begin its second year. There are several bills that didn't quite clear the first year and may be trying to gain broader support or amendments that help them move through the legislative process and become law.

In Washington, DC, the threat of a government shutdown looms over Congress as the Republican-controlled House and Democratic-controlled Senate have days to settle on budget appropriations or a spending measure (funding extension) that can keep federal agencies open. Previously, on September 30, a stopgap was passed, which extended government funding through November 17.

The Administrative Services Department (ASD) continues to work with departments in improving internal processes. Staff is also working with CenCal Health's insurance brokers to assess CenCal Health's insurance coverages for 2024. The ASD and Legal teams have been working with our carriers and brokers to strengthen vendor contractual obligations and reduce CenCal Health risks and exposure.

CenCal Health remains active in our communities and outreach. Attached is the "October Look-Back" from the Strategic Engagement Department.

The objective is that through our partnerships we will:

- Uphold CenCal Health's standing as a trusted and inclusive partner with business, health, and social service organizations.
- Bring forth meaningful partnerships that strengthen the health system and local safety net.

- Advance health equity so our communities thrive and achieve optimal health together.
- Improve and expand outreach to members and prospective Medi-Cal beneficiaries within our service areas.
- Promote health education.

Background

While various health bills emerged from this past year's legislature, numerous Medi-Cal bills were vetoed by the Governor. Through proactive legislative advocacy by CenCal Health's local plan association (Local Health Plans of California) and general state concerns over costs and the state budget, the administration sought to limit any actions that may have further increased state costs.

In Sacramento, the California Legislature concluded year one of a two-year legislative effort on October 14. That date marked a deadline for Governor Newsom to sign the bills, veto them, or allow them to become law without signature. Among the measures to be decided by the Governor were several healthcare-related bills, including Senate Bill 326 and Assembly Bill 531. According to CenCal Health's representative and legislative advocate in Sacramento, Public Policy Advocates (PPA), "These two bills seek to overhaul the mental health treatment system in California. SB 326 provides a major financial boost to treating substance disorders and AB 531 places on the March, 2024 statewide ballot Proposition 1 to authorize the issuance of \$6.38 billion in new bonds to build new behavioral health housing and treatment centers and materially restructure county mental health programs and spending in California."

Technical bills, such as SB 425 (Alvarez) and SB 496 (Limón) expand genomic testing in Medi-Cal. These types of expansion were incremental however as Medi-Cal health plans already have genomic testing provided.

A bright spot was the passing of SB 311 (Eggman). Without any impacts to health plans, SB 311 helps members make payments into the "Qualified Medicare Beneficiary" program. The QMB (often called "Quimby payments") program provides Medicare coverage of Part A and Part B premiums and cost sharing to low-income Medicare beneficiaries. This assistance to disadvantaged members is a positive step in helping people maintain health coverage.

As discussed, come November 18, the government is at risk shut down unless an agreement is reached between both legislative bodies. A government shutdown could affect funding for Federally Qualified Health Centers, the National Health Service Corps program, teaching health centers, the Centers for Disease Control and Prevention, and beyond. Though a short-term funding bill is the most likely probability, the outlook for full fiscal year annual appropriations is uncertain. In other news, on October 25, the U.S.

House of Representatives elected Mike Johnson (R-LA) as its new speaker, following the unprecedented ousting of Kevin McCarthy (R-CA) earlier in the month.

As always in Washington, it is important to remember that the chaos in the House of Representatives is often balanced by a more deliberate Senate and, of course, subject to Presidential approval.

Recommendation

There are no recommendations or requested actions associated with this informational report. Accepting this information reports and its attachments does not have a fiscal impact.



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To: Marina Owen, Chief Executive Officer
Michael Harris, Government Affairs and Administrative Officer
Citlaly Santos, Director, Strategic Engagement Department
CenCal Health

From: Russ Noack, Public Policy Advocates, Partner
Armand Feliciano, Public Policy Advocates, Partner

Subject: State Legislative Update –November 2023

State Legislative Update

The first part of the 2-year Legislative Session concluded on October 14 which coincided with the deadline for Governor Newsom to sign, veto or allow bills to become law without signature. Many significant healthcare related measures that we have been tracking all year passed the Legislature on the last week of the Session and therefore were in the last batch of items to be decided by the Governor.

Governor Newsom's reached the first step in achieving his highest legislative healthcare priority with the enactment of [Senate Bill 326](#) by Susan Eggman of Stockton and [Assembly Bill 531](#) by Jacqui Irwin of Thousand Oaks. These two bills seek to overhaul the mental health treatment system in California. SB 326 provides a major financial boost to treating substance disorders and AB 531 places on the March, 2024 statewide ballot Proposition 1 to authorize the issuance of \$6.38 billion in new bonds to build new behavioral health housing and treatment centers and materially restructure county mental health programs and spending in California. Although the bills passed on a bipartisan basis and Prop. 1 has strong support from many health organizations, it does not face clear sailing as it is being opposed by some homelessness, affordable housing and disability advocacy groups premised on concerns that Prop. 1 may actually end up reducing funding for existing mental health service programs.

As the legislature enters its second year of a two-year secession, we anticipate renewed legislative efforts to modify utilization management and provide for additional coverage mandates.

Senate Bill 598 (Skinner), a measure sponsored by the California Medical Association to reform the prior authorization process by instituting a 1-year gold card exemption program for physicians who have at least a 90% prior authorization approval rate will be back. These and many other bills may get assigned to committees with new chairs as Assembly Speaker Robert Rivas of Salinas, who became the Leader in the Summer is expected to make changes. A change in leadership is occurring in the Senate as well

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as Mike McGuire of Geyserville has been elected to replace Toni Atkins of San Diego as the Senate President Pro Tem. The exact date of the turnover is still to be decided, but most observers believe it will happen early in the new year. We have developed very strong working relationships with both of these seasoned legislators and their respective staff and look forward to another productive legislation session in 2024.

The following bills of interest were signed into law by Governor Newsom:

[Senate Bill 770](#) (Wiener) is viewed as the single-payer “precursor” bill intended to require the state to seek a waiver from the federal government as an initial step in developing a unified financing system. The bill was signed despite the active opposition of the health plans.

[Assembly Bill 716](#) (Boerner) deletes the direct reimbursement requirement that allows emergency medical transport service providers to bill enrollees for amounts not covered by commercial health plans.

[Senate Bill 525](#) (Durazo) increases the minimum wage for healthcare workers to \$25 per hour. The controversial bill passed after a compromise was reached between the competing stakeholders.

Governor Newsom did veto several bills that would have added cost to the system as set forth below:

[Senate Bill 90](#) (Wiener) would have capped co-pays at a maximum of \$35 for a 30-day supply of insulin and would have prevented health plans from placing a deductible on insulin prescriptions.

[Assembly Bill 719](#) (Boerner) would have required Medi-Cal plans to contract with public transportation operators to establish reimbursement rates for nonmedical and nonemergency medical trips to appointments when provided by these operators.

[Assembly Bill 931](#) (Irwin) would have prevented a health plan from imposing a prior authorization requirement for the initial 12 physical therapy treatments.

Paul V. Beddoe Government Affairs, LLC

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

To: Marina Owen, Chief Executive Officer
Michael Harris, Government Affairs and Administrative Officer
Citlaly Santos, Strategic Engagement Director
CenCal Health

From: Paul V. Beddoe, Principal
Paul V. Beddoe Government Affairs, LLC

Subject: Federal Report, November 2023

Situational Awareness

On October 25, the U.S. House of Representatives elected Rep. Mike Johnson (R-LA) Speaker of the House, after three weeks of turmoil within the Republican Conference.

With the current continuing resolution (CR), which temporarily funds the federal government at FY 2023 levels, expiring Nov. 17, the path to a second CR, not to mention full FY 2024 annual appropriations, remains unclear at this point.

FY 2024 Appropriations for Federal Health Programs

While the U.S. Senate Appropriations Committee has marked up its version of the FY 2024 funding bill for the U.S. Department of Health and Human Services, the U.S. House Appropriations Committee has not yet done so. The Speaker has indicated that he plans to bring the bill, often one of the most contentious annual funding bills, to the House floor for consideration the week of Nov. 13.

In addition to policy riders related to hot-button issues like abortion and transgender affirming care, the bill (H.R. 5894) will face opposition from Democrats and some Republicans due to deep spending cuts. As written, health spending would be reduced by \$14 billion, a 12% cut, from FY 2023 levels.

Senate Finance Committee Health Markup

On Nov. 8, the U.S. Senate Finance Committee marked up and approved the Better Mental Health Care, Lower-Cost Drugs, and Extenders Act, 26-0. This wide-ranging bill aims to reform the way pharmacy benefits managers (PBMs) do business, expand the mental health care workforce and services under Medicaid and Medicare, and extend some expiring programs under Medicaid and Medicare.

It includes a provision that would aim to prevent abusive spread pricing for covered outpatient drugs in Medicaid, by requiring a pass-through pricing model, including when services are provided under a contract with an MCO.

It would also repeal the \$16 billion in cuts to Medicaid disproportionate share hospital (DSH) payments required by statute in 2024 and 2025. Safety-net hospitals and their national organizations have argued that the scheduled cuts would devastate their ability to continue to care for the large numbers of Medicaid and uninsured patients that they serve.

The bill also would make permanent a 2018 SUPPORT Act Medicaid state plan amendment option to pay for short stays in facilities with more than 16 beds, or “institutions for mental disease” (IMDs), for substance use disorder (SUD) treatment. While California currently addresses this issue under the CalAIM Drug Medi-Cal Organized Delivery System (DM-ODS) program, having a permanent state plan amendment might be preferable at some point to renewing short-term Medicaid waivers.

While not part of the Medicaid discussion, it is worth noting that during the markup Chairman Ron Wyden (D-OR) continued to complain “ghost networks,” in this case in Medicare Advantage behavioral health plans, as a major problem.

Biden Harris Administration Actions

Federal scrutiny of the states' administration of Medicaid managed care plans continues. On Nov. 7, the Centers for Medicaid and CHIP Services (CMCS) informational bulletin aimed at helping states and the agency to better oversee managed care in Medicaid and CHIP. Among the updates and tools CMCS offered states, the bulletin also provides insights on CMS' process for reviewing and approving managed care contracts, rate certifications, and state directed payments.

Strategic Engagement Department (SED) Supplemental Report October Look-Back



Date: November 15, 2023

From: Citlaly Santos, Strategic Engagement Director

Through: Michael Harris, Government Affairs & Administrative Officer

COMMUNITY OUTREACH

Through community outreach, engagement, and investment - drawing upon sponsorship and grant funding, the SED aims to support CenCal Health's Strategic Plan priority of cultivating community partnerships.

The objective is that through our partnerships we will:

- Uphold CenCal Health's standing as a trusted and inclusive partner with business, health, and social service organizations.
- Bring forth meaningful partnerships that strengthen the health system and local safety net.
- Advance health equity so our communities thrive and achieve optimal health together.
- Improve and expand outreach to members and prospective Medi-Cal beneficiaries within our service areas.
- Promote health education.

Community Engagement Spotlight

The following images highlight some of the community events and activities supported by CenCal Health and attended by our leaders and staff in October.

On October 5, CenCal Health Behavioral Health representatives supported the 2023 *Immigrant Provider Forum: Promoting Resiliency for Immigrant Families*. Staff shared helpful information related to member benefits, behavioral health treatment, and mental health services to providers attending the community event.



On October 14, CenCal Health Provider Services representatives supported the Cuyama Valley Community Health Fair, which was hosted by the Cuyama Valley Family Resource Center and our longstanding provider partner Community Health Centers of the Central Coast (CHC).



Board Member & Santa Barbara County Third District Supervisor Joan Hartmann and CenCal Health SED Director Citlaly Santos at the Experience of Aging in Santa Barbara County – A Master Plan for Aging Local Convening in Buellton. Building upon the State's Master Plan for Aging, Santa Barbara County is developing and adopting long-term tactics to address challenges faced by older adults, their families, and aging Santa Barbara County communities.

Sponsorship & Donation Program Report

CenCal Health committed sponsorship funds to the following organizations in October:

Date	Organization	Event
10/29/2023	Latino Outreach Council	Dia de los Muertos 2023
10/25/2023	Santa Maria Valley Chamber of Commerce	2023 State of the City
11/03/2023	Hospital Association of Southern California (HASC)	My SoCal Hospital Heroes
4/28/2024	AHA Attitudes, Harmony, Achievement	AHA! Sing It Out 25th Anniversary

SOCIAL MEDIA

CenCal Health uses social media to communicate with our community partners, providers, members, and staff. Platforms currently used include Facebook, Instagram, and LinkedIn.

October samples

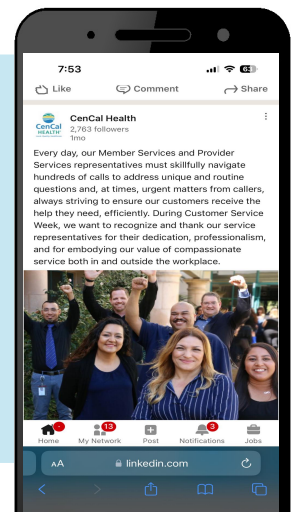


DHCS Awards CenCal Health Certificate of Achievement

In October, CenCal Health was recognized with a 2023 California Department of Health Care Services (DHCS) Quality Award, highlighting the work and achievement of our healthcare partners on the Central Coast. The award recognizes notable advancements made in various quality and health equity strategies, which support DHCS' Bold Goals for 2025.

Recognizing Customer Service Week!

During Customer Service Week, CenCal Health celebrated Member Services and Provider Relations/Services representatives for their dedication, professionalism, and for embodying our values of compassionate service, both in and outside the workplace, noting the empathy and commitment that is required to provide high-quality service each and every day.



PUBLIC RELATIONS

The department continues developing multiple public relations pieces, including press releases, nominations for special reports in local publications, and editorial pieces. The goals of these pieces include promoting and advancing our partnerships, the quality care rendered by our providers and stakeholders, the collective impact of our local safety net partners, and important Medi-Cal updates for our members and prospects.

Earned Media

In October, CenCal Health's HEDIS quality ratings earned a media mention in the Central Coast Medical Association (CCMA) e-monthly newsletter *The Pulse*. Overall, the most recent HEDIS survey rated CenCal Health among the best 5% of Medicaid plans nationally for four quality measures, and in the top 10% for an additional five measures.



[CMA Publishes Guide to Help Physicians Navigate Covered California Changes in 2024](#). There are now approximately 1.74 million individuals enrolled in qualified health plans for Covered California. To help physician practices understand their participation status, which products are being offered and what changes to expect, the California Medical Association has published a new tip sheet that is now available and free to members.



[Local Health Plan Recognizes Providers for Top Quality Ratings](#). For the 5th consecutive year in Santa Barbara County and the 3rd consecutive year in San Luis Obispo County, CenCal Health's provider network, serving Medi-Cal members, rated among the top 5% nationally for postpartum care timeliness. Results are based on HEDIS®, a quality of care audit using industry-standard specifications maintained by the National Committee for Quality Assurance (NCQA).

Information Technology (IT) Board Memo – November 2023

Date: November 10, 2023

To: Board of Directors

From: Bill Cioffi, Chief Information Officer

Contributors: Jai Raisinghani, Deputy Chief Information Officer

Executive Summary

The following information is provided as an update to the board on ongoing operational and project-oriented priorities of the IT functions within the plan.

Operational Statistics

Claims

During the month of October 2023, the Health Plan received 274,828 claims in total. HIPAA Compliant 837I/837P was the source of 93% of total claims and CenCal Health's Provider Portal was used for 5% of claim submissions. In total 98% of total claims were received via electronic method (HIPAA 837I/ 837P/ Proprietary files). Auto-adjudications rates for the month was at 95%.

Authorizations

During the month of October 2023, the Health Plan received 22,382 authorization requests in total. 82% of total authorizations were entered using CenCal Health's Provider Portal and 6% of total requests were part of data transmission from that Plan's Radiology Benefit Manager (RBM). 13% of total authorization requests were received via Fax.

IT Help Desk

The Service Desk received a total of 1,314 requests during the month of October via IT Service Desk system related to various systems and services supported by the IT department. During the month, 1,327 total requests were closed.

IT Network Monitoring

For month of September 2023, IT Network uptime and connectivity recorded average availability of 99.998%.

Hardware Lifecycle Management Initiative:

IT department is embarking upon a Hardware Lifecycle Management Initiative. This initiative aims to optimize the management of our organization's hardware resources, ensuring efficiency and alignment with the latest technological advancements.

This initiative focuses on streamlining the entire lifecycle of hardware assets within our organization, from procurement to retirement. This initiative is guided by the following key objectives:

- Optimized Asset Utilization: Assessing and optimizing the usage of existing hardware to maximize its lifespan and performance. Identifying opportunities for hardware upgrades to meet evolving organizational needs.
- Efficient Procurement Processes: Implementing streamlined processes for the acquisition of new hardware. Ensuring that hardware purchases align with organizational goals and technological requirements.
- Improved User Satisfaction and Efficiencies: Implementing proactive measures to minimize unexpected hardware failures and productivity loss.

Implementation Timeline

The Hardware Lifecycle Management Initiative is scheduled to be in operation from the third quarter of 2023 until the conclusion of the second quarter of 2024. We envision a phased implementation strategy to guarantee a seamless transition and minimize disruptions to ongoing operations.

Recommendation

There are no recommendations required for the Board's consideration for this month.

Financial Report for the ten (10) Month Period Ending October 31, 2023

Date: November 10, 2023
To: CenCal Health Board of Directors
From: Kashina Bishop, Chief Financial Officer/Treasurer
Contributors: Amy Sim, Accounting Director

Executive Summary

This memo summarizes the health plan's financial performance calendar year-to-date (CYTD) through October 31, 2023, and provides insight on how the health plan is operating against budget forecast expectations.

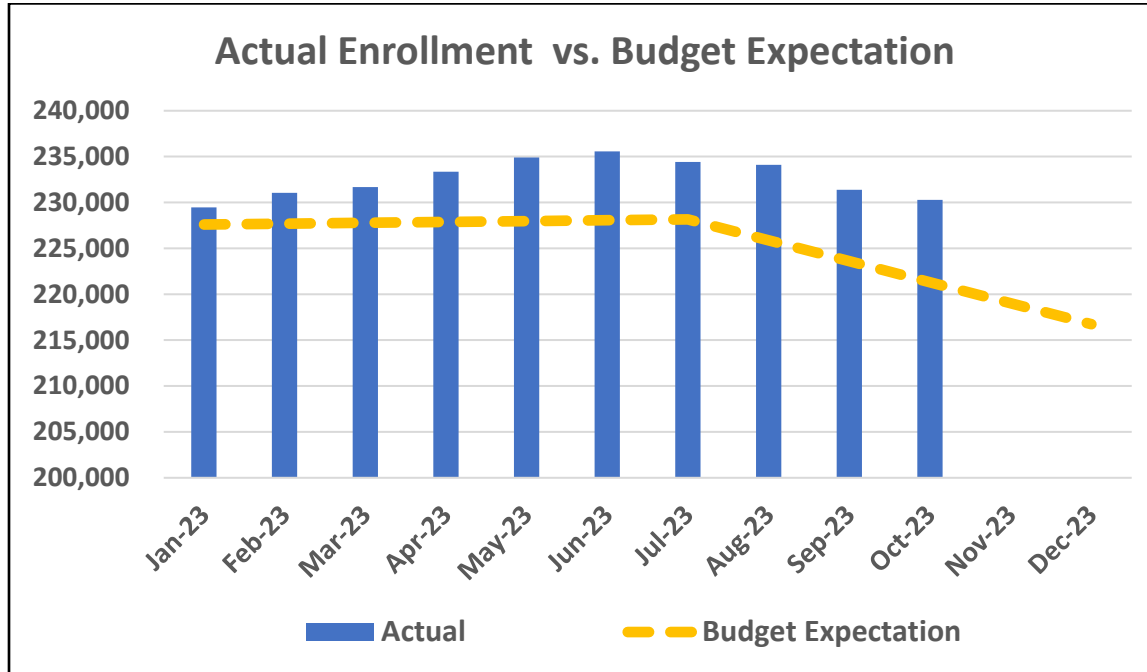
In addition to monitoring current performance, staff is beginning work on the CY 2024 budget which will incorporate the financial forecast for 2024 and beyond to reflect more current information. This will involve an assessment of the potential financial risk associated with the resumption of redeterminations, D-SNP start-up costs and increasing financial pressures from the provider network.

Staff is also in the process implementing exciting improvements to the financial reporting beginning in 2024 which will align the reporting methodologies used for the budget, monthly statements, and State submissions. This will allow staff to identify cost variances more effectively and implement strategies to reduce risk or maximize revenue.

Financial Highlights (CYTD: Jan-Aug)

- **Operating Gain (Loss):** Through ten (10) months of the calendar year we are reporting an operating gain of \$61.0 million.
- **Capitation Revenue** is at \$1,030.7 million; over budget by \$59.1 million and 6.1%.
- **Medical Expenses** are at \$897.7 million; over budget by \$11.0 million and 1.2%.
- **Administrative Expenses** are at \$61.1 million; under budget by \$2.0 million and 3.2%. Strategic Investments are under budget by \$7.0 million and 91.7%.
- **Tangible Net Equity (TNE)** is at \$273.8 million; representing 851% of the minimum regulatory requirement and 95.1% of the minimum Board of Directors desired TNE target.
- **Total Cash and Short-Term Investments** are at \$330.1 million. Cash and Short-Term Investments available for operating the health plan is at \$277.4 million, representing 109 Days Cash on Hand.
- **Member Enrollment** is at 230,279 for the month of Oct 2023.

Enrollment Trend YTD



The health plan's enrollment count as of October 2023 is at 230,279 compared to a budget forecast of 221,310. January 1st –October 31st total member months are at 2,326,798 compared to budget expectations of 2,265,892; over budget 2.6%.

Capitation Revenue

Revenue Type	YTD Actual Dollars	FYTD Budget	YTD Variance	% Variance
Base Capitation Revenue	\$994,810,043	\$958,118,000	\$36,692,043	3.8%
Supplemental Revenue	\$30,206,587	\$13,470,000	\$16,736,587	124.3%
Budgeted Revenue Items	\$1,025,016,630	\$971,588,000	\$53,428,630	5.5%
Prior Year Revenue	\$5,711,311	-	\$5,711,331	
Adjustments: Prior Year Retroactive Items Recorded in Current Fiscal Year				
TOTAL CAPITATION REVENUE	\$1,030,727,960	\$971,588,000	\$59,139,960	6.1%

Base Capitation Revenue is over budget with a variance of 3.8% due to revised capitation rates from DHCS for Hospital Directed Payments (HDP) and Proposition 56, subsequent to the budget development.

Supplemental Revenue [Maternity Deliveries, and visits to American Indian Health Clinics] is over budget by 124.3% mainly due to maternity submission and updated rates for CY 2023. Recent additional submission for maternity included claims from the prior 12 months based on technical data review. Maternity rates were also updated effective January 2023 with adjustments from Jan 23-Mar 23.

Overall, actual budgeted revenue is exceeding budget expectations by 6.1%.

Interest Income

Calendar YTD Interest Income is exceeding budget expectations primarily due to current market interest rates being earned are greater than budget assumption.

Medical Expenses

Medical Expense Type	YTD Actual Dollars	FYTD Budget	YTD Variance	% Variance
Medical Costs + Incentives	\$907,326,771	\$884,517,000	\$22,809,771	2.6%
Reinsurance – net	\$1,712,043	\$2,234,000	(\$521,957)	-23.4%
Budgeted Medical Items	\$909,038,814	\$886,751,000	\$22,287,814	2.5%
Prior Year Expense Adjustments: Prior Year Retroactive Items Recorded in Current Year	(\$11,332,119)	-	(\$11,332,119)	
TOTAL MEDICAL COSTS	\$897,706,695	\$886,751,000	\$10,955,695	1.2%

Medical Costs & Incentives are trending over budget with a variance of 2.6%. Excluding DHCS directed payments which are budget neutral, the medical expenses in aggregate are in line with budget expectations. We are noting some upward trends in hospital inpatient costs due to high dollars cases and some increasing costs to LTC expenses which are assessing the overall impact.

Administrative Expenses

Administrative Expenses are at \$61.1 million and under budget by \$2.0 million and 3.2% primarily driven by:

- Staffing Vacancies: 49 budgeted positions are currently vacant representing a 12.5% vacancy rate. The Administrative budget incorporated a 9% assumed vacancy rate.
- Salaries and Fringes are over budget primarily due to CalPERS unfunded liability adjustment and offset with cost savings of open positions.
- Contract Services are under budget due to the timing of services needed and write off of legal accrual.
- 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 calendar year. Utilities also vary from month to month.
- Travel Costs are under budget due to the timing of actual conferences and seminars.
- Office Supplies & Equipment are over budget primarily due to postage and printing costs for additional State requirements of member materials.
- Other Expenses are over budget due to the timing of software subscriptions.

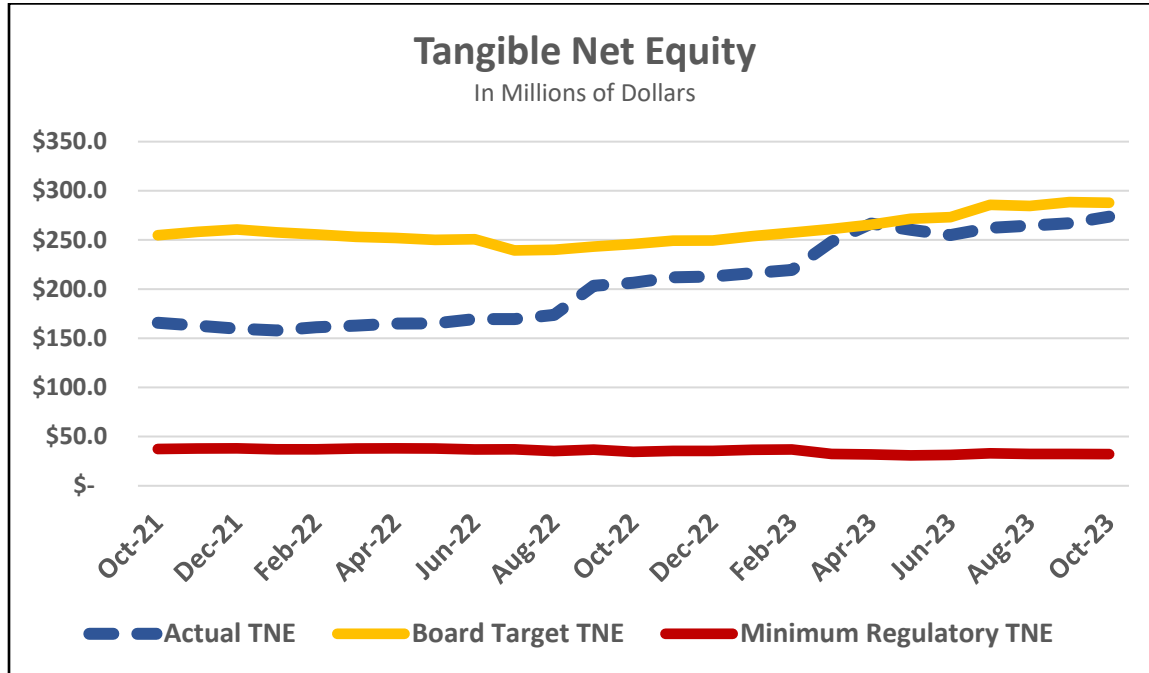
Strategic Investments

Calendar year-to-date Strategic Investments, which include expenditures associated with start-up costs for launching a Medicare Dual Special Needs Program (D-SNP) and investments in technology infrastructure solutions, as of October 31, 2023, YTD actual is at \$628,140 compared to the budget forecast of \$7,591,800. The budget variance is primary due timing with the project kick off occurring later than had been anticipated during the budget process.

Tangible Net Equity (TNE)

As of October 2023, actual TNE is at \$273.8 million. This level represents 851% of the Regulatory Minimum TNE level (\$32.2 million) and 95.1% of the Board of Director's minimum TNE target currently at \$287.9 million.

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



Treasury Activities for the Month of October 2023

Total Cash Received is at \$82.2 million
 Total Cash Disbursements is at \$77.1 million.
 Accrued and Earned Interest Income is at \$834,981.

CenCal Health

Finance Statements and Other Information

For the ten (10) month period ending October 31, 2023

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YTD San Luis Obispo County Operating Statement	8
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CenCal Health

Balance Sheet As of October 31, 2023

Assets

Cash and cash equivalents	\$	330,136,061
Accounts receivable:		
DHCS capitation and other		414,234,549
Reinsurance and other recoveries		2,350,458
Interest and other		271,149
Total accounts receivable		416,856,156
Prepaid expenses		2,096,976
Capital assets-net		27,972,106
Certificate of deposit - DMHC assigned		300,000
Corporate owned life insurance (COLI)		10,840,116
Deposits and other assets		11,832,215
Total Assets	\$	800,033,630

Liabilities and Net Assets

Medical claims payable and incentives	\$	117,961,295
Accounts payable, accrued salaries and expense		15,649,676
Accrued DHCS revenue recoups-MLRs		30,145,981
Accrued DHCS directed payments		350,133,954
Unfunded pension liability - CalPERS		8,729,343
Other accrued liabilities		3,625,216
Net Assets - Tangible Net Equity		273,788,165
Total Liabilities and Net Assets	\$	800,033,630

CenCal Health

Income Statement

For the ten (10) month period ending October 31, 2023

	Actual \$	Budget \$	Variance \$	%
Operating Revenues:				
Capitation	\$ 1,030,727,961	\$ 971,588,000	\$ 59,139,961	6.1%
Medical Expenses:				
PCP capitation	\$ 29,798,787	\$ 34,251,000	\$ (4,452,213)	-13.0%
Physician services	149,311,173	174,197,000	(24,885,827)	-14.3%
Hospital inpatient	200,327,418	186,050,000	14,277,418	7.7%
Hospital outpatient	72,018,182	70,549,000	1,469,182	2.1%
LTC facilities	136,376,357	120,884,000	15,492,357	12.8%
All other services	321,206,897	300,820,000	20,386,897	6.8%
PY estimate change	(11,332,119)	-	(11,332,119)	0.0%
	<u>\$ 897,706,695</u>	<u>\$ 886,751,000</u>	<u>\$ 10,955,695</u>	<u>1.2%</u>
Operating Expenses:				
Administrative expenses	\$ 61,106,256	\$ 63,134,412	\$ (2,028,156)	-3.2%
Strategic investments	628,140	7,591,800	(6,963,660)	-91.7%
	<u>\$ 61,734,396</u>	<u>\$ 70,726,212</u>	<u>\$ (8,991,816)</u>	<u>-12.7%</u>
MCO Tax Expense	(3,195,452)	-	(3,195,452)	0.0%
Interest income	6,139,780	500,000	5,639,780	1128.0%
Non-Operating expense	(19,504,569)	-	(19,504,569)	0.0%
Unrealized gain (loss)	(116,828)	-	(116,828)	0.0%
Operating Gain (Loss)	\$ 61,000,705	\$ 14,610,788	\$ 46,389,917	317.5%

CenCal Health

Income Statement

For the month of October 2023

	<u>Actual \$</u>
Operating Revenues:	
Capitation	\$ 90,165,215
Medical Expenses:	
PCP capitation	\$ 2,908,777
Physician services	13,869,981
Hospital inpatient	18,357,858
Hospital outpatient	7,919,818
LTC facilities	12,536,838
All other services	34,712,784
PY estimate change	(9,142,696)
	<u>\$ 81,163,360</u>
Operating Expenses:	
Administrative expenses	\$ 5,670,543
Strategic investments	48,969
	<u>\$ 5,719,512</u>
MCO Tax Expense	-
Interest income	651,599
Non-Operating Income (expense)	2,969,741
Unrealized gain (loss)	(77,996)
Operating Gain (Loss)	\$ 6,825,687

CenCal Health

Medical Expense by Category

For the ten (10) month period ending October 31, 2023

	Actual \$	Budget \$	Variance \$	%
PCP capitation	\$ 29,798,787	\$ 34,251,000	\$ (4,452,213)	-13.0%
Physician services	149,311,173	174,197,000	(24,885,827)	-14.3%
Hospital inpatient in-area	76,204,008	85,137,000	(8,932,992)	-10.5%
Hospital inpatient out-of-area	76,496,241	53,881,000	22,615,241	42.0%
Hospital capitation inpatient	47,627,169	47,032,000	595,169	1.3%
Hospital outpatient in-area	21,594,450	20,538,000	1,056,450	5.1%
Hospital outpatient out-of-area	12,770,920	15,517,000	(2,746,080)	-17.7%
Hospital capitation outpatient	37,652,812	34,494,000	3,158,812	9.2%
Long term care facilities	136,376,357	120,884,000	15,492,357	12.8%
Mental health services	24,463,486	27,496,000	(3,032,514)	-11.0%
Behavioral health therapy	14,230,924	14,296,000	(65,076)	-0.5%
Transportation	9,265,420	11,942,000	(2,676,580)	-22.4%
Durable medical equip.	7,495,906	8,727,000	(1,231,094)	-14.1%
Laboratory	11,743,199	14,864,000	(3,120,801)	-21.0%
Dialysis	8,755,707	6,795,000	1,960,707	28.9%
Hospice	4,560,339	6,825,000	(2,264,661)	-33.2%
Home health	2,655,326	3,026,000	(370,674)	-12.2%
Enhanced care mgmt.	5,148,581	9,944,000	(4,795,419)	-48.2%
Prop 56	14,942,877	-	14,942,877	
Community supports	1,653,308	1,111,000	542,308	48.8%
DHCS directed payments	193,643,988	168,198,000	25,445,988	15.1%
All other medical services	20,935,793	25,362,000	(4,426,207)	-17.5%
Reinsurance & recoveries	1,712,043	2,234,000	(521,957)	-23.4%
Prior year change in estimate	(11,332,119)	-	(11,332,119)	0.0%
Total Medical Expenses	\$ 897,706,695	\$ 886,751,000	\$ 10,955,695	1.2%

CenCal Health

Administrative Expenses by Category

For the ten (10) month period ending October 31, 2023

	Actual \$	Budget \$	Variance \$	%
Salaries & wages	\$ 27,297,948	\$ 29,881,890	\$ (2,583,942)	-8.6%
Fringe benefits	17,626,016	13,505,562	4,120,454	30.5%
Contract services	5,869,605	9,460,750	(3,591,145)	-38.0%
Travel expenses	101,975	451,491	(349,516)	-77.4%
Rent & occupancy	715,511	769,050	(53,539)	-7.0%
Supplies & equipment	1,746,696	1,505,790	240,906	16.0%
Insurance	1,343,076	1,708,800	(365,724)	-21.4%
Depreciation expense	1,322,664	1,429,400	(106,736)	-7.5%
Software maintenance	28,292	82,480	(54,188)	-65.7%
Software licensing	2,986,663	2,619,650	367,013	14.0%
Communications	407,347	459,200	(51,853)	-11.3%
Professional dues	291,455	262,760	28,695	10.9%
Marketing	60,572	61,600	(1,028)	-1.7%
Member/Provider materials	127,120	87,500	39,620	45.3%
Credentialing fees	36,070	22,500	13,570	60.3%
Provider relations	8,123	53,200	(45,077)	-84.7%
Board committee fees	22,250	30,720	(8,470)	-27.6%
Meeting room expenses	107,856	178,330	(70,474)	-39.5%
All other expenses	1,007,016	563,739	443,277	78.6%
Total Admin Expenses	\$ 61,106,255	\$ 63,134,412	\$ (2,028,157)	-3.2%

CenCal Health

Santa Barbara County Operating Statement

For the ten (10) month period ending October 31, 2023

YTD:	<u>Actual \$</u>	<u>Budget \$</u>	<u>Variance \$</u>	<u>%</u>
Capitation Revenue	\$ 709,593,145	\$ 666,617,000	\$ 42,976,145	6.4%
Medical Expenses	631,570,849	627,521,000	4,049,849	0.6%
Administrative Expenses	43,146,759	44,318,453	(1,171,694)	-2.6%
MCO Tax	(2,236,816)	-	(2,236,816)	
Operating Gain (Loss)	\$ 37,112,353	\$ (5,222,453)	\$ 42,334,806	-810.6%

Medical Loss Ratio (MLR)	89%
Admin Loss Ratio (ALR)	6.1%
YTD Member Months	1,634,017
Avg. Member Count	163,402

CenCal Health

San Luis Obispo County Operating Statement

For the ten (10) month period ending October 31, 2023

YTD:	<u>Actual \$</u>	<u>Budget \$</u>	<u>Variance \$</u>	<u>%</u>
Capitation Revenue	\$ 321,134,816	\$ 304,971,000	\$ 16,163,816	5.3%
Medical Expenses	261,087,707	259,230,000	1,857,707	0.7%
Administrative Expenses	17,959,816	18,814,000	(854,184)	-4.5%
MCO Tax	(958,635)	-	(958,635)	
Operating Gain (Loss)	\$ 43,045,928	\$ 26,927,000	\$ 16,118,928	59.9%

Medical Loss Ratio (MLR)	81%
Admin Loss Ratio (ALR)	5.6%
YTD Member Months	692,781
Avg. Member Count	69,278

CenCal Health

Tangible Net Equity (TNE)

As of October 31, 2023

Actual TNE (from the Balance Sheet)	\$ 273,788,165
Tangible Net Equity - DMHC minimum regulatory	32,161,740
TNE - excess (deficiency)	\$ 241,626,425
Pct. Actual TNE of the Regulatory Minimum	851%

Tangible Net Equity calculation is based upon:
Title 10, CCR, Section 1300.76

CenCal Health

Notes to the Financials Statements

As of October 31, 2023

USE OF ESTIMATES 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 reported 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, 2023, as well as prior year any retroactive rate adjustments issued by the DHCS.

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 in the amount of \$8,729,342 based on current estimates.

CenCal Health

FYTD Operating Statement

For the four (4) month period ending October 31, 2023

Capitation Revenue	\$ 388,995,641
Medical Expenses	354,462,144
Administrative Expenses	20,532,084
Strategic Investments	350,636
MCO Tax	-
Interest Income	2,637,458
Unrealized gain (loss)	(350,372)
Non-Operating Income (expense)	2,973,924
Operating Gain (Loss)	\$ 18,911,787

Medical Loss Ratio (MLR)	91%
Admin Loss Ratio (ALR)	5.0%
YTD Member Months	930,692
Avg. Member Count	232,673

Note: This Operating Statement corresponds to the health plan's accounting cycle which is on a fiscal year cycle (July 1 - June 30). The health plan's budget cycle is on a calendar year cycle and is reflected in the prior operating statements within this financial statement packet.



Exhibits

- 1. Aggregate Monthly Enrollment by Program**
- 2. Aggregate Call Volume**
- 3. Member Grievances and Appeals**
- 4. Provider Services Statistics**
- 5. Claims Operations Statistics**

CENCAL HEALTH - CALENDAR 2023
CENCAL HEALTH MONTHLY ENROLLMENT BY PROGRAM

MEMBER ENROLLMENT BY MONTH: OCTOBER 2023 – SBHI & SLOHI

Reporting period:

October 2023 – Calendar 2023

SBHI Monthly Enrollment 2023

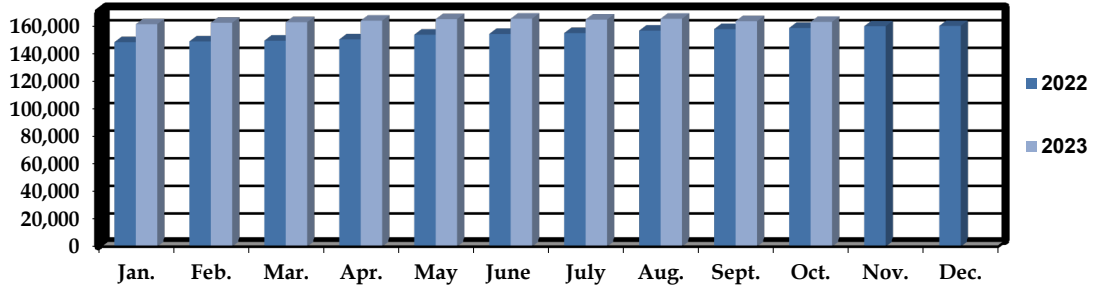
October 2023 = 162,822

Membership decreased by a net 490 members when compared to last month.

New members for October = 1,526

Medi-Cal Annual Redeterminations for all beneficiaries with the end of the PHE are underway. Monthly mailings are sent 60 days prior to the member’s redetermination date. DHCS is mailing renewal packets or auto-approval letters to beneficiaries.

SBHI Member Enrollment by Month



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022 Members	148,119	148,657	149,203	150,143	153,555	154,077	154,717	156,487	157,558	158,413	159,679	159,913
2023 Members	161,132	162,167	162,579	163,706	164,805	165,143	164,464	165,097	163,312	162,822		

SLOHI Monthly Enrollment 2023

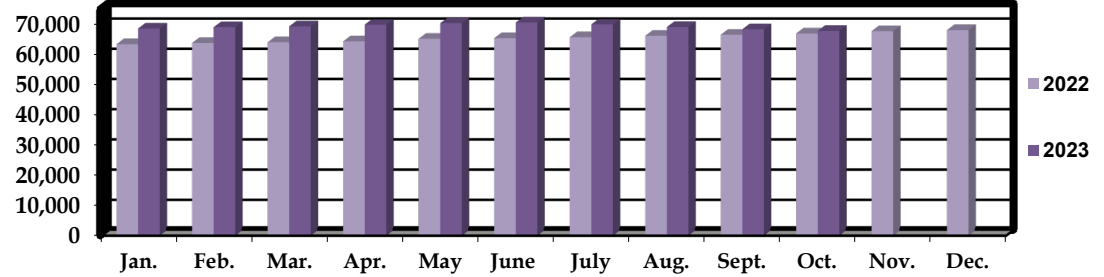
October 2023 = 67,769

Membership decreased by a net 538 members when compared to last month.

New members for October = 844

Medi-Cal Annual Redeterminations for all beneficiaries with the end of the PHE are underway. Monthly mailings are sent 60 days prior to the member’s redetermination date. DHCS is mailing renewal packets or auto-approval letters to beneficiaries.

SLOHI Member Enrollment by Month



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022 Members	63,347	63,753	63,990	64,291	65,157	65,348	65,653	66,150	66,480	66,897	67,663	68,002
2023 Members	68,547	68,987	69,253	69,826	70,304	70,542	69,915	69,035	68,307	67,769		

CENCAL HEALTH CALENDAR 2022 - 2023 MEMBER SERVICE TELEPHONE STATISTICS

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

Reporting period:

October 2023 - Calendar 2023 Chart #1

Monthly Call Volume

- In Control
- Not In Control

October's call volume PTMPY is in of control with 2022's Mean.

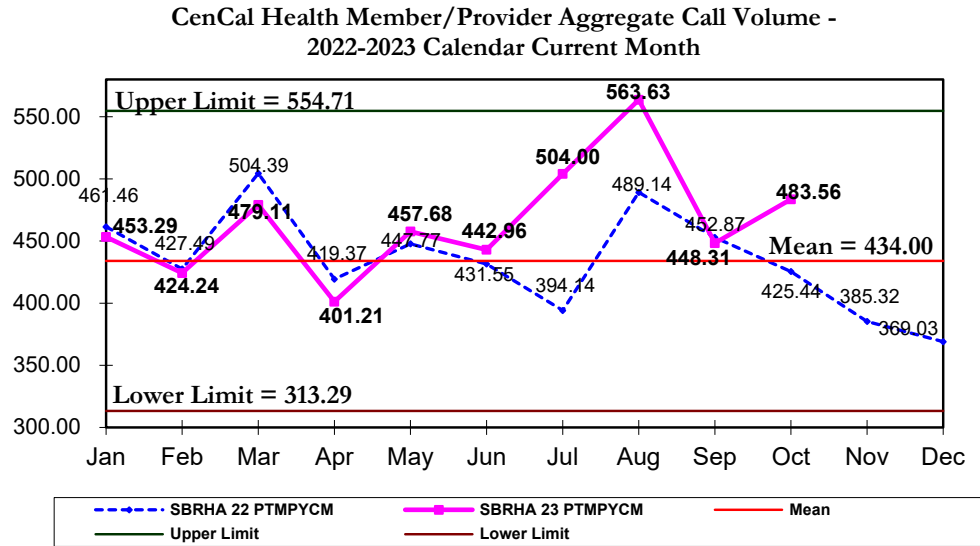
October 2023:

Member Queue = 7,763
 Provider Queue = 1,216
 Non ACD = 313
 Aggregate Call Volume = 9,292

Calls per 1,000/month (PTMPM) = 40.30
 Calls per 1,000/year (PTMPY) = 483.56

Analysis:

HRA survey calls, Medi-Cal renewal calls and Member Portal calls have resulted in increased October call volume.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
22 Members	211,466	212,410	213,193	214,434	218,712	219,425	220,370	222,637	224,038	225,310	227,342	227,9915
Call Volume	8,132	7,567	8,961	7,494	8,161	7,891	7,238	9,075	8,455	7,988	7,300	7,009
PTMPYCM	461.46	427.49	504.39	419.37	447.77	431.55	394.14	489.14	452.87	425.44	385.32	6,722
23 Members	229,679	231,154	231,832	233,532	235,109	235,685	234,379	234,132	231,619	230,591		
Call Volume	8,676	8,172	9,256	7,808	8,967	8,700	9,844	10,997	8,653	9,292		
PTMPYCM	453.29	424.24	479.11	401.21	457.68	442.96	504.00	563.63	448.31	483.56		

October 2023 - Chart #2

Monthly Average Speed to Answer

- Exceeding Goal
- Meets Goal
- Not Meeting Goal

Average Speed to Answer Goal = 85% of Calls Answered Within 30 Seconds

October's score = 80%

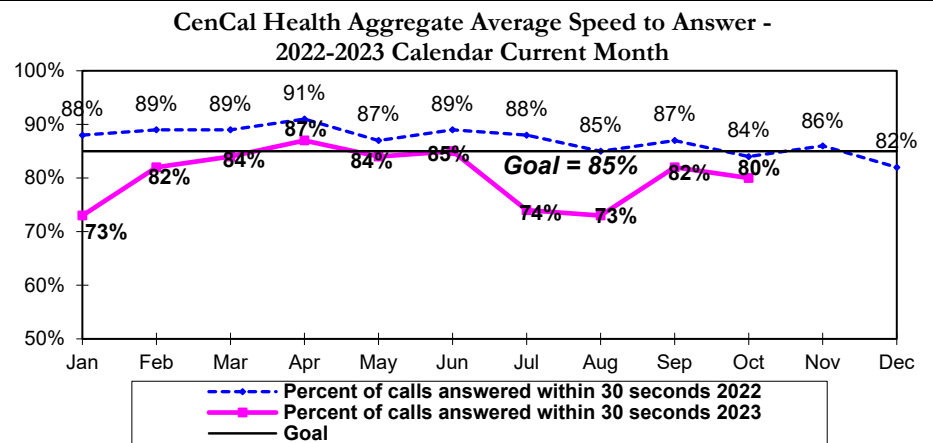
MS queue calls handled: 8,648

MS queue calls abandoned: 238

MS queue calls answered within 30 seconds: 7,039

*ASA excludes 30sec short abandoned (102); dequeued (93)

The call center averaged 422 daily calls in October 2023.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Answered in 30 seconds or less 2022	88%	89%	89%	91%	87%	89%	88%	85%	87%	84%	86%	82%
Answered in 30 seconds or less 2023	73%	82%	84%	87%	84%	85%	74%	73%	82%	80%		

October Analysis: The call center experience 8 calls in queue over 10 minutes. This can be attributed to automated (TeleVox) new member welcome calls and HRA reminder calls to members to return the HRA received in new member packets which allows a bulk of member calls to connect directly to the call center creating a backlog of calls at one.

Additionally, Member Portal calls to assist with password reset and troubleshooting have averaged 10+ minutes making agents unavailable to assist the backlog of calls in queue. Combined with the call center being short-staffed by 2 MSR's (1 in training, 1 open position), scheduled and unscheduled PTO, the average speed to answer goal of 85% was not achieved with an average speed to answer of 80% in October 2023.

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

October 2023 - Chart #3

Monthly Aggregate Abandon Rate

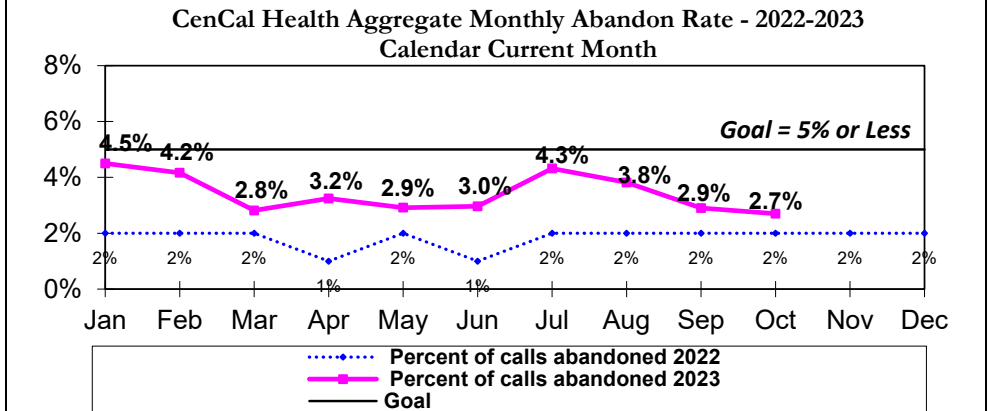
- Exceeding Goal
- Meets Goal
- Not Meeting Goal

CenCal Health Goal = 5% or less

Goal changed from 3% to 5% to reflect organizational goal that more closely aligns with industry standards for abandon rate and definition for abandon rate across all plan phone queues.

MS Aggregate queue calls: **8,979**
Abandoned Calls: **238**
*Excludes calls dequeued (93)

Percent of calls abandoned in October 2023 = **2.7%**



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2022	2%	2%	2%	1%	2%	1%	2%	2%	2%	2%	2%	2%
% of Abandoned Calls 2023	4.5%	4.2%	2.8%	3.2%	2.9%	3.0%	4.3%	3.8%	2.9%	2.7%		

October 2023 - Chart #4

Monthly Aggregate Calls Coded

- Exceeding Goal
- Meets Goal
- Not Meeting Goal

Goal for Percentage of Coded Calls = 95%

Queue Calls Handled: **8,648**
Queue Calls Coded: **8,315**

Percentage of calls coded in October 2023 = **96%**

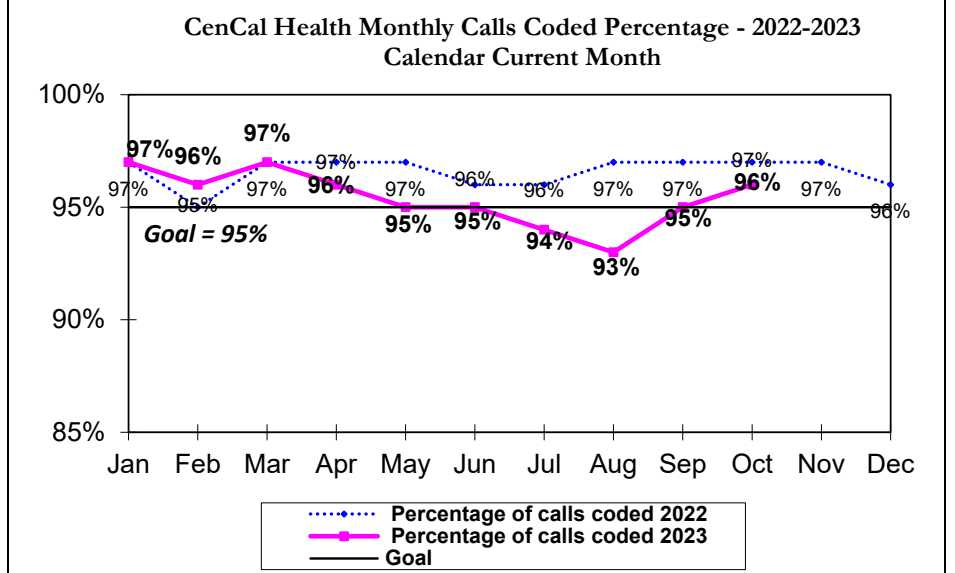
Total Issues Coded: **10,980**

*Calls may have more than one category.

Top 5 Call Categories:

Category	Calls	% of Total
Eligibility	3,685	34%
PCP Selection	1,679	15%
Benefits	1,007	9%
Transfer	951	9%
Member Request	929	8%

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



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Percentage of Calls Coded 2022	97%	95%	97%	97%	97%	96%	96%	97%	97%	97%	97%	96%
Percentage of Calls Coded 2023	97%	96%	97%	96%	95%	95%	94%	93%	95%	96%		

October Analysis:

- Eligibility Calls – 51% Eligibility verification, 34% Referred to DSS/SSA, 7% Coordination of Benefits (OHC) Verification.
 - **296 (8%) Calls from members with questions about the DHCS Re-Determination process.**
- Benefits – 32% Dental, 13% Specialists (Mostly asking for list of/contact information for OBGYNs and Dermatologists), 9% Vision & 9% about Transportation.
- Transferred Calls – 38% to the Medical Management Department (mostly CM and Adult teams), 22% Ventura Transit (Transportation), 15% to the Behavioral Health Department.
- Member Requests – 48% Demographic update, 32% **HRA Survey/Mailing Response (295 HRA-related calls).**
- Member Portal – **There were 88 calls for assistance with the Member Portal**, mostly creating a new account or resetting a password.
- **Provider Calls Coded (1,418) = 13% of all calls tracked.** 71% were for Eligibility, 13% were transferred out of Member Services (Mostly to Claims & Medical Management) and 8% for PCP selections.

CENCAL HEALTH CALENDAR 2023

MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

MEMBER GRIEVANCES & APPEALS

Reporting period:

October 2023 - Calendar 2023

In Control

Not in Control

October's PTMPY for grievance and appeals was **2.97**, slightly above 2022's Mean of 2.23 and in control.

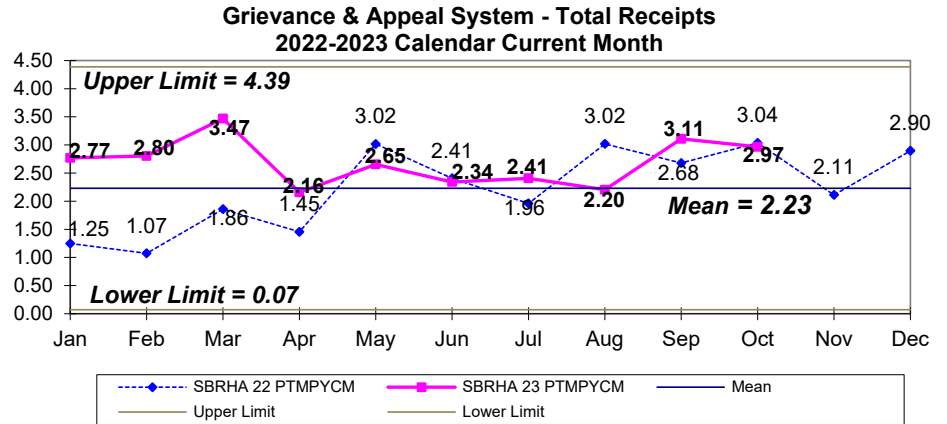
October Grievance/Appeals = 57

QUALITY OF CARE	22
APPEALS	16
ADMINISTRATIVE	10
INTERPERSONAL	3
ACCESS	3
BENEFITS	3

Of the **57** grievances/appeals filed:

46 = SBHI 81% of the aggregate volume (PTMPM: 0.20)

11 = SLOHI 19% of the aggregate volume (PTMPM: 0.05)

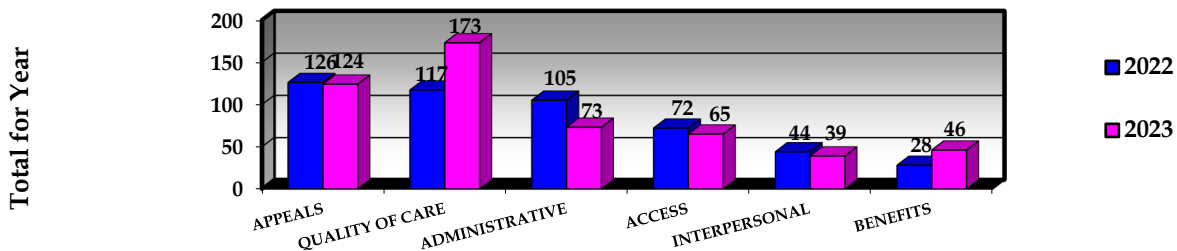


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 22 Mbrshp	211,466	212,410	213,193	214,434	218,712	219,425	220,370	222,637	224,038	225,310	227,342	227,915
CenCal G&A Issues	22	19	33	26	55	44	36	56	50	57	40	55
CenCal PTMPYCM	1.25	1.07	1.86	1.45	3.02	2.41	1.96	3.02	2.68	3.04	2.11	2.90
CenCal 23 Mbrshp	229,679	231,154	231,832	233,532	235,109	235,685	234,379	234,132	231,619	230,591		
CenCal G&A Issues	53	54	67	42	52	46	47	43	60	57		
CenCal PTMPYCM	2.77	2.80	3.47	2.16	2.65	2.34	2.41	2.20	3.11	2.97		

October Analysis and Trends:

- * **QOC Grievances:** 22 total (8 PCP, 8 Behavioral Health, 6 Specialists). Various perceived quality of care concerns/reasons with most issues stemming from member concerns that the provider inadequately addressed their concerns/conditions. There were 5 QOC issues (4BH providers) regarding a change/discontinued medication. Only one provider had more than one QOC grievance filed against them with two, no trends.
- * **Appeals:** 11 TAR appeals: 4 DME appeals for various medical equipment types, 3 various outpatient services, 2 RBM, 1 SNF and 1 genetic testing with no trends. 4 RAF appeals: 3 to out of area/network providers, 1 BH and 1 DME for a mattress.
- * **Administrative:** Mostly centered around the member's dissatisfaction with scheduling, timely communication, or the authorization process. There were 4 Administrative grievances against CenCal Health, for response times, accuracy of information to members and lack of provider availability. 3 BH grievances for timely authorizations & test results.
- * **Interpersonal:** Main cause of overall interpersonal issues was the member's perception of rude demeanor or comments made by office staff/provider during interactions. There was 1 filed against PCPs, 1 Specialist, 1 Ventura Transit with trends.
- * **Access:** Most access issues were due to providers not having available appointments within the members expected timeframe or the timeliness of authorization submission (2 PCP, 1 VTS) 1 against Ventura transit for no-showing for a pickup resulting in a missed appointment.
- * **Benefits:** There were 3 grievances against VTS for no-show/late arrivals for pickup and not communicating pickup time changes.
- * **Transportation:** There were 3 Benefit, 1 Interpersonal & 1 Access grievance filed against transportation vendor (VTS) as noted above, resulting in one missed appointment. 4 in SBHI (80%), 1 in SLOHI (20%).
- * **Total Mental Health/BHT Services:** 12 (8 QOC, 3 Admin, 1 Appeal) all in SB county. Commonly dissatisfied with appointment availability, being dismissed by provider, delays in call back/poor communication or not being prescribed medications of choice/preference. No BH provider had more than one grievance filed against them.

Member Grievance & Appeal System Receipts by Reasons



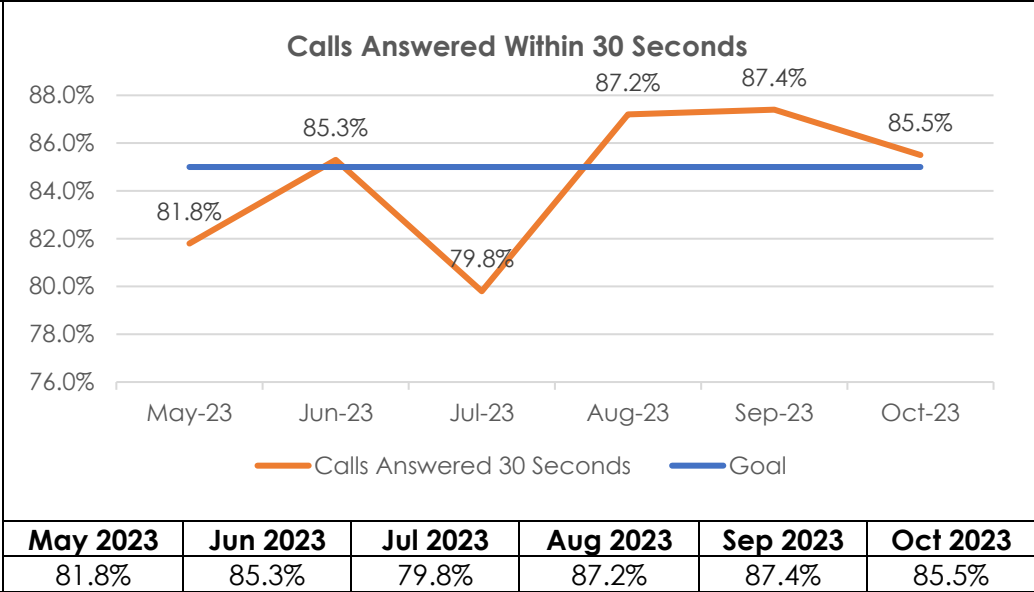
Type	Calendar 2022	Calendar 2023
Appeals	126	124
Quality of Care	117	173
Administrative	105	73
Access	72	65
Interpersonal	44	39
Benefit	28	46

Analysis: Grievances and appeal volume average of 52 per month in 2023 is above the 2022 averages of 41 per month.

CENCAL HEALTH PROVIDER SERVICES STATISTICS

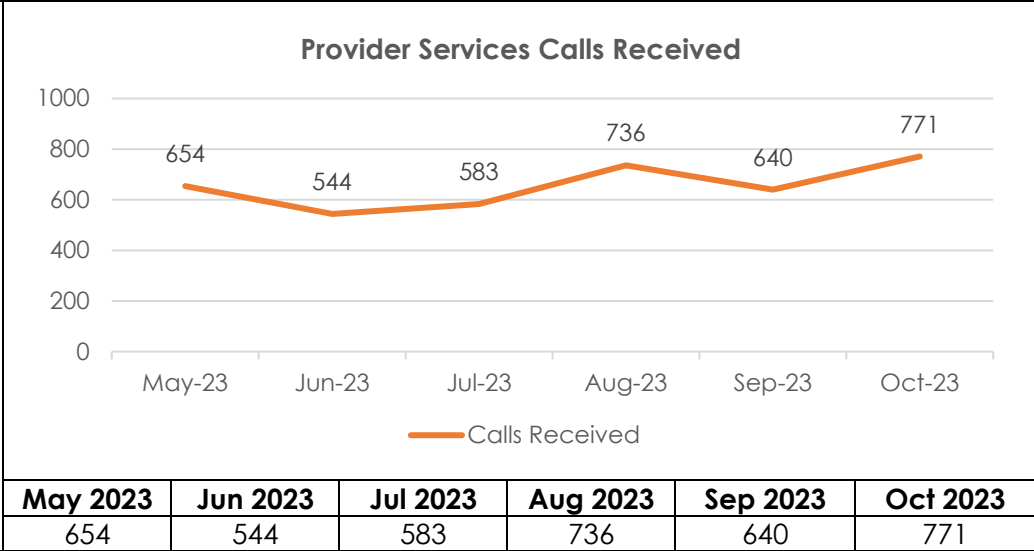
Analysis:
Goal: 85%
Result: 85.5%

Performance was slightly above goal for October, with leadership remaining focused on ensuring continued improvement in phone-based customer service metrics.



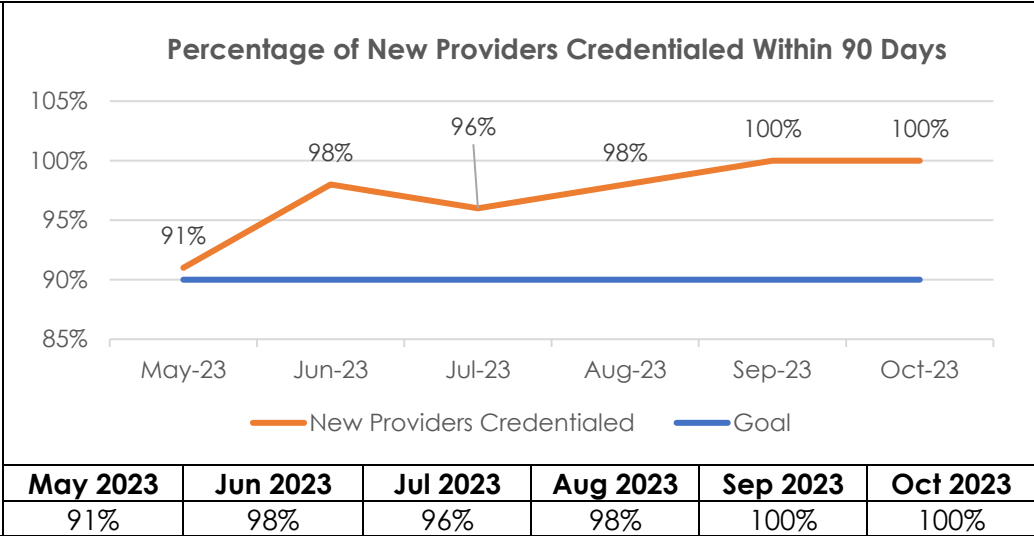
Analysis:
October 2023 Calls Received: 771
Trend to compare volume per month.

Call volume increased slightly in October.



Analysis:
Goal: 90%
Results: 100%

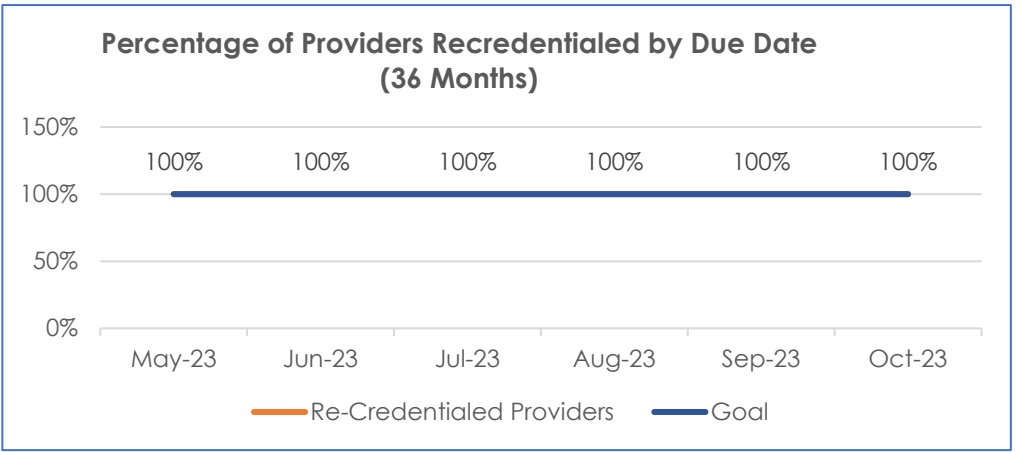
59 of 59 new providers were approved within 90 days.



**CENCAL HEALTH
PROVIDER SERVICES STATISTICS**

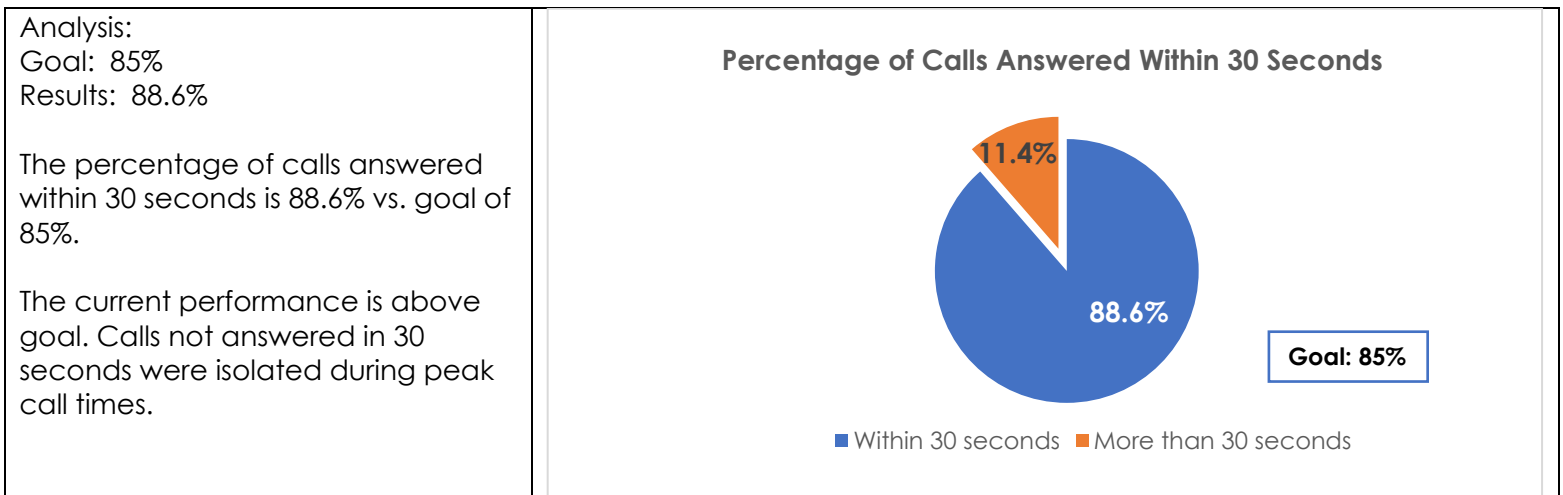
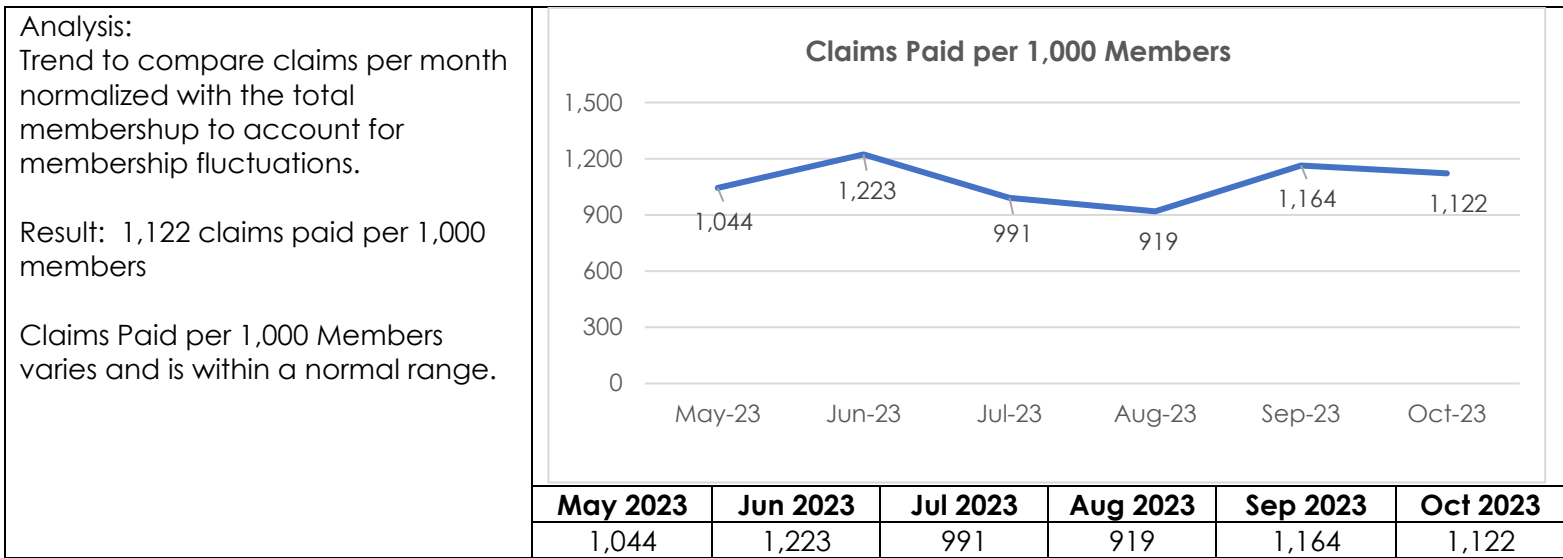
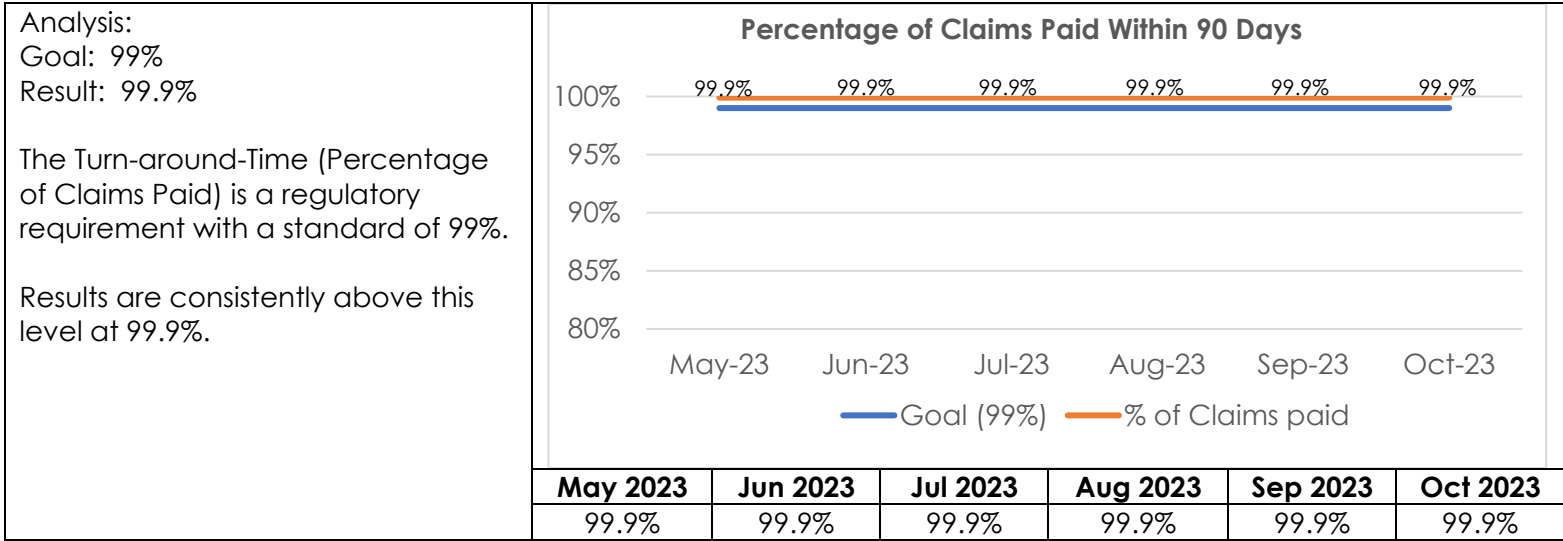
Analysis:
Goal: 100%
Results: 100%

44 providers were originally due for recredentialing in October 2023, of whom 30 were recredentialled within the required timeframe and 14 were no longer eligible for recredentialing.



May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023
100%	100%	100%	100%	100%	100%

CENCAL HEALTH CLAIMS OPERATIONS STATISTICS

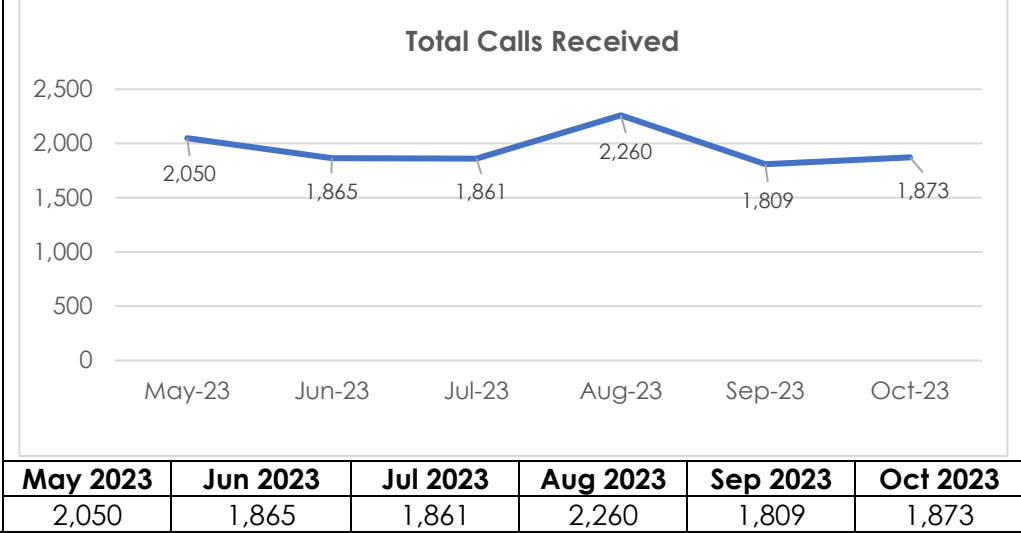


CENCAL HEALTH CLAIMS OPERATIONS STATISTICS

Analysis:
Trend to compare call volume per month

Calls Received (Oct. 2023): 1,873

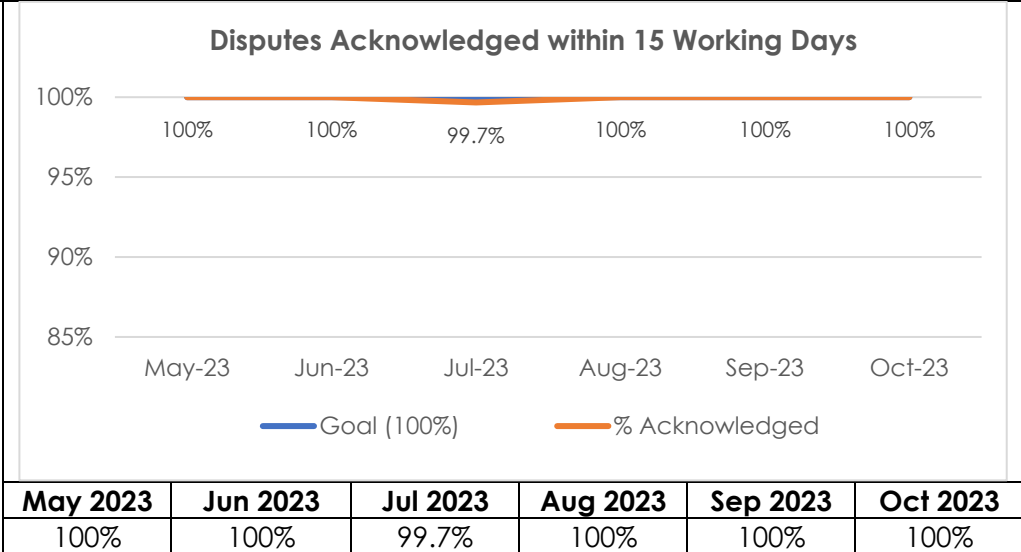
Total Calls received has stabilized and is trending within an acceptable range.



Analysis:
Goal: 100%
Results: 100%

The Disputes Acknowledged in 15 Working Days is a regulatory requirement with a standard of 100%.

The percentage of disputes acknowledged in 15 days are consistently meeting standards.



Analysis:
Goal: 100%
Result: 100%

The Disputes Resolved in 45 Working Days is a regulatory requirement with a standard of 100%.

Results are consistently meeting standards.

