



CenCal HEALTH[®]
Local. Quality. Healthcare.



CenCal Health Board of Directors Information Update

1. Executive Summary
2. Quality Report
3. Health Services Report
4. Performance Division Report and 2024 Operating Plan
5. Customer Experience Report
6. Administration and Government Reports
7. Operations Report
8. Compliance Report
9. Information Technology Report
10. Finance Report and Disclosures
11. CalAIM and Population Health Reports
12. Operational Exhibits

February 20, 2024



CEO Executive Summary

Date: February 20, 2024
To: CenCal Health Board of Directors
From: Marina Owen, Chief Executive Officer

Quality Incentive Program Recognizes Primary Care Providers

CenCal Health's Quality Care Incentive Program (QCIP) recognizes Primary Care Providers (PCPs) for providing clinically recommended services to members in accordance with well-established, evidence-based, clinical guidelines. In January 2024, CenCal Health distributed \$4.2 million in incentive payments to 87 providers. The 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 in all domains as follows:

Members that Received Timely Treatment or Preventive Services								
Categories of Care	Baseline Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Behavioral Health	50.0%	50.6%	50.9%	52.4%	56.3%	63.5%	65.1%	64.7%
Diabetes Care	48.5%	49.9%	50.7%	54.5%	53.3%	53.6%	53.6%	52.9%
Pediatric Care	57.2%	57.1%	57.2%	57.2%	57.2%	57.2%	58.4%	59.1%
Respiratory Care	73.9%	78.2%	78.8%	78.3%	73.6%	70.7%	68.0%	75.1%
Women's Health	55.7%	56.1%	56.4%	56.9%	56.4%	56.3%	57.5%	58.0%
Totals	56.4%	56.6%	56.8%	57.0%	56.8%	57.0%	58.1%	58.7%

In February 2024, the State published its annual quality ratings and imposed monetary sanctions on eighteen (18) of twenty-five (25) Medi-Cal Managed Care Plans for not meeting quality performance requirements, totaling \$3.36M in penalties. Like last year, CenCal Health ranked in Tier One and did not face increasing monetary sanctions.

Additional details can be found in the [Quality Report](#) provided by Dr. Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer and Carlos Hernandez, Quality Officer.

CalAIM Initiative Expansion and Sustainability

This past month, CenCal Health notified existing Enhanced Care Management (ECM) and Sobering Center providers of enhanced reimbursement rates effective February 1, 2024. With over a full year of experience of the cost to provide these new benefits and services, the Department of Healthcare Services (DHCS) and CenCal Health recognized the need to increase the level of reimbursement provided to support sustainability and



expansion in 2024 and beyond. Staff continue to identify new providers as well as continue to support the eighteen (18) providers contracted to provide ECM services. Over 3,300 members have been assigned to providers for outreach, and approximately 1,200 members enrolled and receiving ECM services. Staff recently hosted four (4) learning sessions for providers and community-based organizations. On January 24, the Provider Relations Director participated in a Medi-Cal Overview training hosted by First 5 of San Luis Obispo for CalAIM providers.

Looking ahead, a focus for 2024 will be enhancing services for children and youth through the ECM and Community Supports Programs as well as increasing our collaboration with our community partners to serve the Justice Involved population through the expansion of post-release services. Following your Board's approval of all fourteen (14) services, CenCal Health completed and submitted the Model of Care (MOC) and its corresponding policies and documentation pertaining to the July 2024 service expansion to the State and are awaiting approval.

Additional information can be found in the *Health Services, Operations Report*, and *CalAIM Implementation Reports*, provided by Chris Hill, RN, MBA, Health Services Officer, Jordan Turetsky, MPH, Chief Operating Officer, and Jennifer Fraser, PMP, Program Manager, CalAIM Program.

CenCal Health Welcomes New Members during Medi-Cal Expansion for All Adults

As your Board is aware, California expanded Medi-Cal eligibility to all adults, regardless of documentation status, on January 1, 2024. This expansion resulted in the addition of 15,775 Adult Expansion Members, primarily in Santa Barbara County. Over the past 45 days, CenCal Health's supported new members in selecting their doctors and verifying eligibility and benefits. New enrollment far exceeded CenCal Health estimates and Member Services Representatives fielded exceptionally high call volume, in some days receiving over 1,000 calls. CenCal Health continues to recognize the compassionate service of Member Services Representatives during this busy season. Despite surges in call volume, member grievance and appeal volume did not increase, met goal, and performance remained in control in comparison to 2023 metrics. Operational staffing has been reassessed to ensure timely service to members on an ongoing basis.

Additional information can be found in the *Customer Experience Report*, provided by Van Do-Reynoso, PHD, MPH, Chief Customer Experience and Health Equity Officer, and *Member Services Metrics*, provided by Eric Buben, Member Services Director.

Community Engagement

The *Strategic Engagement Report* highlights media and community engagements, including CenCal Health's support of Community Services Organizations like Meals that Connect and Mariposas Project publicized in a recent press release. Throughout the year, staff attend community-focused meetings to advance objectives to improve



access and provide education and outreach. This month, CenCal Health participated in various convenings in Santa Barbara and San Luis Obispo County, including the Santa Barbara County Homeless Point in Time Count, CommUnify's 211 Community Celebration in Santa Maria and the Santa Barbara South Coast Business Chamber's Business Awards Ceremony, where VNA Health and CommUnify were recognized as non-profits of the year. Lastly, on Valentines Day, staff celebrated Cottage Health's re-opening of the Pediatric Intensive Care Unit to CenCal Health California Childrens Services (CCS) members following successful completion of state readiness activities.

State Budget Update and Sacramento Engagements

Staff continue to follow Governor Newsom's 2024-2025 budget proposal where he projected a \$38 billion shortfall, a figure that is much less than the \$68 billion gap that the Legislative Analyst Office (LAO) estimated. The LAO agrees with using California's reserves to help address the budget shortfall. Overall, however, the LAO takes a more cautious projection of California revenues in part due to a volatile stock market.

On February 26, 2024, the Assembly Budget Subcommittee on Health will discuss DHCS, Medi-Cal, and other oversight issues. On April 4, 2024, the Senate Budget Subcommittee will discuss Health and Human Services, including the Medi-Cal budget. Early reactions from Speaker Rivas and Senate Pro Tem Atkins are that the Legislature is cautiously optimistic and prepared to do the necessary work to bridge California's budget gap. At your March Board of Directors Meeting in San Luis Obispo, CenCal Health's advocates will join staff to provide a comprehensive legislative update.

In related news, the Governor is proposing to work with the Legislature to request the federal government approve an amendment to increase the Managed Care Organization Provider Tax (MCO) to obtain \$20.9 billion in total state funding, which is critical to funding the Medi-Cal program. Recently, the Department of Health Care Services (DHCS) released the MCO tax trailer bill language for legislative consideration.

On February 15th, I represented CenCal Health at the State CalAIM Stakeholder Advisory Committee in Sacramento, which is the DHCS Director's forum to obtain input from select stakeholders on policy and implementation. On February 27th, I will represent local health plans at the State Legislative Briefing, presenting on pediatric quality improvement and CenCal Health's collaboration with providers.

For additional information, please see the *Administrative and Government Reports*, including the State Legislative Report, provided by Michael Harris, Administrative and Government Affairs Officer, and Public Policy Advocates (PPA).

Quality Report

Date: February 20, 2024

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 CenCal Health quality program operations, implications of significance, and next steps and best practices to assure continuous improvement and regulatory compliance.

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. QCIP satisfies an important NCQA standard for accreditation, and Department of Health Care Services (DHCS) requirements.

In January 2024, CenCal Health distributed \$4.2 million in QCIP incentive payments to 87 Primary Care Providers (PCPs). Since the program's inception in March 2022, \$27.0 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 Treatment or Preventive Services								
Categories of Care	Baseline Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Behavioral Health	50.0%	50.6%	50.9%	52.4%	56.3%	63.5%	65.1%	64.7%
Diabetes Care	48.5%	49.9%	50.7%	54.5%	53.3%	53.6%	53.6%	52.9%
Pediatric Care	57.2%	57.1%	57.2%	57.2%	57.2%	57.2%	58.4%	59.1%
Respiratory Care	73.9%	78.2%	78.8%	78.3%	73.6%	70.7%	68.0%	75.1%
Women's Health	55.7%	56.1%	56.4%	56.9%	56.4%	56.3%	57.5%	58.0%
Totals	56.4%	56.6%	56.8%	57.0%	56.8%	57.0%	58.1%	58.7%

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

This Quality Report is presented for information only and no action is requested.

Background

In January, \$4.2 million in QCIP payments were distributed to 87 eligible PCPs. This marks the seventh 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 services that align with well-established, evidence-based, standards of care. Incentives are earned according to a 5-star methodology.

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, 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 Treatment or Preventive Services				
QCIP Categories of Care	Baseline Mar-22	Dec-23	Change	Statistically Meaningful
Behavioral Health				
Antidepressant Medication Management Effective Acute Phase Treatment	57.3%	72.1%	14.8%	Yes
Antidepressant Medication Management Effective Continuation Phase Treatment	42.8%	57.4%	14.6%	Yes
Diabetes Care				
Comprehensive Diabetes Care - Eye Exam	48.5%	52.9%	4.4%	
Pediatric Care				
Child and Adolescent Well-Care Visits	56.5%	58.2%	1.7%	
Immunizations for Adolescents - Combination 2	51.2%	43.4%	(7.8%)	Yes
Lead Screening in Children	59.1%	70.1%	11.0%	Yes
Well Child Visits - 2+ visits before 30th month of age	78.7%	80.6%	1.9%	
Well Child Visits - 6+ visits before 15th month of age	50.6%	62.6%	12.0%	Yes
Respiratory Care				
Asthma Medication Ratio	73.9%	75.1%	1.2%	
Women's Health				
Breast Cancer Screening	60.5%	60.9%	0.4%	
Cervical Cancer Screening	54.4%	56.2%	1.8%	
Chlamydia Screening in Women	57.3%	63.6%	6.3%	Yes

To promote continuous improvement, CenCal Health distributes monthly QCIP performance reports and actionable 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 support practice transformation to sustainably achieve clinical guideline compliance. PCPs are supported by QCIP's easily accessible analytical tools to maximize performance. Systems transformation is supported by distribution of financial incentives.

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

Effective April 2024, QCIP payment calculations will incorporate two more clinically important aspects of care that warrant significant improvement. These additions include seasonal flu vaccination for two-year-olds, and human papilloma virus (HPV) vaccination for adolescents. For these aspects of care, PCPs have not been accountable for QCIP performance during a 12-month transitional reporting period. This period provides sufficient time for PCPs to maximize their member outreach and immunization practices. The next QCIP incentive calculations in April will include these important aspects of care to more strongly promote completion of each multi-dose influenza and HPV vaccination series in accordance with professionally accepted guidelines of the Centers for Disease Control & Prevention Advisory Committee on Immunization Practices.

Recommendation

This Quality Report is informational, and no action is requested.

Health Services Report

Date: February 20, 2024

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

Contributors: 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

The information contained in this report provides the operational status of operations for the Utilization Management, Case Management, Pharmacy and Behavioral Health departments.

Medical Management

The prior authorization turnaround times met or exceeded the 95% threshold for the month of January 2024. Health Services will continue to actively monitor and evaluate processes to ensure compliance is met. Ongoing education with providers on the appropriate criteria for urgent referrals continues.

In January 2024, Medical Management launched the Transitional Care Service (TCS) program with a dedicated team and TCS phone line to assist High Risk members who are transitioning from one setting or level of care to another (i.e.: acute inpatient hospital setting) to home or to other acute or long-term settings. Ongoing training and education that was initiated in 2023 has continued with meetings with hospitals and Skilled Nursing Facilities (SNFs) to provide coordination of care for our members.

Enhanced Care Management

In January 2024, Enhanced Care Management services were expanded to the last ECM Populations of Focus, including Birth Equity and Adults, Children, and Youth Transitioning from Incarceration. Currently, the ECM benefit is available to the following Populations of Focus:

- Adults and their Families Experiencing Homelessness
- Adults At Risk for Avoidable Hospital or ED Utilization
- Adults with Serious Mental Health and/or SUD Needs
- Adults Living in the Community and At Risk for Long Term Care (LTC) Institutionalization
- Adult Nursing Facility Residents Transitioning to the Community
- Homeless Families or Unaccompanied Children/Youth Experiencing Homelessness
- Children and Youth at Risk for Avoidable Hospital or ED Utilization

- Children and Youth with Serious Mental Health and/or SUD Needs
- Children and Youth Enrolled in California Children's Services (CCS) or CCS Whole Child Model (WCM) with Additional Needs Beyond the CCS Condition
- Children and Youth Involved in Child Welfare
- Birth Equity
- Individuals Transitioning from Incarceration

Eighteen (18) providers are currently contracted for ECM services while Provider Services is actively identifying new providers to expand capacity. The Enhanced Care Management Team continues to conduct weekly ECM drop-in sessions, providing support to our ECM providers for questions, authorizations, reporting, forms, and updates on the ECM program.

In January 2024, authorization requests for the Enhanced Care Management services were processed within the 5-day timeframe, maintaining a consistent 100% compliance rate for pre services authorization request.

Community Supports

CenCal Health went live with four (4) new community supports, Short Term Post Hospitalization, Personal Care and Homemaker Services, Respite Services and Day Habilitation Services on January 1, 2024.

Total number Authorization Request for the new Community Support Services are as follows:

- Short Term Post Hospitalization: 27
- Personal Care and Home Maker Services 4
- Day Habilitation: 4

No authorizations were yet received for Respite Services. In January 2024, Community Supports authorization requests were processed within a 5-day timeframe, maintaining a consistent 100% compliance rate in December, and the most frequently requested CS services included *Housing Transition Navigation Services, Housing Tenancy and Sustaining Services, and Sobering Centers.*

Please see the CalAIM implementation Report for further details.

Behavioral Health

The Behavioral Health Department continued to maintain prior authorization turnaround time at 100% compliance for post-service and pre-service authorizations in January. The County Liaison Team increased turnaround time to 83% in compliance with closing all referrals within 10 business days. The Navigator Team is at 81% compliance with turnaround times with care coordination referrals.



The Behavioral Health Department completed 123 adult mental health screenings in January. 16% of adults screened met the county level of care and their referrals were coordinated with the local MHP. The call center is meeting average speed to answer at a performance level of 90% of calls within 30 seconds, average wait time is 21 seconds, and first call resolution performance is at 94%.

The department continues to work closely with both counties to support care coordination and continues weekly referral meetings to support member care. The MOU process between CenCal and county agencies is in process and being led by the Administrative Services Department.

Pharmacy

As we closed out calendar year 2023, the physician administered drugs (PADs) authorization volume continued the upward trend experienced throughout 2022 and has experienced a double-digit growth since December 2022. Greater than half of the activity volume continues to come from the oncology space as a combination of chemo-therapeutic and chemo-supportive followed by the immunology space at approximately 15% and we continue to follow this closely and support our determination through like-specialty match review when appropriate. Our supplemental rebate has more than doubled over the 1st semester of 2022 and our biosimilar preferred benefit design across several oncology products and immunology averaged >75% market share for the year. All cases were processed within regulatory time standards.

Recommendation

No action is requested at this time and this report is submitted as informational.

Performance Division Report

Date: February 20, 2024

From: Chris Morris, MSOD, Chief Performance Officer

Contributors: Andrew Hansen, MBA, Operational Excellence Director

Through: Marina Owen, Chief Executive Officer

Executive Summary

The following report provides updates surrounding the development and execution of Performance Division functions where applicable, including human resources and talent acquisition, process management, and strategic development.

Human Resources

Talent Acquisition and Retention Update

CenCal Health's total staff vacancy rate is 8.4%, exceeding staff's target of 9.0%. There are no new incoming senior leadership team members to report at this time.

All cause turnover remains healthy at a 12-month rolling average of 10.4%, greater than two-points below the CY22 average, and approximately 23 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

Compilation of the Q423 Organizational Dashboard is currently underway, and the Q423 Organizational Dashboard will be shared for your Board's review in March 2024.

2024 Operating Plan Update

The 2024 Operating Plan is comprised of forty-six (46) tactics, twenty-one (21) are new and twenty-five (25) are carrying over from 2023. Status of new tactics will be reported as they initiate; for the active carryover tactics from 2023, progress is as follows: 9 (36%) are between 0-25% complete, 4 (16%) are between 25-50% complete, 5 (20%) are between 50-75% complete, and 7 (28%) are between 75-100%. Additionally, 96% (n=24)

of active tactics are in good health, and one (1) is at-risk of becoming off-track with planned mitigations as follow:

- 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. Contracts between FindHelp and Local Educational Agencies (LEAs) are at risk of being delayed due to school board approvals needed. Resource material about the FindHelp platform was created and shared with school boards to support timely informed decision making.

Next Steps

- Share employee engagement survey results with the Board of Directors in March 2024 and plans following director and staff action planning activities in throughout Q124.
- Share the Q423 Organizational Dashboard in March 2024.

Recommendation

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

Enclosure

1. January 2024 CenCal Health Operating Plan

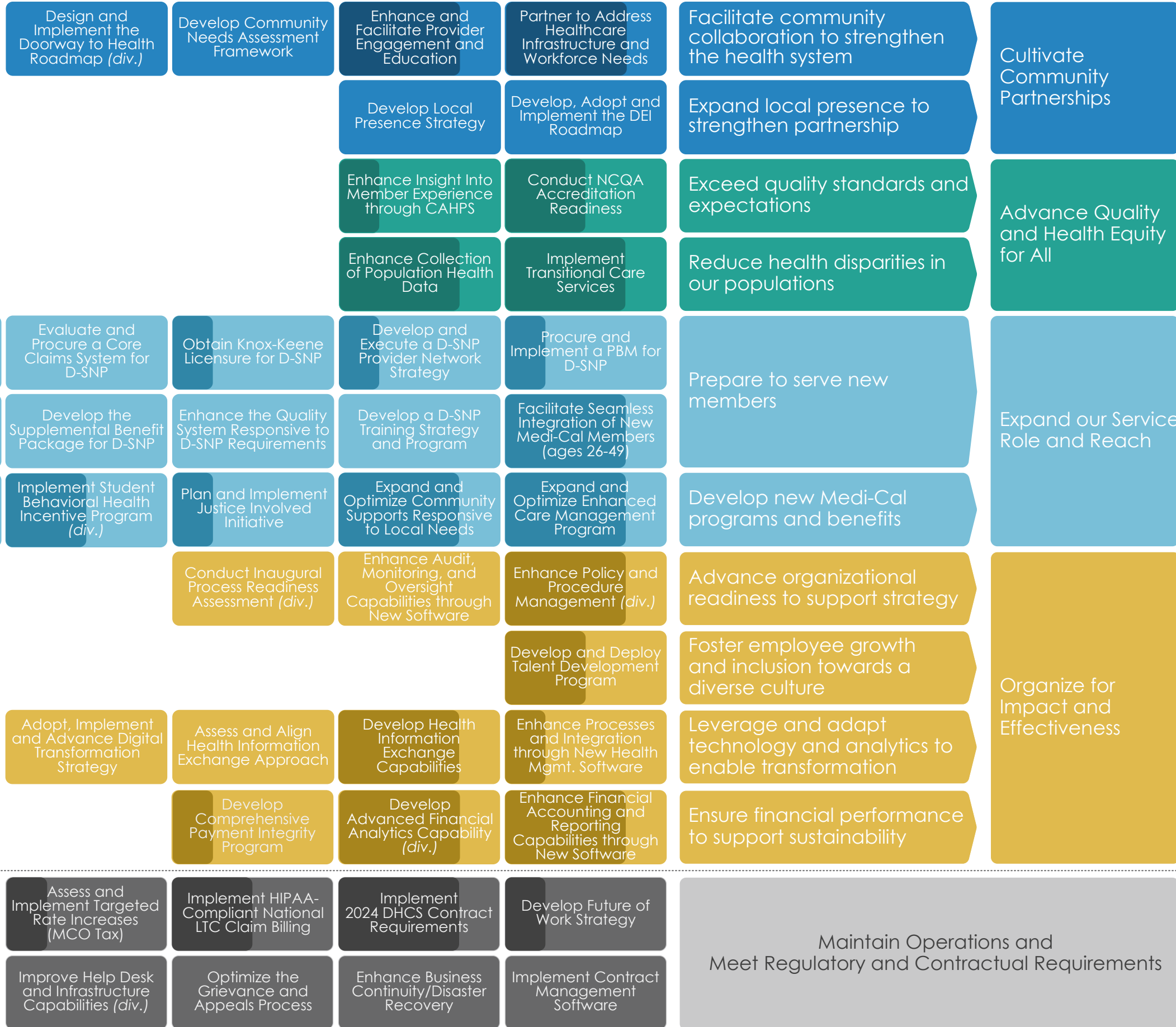
2024 Operating Plan

January 2024

Organizational Tactics

Objectives

Priorities



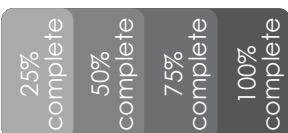
Mission

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

Progress Legend



Customer Experience Report

Date: February 20, 2024

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

Through: Marina Owen, Chief Executive Officer

Contributors: Eric Buben, Member Services Director
Nicolette Worley Marselian, Communications and Marketing Director
Bao Xiong, Program Development Director

Executive Summary

The February report from the Customer Experience Division describes a 49% increase in calls to support the onboarding of 15,775 new members from the Adult Medi-Cal Expansion, the steady progress of partners in the Student Behavioral Health Incentive Program and the Housing and Homelessness Incentive Program, and the outreach efforts to new members.

Member Services Department

CenCal Health's aggregate membership as of February 5, 2024, is 241,031, reflecting a small decrease of 621 in membership from January's final total of 241,652. In comparison, December 2023 membership reflected approximately 227,000 members. Since the end of the public health emergency, CenCal Health has experienced a membership decrease of 1,300-1,400 per month, due to members not returning Renewal Packet information or being ineligible. However, CenCal Health experienced a substantial increase in membership in January 2024 as a direct result of the addition of 15,775 Adult Med-Cal Expansion members to offset the losses from re-determination.

Call Center Metrics were significantly impacted in January due to significant call volume from new members enrolled via the Adult Expansion. All 15,775 new members received new member calls to contact CCH for new member orientation and PCP selections. As a result, the call center experienced record-breaking daily call volumes, averaging 641 calls per day for the month of January and even surpassing 1,000 calls on two days. Overall, the average per day was 49% higher than the daily call in 2023.

CenCal Health's call center is staffed following call center statistics for call volume, average handle time, and in consideration of Average Speed to Answer and abandon rate expectations. The volume received in January, and the length of time these calls took to solution for members (6.09 minutes on avg) made any attempts to meet goals for ASA and Abandon rates unattainable. Staff in the Call Center received assistance

from back-up Member Services and Behavioral Health staff and together, handled over 10,000 queue calls in January 2024.

The abandon rate goal of 5% could not be met and resulted in 12.9%. Our Average Speed to Answer goal is to answer 85% of calls within 30 seconds was also unattainable at 39% in January. The call center successfully met the goal of tracking 95% of queue calls answered with a January score of 95%.

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

Program Development

Student Behavioral Health Incentive Program (SBHIP)

CenCal Health continues to meet with the nine partner Local Education Agencies (LEAs) to support achievement of their local Scope of Work. All partner LEAs are on target with implementing the following interventions:

1. develop the infrastructure for Behavioral Health Wellness Programs to expand greater prevention and early intervention practices in school settings,
2. build stronger partnerships between CenCal Health, LEAs, and county behavioral health plans to increase access to Medi-Cal covered services for students; and
3. provide evidence-based parenting and family services for families of students (applies to LEAs in Santa Barbara County only).

Implementation of the fourth intervention (*enhance behavioral health screenings and implement a closed-loop referral system*) may be delayed due to the need for school board approval of the contract between LEAs and FindHelp, the closed-loop referral system selected by all partner LEAs. CenCal Health developed and shared resources on the FindHelp platform to support LEAs in obtaining school board approval.

In January 2024, DHCS launched the Children and Youth Behavioral Health Initiative (CYBHI) statewide Multi-Payer School-Linked Fee Schedule (fee schedule) Program that builds on the achievements of SBHIP and ensures sustainable reimbursement for mental health and substance use disorder services provided by school-linked providers. Four partner LEAs (*San Luis Coastal Unified, Guadalupe Union Elementary, Santa Barbara County Education Office, and Santa Maria-Bonita*) are participating in the first cohort of the fee schedule. To ensure a successful transition from SBHIP to the fee schedule, CenCal Health is supporting the remaining five LEAs (*Cuyama Joint Unified, Carpinteria Unified, Lompoc Unified, Lucia Mar Unified, and the San Luis Obispo County Office of Education*) with their readiness to participate in the second cohort that is schedule to launch in July 2024.

Housing and Homelessness Incentive Program (HHIP)

CenCal Health is awaiting DHCS notification of the third and final HHIP allocation, which staff anticipate will be at the end of March 2024. In preparation for the final funding allocation, staff are drafting a funding strategy that addresses the unmet housing needs identified in each county's Local Homelessness Plan. The process will be guided by CenCal Health vision, values, and operating plan, and will include input from community partners.

Health Equity

January 2024 efforts by our health equity program included supporting National Committee for Quality Assurance (NCQA) Health Equity accreditation. A Master Services Agreement (MSA) was executed on February 2, 2024, with the Public Health Institute to support the development of the Diversity, Equity, and Inclusion (DEI) training program that meets All Plan Letter 23-025 requirements and aligns with the NCQA Health Equity Accreditation Standards. Other efforts include supporting the Health Equity Committee and developing a culturally and linguistically appropriate outreach campaign to inform new members, who gained coverage through the Medi-Cal Adult Expansion, on how to access services.

Communications & Marketing Department

In January 2024, the Communications & Marketing Department mailed over 250,000 member materials to welcome new members. In addition, over 90,000 member newsletters and 50,000 new Population Health pieces were mailed. Other work including filming the final two CalAIM Impact videos in San Luis Obispo County. All remaining videos are in editing production and will be available in March. Additional examples of projects are detailed in a separate report from Communications and Marketing.

Recommendation

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

Administration and Government Report

Date: February 20, 2024

From: Michael Harris, Government Affairs & Administrative Officer

Through: Marina Owen, Chief Executive Officer

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

Executive Summary

The legislature is back in session for their second year of a two-year session. On January 31st, any two-year bills must leave their house of origin and proceed to the other chamber for further action. The legislature has now begun its work on new legislation for the next legislative period and legislative representatives will join your Board's March Meeting to discuss governmental affairs.

CenCal Health remains very active in the community and has secured several press releases and garnered multiple placements in both local and regional media. CenCal Health continues its responsibility of supporting programs that serve our members and the communities in our service area.

The Administrative Services Department continues to focus on contract processing improvements and sustainability initiatives to support CenCal Health, among other efficiency initiatives.

Background

Government Affairs

The legislature will now begin to grapple with the significant budget deficit facing California. The independent Legislative Analyst's Office, which tends to be more conservative in revenue projections, projects a \$68 billion budget deficit. The governor's office believes that is too pessimistic and is projecting higher revenues.

The Assembly and Senate will start their budget subcommittees on health issues at the end of February and beginning of April respectively. The Senate has a new leader in Senator Mike McGuire (District 2; northern California). For additional state legislative information, refer to the attached legislative report from CenCal Health's legislative advocate Public Policy Associates (PPA).

At the federal level, Congress and the Administration continue to grapple with various continuing resolutions to keep the government funded. At the end of January, House

and Senate appropriation committees announced agreement on twelve FY 2024 bills. Health programs continue to be discussed as congressional members attempt to address longer term funding for health.

Meanwhile, the Administration and the Centers for Medicare and Medicaid Services (CMS) continue to lean on states regarding the time it takes for authorizations, appropriate spending by managed care plans and providing more stringent oversight. As the federal government leans on the states, CenCal Health should anticipate a state response and additional oversight.

Strategic Engagement

In January 2024, notable coverage was secured for the following press release, *Community Service Organizations Receive Over \$530,000 in Funding from Local Health Plan on Central Coast*, highlighting CenCal Health's Community Benefits initiative for subsidizing local health-related programs and community services. The press release garnered multiple placements in both local news and in regional health media, including KEYT-TV news (online), *Paso Robles Daily News*, *Santa Maria Sun*, and *Voice Magazine*, in addition to Local Health Plans of California's e-newsletter and the Central Coast Medical Association's e-newsletter, *The Pulse*.

Looking ahead, the Strategic Engagement department is actively coordinating CenCal Health's participation in multiple sponsored and outreach events in February, including a fundraiser hosted by network provider Planned Parenthood and the 2-1-1 annual Community Day Celebration. Please see the attached supplemental report for additional information and details on public relations and community outreach activities.

Administrative Services

The Administrative Services Department has initiated a project to enhance the Contract Lifecycle Management system through enabling technology. The objective is to centralize all contract-related functions within a singular software process. We expect this process to greatly enhance collaborative operations and boost overall organizational efficiency.

In alignment with CenCal Health's dedication to environmental stewardship, the department has focused efforts to reduce our carbon footprint. To this end, we've engaged Forefront Power, a consultancy known for its expertise in solar energy and power storage. This partnership positions CenCal Health to make informed decisions as we undertake the crucial task of lessening our environmental impact. CenCal Health anticipates reporting on further insights and progress on our sustainability initiative in subsequent quarters.

Recommendation

This report is informational, and no additional action is requested at this time.

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



Date: February 20, 2024

From: Citlaly Santos, Strategic Engagement Director

Through: Michael Harris, Government Affairs & Administrative Officer

PUBLIC RELATIONS

Earned Media

In January, 10 media mentions were secured for the following press release distributed in late December:

- Community Service Organizations Receive Over \$530,000 in Funding from Local Health Plan on Central Coast

Note: All press releases can be viewed online at www.cencalhealth.org/news

The press release highlighted CenCal Health's Community Benefits program, through which, in 2023, more than 40 service agencies, associations, and community nonprofits and organizations in Santa Barbara and San Luis Obispo counties received funding from CenCal Health. Over \$530,000 were distributed to community partners whose work aligns with CenCal Health's priorities and supports improving the overall health and wellness of our communities.

In addition, the January 12 issue of *Pacific Coast Business Times* included recognition of CEO and President of Marian Regional Medical Center/Arroyo Grande Community Hospital and CenCal Health Board Member Sue Andersen, as well as CenCal Health CEO Marina Owen. Both executives were listed in the journal's annual Women in C-Suite report.

Media Coverage Report

The following report provides details of the media coverage rendered in January.

January 2024		
Date	Publication	Headline
1/18/2024	The Pulse, CCMA e-newsletter	New Medi-Cal Services Available Through CenCal Health
1/16/2024	Local Health Plans of California e-news	Improving Health Equity: Highlights
1/12/2024	Pacific Coast Business Times	Women in C-Suite
1/11/2024	Santa Maria Sun	Improving Health Equity: Highlights
1/8/2024	Local Health Plans of California e-news	Local Community Service Organizations Receive over \$530,000 in Funding
1/5/2024	Paso Robles Daily News	Local Community Service Organizations Receive over \$530,000 in Funding
1/5/2024	Voice Magazine	Community Service Organizations Received Over \$530,000 in Funding from CenCal...
1/4/2024	Local Health Plans of California e-news	CenCal Health Distributes over \$530,000 to Central Coast Service Agencies...
1/3/2024	KEYT-TV News	CenCal Health Distributes over \$530,000 to Central Coast Service Agencies...
1/2/2024	Nonprofit Resource Network	Community Service Organizations Receive Over \$530,000 in Funding...
1/2/2024	Local Health Plans of California e-news	Local hospitals receive awards for providing care to Medi-Cal members...

Clippings Samples



New Medi-Cal Services Available Through CenCal Health. Community Supports are Medi-Cal services that expand assistance to members beyond traditional medical care to address complex social needs, such as housing, food, and transportation. As of January 1, the local health plan CenCal Health offers ten Community Supports, including four inaugurals. The new services include short-term post-hospitalization housing, respite services, personal care and homemaker services, and day habilitation.



CenCal Health to distribute over \$530,000 in funding to Central Coast service agencies and organizations



CenCal Health

1

1/18/2024
The Pulse, CCMA e-newsletter
 New Medi-Cal Services Available Through CenCal Health

2

1/5/2024
Paso Robles Daily News
 Local Community Service Organizations Receive Over \$530,000 in Funding

3

1/3/2024
KEYT-TV News
 CenCal Health Distributes over \$530,000 to Central Coast Service Agencies and Organizations

4

1/12/2024
Pacific Coast Business Times
 Women in C-Suite

10A Pacific Coast Business Times January 12-18, 2024

THE LIST

Women in C-Suite
Ranked by Regional Employees

Name Title	Company name	No. Employees in Tri-Counties	Industry
Sevet Johnson CEO	County of Ventura	10,778	County administration
Mona Miyasato CEO	County of Santa Barbara	4,400	County administration
Midge Campbell-Thomas SVP, Global Operations	Bank of America	3,009	Banking
Sara Miller McCune Founder	Sage Publishing	2,882	Academic, scholarly, and professional publishing
Natalie Mussi CEO	Los Robles Regional Medical Center	1,800	Health care
Sue Anderson CEO, President	Marian Regional Medical Center; Arroyo Grande Community Hospital	1,120	Health care
Jennifer Swanson CEO, President	Adventist Health	945	Health care
Lari Varotta President	California Lutheran University	894	University
Jill Swame President	Cuesta College	854	College
Fay Stea Goon Chief Financial Officer	AppFolio	647	Software
Kim Hoffmann President	Ventura College	646	College
Sherry Villanueva Managing Partner, Owner	Acme Hospitality	525	Restaurant & hotel group
Shawna Morris CEO	Casa Pacifica Centers for Children & Families	350	Non-profit youth residential treatment center
Leonie Mattison President & CEO	Pacific Graduate Institute	313	Higher education
Marina Owen CEO	CenCal Health	300	Health care
Janet Garris President, CEO	Monticito Bank & Trust	285	Banking
Noreen Martin President, Chair	Martin Resorts	260	Hotel and restaurant operations
Geri LaChance President, CEO	SESLOC FCU	160	Federal credit union
Elizabeth Cholawsky CEO	HQ Insights	155	Technology
Denise Sutton Agency President	AssuredPartners	150	Risk management and benefits consulting
Joanne Funari Executive Vice President & Chief Operating Officer	American Riviera Bank	116	Banking and finance
Michelle Martnich Executive Vice President & Chief Financial Officer	American Riviera Bank	116	Banking and finance
Amada Cruz Eichholz Director, CEO	Santa Barbara Museum of Art	94	International art museum
Christina Kosmowski CEO	LogicMonitor	75	IT software
Janet Silveria President & CEO	Community Bank of Santa Maria	60	Financial services
Monica White CEO	Food Share of Ventura County	44	Food bank
Kristin Decas Port Director & CEO	Port of Hueneme	42	Shipping port
Jackie Carrara President & CEO	Santa Barbara Foundation	37	Nonprofit

Sources: Employee counts are from email and Internet research. Notes: List was updated in Dec. 2023.

SOCIAL MEDIA

January Samples



CenCal Health provides local food banks with nearly 600 pounds of food

Between November and early December, CenCal Health staff collected nearly 600 pounds of food to donate to our local food banks. The Foodbank of Santa Barbara County and SLO Food Bank each received about 300 pounds of canned protein, vegetables, pasta, cereals, crackers, pancake mix, and more! With hunger and satiety being critical factors influencing health, we want to express our sincere gratitude to our staff for their generosity and recognize their invaluable commitment to delivering compassionate service.

Heat Haven: Providing Warmth for the Unsheltered

The cold weather leaves those most vulnerable without a safe place to sleep, so local community partners facilitate warming centers. Good Samaritan Shelter, 5Cities Homeless Coalition, and Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO) run the major warming centers throughout Santa Barbara and San Luis Obispo counties. When alerted, CenCal Health uses Facebook to share and promote the opening of their warming centers throughout the month.



COMMUNITY ENGAGEMENT

Sponsorship & Donation Program Report

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

In January, CenCal Health committed sponsorship funds to the following organizations and events:

Event Date	Organization	Event
3/9/2024	Santa Barbara Cottage Hospital Foundation	2024 Tiara Ball
2/29/2024	LEAP: Learn. Engage. Partner	2024 LEAP Awards
2/17 - 24/2024	Santa Maria - Lompoc NAACP	Black History Month Celebrations



February 20, 2024

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

Re.: February Board of Directors Report

Last month, Governor Newsom unveiled his 2024-2025 budget proposal where he projected a \$38 billion shortfall, a figure that is much less than the \$68 billion gap that the Legislative Analyst Office (LAO) estimated. The LAO agrees with using California's reserves to help address the budget shortfall. Overall, however, the LAO takes a more cautious projection of California revenues in part due to a volatile stock market.

Some of the Governor's key budget proposals include expanding Med-Cal to all income eligible Californians regardless of immigration status. The Governor is also proposing to work with the Legislature to request the federal government approve an amendment to increase the Managed Care Organization Provider Tax (MCO) to obtain a \$20.9 billion in total state funding, which is critical to funding the Medi-Cal program. Recently, the Department of Health Care Services released the MCO tax trailer bill language for legislative consideration.

Early reactions from Speaker Rivas and Senate Pro Tem Atkins are that the Legislature is cautiously optimistic and prepared to do the necessary work in order to bridge California's budget gap. Below are likely budget subcommittee hearings for Medi-Cal:

- **February 26, 2024**- Assembly Budget Subcommittee (1) on Health, the agenda includes the Department of Health Care Services, Medi-Cal, MCO tax, and other oversight issues.
- **April 4, 2024**- Senate Budget Subcommittee (3) on Health and Human Services, the agenda includes the Medi-Cal budget.

On February 5th, 2024, the Senate welcomed its new leader, Senator Mike McGuire, to assume the powerful role of Senate Pro Tem within the California Senate. Senator McGuire offers a unique rural perspective representing a vast majority of rural Northern California. As to Senator McGuire's work ethic approach, a colleague of Senator McGuire offered the following quote: "He's got, like, Red Bull running through his veins or something." It is anticipated that changes to committee membership assignments are likely to follow.

Legislatively, a key deadline this month is February 16, 2024, the final day to introduce bills at the Legislature. Many introduced bills are likely to be heard on April 1, 2024, the week the Legislature comes back from its Spring recess.

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

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

Date: February 20, 2024

Subject: Federal Report, February 2024

With the fits and starts of the process toward a border and national security emergency supplemental appropriations bill grabbing the headlines, Congress has made some progress on the must-pass FY 2024 annual appropriations process.

On Jan. 18, one day before the expiration of the third FY 2024 continuing resolution (CR), both the House and the Senate were able to pass yet another CR. This fourth FY 2024 CR funds the U.S. Departments of Agriculture (which includes the Food and Drug Administration), Transportation, Housing and Urban Development and Veterans Affairs through March 1, and the remaining eight appropriations bills, including the one that funds the U.S. Department of Health and Human Services, through March 8.

Like the previous CRs, the fourth CR also extends short-term funding for some expiring health programs, including the Community Health Center Fund, the Teaching Health Center Graduate Medical Education Program, and the National Health Services Corps. The CR also delays the statutory cuts to the Medicaid disproportionate share hospital (DSH) program through March 8.

At the end of January, the Republican and Democratic leadership of the House and Senate appropriations committees announced that they had reached an agreement on top-line spending levels for each of the twelve FY 2024 annual bills. While this enables the twelve subcommittees to write their bills, it does not resolve the policy issues that divide the parties and the chambers. Completing all twelve bills by March 8 will still be a challenge.

Negotiations toward a health package, which may include longer term funding for the expiring health programs and repeals or delays of at least part of the statutory Medicaid DSH cuts, as well as SUPPORT Act reauthorization and other bipartisan behavioral health measures, are ongoing. The best opportunity for a health extenders and behavioral health package to advance in an election year would be along with a must-pass appropriations measure, so the clock is ticking.

Meanwhile the Biden-Harris Administration Centers for Medicare and Medicaid Services (CMS) continues to issue regulations and guidance which will continue to demand more from states and Medicaid plans.

For instance, on January 17, CMS issued final regulations on prior authorization. By 2026, State Medicaid and Children's Health Insurance Program (CHIP) agencies as well as insurers offering Medicaid, CHIP, Medicare, and health insurance exchange markets, will be required to respond to urgent prior authorization requests within 72 hours and to non-urgent requests within seven days. These provisions are unchanged from the proposed rule rolled out in 2022. The rule also includes new data standards intended to support interoperability for prior authorizations. Covered entities will be required to submit prior authorization statistics. The data and disclosure requirements go into effect by 2027.

Operations Report

Date: February 20, 2024

From: Jordan Turetsky, MPH, Chief Operating Officer

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

Through: Marina Owen, Chief Executive Officer

Executive Summary

This Operations Report provides an overview of January activities specific to the Claims, Provider Services, and Provider Relations teams, inclusive of department operational metrics. Timely and effective support to CenCal Health providers remains an area of focus and process improvement within Provider Relations, with immediate next steps including the addition of staff to support increasing provider calls and email inquiries related to expansion of new programs and services.

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 January 2024 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

In January 2024, CenCal Health notified existing Enhanced Care Management (ECM) and Sobering Center providers of enhanced reimbursement rates effective February 1, 2024. With over a full year of experience of the cost to provide these new benefits and services, CenCal Health recognized a need to increase the level of reimbursement provided to support sustainability and expansion in 2024 and beyond. Staff are committed to the ongoing assessment of payment for ECM and all Community Supports, in conjunction with the funding opportunities made available through the Incentive Payment Program.

In January, staff hosted four learning sessions for providers and community-based organizations specific to Enhanced Care Management (ECM), Community Supports (CS), Community Health Worker (CHW) and Doula services. On January 24, the Provider Relations Director participated in a Medi-Cal Overview training hosted by First 5 of San Luis Obispo during which information was provided on ECM, CS, CHW, and Doula services which are available to CenCal Health members.



Operational metrics for Provider Services and Provider Relations were at or above goal for January 2023, with the exception of calls answered within 30 seconds which were significantly below goal at 79%. Immediate improvement actions are underway, including the recruitment of an additional staff position to support provider calls and email inquiries. Improving the timeliness of customer service for CenCal Health providers is a priority for Provider Relations and will be an area of focus in the coming weeks.

Recommendation

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

Compliance Report

Date: February 20, 2024

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

Contributors: Kimberly Wallem, Manager of Audits, Monitoring, & Oversight
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, delegation oversight, and other Compliance Division updates.

Compliance Program Update

The Compliance Committee met on January 23, 2024, where the Chief Compliance Officer presented the 2024 Compliance Work Plan, which includes tactics in alignment with the 2024 Operating Plan. The 2024 Compliance Work Plan will be presented to the Board Compliance and Oversight Committee in February 2024 for acceptance and recommendation to the CenCal Health Board of Directors.

The Compliance Division continues to implement the use of PolicyTech, a policy and procedure software application, that will allow for a central policy library to search for, view, edit, update, approve, and publish organizational policies and procedures. CenCal Health employees will no longer search for organizational policies and procedures on CenCal Health Central, the organization's intranet site. Instead, they can securely sign into PolicyTech to view organizational policies and procedures.

Department of Health Care Services: All Plan Letters

For the month of January 2024, DHCS released one (1), revised two (2), and retired one (1) APLs.

Released APLs:

1. APL 24-001: Street Medicine Provider: Definitions and Participation in Managed Care
 - Released: 01/12/2024
 - Supersedes: 22-023

Revised APLs:

1. APL 23-029: Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans and Third-Party Entities
 - Revised: 01/16/2024
2. APL 23-023 Intermediate Care Facilities for Individuals with Developmental Disabilities -- Long Term Care Benefit Standardization and Transition of Members to Managed Care
 - Revised: 01/26/2024

Retired APL:

1. APL 20-021: Acute Hospital Care at Home
 - Retired: 01/08/2024

Audits, Monitoring, & Oversight (AMO)

The Audits, Monitoring, & Oversight Department (AMO) is responsible for performing risk assessment and 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. AMO is currently recruiting to fill a Compliance Auditor position and is working toward recruiting for a Compliance Strategist position.

External Audit – 2023 DHCS Facility Site Review (FSR) and Medical Record Review (MRR) Audit/CAP

The DHCS Site Review Unit (SRU) conducted a required random full-scope Primary Care Provider FSR and MRR audit from December 12, 2023, to December 14, 2023, in San Luis Obispo and Santa Barbara Counties. Consistent with APL 22-017, DHCS conducted site reviews to validate the Plan's FSR and MRR processes. Providers chosen for the review were notified in advance of the audit, with preliminary findings released in late December 2023.

On January 22, 2024, DHCS issued a corrective action plan (CAP) based on findings of the audit and CenCal Health is working with provider sites to respond to all documented issues.

External Audit – Encounter Data Validation (EDV) Study (Audit)

On an annual basis, CenCal Health's encounter data is evaluated by Health Services Advisory Group (HSAG) for completeness and accuracy through a review of randomly selected medical records for members enrolled in the past year (2022). On January 31, 2024, the Plan received a random selection of 411 files that are a part of the 2024 audit with HSAG. The AMO team is working with Quality, Provider Relations, and Claims teams to obtain and submit all records by May 2024.

Internal Audit

AMO 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. AMO is currently monitoring two remediation plans (RPs). AMO is currently leading efforts to implement risk assessment work and develop audit plans approved in the Q1 2024 Compliance Committee.

Delegation Oversight

AMO updated and received approval from the Delegation Oversight Committee (DOC) of all CenCal Health's delegation program documents as well as policies and procedures for 2024 DHCS Contract implementation. AMO is currently working with the Provider Services Department to ensure delegates execute updated, DHCS-approved delegation agreements.

In January 2024, AMO closed the 2023 annual audits of Care to Care (CenCal Health's radiological benefit manager), Ventura Transit Systems, Inc. (CenCal Health's transportation broker) and 2024 audit of Sansum Clinic (for credentialing). In early February, AMO will conduct the annual audit of ChildNet. The DOC will next convene for Q2, 2024 on April 22, 2024.

Recommendation

This report is informational only and no action by the Board of Directors is requested.

Information Technology Report

Date: February 20, 2024

From: Bill Cioffi, Chief Information Officer

Contributors: Jai Raisinghani, Deputy Chief Information Officer

Through: Marina Owen, Chief Executive Officer

Executive Summary

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

Operational Statistics

Claims: During the month of January 2024, the Health Plan received 255,079 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 January 2024, the Health Plan received 21,281 authorization requests in total. 82% of total authorizations were entered using CenCal Health's Provider Portal, 6% of total requests were part of data transmission from that Plan's Radiology Benefit Manager (RBM) and 0.4% authorization were submitted for Non-Medical Transportation. 12% of total authorization requests were received via Fax.

IT Help Desk: The Service Desk received a total of 1,493 new requests during the month of January via IT Service Desk system related to various systems and services supported by the IT department. During the month, 1,534 total requests were closed. Below are the average times measured during the month of January 2024 for the Help Desk Team: Average Response Time: 4.16 Hours and Average Resolution Time: 6.3 Hours

Support for Business Initiatives

The IT Department supported system enhancements and automation for key projects, including:

- CalAIM (Enhanced Care Management)- Phase 4
- NOA (Notice of Action) Letters for Members and Providers
- Health Education Mailers for targeted members
- DHCS Adult Expansion Project

CY 2023 Financial Audit

Date: February 20, 2024
From: Kashina Bishop, Chief Financial Officer/Treasurer
Through: Marina Owen, Chief Executive Officer

Executive Summary

CenCal is engaged with Bartlett, Pringle and Wolf (BPW) for a financial audit covering the period of July 1, 2023 to December 31, 2023. The audit of this 6-month period is required to transition from a fiscal year ended June 30 to a calendar year beginning in 2024.

Auditing standards require the attached, routine communication, with the Board of Directors to provide additional information on the scope and timing of the audit. The letter provides information on the following:

1. Communication expectations and the importance of two-way communication should the Board need to communicate any matters considered relevant to the audit.
2. Clarifies the shared responsibilities between BPW and CenCal to maintain auditor independence.
3. Provides an overview of the audit planning process.
4. Explains important auditing concepts such as materiality and significant risks of material misstatements.
5. Provides information on the timing of the audit which will conclude in April.

BPW will be presenting the final audit results at the April Board meeting.



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

January 26, 2024

Board of Directors
CenCal Health
4050 Calle Real
Santa Barbara, CA 93110

CLIENT'S COPY

Dear Board Members:

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of CenCal Health's financial statements as of and for the six months ending December 31, 2023.

Communication

Effective two-way communication between our firm and the Board of Directors is important to understanding matters related to the audit and developing a constructive working relationship.

Your insights may assist us in understanding CenCal Health and its environment, identifying appropriate sources of audit evidence and providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate to us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing and extent of audit procedures, your suspicion or detection of fraud, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other known or likely fraud, noncompliance with provisions of laws, statues, regulations, rules, provisions or contracts or grant agreements or abuse that is likely to have a material effect on the financial statements. We will also communicate illegal acts, instances of noncompliance or fraud that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Additionally, we will communicate significant unusual transactions, matters that are difficult or contentious for which the auditor consulted outside the engagement team, and circumstances that affect the form and content of the auditor's report. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing.

Shared Responsibilities: AICPA Independence

The AICPA regularly emphasizes that auditor independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with AICPA independence rules. For Bartlett, Pringle & Wolf, LLP (BPW) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BPW each play an important role.

Our responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. BPW is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

CenCal Health's responsibilities

- Timely inform BPW, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, officers, or person in financial reporting oversight roles.
 - Change in corporate structure impacting affiliates such as add-on acquisitions or exits.
- Provide necessary affiliate information such as new or updated investment structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to CenCal Health and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with BPW.
- Not entering into relationships resulting in BPW, BPW-covered persons or their close family members, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at CenCal Health.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, partners or professional employees of BPWare

restricted in their ability to own a direct financial interest or a material indirect financial interest in a client or any affiliate of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with firm policy. In addition, our policies restrict certain non-audit services that may be provided by BPW and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how CenCal Health functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of CenCal Health. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of CenCal Health's objectives, strategies, risks and performance measures.

As part of obtaining an understanding of CenCal Health and its environment, we will obtain an understanding of internal control. We will use this understanding to identify risks of material misstatement, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement and noncompliance. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality in both planning and performing the audit; evaluating the effect of identified misstatements or noncompliance on the audit and the effect of uncorrected misstatements, if any, on the financial statements; and forming the opinion in our report on the financial statements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial and compliance informational needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual uncorrected misstatements aggregated by us in connection with our evaluation of our audit test results.

Significant Risks of Material Misstatement

Our audit of the financial statements includes the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determine whether any risks identified are a significant risk. A significant risk is an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk due to the degree to which inherent risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement should that misstatement occur, or that is to be treated as a significant risk in accordance with generally accepted auditing standards in the United States of America. As part of our initial risk assessment procedures, we identified the following risks as significant risk. Additional significant risks may be identified as we perform additional audit procedures.

Risk Name	Risk Description	Planned Response
Management Override of Controls	Management override of controls is a presumed risk due to management's ability to manipulate accounting records by overriding controls.	BPW will gain an understanding of the journal entry process and evaluate and perform testing of journal entries which are susceptible to risk of management override. BPW will also review minutes of the board meetings. Any transactions which appear to be out of the normal course of operations will be evaluated for proper treatment.
Fraudulent Revenue Recognition	Fraudulent revenue recognition is a presumed risk due to potential fraudulent financial reporting relative to fictitious revenue and improper revenue recognition schemes.	BPW will perform substantive analytical procedures over revenue. Journal entry testing will be performed for revenue related adjustments based on evaluation of risk. Substantive testing of income will be performed, based on auditor's judgment, including confirmation with third parties.

Our Approach to Internal Control Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control to plan the audit and determine the nature, timing and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of CenCal Health's internal control over financial reporting is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

Timing of the Audit

Fieldwork will take place in February 2024, and we have wrap-up work scheduled for April 2024. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to CenCal Health. This communication is intended solely for the information and use of the Board of Directors and is not intended to be, and should not be, used by anyone other than this specified party.

Very truly yours,



BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants

CalAIM Program Implementation Update

Date: February 20, 2024

From: Jennifer Fraser, PMP, EPMO Program Manager
Lead, CalAIM Program

Jordan Turetsky, Chief Operating Officer
Chair, Executive CalAIM Steering Committee

Through: Marina Owen, Chief Executive Officer

Executive Summary

This report provides information regarding CenCal Health's efforts to achieve the goals of California Advancing and Innovating Medi-Cal (CalAIM) as defined by the Department of Healthcare Services (DHCS). To achieve these goals over the next several years, CalAIM initiatives are managed collectively with oversight through an internal Steering Committee comprised of Executive and Senior Leaders to support aligning CalAIM goals with CenCal Health's strategic objectives. The purpose of this memo is to provide information and highlights on CalAIM implementation activities to include DHCS policy updates and plan decisions.

CalAIM Program Update

The CalAIM Steering Committee meets regularly to set the strategy for and guide the work required to implement CalAIM to include oversight and monitoring to support the work in progress. This includes regular inputs on current and evolving regulatory guidance as well as updates on local and community advocacy through the efforts of the Community CalAIM Steering Committees (CSCs) in both counties. Looking ahead, a focus for 2024 will be enhancing services for our children and youth through the ECM and Community Supports Programs as well as increasing our collaboration with our community partners to serve the Justice Involved population through the expansion of post-release services that went live January 1, 2024, while supporting correctional facilities in achieving their operational readiness for the launch of pre-release services on October 1, 2024 or after. Additionally, enabling data sharing amongst and between our community partners will be critical to integrating care coordination and case management across physical health, behavioral health, and social services providers for those enrolled in Medi-Cal.

CalAIM Initiatives Update

Below is a list of updates for in flight CalAIM initiatives:

- **Enhanced Care Management (ECM)** – Staff continue to identify new providers for all active POFs as well as continue to support the eighteen (18) providers contracted to

provide ECM services. Over 3,300 members have been assigned to these providers for outreach, and 1,199 members are enrolled and receiving ECM services. All ECM POFs are now effective with the recent implementation of the Individuals Transitioning from Incarceration POF and the Birth Equity POF on January 1st with 358 members and 44 members identified respectively for assignment to an ECM provider. For the Justice Involved POF, staff are working directly with the correctional facilities to obtain current release numbers to better estimate and refine post-release provider capacity needs to DHCS. Additionally, the implementation of the plan's Justice Involved Liaison has been communicated to the ECM provider network and community partners to support inquiries related to ECM referrals and care coordination as well as information on other CenCal Health services to support individuals transitioning from incarceration, i.e., transportation and Community Supports.

- **Community Supports** – Staff continue to support the Community Supports (CS) services that are currently live by expanding the provider network as well as increasing utilization by educating the provider network and the community on the availability and eligibility requirements to increase the uptake for these supportive services. Short Term Post-Hospitalization Housing, Personal Care and Homemaker Services, Day Habilitation Services, and Respite Services went live January 1, 2024, and referrals are being processed. At the January meeting, this Board approved offering the remaining CS services: Community Transition Services/Nursing Facility Transition to a Home, Nursing Facility Transition/Diversion, Environmental Accessibility Adaptations (Home Modifications), and Asthma Remediation. The Model of Care (MOC) and its corresponding policies and documentation pertaining to the July 2024 services has been submitted to DHCS and is pending approval.
- **NCQA Accreditation & Population Health Management (PHM)** - Workgroups for six (6) Plan Standards and one (1) Health Equity Standard continue to address the work needed to meet the requirement that all managed care plans need to be NCQA accredited by 2026. File reviews in preparation for the mock audit process targeted for Q1 2024 are making progress to include estimations towards meeting compliance. Remediation of any gaps will occur in Q2 2024 in advance of submitting the application in Q4 2024 to NCQA. Quarterly reporting of PHM Program Key Performance Indicators (KPIs) has been delayed by DHCS pending updated reporting requirements.
- **Incentives** – DHCS has established a variety of funding streams to support plans and providers in achieving the goals of CalAIM, i.e., Incentive Payment Program (IPP), Providing Access and Transforming Health (PATH) Incentives, Student Behavioral Health Incentive Program (SBHIP), and Homeless Housing Incentive Program (HHIP). CenCal Health staff is currently participating in and/or implementing these different incentive programs to include timely submissions to DHCS as applicable. Submissions to earn additional program funding for both HHIP and SBHIP have been submitted to DHCS. Staff are in progress of completing Submission 4 due to DHCS on March 1, 2024.
- **Transition to Statewide Managed LTSS & D-SNP** – DHCS is requiring beneficiaries to enroll in a Medi-Cal managed care plan and D-SNP operated by the same organization to allow for greater integration and coordination of their care. In partnership with Health Management Associates (HMA), the work needed to build

the health plan's operational readiness for long term program sustainability have been identified with some tactics actively underway. Please see the *Medicare Dual Special Needs Program Reports* for more information.

- **Community Health Worker (CHW) / Doula Benefits** – Staff has completed implementing internal system updates to provide these preventive services to our membership and support CenCal Health's Population Health Management strategy. Efforts towards expanding CHW services continue with the development of an electronic system for accepting and processing member recommendations for authorizing services under either benefit. Training to both CHW and Doula providers on using the new "recommendation form" is scheduled in February.

Recommendation

Staff recommends acceptance of this informational report describing current CalAIM implementation activities, and no action is requested at this time.

Enclosure(s)

1. CalAIM Reference
 - a) Table 1: CalAIM Goals
 - b) Table 2: CenCal Health Objectives
 - c) Table 3: ECM Populations of Focus (POFs)
 - d) Table 4: Implementation of Community Support (CS) Services
 - e) Table 5: ECM and Community Supports Model of Care (MOC) Submission Status
 - f) Table 6: Incentive Programs

CalAIM Reference

Table 1 – CalAIM Goals

CalAIM has three (3) primary goals as defined by DHCS in the table below:

DHCS CalAIM Goals	
1	Identify and manage comprehensive needs through whole person care approaches and social drivers of health
2	Improve quality outcomes, reduce health disparities, and transform the delivery system through value-based initiatives, modernization, and payment reform
3	Make Medi-Cal a more consistent and seamless system for enrollees to navigate by reducing complexity and increasing flexibility

Table 2 – CenCal Health Objectives

CenCal Health's strategic objectives are noted in the table below:

CCH Objective	Objective Description
Adapt Operations to Meet Customer Needs	Anticipate and respond to the existing and emerging needs of our members, providers, community, and regulatory partners
Enhance Organizational Readiness	Enable organizational advancement by pursuing targeted improvements in operational excellence, compliance strength, technology readiness and financial position
Prepare for Strategic Advancement	Execute a collaborative planning process that positions CenCal Health to strategically focus in the coming years on efforts that advance our mission and emerging vision

Table 3 – ECM Populations of Focus (POFs)

DHCS is implementing the ECM benefit over four (4) phases with each phase targeted for specific Populations of Focus as noted in the table below.

Phase	Populations of Focus (POFs)	Effective Dates
1	<ul style="list-style-type: none"> Adults and their Families Experiencing Homelessness Adults At Risk for Avoidable Hospital or ED Utilization Adults with Serious Mental Health and/or SUD Needs 	7/1/2022 Live
2	<ul style="list-style-type: none"> Adults Living in the Community and At Risk for Long Term Care (LTC) Institutionalization Adult Nursing Facility Residents Transitioning to the Community 	1/1/2023 Live

3	<ul style="list-style-type: none"> • <u>Children & Youth Populations of Focus:</u> <ul style="list-style-type: none"> • Homeless Families or Unaccompanied Children/Youth Experiencing Homelessness • Children and Youth At Risk for Avoidable Hospital or ED Utilization • Children and Youth with Serious Mental Health and/or SUD Needs • Children and Youth Enrolled in California Children's Services (CCS) or CCS Whole Child Model (WCM) with Additional Needs Beyond the CCS Condition • Children and Youth Involved in Child Welfare 	7/1/2023 Live
4	<ul style="list-style-type: none"> • Birth Equity • Individuals Transitioning from Incarceration 	1/1/2024 Live

Table 4 – Implementation of Community Supports (CS) Services

CenCal Health's implementation of the pre-approved Community Supports services is noted in the table below.

Community Supports	Effective Date
<ul style="list-style-type: none"> • Medically Tailored Meals (MTM) 	7/1/2022 Live
<ul style="list-style-type: none"> • Recuperative Care (RC) 	10/1/2022 Live
<ul style="list-style-type: none"> • Housing Transition Navigation Services • Housing Deposits • Housing Tenancy & Sustaining Services • Sobering Centers 	1/1/2023 Live
<ul style="list-style-type: none"> • <i>No Community Supports Offerings</i> 	7/1/2023
<ul style="list-style-type: none"> • Short Term Post-Hospitalization Housing • Personal Care and Homemaker Services • Day Habilitation Services • Respite Services 	1/1/2024 Live
<ul style="list-style-type: none"> • Community Transition Services/Nursing Facility Transition to a Home • Nursing Facility Transition/Diversion • Environmental Accessibility Adaptations (Home Modifications) • Asthma Remediation 	7/1/2024

Table 5 – ECM and Community Supports Model of Care (MOC) Submission Status

The Model of Care (MOC) contains documentation to be submitted to DHCS to determine the plan's readiness to meet the regulatory requirements for ECM and Community Supports. The timeframes and status for submissions are noted in the table below.

Phase	ECM	Community Supports	MOC Parts	Deadline	Status
1	POFs	<u>Initial Offerings</u>	Parts 1 & 2	2/15/22	Approved

<u>7/1/22</u>	1, 2, 3	<ul style="list-style-type: none"> • Medically Tailored Meals • Recuperative Care 	Part 3	4/15/22	Approved
<u>2</u> 1/1/23	POFs 5, 6	<u>Subsequent Offerings</u> <ul style="list-style-type: none"> • Housing Transition Services • Housing Deposits • Housing Tenancy & Sustaining Services • Sobering Centers 	Parts 1 & 2	7/1/22	Approved
			Part 3	9/1/22	Approved
<u>3</u> 7/1/23	POF 7, 8, 9, 10	<u>Subsequent Offerings</u> <ul style="list-style-type: none"> • None 	Parts 1 & 2	2/15/23	Approved
			Part 3	4/15/23	Approved
<u>4</u> 1/1/24	<u>CS Subsequent Offerings</u> <ul style="list-style-type: none"> • Short Term Post-Hospitalization Housing • Personal Care and Homemaker Services • Day Habilitation Services • Respite Services 		Parts 1, 2, 3	7/1/23	Approved
	• ECM POF 10 (Birth Equity)		Addendum IV	10/2/23	Approved
	• ECM POF 4 (Individuals Transitioning from Incarceration)		Addendum III	10/15/23	<i>Pending Approval</i>
<u>5</u> 7/1/24	<u>CS Subsequent Offerings</u> <ul style="list-style-type: none"> • Community Transition Services/Nursing Facility Transition to a Home • Nursing Facility Transition/Diversion • Environmental Accessibility Adaptations (Home Modifications) • Asthma Remediation 		Parts 1, 2, 3	1/1/24	<i>Submitted</i>

Table 6 – Incentive Programs

The timeframes and status of submissions to DHCS for each Incentive Program are noted in the table below.

Incentive Program	Submission	Deadline	Status
Incentive Payment Program (IPP) <i>Program Years 1, 2 & 3</i>	Submission 1	3/1/22	Approved
	Submission 2A	9/1/22	Approved
	Submission 2B	3/15/23	Approved
	Submission 3	9/1/2023	Approved
	Submission 4	3/2024	<i>In Progress</i>
	Submission 5	9/2024	Not Started
Homelessness & Housing Incentive Program (HHIP) <i>Program Years 1 & 2</i>	LHP* Submission	6/2022	Approved
	Investment Plan	9/2022	Approved
	PY 2 1st Submission	3/10/23	Approved
	PY 2 2nd Submission	12/2023	<i>Submitted</i>
School Based Behavioral Health Incentive Program <i>Program Years 1, 2 & 3</i>	Assessment Submission	12/2022	Approved
	Submission 1	6/2023	<i>Submitted</i>
	Submission 2	12/2023	<i>Submitted</i>
	Submission 3	6/2024	Not Started
	Submission 4	12/2024	Not Started

*Local Homelessness Plan (LHP)

Population Health Program Report

Date: February 20, 2024

From: Lauren Geeb, MBA, Director, Quality

Through: Marina Owen, Chief Executive Officer
Emily Fonda, MD, MMM, CHCQM, Chief Medical Officer
Carlos Hernandez, Quality & Population Health Officer

Executive Summary

This report highlights recent developments in relation to CenCal Health's Population Health Management (PHM) Program, implications of significance, and next steps to assure access to a more equitable, coordinated, and person-centered approach to population health.

In support of improving population health outcomes to advance health equity, CenCal Health implemented a systematic process to conduct Basic Population Health Management (BPHM) member outreach to promote appropriate service utilization for preventive health, disease management, and maternal care. Starting in January 2024, the Quality Department launched 12 Wellness and Prevention health education campaigns available in both threshold languages (English/Spanish).

Referred to as "Stay Healthy," CenCal Health's campaigns for preventive health support both pediatric and adult populations and include members that are disengaged in care based on criteria specific to the unique needs of the individual (e.g., age, gender). The chronic disease management and maternal health campaigns focus on newly identified members. Evidence-based approaches on improving pregnancy outcomes, are provided to members including through 12 months post-partum.

Approximately 105,000 of CenCal Health's membership have been identified for initial outreach. Health Education materials will be distributed monthly, with the initial outreach being a phased approach. Contact information promoted within the Wellness and Prevention campaigns provides direct access to CenCal Health's Health Promotion Educators. These materials created were designed to improve member health literacy, and promote informed decision-making based on the most current and updated clinical and preventive health guidelines.

Next Steps

- CenCal Health will distribute Wellness and Prevention health education campaigns year-round on a monthly automated schedule to promote continuous improvement. Additional refinements will be made to ensure

outreach to members is in a manner of their preference and content is appropriate to their needs.

- A yearly schedule of outreach will be promoted to CenCal Health's provider network (e.g., CenCal Health website, Provider Portal, Quality Collaboratives) and to internal staff to ensure alignment with member outreach completed by other departments.
- Progress on intervention impacts will be monitored monthly utilizing the Medi-Cal Managed Care Accountability Set. Priority measures encompass domains of care related to behavioral health, pediatric preventive health, chronic disease management, reproductive health, and cancer prevention.

Recommendation

This Population Health Program Report is informational, and no action is requested.



Operational Exhibits

Exhibit 1	Claims Operational Statistics
Exhibit 2	Provider Services Departmental Statistics
Exhibit 3	Member Services Grievances and Appeals
Exhibit 4	Member Services Telephone Statistics

CENCAL HEALTH CLAIMS OPERATIONS STATISTICS

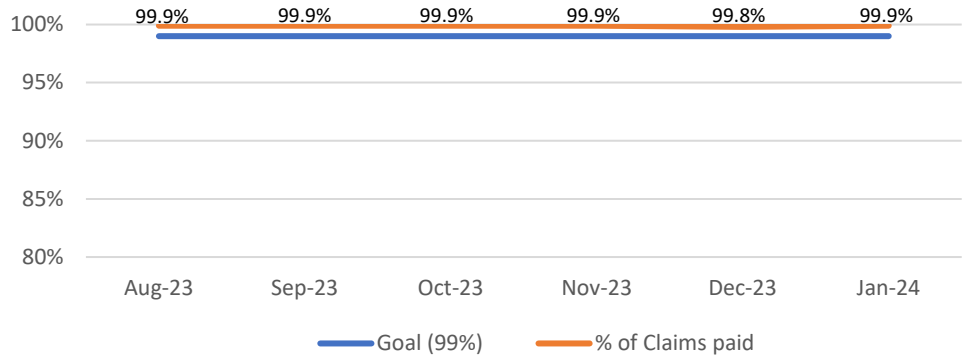
Analysis:

Goal: 99%
Result: 99.9%

The Turn-around-Time (Percentage of Claims Paid) is a regulatory requirement with a standard of 99%.

Results are consistently above this level at 99.9%.

Percentage of Claims Paid Within 90 Days



Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
99.9%	99.9%	99.9%	99.9%	99.8%	99.9%

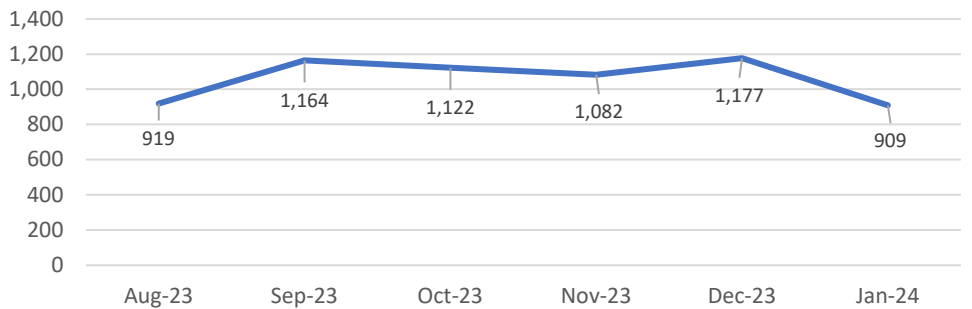
Analysis:

Trend to compare payments per month normalized with the total membership to account for membership fluctuations.

Result: 909 claims paid per 1,000 members

Claims Paid per 1,000 Members varies and is within a normal range.

Claims Paid per 1,000 Members



Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
919	1,164	1,122	1,082	1,177	909

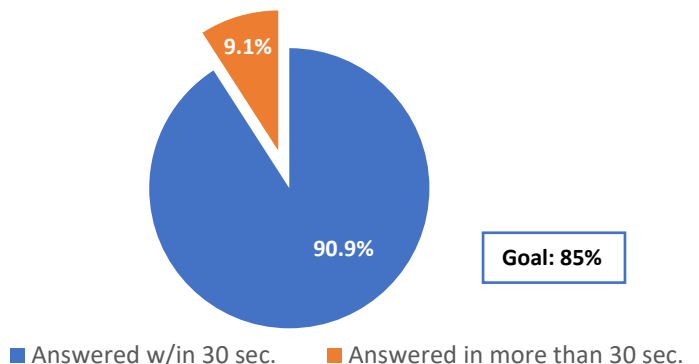
Analysis:

Goal: 85%
Results: 90.9%

The current performance is above goal.

The calls not answered in 30 seconds were isolated during peak call times. These calls were answered since Abandonment Rates remain under 1%.

Percentage of Calls Answered Within 30 Seconds



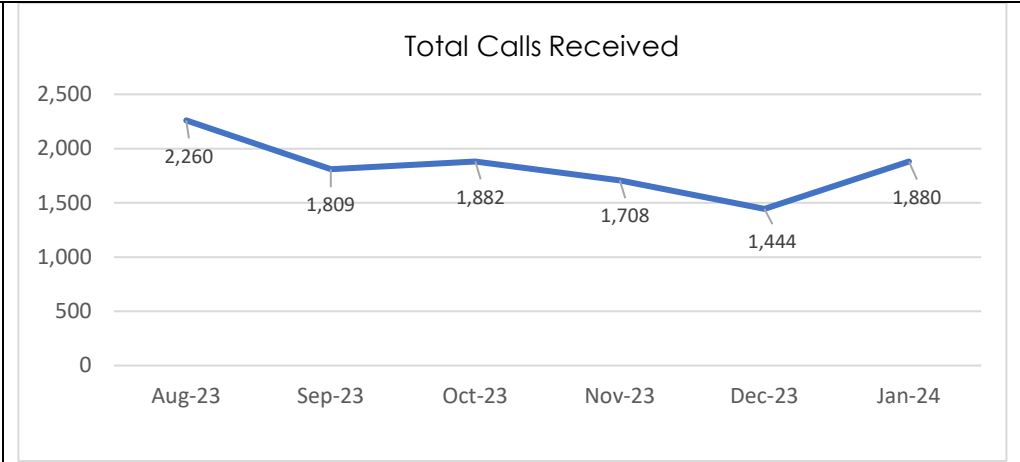
CENCAL HEALTH CLAIMS OPERATIONS STATISTICS

Analysis:

Calls Received: 1,880

Total Calls received has trended back to normal level after a slight decrease the last 2 months of the year which is consistent with seasonal trends and holiday operating hours for providers.

Claim status remains the top reason for calls.



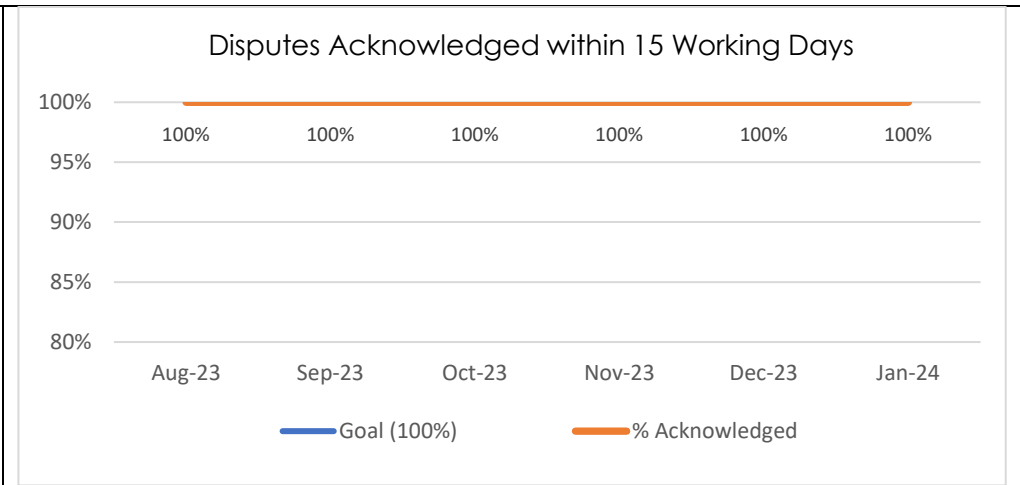
Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
2,260	1,809	1,882	1,708	1,444	1,880

Analysis:

Goal: 100%

Results: 100%

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



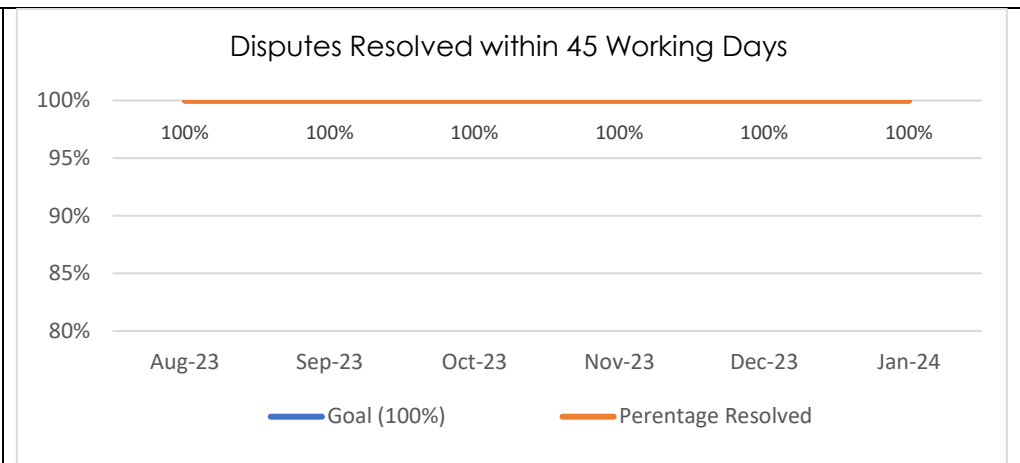
Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
100%	100%	100%	100%	100%	100%

Analysis:

Goal: 100%

Result: 100%

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



Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
100%	100%	100%	100%	100%	100%

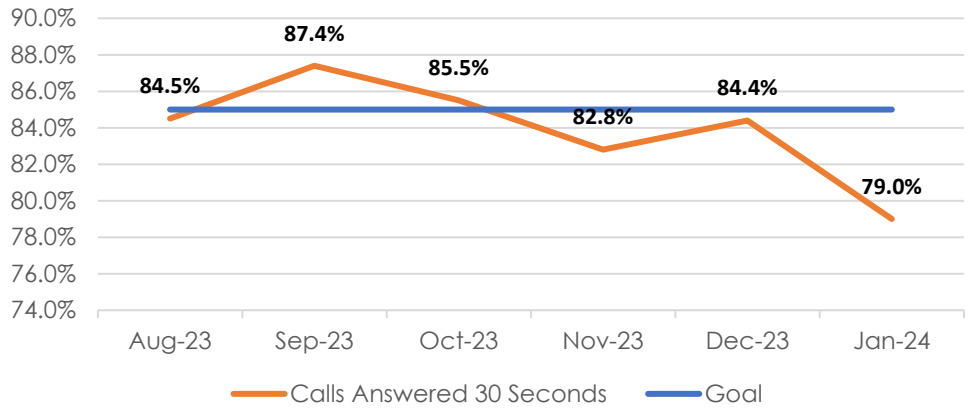
CENCAL HEALTH PROVIDER SERVICES STATISTICS

Analysis:

Goal: 85%
Result: 79.0%

Performance was below the goal due to a significant increase in call volume, as well as a shortage of staff to support answering calls. Effective immediately, recruitment is in process for an additional Provider Network Support Coordinator to ensure sufficient phone support.

Calls Answered Within 30 Seconds



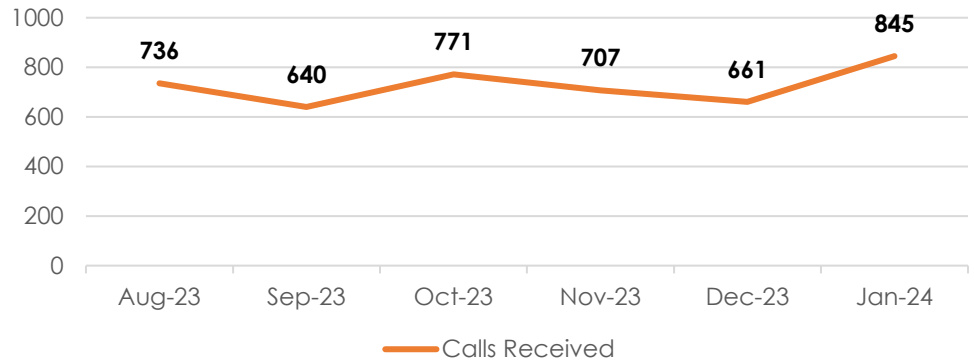
Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
84.5%	87.4%	85.5%	82.8%	84.4%	79.0%

Analysis:

January 2024 Calls Received: 845

Call volume increased significantly in January due to provider calls related to rates and claims questions.

Provider Services Calls Received



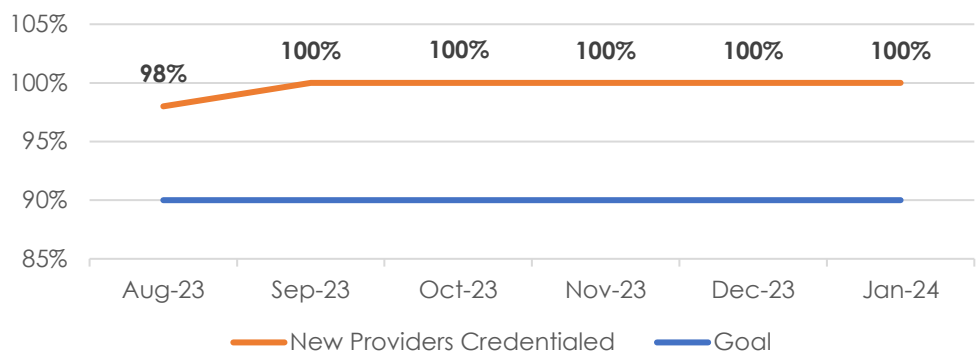
Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
736	640	771	707	661	845

Analysis:

Goal: 90%
Results: 100%

21 providers were approved for credentialing in January, all within 90 days.

Percentage of New Providers Credentialed Within 90 Days



Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
98%	100%	100%	100%	100%	100%

CENCAL HEALTH PROVIDER SERVICES STATISTICS

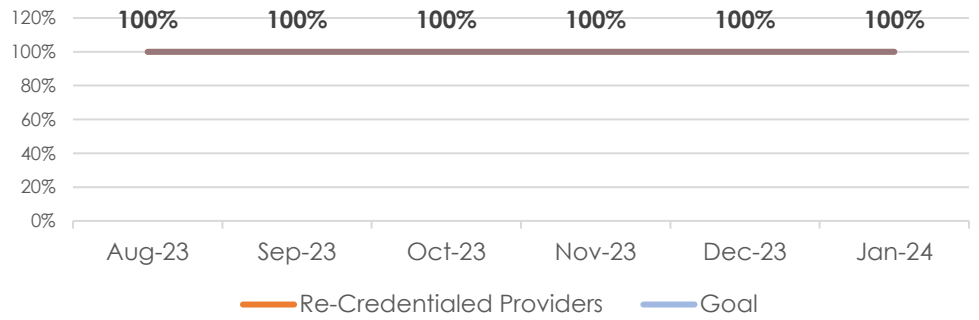
Analysis:

Goal: 100%

Results: 100%

75 Providers were due for re-credentialing in January. All were re-credentialled before their due date.

Percentage of Providers Recredentialled by Due Date (36 Months)



Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
100%	100%	100%	100%	100%	100%

CENCAL HEALTH CALENDAR 2024 MEMBER GRIEVANCE SYSTEM GRIEVANCE & APPEAL RECEIPTS

MEMBER GRIEVANCES & APPEALS

Reporting period:

January 2024 - Calendar 2024

- In Control
- Not in Control

January's PTMPY for grievance and appeals was **3.18**, above 2023's Mean of 2.64 and in control.

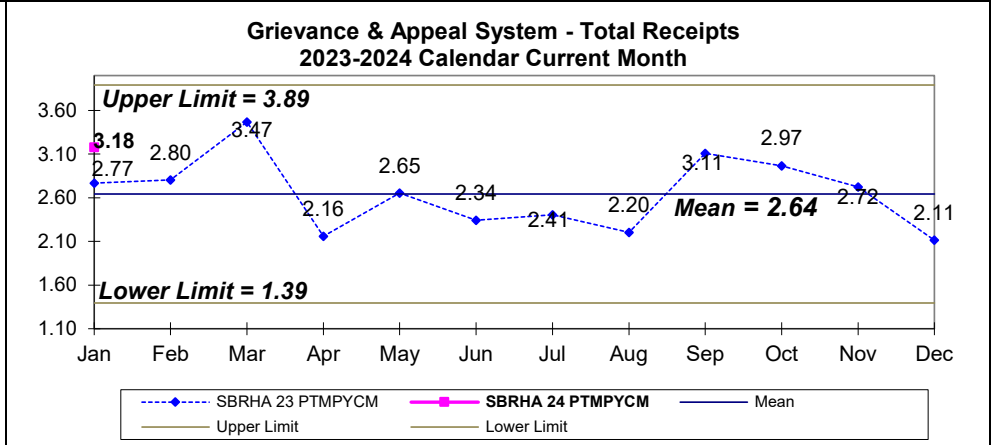
January Grievance/Appeals = 64
(Including 1 Expedited)

QUALITY OF CARE	20
APPEALS	17
ADMINISTRATIVE	13
ACCESS	11
INTERPERSONAL	3

Of the **64** grievances/appeals filed:

51 = SBHI 80% of the aggregate volume (PTMPM: 0.21)

13 = SLOHI 20% of the aggregate volume (PTMPM: 0.05)

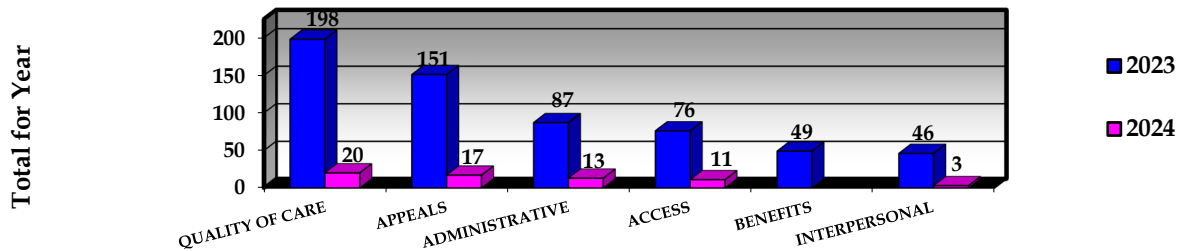


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CenCal 23 Mbrshp	229,679	231,154	231,832	233,532	235,109	235,685	234,379	234,132	231,619	230,591	229,022	227,078
CenCal G&A Issues	53	54	67	42	52	46	47	43	60	57	52	40
CenCal PTMPYCM	2.77	2.80	3.47	2.16	2.65	2.34	2.41	2.20	3.11	2.97	2.72	2.11
CenCal 24 Mbrshp	241,652											
CenCal G&A Issues	64											
CenCal PTMPYCM	3.18											

January Analysis and Trends:

- * **QOC Grievances** (13 PCP, 3 Behavioral Health, 3 Specialist, 1 Hospital): Various perceived quality of care concerns/reasons with most issues stemming from member concerns that the provider inadequately addressed their concerns/conditions. Mostly for providers not following up, appointments being too far out, and not prescribing medication. One provider had 3 QOC grievance filed against them in SB county for various reasons (does not indicate concerns were validated).
- * **Appeals:** **11 TAR** appeals: 6 various outpatient services including 2 for speech therapy, & 2 for occupational therapy. There were 2 Behavioral health appeals for psychological testing and ABA services. 1 DME, 1 SNF, 1 RBM appeal with not trends. **6 RAF** appeals: 4 Outpatient services (including 1 occupational therapy), 1 for Behavioral health services, & 1 to an out of area provider.
- * **Administrative:** Mostly centered around the member's dissatisfaction with scheduling, timely communication, or the authorization process. There were 6 Administrative grievances against CCH mostly regarding specialist availability in-network and timely call backs.
- * **Access:** Most access issues were due to providers not having available appointments within the members expected timeframe or the timeliness of authorization submission (5 PCP, 3 BH, 2 Specialist, 1 VTS). 91% of access grievances occurred in SB county with no provider having more than one filed against them.
- * **Benefits:** There were 2 grievances against VTS for no-show/late arrivals for a pickup ride home.
- * **Interpersonal:** The member's perception of rude demeanor or comments made by office staff/provider during interactions. There were 3 filed with no trends.
- * **Transportation:** 1 (1 Access grievance) filed against transportation vendor (VTS) resulting in a missed appointment.
- * **Total Mental Health/BHT Services:** **12** (3 QOC, 3 Appeals, 3 Access, 3 Admin) 75% SB county & 25% SLO County. Commonly dissatisfied with appointment availability, being dismissed by provider, delays in call back/poor communication or not being prescribed medications of choice/preference. One BH provider had two grievances.

Member Grievance & Appeal System Receipts by Reasons



Type	Calendar 2023	Calendar 2024
QUALITY OF CARE	198	20
APPEALS	151	17
ADMINISTRATIVE	87	13
ACCESS	76	11
BENEFITS	49	0
INTERPERSONAL	46	3

Analysis: Grievances and appeal volume average of 64 per month in 2024 is above the 2023 average of 51 per month.

CENCAL HEALTH

CALENDAR 2023 - 2024

MEMBER SERVICE TELEPHONE STATISTICS

AGGREGATE CALL VOLUME FOR HEALTH PLAN (CHART #1)

AGGREGATE AVERAGE SPEED TO ANSWER (CHART#2)

Reporting period:

January 2024 - Calendar 2024 Chart #1

Monthly Call Volume

- In Control
- Not In Control

January's call volume PTMPY is significantly above the upper control limit of 2023's Mean of 456.36.

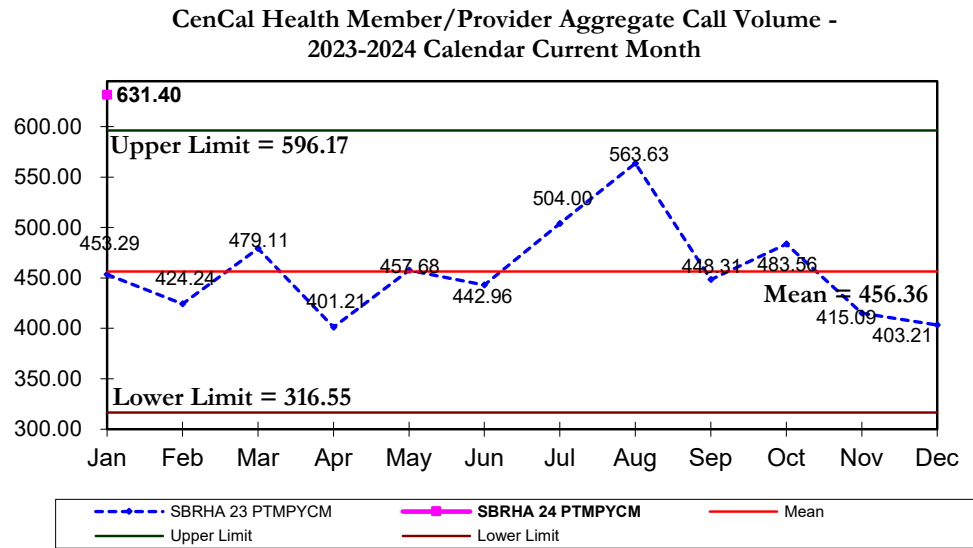
January 2024:

Member Queue = **11,130**
 Provider Queue = **1,362**
 Non ACD = **223**
 Aggregate Call Volume = **12,715**

Calls per 1,000/month (PTMPM) = **52.62**
 Calls per 1,000/year (PTMPY) = **631.40**

Analysis:

Significant call volume increase was due to Adult Expansion (AE) for January of +15,776 new members. These members all received new member welcome calls. As a result, the call center experienced record-breaking daily call volumes, averaging 641 calls per day in January, surpassing 1,000 calls on two days.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
23 Members	229,679	231,154	231,832	233,532	235,109	235,685	234,379	234,132	231,619	230,591	229,022	227,078
Call Volume	8,676	8,172	9,256	7,808	8,967	8,700	9,844	10,997	8,653	9,292	7,922	7,630
PTMPYCM	453.29	424.24	479.11	401.21	457.68	442.96	504.00	563.63	448.31	483.56	415.09	403.21
24 Members	241,652											
Call Volume	12,715											
PTMPYCM	631.40											

January 2024 - 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

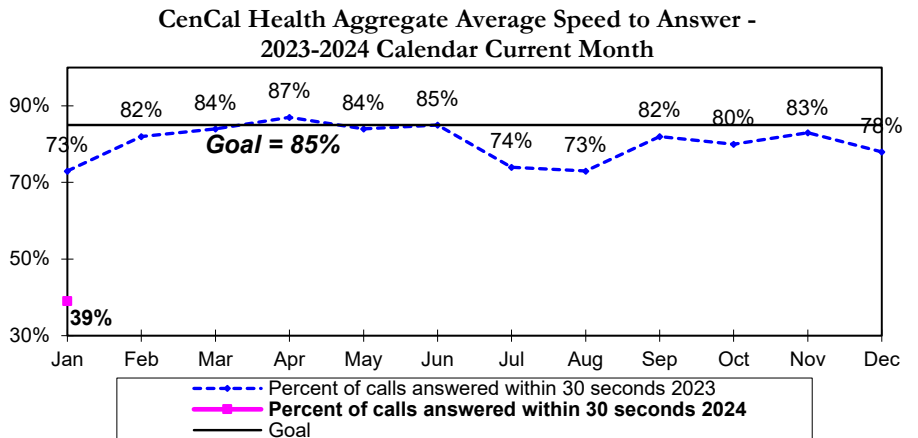
January's score = **39%** (significantly lower than goal)

MS queue calls handled: **10,033**

MS queue calls answered within 30 seconds: **4,338**

*ASA excludes < 30 seconds short-abandoned (361); dequeued-voicemails (972)

The call center averaged **641 daily calls** in January 2024, significantly above the 2022 daily average of 429. This metric is unattainable at current staffing levels, extended call handle times and due to the extreme volume increases per day in January.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Answered in 30 seconds or less 2023	73%	82%	84%	87%	84%	85%	74%	73%	82%	80%	83%	78%
Answered in 30 seconds or less 2024	39%											

January Analysis: The Medi-Cal Adult Expansion (AE) added 15,776 new members for January 2024. This significantly increased the volume of automated welcome calls which allows members to connect directly to the call center in bulk created a backlog of calls in the queue all month, creating multiple days with over 700 calls and resulting with 278 calls in queue for over 10 minutes. The call centers currently staffed to handle approximately 420 daily calls, was overwhelmed and required additional support to keep up with the call volume around lunch breaks and PTO. Despite these hurdles, the call center was still able to handle over 10,000 queue calls (504/daily) to support our members.

CALENDAR 2023 - 2024 MEMBER SERVICE TELEPHONE STATISTICS

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

January 2024 - Chart #3

Monthly Aggregate Abandon Rate

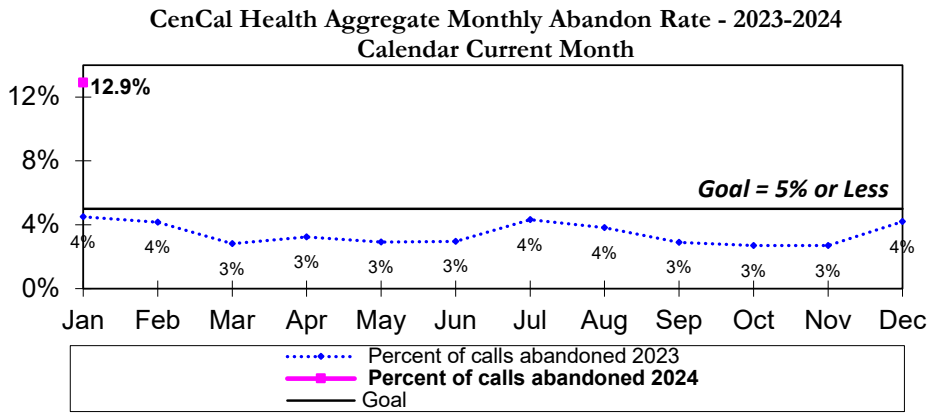
- Exceeding Goal
- Meets Goal
- Not Meeting Goal

CenCal Health Goal = 5% or less

MS Aggregate "queue" calls: **12,492**
Abandoned Calls: **1,487**
*Excludes calls dequeued/sent to voicemail (972)

Percent of calls abandoned in January 2024 = **12.9%**

Analysis: Due to the AE new member calls some days coming at over 200 calls an hour, the call center was not able to reach the abandonment rate goal. Significant impact caused by the substantial call volume increases every day in January.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% of Abandoned Calls 2023	4.5%	4.2%	2.8%	3.2%	2.9%	3.0%	4.3%	3.8%	2.9%	2.7%	2.7%	4.2%
% of Abandoned Calls 2024	12.9%											

January 2024 - Chart #4

Monthly Aggregate Calls Coded

- Exceeding Goal
- Meets Goal
- Not Meeting Goal

Goal for Percentage of Coded Calls = 95%

Queue Calls Handled: **10,033**
Queue Calls Coded: **9,537**

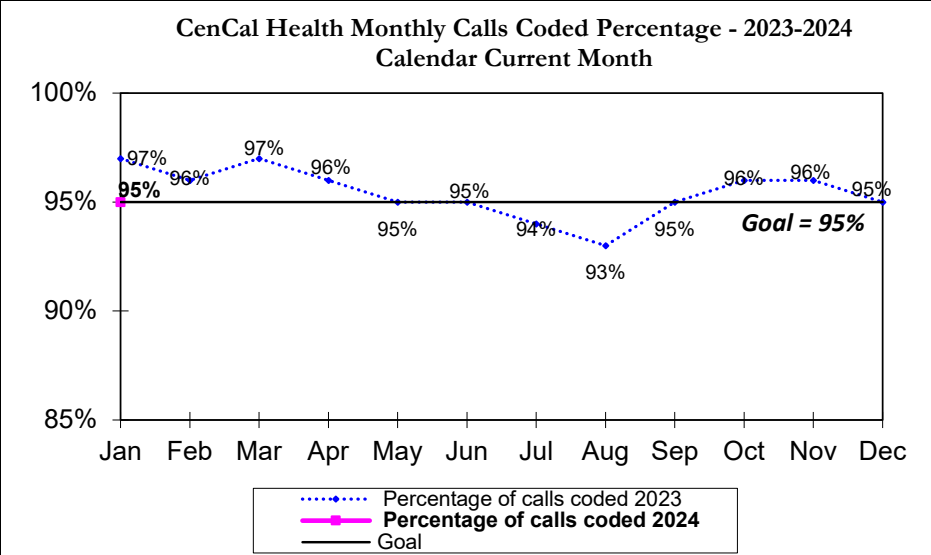
Percentage of calls coded in January 2024 = **95%**

Total Issues Coded: **14,134**
*Calls may have more than one category.

Top 5 Call Categories:

Category	Calls	% of Total
Eligibility	4,388	31%
PCP Selection	2,536	18%
Benefits	1,182	8%
Member Request	1,140	8%
Transfer	1,012	7%

*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 2023	97%	96%	97%	96%	95%	95%	94%	93%	95%	96%	96%	95%
Percentage of Calls Coded 2024	95%											

January Analysis:

Member Calls Coded:

- Eligibility Calls – 51% Eligibility verification, 38% Referred to DSS/SSA, 6% Coordination of Benefits (OHC) Verification.
 - 175 (4%) Calls from members with questions about the DHCS Re-Determination process.
- Benefits – 45% Dental, 10% Vision, & 9% Specialists (Mostly asking for list of/contact information for OBGYNs and Neurologists).
- Member Requests – 44% Demographic update, 29% **HRA Survey/Mailing Response (329 HRA-related calls)**.
- Transferred Calls – 54% to the Medical Management Department, 13% Ventura Transit (Transportation) & 12% to the Behavioral Health Department.
- Member Portal – **There were 90 calls for assistance with the Member Portal**, mostly creating a new account or resetting a password.

Provider Calls Coded:

- Provider call volume (1,595) = 11% of all calls tracked. 68% were for Eligibility, 13% were transferred out of Member Services (Mostly to Claims & Medical Management) and 9% for PCP selections.