

**-Virtual Meeting-**

**THE SAN MATEO HEALTH COMMISSION**

**Regular Meeting**

**February 8, 2023 - 12:30 p.m.**

**Health Plan of San Mateo**

**801 Gateway Blvd., South San Francisco, CA 94080**

**Important notice regarding COVID-19:**

In the interest of public health and safety due to the state of emergency caused by the spread of COVID-19, this meeting of the San Mateo Health Commission will be conducted via teleconference pursuant to AB 361, which was signed by the Governor on September 16, 2021.

**Public Participation**

The San Mateo Health Commission meeting may be accessed through Microsoft Teams:

**Join on your computer or mobile**

**[Click here to join the meeting](#)**

**Or call in (audio only)**

[\(833\) 827-5103,633878375#](tel:(833)827-5103,633878375#) United States (Toll-free)

Phone Conference ID: 633 878 375#

Members of the public wishing to provide public comment on items not listed on the agenda that are within jurisdiction of the Commission or to address an item that is listed on the agenda may do so by emailing comments before 10:00 am, February 8, 2023 to the Clerk of the Board at [Corinne.Burgess@hpsm.org](mailto:Corinne.Burgess@hpsm.org) with "Public Comment" in the subject line. Comments received will be read during the meeting. Members of the public wishing to provide such public comment may also do so by joining the meeting on a computer, mobile app, or telephone using the link or number provided above and following the instructions for making public comment provided during the meeting.

**AGENDA**

**1. Call to Order/Roll Call**

**2. Public Comment/Communication**

**3. Approval of Agenda**

**4. Consent Agenda\***

- 4.1 Adopt a resolution finding that, as a result of the continuing COVID-19 pandemic state of emergency, meeting in person would present imminent risks to the health or safety of attendees
- 4.2 Approval of Amendment to Agreement with Independent Living Systems (ILS)
- 4.3 Waive Request for Proposal, Approve Amendment to Software Subscription and, New Agreement with HealthTrio, LLC
- 4.4 Approval of San Mateo Health Commission Meeting Minutes from December 14, 2022.

**5. Specific Discussion/Action Items**

- 5.1 Updated HPSM Values and IDEA Presentation
- 5.2 Approval of Updated HPSM Operating Budget for 2023\*
- 5.3 Approval on Dental Capacity Funding\*
- 5.4 Presentation on School Behavioral Health Incentive Program

**6. Report from Chairman/Executive Committee**

**7. Report from Chief Executive Officer**

**8. Other Business**

**9. Adjournment**

*\*Items for which Commission action is requested.*

Government Code §54957.5 requires that public records related to items on the open session agenda for a regular commission meeting be made available for public inspection. Records distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Commission. The Commission has designated the Clerk of the San Mateo Health Commission located at 801 Gateway Boulevard, Suite 100, South San Francisco, CA 94080, for the purpose of making those public records available for inspection. Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the Clerk of the Commission at least two (2) working days before the meeting at (650) 616-0050. Notification in advance of the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

## MEMORANDUM

**AGENDA ITEM:** 4.1

**DATE:** February 8, 2023

**DATE:** January 31, 2023  
**TO:** San Mateo Health Commission  
**FROM:** Pat Curran, Chief Executive Officer  
**RE:** Approval of Teleconference Meeting Procedures Pursuant to AB 361

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### **Recommendation**

In the interest of public health and safety, as affected by the state of emergency caused by the spread of COVID-19, the San Mateo County Board of Supervisors has determined that meeting in person would present imminent risk to the health or safety of attendees. The Board of Supervisors has invoked the provision of AB 361 to continue meeting remotely through teleconferencing. The Board of Supervisors also strongly encourages all legislative bodies of the County of San Mateo, such as the San Mateo Health Commission, and its committees which are subject to the Brown Act to make a similar finding and continue to meet remotely through teleconferencing until the risk of community transmission has further declined.

### **Background and Discussion**

On June 11, 2021, Governor Newsom issued Executive Order N-08-21 which rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for public agencies to transition back to public meetings held in full compliance with the Brown Act. The original Executive Order provided that all provisions of the Brown Act that required the physical presence of members or other personnel as a condition of participation or as a quorum for a public meeting were waived for public health reasons. If these waivers were to fully sunset on October 1, 2021, legislative bodies subject to the Brown Act had to contend with a sudden return to full compliance with in-person meeting requirements as they existed prior to March 2020, including the requirement for full physical public access to all teleconference locations from which board (commission) members were participating.

On September 16, 2021, the Governor signed AB 361, a bill that formalizes and modifies the teleconference procedures implemented by California public agencies in response to the Governor's Executive Orders addressing Brown Act compliance during shelter-in-place periods. AB 361 allows a local agency to continue to use teleconferencing under the same basic rules as provided in the Executive Orders when certain circumstances occur or when certain findings have been made or adopted by the agency.

AB 361 also requires that, if the state of emergency remains active for more than 30 days, the agency must make findings by majority vote every 30 days to continue using the bill's exemption to the Brown Act teleconferencing rules. The findings are to the effect that the need for teleconferencing persists due to the nature of the ongoing public health emergency and the social distancing recommendations of local public health officials.

At its meeting on September 28, 2021, the San Mateo County Board of Supervisors found that in the interest of public health and safety, as affected by the state of emergency caused by the spread of COVID-19, meeting in person would present imminent risks to the health or safety of attendees. The Board of Supervisors accordingly resolved to continue conducting its meetings through teleconferencing, in accordance with AB 361, and encouraged other boards and commissions established by them to avail themselves of teleconferencing until the risk of community transmission has further declined. The San Mateo County Board of Supervisors has renewed its findings, adopting a substantially similar resolution at subsequent meetings since then.

At its meeting on October 13, 2021, and subsequently, the San Mateo Health Commission likewise found that in the interest of public health and safety, as affected by the state of emergency caused by the spread of COVID-19, meeting in person would present imminent risks to the health or safety of attendees. In light of that finding, the Commission has been conducting its meetings through teleconferencing. A renewed finding and resolution are needed in order for the Commission to continue to conduct its meetings through teleconferencing.

### **Fiscal Impact**

There is no relative fiscal impact with the continuation of the San Mateo Health Commission meeting by means of teleconferencing in accordance with AB 361.

**DRAFT**

**RESOLUTION OF THE  
SAN MATEO HEALTH COMMISSION**

**IN THE MATTER OF APPROVAL OF TELECONFERENCE MEETING  
PROCEDURES PURSUANT TO AB 361 (BROWN ACT PROVISIONS)**

**RESOLUTION 2023 -**

**RECITAL: WHEREAS,**

- A. In the interest of public health and safety, as affected by the state of emergency caused by the spread of COVID-19, the San Mateo County Board of Supervisors recently found that meeting in person would present imminent risk to the health or safety of attendees of public meetings and accordingly directed staff to continue to agendize its public meetings only as online teleconference meetings; and
- B. The Board of Supervisors strongly encouraged other legislative bodies of the County of San Mateo that are subject to the Brown Act to make a similar finding and avail themselves of teleconferencing until the risk of community transmission has further declined; and
- C. The San Mateo Health Commission must make such a finding under AB 361 in order to continue to conduct its meetings as online teleconference meetings.

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

- 1. The San Mateo Health Commission hereby finds that in the interest of public health and safety, as affected by the state of emergency caused by the spread of COVID-19, meeting in person would present imminent risk to the health or safety of attendees of public meetings for the reasons set forth in Resolution No. 078447 of the San Mateo County Board of Supervisors and subsequent resolutions made pursuant to AB 361; and
- 2. The San Mateo Health Commission directs staff to continue to agendize its meetings only as online teleconference meetings; and
- 3. The San Mateo Health Commission further directs staff to present, within 30 days, an item for its consideration regarding whether to make renewed findings required by AB 361 in order to continue to meet remotely.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 8th day of February 2023 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
George Pon, Chairperson

ATTEST:

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
C. Burgess, Clerk

\_\_\_\_\_  
Kristina Paszek  
DEPUTY COUNTY COUNSEL

## MEMORANDUM

**AGENDA ITEM:** 4.2

**DATE:** February 8, 2023

**DATE:** February 8, 2023

**TO:** San Mateo Health Commission

**FROM:** Pat Curran, Chief Executive Officer  
Amy Scriber, Chief Health Officer  
Leilani Llorente-San Gabriel, Manager, Clinical Oversight and Monitoring

**RE:** Amendment to Agreement with Independent Living Systems (ILS)

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### **Recommendation**

Authorize the Chief Executive Officer to execute an amendment to the agreement with Independent Living Systems (ILS), increasing the amount by \$1.3 million for a total amount not to exceed of \$10,770,000. The agreement term remains the same, October 1, 2017, through March 30, 2024.

### **Background and Discussion**

HPSM has contracted with ILS since October 2017 to conduct Health Risk Assessments (HRAs) and Individualized Care Plans (ICPs) for members of CareAdvantage Cal MediConnect (CA CMC) and Seniors and Persons with Disabilities receiving Medi-Cal services until December 31, 2022. Effective January 1, 2023, HPSM transitioned to a dual eligible special needs plan or D-SNP plan where HRAs and ICPs continue to be a requirement under CMS.

The HRA is a survey used to identify and stratify member needs, facilitate program referrals, and inform the member's ICP. These activities are conducted when Care Advantage members enroll in HPSM and annually thereafter and are primarily telephonic. All assessment findings and referrals are sent to HPSM's Integrated Care Management team for any needed follow-up. HPSM has approximately 9,000 Care Advantage members who are contacted annually by ILS, as well as eligible new members enrolling in HPSM.

HPSM selected ILS through an RFP process, originally contracting with ILS from October 1, 2017, through September 30, 2020, for \$6,328,800. HPSM expanded the scope of work with ILS in April 2020 for member outreach and health check-ins during the early stages of the COVID-19 pandemic, adding \$471,200 to the agreement. In September 2020, the Commission extended the agreement through December 2022, adding \$1,370,000. HPSM staff is currently reevaluating the scope of need for these services given the termination of the Cal MediConnect program on December 31, 2022, the transition to a D-SNP plan as well as the evolving comprehensive, whole person care management requirements under CMS's Medicare Part C and Star Ratings as well as the state's CalAIM program.

### **Fiscal Impact**

This amendment increases the agreement by \$1.3 million for a total amount not to exceed of \$10,770,000 and to extend the agreement through March 30, 2024.

**DRAFT**

**RESOLUTION OF THE  
SAN MATEO HEALTH COMMISSION**

**IN THE MATTER OF AN AMENDMENT TO AGREEMENT  
WITH INDEPENDENT LIVING SYSTEMS**

**RESOLUTION 2023 -**

**RECITAL: WHEREAS,**

- A. The San Mateo Health Commission has contracted with Independent Living Systems (ILS) to provide Health Risk Assessment (HRAs) and Individualized Care Plan (ICPs) services for many HPSM members since October 2017;
- B. ILS has demonstrated effective telephonic case management capabilities to identify potential and unmet member needs; and
- C. ILS as a partner to help HPSM meet quality and performance measures for Medicare Advantage Part C and Part D ratings as well as CalAIM initiatives and services.

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

- 1. The San Mateo Health Commission approves an amendment to the agreement with Independent Living Systems, increasing the agreement amount by \$1.3 million for a total amount not to exceed \$10,770,000; and extend the agreement through March 30, 2024;
- 2. Authorizes the Chief Executive Officer to execute said amendment.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 8th day of February 2023 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
George Pon, Chairperson

ATTEST:

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
C. Burgess, Clerk

\_\_\_\_\_  
Kristina Paszek  
DEPUTY COUNTY COUNSEL

**MEMORANDUM**

**AGENDA ITEM:** 4.3

**DATE:** February 8, 2023

**DATE:** January 23, 2023

**TO:** San Mateo Health Commission

**FROM:** Pat Curran, Chief Executive Officer  
Colleen Murphey, Chief Operating Officer

**RE:** Waiver of Request for Proposal Process and Agreement with HealthTrio, LLC

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**Recommendation:**

Authorize the Chief Executive Officer to amend the current software subscription agreement with HealthTrio, LLC, increasing the contract maximum by \$400,000 for the period of January 1, 2017 to December 31, 2022 for a total amount not to exceed \$2,900,000 for this time period.

Additionally, to waive the Request for Proposal (RFP) process and approve an agreement with HealthTrio, LLC for an additional three years, spanning January 1, 2023 through December 31, 2025, for an amount not to exceed \$2,700,000 and authorize the Chief Executive Officer to execute said agreement.

**Background:**

HPSM initially contracted with HealthTrio, LLC in 2016 to implement a searchable online provider directory, an online member portal for HPSM members, an online provider portal for HPSM providers, and related software. The licensing agreement became active on January 1, 2017. These online solutions were critical to HPSM's compliance with DHCS and NCQA requirements, and have significantly improved the member and provider experience for HPSM members and network providers. They enable members and providers to search for in-network referral providers online by specialty, distance, language(s) spoken, and other factors. They enable members to perform self-service for a variety of tasks such as requesting new ID cards. They enable providers to perform tasks such as checking claim or authorization status or submitting prior authorization requests online, reducing the administrative burden for providers to work with HPSM.

In 2016 the Commission approved an agreement with HealthTrio, LLC in an amount not to exceed 2,500,000. HealthTrio LLC's pricing, which is billed on a per-member per-month basis, has been consistent over the course of the contract. However, HPSM's membership has grown significantly since the Commission's approval of this agreement, resulting in an additional \$400,000 in fees over the six year lifetime of the current agreement.

The vendor is in good standing and has provided a high quality of service, both via their software offerings and their implementation services. HPSM has received quotes from additional vendors for Provider Portal and Consumer Provider Search tools. The current vendor's pricing is competitive with the market.

**Discussion:**

The proposed 2023 – 2025 agreement with HealthTrio, LLC covers:

- Annual data hosting fees
- Licensing for the following products:
  - Provider Portal
  - Provider Data Accuracy Tools
  - Member Portal
  - Consumer Provider Search
  - Mobile Access to Provider Search and Portals
  - Health Risk Assessments
- Estimated implementation fees for annual customization of solutions to meet HPSM business needs

HealthTrio LLC has consistently performed at a high level and their solutions are integrated with existing HPSM solutions. It continues to be advantageous to use HealthTrio LLC for these services; they have a strong understanding of HPSM data and business needs, making them cost-effective at configuring or implementing customization to these tools to meet HPSM needs. Additionally, replacing their solution would require time-extensive (multi-year) and costly services to re-implement with a separate vendor. In light of their good standing, competitive pricing, and the cost to replace their core technology solutions, staff requests a waiver of the RFP process for this three-year term.

**Fiscal Impact:**

The amendment to the current agreement to reflect HPSM's expanded membership numbers will increase the contract maximum by \$400,000.

The proposed new agreement with HealthTrio LLC will be effective April 1, 2023 with rates retro-effective to January 1, 2023, through December 31, 2025, for an amount not to exceed \$2,700,000.

**DRAFT**

**RESOLUTION OF THE  
SAN MATEO HEALTH COMMISSION**

**IN THE MATTER TO WAIVE REQUEST FOR PROPOSAL;  
APPROVE AMENDMENT TO SOFTWARE SUBSCRIPTION AND,  
APPROVE NEW AGREEMENT WITH HEALTH TRIO, LLC**

**RESOLUTION 2023 -**

**RECITAL: WHEREAS,**

- A. The San Mateo Health Commission has utilized the services of HealthTrio, LLC for the Health Plan of San Mateo Provider Portal, Member Portal, Provider Directory and associated software since 2017; and
- B. HPSM's membership has significantly grown since the original approval of the HealthTrio agreement, resulting in an increase in licensing costs beyond the originally approved amount; and
- C. HealthTrio, LLC has provided high quality service and is in good standing; and
- D. HealthTrio, LLC has been determined to be a cost-effective solution versus alternative options, based upon their existing integration with current HPSM technology, their knowledge of HPSM's systems and data, and competitive price quotes

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

- 1. The San Mateo Health Commission waives the request for proposal process and approves amending the current software subscription agreement with HealthTrio, LLC, to increase the contract by \$400,000 for an amount not to exceed of \$2,900,000 for the term ending on December 31, 2022;
- 2. The San Mateo Health Commission approves a new agreement with HealthTrio, LLC for a three year term from January 1, 2023 through December 31, 2025 in an amount not to exceed \$2,700,000; and
- 3. Authorizes the Chief Executive Officer to execute the necessary amendment and agreement to implement.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 8th day of February 2023 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
George Pon, Chairperson

ATTEST:

APPROVED AS TO FORM:

BY: \_\_\_\_\_

C. Burgess, Clerk

\_\_\_\_\_  
Kristina Paszek

DEPUTY COUNTY COUNSEL

**DRAFT**

**SAN MATEO HEALTH COMMISSION**  
**Meeting Minutes**  
**January 11, 2023 – 12:30 p.m.**

**AGENDA ITEM: 4.4**  
**DATE: February 8, 2023**

**\*\*BY VIDEOCONFERENCE ONLY\*\***

Important notice regarding COVID-19: Based on guidance from the California Department of Public Health and the California Governor’s Office, in order to minimize the spread of the COVID-19 virus, Health Plan of San Mateo offices were closed for this meeting, and the meeting was conducted via online meeting/teleconference. Members of the public were invited to submit public comment via email to the Clerk in advance of the meeting or express public comment throughout the meeting and were able to access the meeting using the web and teleconference information provided on the meeting notice.

Commissioners Present:   Jeanette Aviles                               Raymond Mueller  
                                  David J. Canepa                               George Pon, R. Ph., Chair  
                                  Si France, M.D.                               Manny Santamaria  
                                  Bill Graham, Vice-Chair               Kenneth Tai, M.D.  
                                  Barbara Miao                               Ligia Andrade Zuniga

Commissioners Absent:   Michael Callagy.

Counsel:                    Kristina Paszek

Staff Present:             Brandy Armenta, Luarnie Bermudo, Corinne Burgess, Pat Curran, Janet Davidson, Trent Ehrgood, Nicole Ford, Francine Lester, Rob Lindley, Colleen Murphey, Richard Moore, M.D., Karla Rosado-Torres, Amy Scribner, Ming Shen, Miriam Sheinbein, M.D., Carl Smith, Jr., Katie-Elyse Turner, and Eben Yong.

**1. Call to order/roll call**

The meeting was called to order at 12:33 p.m. by Commissioner Pon, Vice-Chair. A quorum was present.

**2. Public Comment**

No public comments were received via email in advance of the meeting nor were any verbal public comments made at this time. The clerk of the commission instructed those with public comment on using the raise hand feature in Teams to indicate their desire to make public comment.

### 3. Approval of Agenda

Motion to approve the agenda as presented: **Canepa / Second: Aviles**

#### Verbal roll call vote was taken:

Yes: 10 – Aviles, Canepa, France, Graham, Miao, Mueller, Pon, Santamaria, Tai, Zuniga.

No: 0

### 4. Approval of Consent Agenda

Motion to approve the Consent Agenda as presented: **Canepa / Second: Aviles**

#### Verbal roll call vote was taken:

Yes: 10 – Aviles, Canepa, France, Graham, Miao, Mueller, Pon, Santamaria, Tai, Zuniga.

No: 0

### 5. Specific Discussion/Action Items

#### 5.1 Election of Officers

Mr. Curran explained that the Commission elects its officers and clerks at its meeting in January for a one-year term. Supervisor Don Horsley has retired leaving the position of Chair. Commissioner Miao nominated George Pon to serve as Chair; and Bill Graham to serve as Vice-Chair.

Nomination and motion to elect George Pon as Chair; and Bill Graham as Vice-Chair:

**Miao / Second: France**

#### Verbal roll call vote was taken:

Yes: 10 – Aviles, Canepa, France, Graham, Miao, Mueller, Pon, Santamaria, Tai, Zuniga.

No: 0

Offices to be filled by non-commissioner members are the Clerk and Assistant Clerk of the Commission. Commissioner Graham nominated Corinne Burgess to fill the position of Clerk; and Michelle Heryford as Assistant Clerk to the Commission.

Nomination and motion to elect Corinne Burgess as Clerk of the Commission and Michelle Heryford as Assistant Clerk of the Commission: **Graham / Second: Miao**

#### Verbal roll call vote was taken:

Yes: 10 – Aviles, Canepa, France, Graham, Miao, Mueller, Pon, Santamaria, Tai, Zuniga.

No: 0

Mr. Curran introduced our new Commissioner, Supervisor Ray Mueller. Commissioner Mueller expressed his excitement to be serving on this Commission and is looking forward to work with this group.

## 5.2 Annual Compliance Program Report

Mr. Curran introduced Ian Johansson, Chief Compliance Officer to present the Annual Compliance Report. Mr. Johansson's presentation is attached to these minutes. He highlighted the following in his report:

### **What is the Role of Compliance:**

- This informational report is given to the commission on an annual basis.
- As Chief Compliance Officer, Mr. Johansson's role is to maintain our compliance program which includes educating the commission routinely on this program, and the components of the program altogether.
- The Commission's role is oversight of HPSM's operations which includes the Compliance Program.
- The Compliance Program establishes the culture within the organization of "doing the right thing" and to report on anything that does not meet that criterion of doing the right thing.
- This culture is communicated through educational opportunities with staff, commissioners, and stakeholders.
- Staff identify and resolve compliance risks and issues.

### **Activities through the compliance department for the calendar year 2022:**

- DHCS (state Medicaid agency) performed a medical audit last year which was the only external audit performed in 2022. Their process includes identifying issues and issuing Corrective Action Plans to the health plan.
- Other activities for the year include annual compliance program surveys of staff; and this year the health plan launched the dental benefit and Enhanced Case Management and Community Supports through CalAIM. Additionally, the health plan was transitioning from Cal MediConnect and into the D-SNP.
- Audit results for the past five years was reviewed. The total number of findings last year was 12 which was lower than average over the past five years. However, we were over the average on "repeat findings". He explained that the repeat findings were related to timing to the closing of the issues and not that the plan was non-compliant.
- Review of new findings for 2022 DHCS:
  - Translation of medical Notice of Action letters. He explained that the new requirement is to send fully translated letters in the member's threshold language. Previously the notice indicated the ability to contact the health plan for this translation.

- Grievance resolution timeframe. These were findings of not meeting the 30 day resolution timeframe due to the resolution not being in writing.
  - Written Notice of Delay. This is related to the grievance resolution timeframe. The health plan is required to send a notice to the member if it is believed that this grievance cannot be resolved within the 30 day timeframe. For the audit cases reviewed, there was a finding that this did not take place in the timing threshold. Staff is working on correcting these timeframe issues by identifying the root cause, and implementing an internal Corrective Action Plan to be in compliance before the next audit.
- Repeat Findings:
 

Mr. Johansson explained that the major concern are those things that cause member harm or impact by delaying access for a member to medically necessary services. The previous findings did not reach that level but are evaluated with this focus. The repeat findings were first identified in 2021 at the 2020 audit review period and remained open at that time. These are looked at as heightened attention since they have remained open for more than a year. He stated again that these issues were close to being resolved at the time of the audit but were not fully closed, therefore, were cited as repeat findings.

    - Non-Emergency Medical Transportation: Gurney vans, wheelchair vans, etc. Not ambulance emergency transportation. Authorization criterion as required by the state must be met.
    - NEMT enrollment: Providers must be enrolled in the Medi-Cal program but there are exceptions. There was one provider who was not enrolled and this has been resolved subsequent to the audit.
    - Ownership and Control Disclosures: This documentation is required at the health plan level and is related to delegating services. Negotiations with the state over this issue had been ongoing with certain exceptions and thought we had reached an understanding, but the state decided to make this a requirement and thus resulted in an audit finding.
    - Delegation of Provider Training and Provider Training are related. For the delegated trainings, DHCS is requiring the plan to have more oversight and to confirm this is happening accurately: and, the same requirement for the Provider Training that happens at the staff level.

**Forecasting of 2023 Compliance Activities:**

- NCQA Resurvey: A survey is performed every three years to continue our NCQA accreditation. Wherever there are areas that we don't meet the requirements, a "resurvey" is conducted approximately one year later to ensure we are meeting those requirements. This will be conducted in the first quarter of 2023.

- The Department of Managed Health Care (DMHC) 2021 Audit Corrective Action Plan has not yet been received due to DMHC staff shortages. The health plan has submitted all required documentation.
- The 2022 DHCS Audit Corrective Action Planning for the audit findings from already described.
- The DHCS Annual Medical Audit
- New focused audits in 2023 by DHCS include two new areas the state has identified as problematic on a statewide basis: access to behavioral health and transportation. It is expected to have a deeper dive on these within the audit.
- The Centers for Medicare and Medicaid (CMS) Compliance Program Effectiveness (CPE) audit which has not been done for seven years. This audit is scheduled for every four years, so this come up for us at any time.
- CalAIM will present some programmatic efforts and will be a focus in the future for DHCS audits.

#### Update Topics for future Commission meetings:

- Risk Assessment Process and Corrective Action Plan Issues
- Compliance Issue Process
- 2022 Compliance Program survey results
- DHCS/DMHC Audit and Corrective Action Plan activity
- NCQA Resurvey Results
- 2024 DHCS Contract
- Urgent issues are presented to the Finance/Executive Committee and then to the Commission as needed.

#### Review of 2021 Compliance Program Effectiveness Results:

- Reviewed the results to measure staff satisfaction of the Compliance Program. Most measures were up from the previous year.
- Moved the survey to an animated training platform this year

Commissioner Tai thanked Mr. Johansson for this comprehensive report. He asked about the timelines and what period they are audited. And what is the timeline for resolution of their findings.

Mr. Johansson explained that the 2021 audit is a look back at the period covering 2020. When the audits occur, they are looking at the activity of the health plan for the previous year from the period ending the month prior to when the audit occurs.

Regarding the timelines on the findings, the health plan receives a draft audit report which gives us an opportunity to provide information to demonstrate that the finding is erroneous. After that, we work with them on the timeframe which can vary.

## **6. Report from Chairman/Executive Committee**

There were no comments or reports from the Executive Committee at this time.

### **Report from Chief Executive Officer**

Mr. Curran reported on the announcement by the federal government on the redetermination process (renewal of Medi-Cal coverage) throughout the country beginning on April 1, 2023. This has not been a requirement during the pandemic. Staff is in contact with Human Services Agency and the Health Coverage Unit to be in sync to work to help people retain their coverage.

The Governor sent out his proposed budget. It was a \$22.5 Billion deficit but with a commitment to continuing universal access which is coverage for all Californians regardless of documentation status on January 1, 2024, the final group of undocumented residents ages 26 to 49 would qualify for Medi-Cal. We will still be watching for changes that can occur with the release of the May Revise of the Governor's budget.

Mr. Curran reviewed some of the upcoming topics for the next commission meeting which includes the updated HPSM budget; Student Behavioral Health Incentive Program; update on diversity, equity and inclusion; and, dental capacity funding proposal involving the San Mateo Navigation Center.

Commissioner Tai asked about the number of members we may lose due to redetermination process beginning. Pat said it is about 10% and will hear more with the budget update. The reason this number may come to fruition is we have seen an increase of people with other health coverage and then they would drop off so it may be closer to 14-15%. He will have more accurate information at next meeting.

Commissioner Canepa ask for update on CalAIM implementation. Mr. Curran stated that there are dozens of programs involved. A couple of categories that are moving full steam ahead are Incentive or one time funding programs; another that the health plan is involved in is the Student Behavioral Health Incentive Program.

### **Other Business**

No other business was discussed at this time.

## **7. Adjournment:** The meeting was adjourned at 1:22 p.m.

Respectfully submitted:

*C. Burgess*

C. Burgess, Clerk of the Commission

# 2022 Annual Compliance Report

Ian Johansson, Chief Compliance Officer

January 11, 2023



## Background



- Status & Activities
  - Report provides a summary of HPSM’s Compliance efforts
  - Enables you to:
    - To be knowledgeable about the Compliance Program
    - To exercise reasonable oversight

## Our Goal



- To establish a culture of compliance at HPSM that helps the organization and its employees “do the right thing”
- Achieved through:
  - Implementing and maintaining a Compliance Program
  - Educating our employees
  - Identifying and resolving compliance issues and risks
  - Providing opportunities to engage our staff and stakeholders

3

## Agenda



- 2022 - Year in review
  - Major activities & status
- 2023 – Outlook
  - Known major activities
  - Changes to Commission presentation schedule

4

## 2022 Year in Review



- External Audit activity
  - One (1) external audits conducted
    - Department of Health Care Services (DHCS) Medical Audit
- Other Major Activity
  - Annual compliance program survey results
  - Medi-Cal Dental Benefit launched
  - CalAIM ECM/CS launched
  - CMC wind-down/DSNP start-up

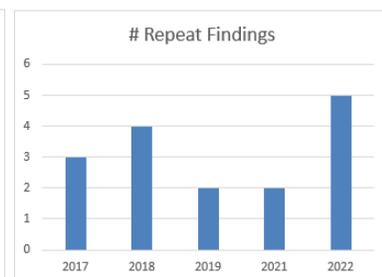
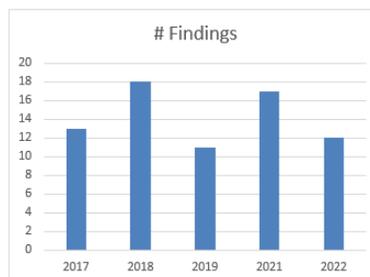
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## 2022 DHCS Audit



### Performance Trend Analysis

Year	# Findings	# Repeat Findings
2017	13	3
2018	18	4
2019	11	2
2021	17	2
2022	12	5
5-year average	14	3



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## 2022 DHCS Audit



- Findings:

- Full translation of medical Notice of Action (NOA) letters
- Written consent for appeals filed by providers
- Provision of Initial Health Assessment (IHA)
- Monitoring call wait times for provider offices
- Monitoring access to first prenatal appointments
- Grievance resolution timeframe
- Written notice of delay of grievance resolution

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## 2022 DHCS Audit



- Repeat findings:

- Non-Emergency Medical Transportation (NEMT) authorization
- NEMT enrollment
- Ownership and Control Disclosure reviews
- Delegation of Provider Training
- Provider Training

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## 2023 Forecasting

- NCQA Resurvey Activity
- 2021 DMHC Audit Corrective Action Planning (CAP)
- 2022 DHCS Audit Corrective Action Planning (CAP)
- 2023 DHCS Annual Medical Audit
- 2023 DHCS Focused Audits (Behavioral Health & Transportation)
- CMS Compliance Program Effectiveness (CPE) audit
  - 7 years since last audit
- CalAIM
  - Population Health Management (PHM) launch, new ECM/CS populations
  - New benefits: Community Health Worker (CHW), Dyadic Care, Doula benefit

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## 2023 Update Topics

- Risk Assessment Process
  - How risks are identified
  - How risks are mitigated
- Compliance Issue Process
  - How issues are identified
  - How issues are corrected
- 2022 Compliance Program survey results
- DHCS/DMHC Audit & CAP activity
- NCQA Resurvey results
- 2024 DHCS Contract

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## 2023 Update Schedule



- April
  - Risk Assessment process
  - Corrective Action Plan (CAP) process
- August
  - 2022 Compliance Program Survey results
  - External audit activity update
  - NCQA Resurvey results
- November
  - 2024 Contract
  - 2024 Outlook

## 2021 Compliance Program Effectiveness Results



1 Participation Rate	74%	↑4
2 Familiar with Compliance Program	100%	↑2
3 I know where to view a copy of HPSM's Code of Conduct	98%	↑2
4 I know where to locate HPSM's P&Ps	99%	↑2
5 I am aware of the P&P that relate to my job	99%	↑1
6 The name of HPSM's Compliance Officer is	99%	=
7 I know how to contact the Compliance Officer	100%	↑5
8 I would feel comfortable reporting to the Compliance Officer	98%	↑1
9 Observed workplace behavior that felt violated Code of Conduct or policy, law	4%	↓6
10 If YES to previous, but didn't report	0.47%	↓2.25
11 Do you know about HPSM's policy on non-retaliation and non-intimidation	98%	↑1
12 Fear of retaliation would prevent me from reporting	15%	↓9
13 Confident Compliance will ensure concern is addressed timely	98%	↑2
14 Confident Compliance will ensure concern is addressed confidentially	99%	↑2

## Questions?



- Contact me @
  - [ian.johansson@hpsm.org](mailto:ian.johansson@hpsm.org)
- Hotline available 24/7
  - 844-965-1241

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Thank You



**AGENDA ITEM:** 5.1

**DATE:** February 8, 2023

**Meeting materials are not included**

**for Item 5.1 – Updated HPSM Values and IDEA Presentation**

**MEMORANDUM**

**AGENDA ITEM:** 5.2

**DATE:** February 8, 2023

**DATE:** February 1, 2023

**TO:** San Mateo Health Commission

**FROM:** Pat Curran, CEO  
Trent Ehrgood, CFO

**RE:** HPSM Revised 2023 Budget

The Finance team has updated the 2023 budget with final Medi-Cal rates received from DHCS. The forecast for 2023 has increased from a surplus of \$40.1M to a surplus of \$71.8M. Projected total revenue (operating and non-operating revenue) increased by \$74.6M to \$1,057.2M and total expenses (healthcare cost and admin cost) increased by \$43.0M to \$985.4M. Below is a summary of the changes.

	<u>Original</u>	<u>Revised</u>	<u>Change</u>
<b>OPERATING REVENUES:</b>			
<b>Capitation &amp; Premium Revenue</b>	\$ 970,028,246	\$ 1,044,700,640	\$ 74,672,394
<b>HEALTH CARE EXPENSE:</b>			
Professional & OP Svs FFS	312,668,764	315,757,938	3,089,174
Inpatient Services	200,537,367	202,784,628	2,247,260
SNF & Long Term Care	153,177,668	166,696,489	13,518,821
Provider Capitation (Incl. Kaiser)	74,609,645	71,900,483	(2,709,162)
Pharmacy	62,332,503	62,332,503	-
MLTSS (CBAS, ECM, CS)	23,556,389	16,859,012	(6,697,377)
Directed Payments (VRR)		33,403,779	33,403,779
UM / QA Costs	22,020,606	22,020,606	-
Dental	20,837,251	20,984,583	147,332
Provicer Incentive Pool	10,814,970	10,830,250	15,280
Reinsurance/Other	643,207	649,523	6,317
<b>Total Health Care Expenses</b>	<b>881,198,370</b>	<b>924,219,795</b>	<b>43,021,424</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>61,233,114</b>	<b>61,233,114</b>	<b>-</b>
<b>Net Gain from Operations</b>	<b>27,596,761</b>	<b>59,247,731</b>	<b>31,650,970</b>
<b>NON-OPERATING REVENUES:</b>			
Interest	9,000,000	9,000,000	-
Rental Income	1,187,337	1,187,337	-
ACE TPA Fees	2,341,512	2,341,512	-
<b>Total Non-Operating Revenue</b>	<b>12,528,849</b>	<b>12,528,849</b>	<b>-</b>
<b>PROJECTED SURPLUS</b>	<b>\$ 40,125,610</b>	<b>\$ 71,776,580</b>	<b>\$ 31,650,970</b>

## **Membership Changes**

Minor updates to membership were made based on more recent membership counts through the end of 2022. The same assumptions were applied in 2023 based on the end of the public health emergency and the start of the Medi-Cal redetermination process.

## **Revenue Changes**

Increased revenue is primarily from updated Medi-Cal rates (about \$43M), which equates to about 4.2% increase from the original estimated draft rates. Within this, is higher funding for long-term-care (LTC) to extend the 10% rate increase to LTC facilities, and lower funding for Enhanced Care Management (ECM) due to an assumed lower number of engaged members using this service. Both changes to LTC and ECM have corresponding offsets in healthcare cost.

Lastly, \$33.4M was added to revenue to gross-up directed payment funding. A similar amount is added to healthcare cost, so zero impact to the bottom line. This represents a change in accounting methodology for recognizing revenue and expenses for hospital directed payments, by using a gross versus net method.

## **Healthcare Cost Changes**

Most healthcare cost assumptions remain unchanged. Minor increases are due to updated membership.

The increase to SNF/LTC reflects increased per-diem rates for LTC facilities, for which there is a corresponding increase in revenue. The decrease to the MLTSS line includes assumptions for lower ECM utilization, for which there is corresponding decrease to revenue.

Lastly, the reduction to Provider Capitation is due to a change in Kaiser capitation, by removing assumptions of delegating Whole Child Model to Kaiser. The decrease to capitation is replaced with increases to other categories of service paid by HPSM (mostly inpatient, professional, and outpatient), so minimal impact to bottom line.

**DRAFT**

**RESOLUTION OF THE  
SAN MATEO HEALTH COMMISSION**

**IN THE MATTER OF ADOPTION OF  
REVISED OPERATING BUDGET  
FOR 01/01/2023 - 12/31/2023**

**RESOLUTION 2023 -**

**RECITAL: WHEREAS,**

- A. DHCS has provided updated 2023 Medi-Cal rates to HPSM.
- B. HPSM has revised the 2023 budget to reflect these updated Medi-Cal rates, and related adjustments to healthcare cost.

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

- 1. The San Mateo Health Commission approves the revised operating budget for CFY 2023 as presented and attached.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 8th day of February 2023 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
George Pon, Chairperson

ATTEST:

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
C. Burgess, Clerk

\_\_\_\_\_  
Kristina Paszek  
DEPUTY COUNTY COUNSEL

**MEMORANDUM**

**AGENDA ITEM:** 5.3

**DATE:** February 8, 2023

**DATE:** January 31, 2023

**TO:** San Mateo Health Commission

**FROM:** Patrick Curran, Chief Executive Officer

**RE:** Dental Capacity Investment for the San Mateo County Navigation Center

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**Recommendation:**

Provide one-time funding of \$125,000 to The University of the Pacific (UOP) Dugoni School of Dentistry to support access to dental care for HPSM members at the planned dental clinic at the San Mateo County Navigation Center in Redwood City.

**Background:**

HPSM implemented the dental integration program in January 2022. We now fully administer the Medi-Cal Dental benefit for our members. Our short-term focus has been to expand the network of providers and increase access to care, especially for children. In the first year of the program, access to care for adults, especially adults who have complex dental, medical and behavioral health conditions, proved to be challenging. The Health Commission approved a dental capacity payment to NEMS in December 2022 to hire and support an oral surgeon, which was a critical first step.

In February 2023, San Mateo County will open a new Navigation Center in Redwood City. It will not only house up to 260 residents, but also provide important clinical, counseling and social support services. Medical services will be provided by Healthcare in Action, which HPSM is supporting through an Enhanced Care Management (ECM) agreement to serve HPSM members.

The UOP Dugoni School of Dentistry is partnering with San Mateo County to provide onsite dental care through students, residents, and faculty, in a two operator dental suite onsite at the Navigation Center.

**Discussion:**

Our long-term goals for increasing access include a multi-faceted approach. First, we are working to increase the number of community dentists. Second, we are supporting increased capacity of our safety net dental clinic partners, particularly San Mateo County Medical Center, Ravenswood, NEMS, Gardner, and Sonrisas. Third, we are working closely with our two local dental schools, UOP and UCSF. We are proposing to support the implementation of this onsite dental program through

a one-time capacity payment of \$125,000 to the UOP Dugoni School of Dentistry. We estimate that more than half of the patients treated at the Navigation Center will be HPSM members, and this is a unique opportunity to open up new access that is convenient for members, many of whom may not have had recent access to dental care.

**Fiscal Impact:**

This proposal is to provide capacity funding to allow UOP to start up the clinic before it is able to produce ongoing revenue. We believe this program will provide access to more timely dental care for up to 1,250 HPSM members. We do not anticipate the need for ongoing funding, but we remain open to learning what is working at this new innovative clinic site to identify ongoing ways to support UOP and San Mateo County at the Navigation Center. UOP will also seek support from other organizations, as the projected deficit for the dental clinic is more than \$300,000 in the first year.

**DRAFT**

**RESOLUTION OF THE  
SAN MATEO HEALTH COMMISSION**

**IN THE MATTER OF APPROVAL OF  
DENTAL CAPACITY FUNDING FOR THE  
DUGONI SCHOOL OF DENTISTRY AT THE  
UNIVERSITY OF THE PACIFIC**

**RESOLUTION 2023 -**

**RECITAL: WHEREAS,**

- A. The San Mateo Health Commission is responsible for oversight of HPSM and its important role as a community health plan and steward of public dollars;
- B. HPSM has a strategic imperative to improve health outcomes and reduce health disparities for our members; and
- C. HPSM seeks to support the Dugoni School of Dentistry at The University of the Pacific to provide critical dental access at the San Mateo County Navigation Center.

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

- 1. The San Mateo Health Commission approves the payment of \$125,000 to the Dugoni School of Dentistry and authorizes the Chief Executive Officer to enter into necessary agreements for this payment.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 8th day of February 2023 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

\_\_\_\_\_  
George Pon, Chairperson

ATTEST:

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
C. Burgess, Clerk

\_\_\_\_\_  
Kristina Paszek  
DEPUTY COUNTY COUNSEL

**AGENDA ITEM: 5.4**

**DATE: February 8, 2023**

**Meeting materials are not included**

**for Item 5.4 –**

**Presentation on**

**School Behavioral Health Incentive Program**

## MEMORANDUM

AGENDA ITEM: 7.0

DATE: February 8, 2023

**DATE:** January 31, 2023  
**TO:** San Mateo Health Commission  
**FROM:** Patrick Curran  
**RE:** CEO Report – February 2023

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### Public Health Emergency

The Biden administration announced this week that the federal public health emergency (PHE) will end on May 11, 2023. Since there are now different dates to consider, here are three important components of the PHE:

- A. State Public Health Emergency – Governor Newsom announced late last year that the California Public Health Emergency will end on **February 28, 2023**. This date does not affect our members or health plan operations, other than the end of the flexibilities provided under The Brown Act for virtual meetings.
- B. Medicaid Redeterminations – In the Omnibus reconciliation package passed by Congress at the end of 2022, there is a provision to begin the redetermination process for individuals with Medicaid beginning **April 1, 2023**. This is the most important date for our members, as over the ensuing 14 months, members will need to recertify their eligibility for Medi-Cal. The state suspended redeterminations during the PHE, which means that the state automatically renewed member coverage each year. We are working closely with San Mateo County Health and San Mateo County Human Services Agency to facilitate this process and ensure that qualified members retain coverage. The first date that members could lose coverage is July 1, 2023.
- C. Federal Public Health Emergency – The federal government announced this week that the federal PHE will end on **May 11, 2023**. There are many federal provisions and programs that were offered during the pandemic, such as free COVID testing and vaccines. Our members do not pay for these preventive services now, nor will they after the end of the PHE. We will track other components of the PHE, especially those that may impact providers, such as rate changes or other flexibilities the federal government implemented during the PHE.

### DHCS Listening Session

Leadership from the Department of Health Care Services (DHCS) will visit HPSM on **February 9, 2023**, to conduct a listening session with HPSM and community stakeholders. More than twenty people will participate in this session, which will be an opportunity for providers, county agencies,

and community organizations to give input directly to the state on current programs as well as identify opportunities to improve services in the future. Topics will include the state's CalAIM initiative, our integrated dental program, the Student Behavioral Health Incentive Program (SBHIP) with schools, a new payment model for FQHCs, as well as other areas.

### **State Budget Forecast**

Governor Newsom released the initial 2023-24 California budget. The governor's budget was more optimistic than the Legislative Analyst Office (LAO) report, which was released in November. The LAO projects a \$24 billion budget deficit for 2023-24 due to slowing economic conditions, while the Governor's budget projects a \$22.5 billion deficit. The budget did not include any Medi-Cal coverage or benefit reductions, and continues funding the CalAIM transformation program already underway. In addition, the budget proposes to fund the expansion of Medi-Cal coverage for all undocumented residents beginning in January 2024. This would provide Medi-Cal coverage for many of the current participants in the county's ACE program. We will continue to track potential budget discussions and provide updates to the Health Commission. The next major budget announcement will take place in May (the so-called "May Revise"), and will incorporate updated economic information, such as tax revenue, and projected state expenditures.

### **HealthWorx Program Evaluation**

HPSM operates the HealthWorx program, which is licensed by the Department of Managed Health Care (DMHC) as a commercial health plan and serves approximately 1,200 members, most of whom are enrolled through San Mateo County's agreement with In-Home Supportive Services (IHSS) workers, as well as a small number of retirees from the City of San Mateo. We have experienced increasing regulatory oversight from the DMHC due to the plan's status as a commercial health plan, as well as large fluctuations in financial performance due to low membership. We are evaluating options both internally and with San Mateo County Health regarding how to best serve the members now and in the long term, and we will provide an update to the Health Commission at a future meeting.