801 Gateway Boulevard, Suite 100
South San Francisco, CA 94080

tel 650.616.0050
fax 650.616.0060
tty 800.735.2929 or dial 7-1-1

www.hpsm.org

-Virtual Meeting-
-REVISED-
THE SAN MATEO HEALTH COMMISSION
Regular Meeting
September 14, 2022 - 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 app
Click here to join the meeting
Or call in (audio only)
(833) 827-5103,,480262135# United States (Toll-free)
Phone Conference ID: 480 262 135#

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, September 14, 2022 to the Clerk of the Board at 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 Report from Finance
   - 4.3 CHI Oversight Committee Minutes, July 2022
   - 4.4 CMC Advisory Committee Minutes, July 2022
   - 4.5 Physician Advisory Group Minutes, June 2022
   - 4.6 Approval of Recommendation from CHI Oversight Committee
   - 4.7 Approval of Amendment to Agreement with Change Healthcare.
   - 4.8 Approval of San Mateo Health Commission Meeting Minutes from August 10, 2022

~Continued~

5. **Specific Discussion/Action Items**
   - 5.1 Medicare Plan Update.
   - 5.2 Approval of HPSM Employee Incentive Plan.*

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.

AGENDA ITEM: **4.1**

DATE: **September 14, 2022**

MEMORANDUM

DATE: August 22, 2022

TO: San Mateo Health Commission

FROM: Pat Curran, Chief Executive Officer

RE: Approval of Teleconference Meeting Procedures Pursuant to AB 361

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 2022 -

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 14th day of September 2022 by the following votes:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Don Horsley, Chairperson

ATTEST:

BY: _____
C. Burgess, Clerk

APPROVED AS TO FORM:

_____
Kristina Paszek
DEPUTY COUNTY COUNSEL

HealthPlan OF SAN MATEO

AGENDA ITEM: 4.2

DATE: September 14, 2022

M E M O R A N D U M

Date: August 1, 2022
To: San Mateo Health Commission
From: Trent Ehrgood, Chief Financial Officer

Subject: **Financial report for the six-month period ending June 30, 2022**

Preliminary 2022 Financial Results All Lines of Business

Q2 2022 preliminary financial result for all lines of business is a surplus of $15.8M, with a YDT surplus of $39.1M, compared to the YTD budget deficit of $4.0M.

We continue to have lower than average utilization, which is keeping medical expenses lower than projected. The continued extension of the public health emergency has postponed the Medi-Cal redetermination processes, which in turn retains lower acuity insured members. The redetermination process will likely not start until early 2023. HPSM is expecting to move back toward pre-pandemic utilization levels next year as this process takes place.

Medi-Cal rates for 2022 are expected to change one more time with downward adjustments for lower acuity (lower utilizers mentioned above), and an upward adjustment to fund increased reimbursement for long-term-care facilities (for COVID adjustment). Final rates for 2022 are not expected until around March of 2023. Medi-Cal revenue is currently based on the latest draft rates without these adjustments.

Attached is presentation material to guide the discussion for our committee meeting on August 8th. Detailed Statements of Revenue and Expense on a consolidated basis, as well as for each line of business, are provided after the presentation slides.

Financial Update

Presentation to Finance/Executive Committee

August 8, 2022

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2022 Budget by Quarter

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	Q1	Q2	Q3	Q4	Total
Capitation revenue	218,766,277	224,472,838	227,978,299	232,448,093	**903,665,508**
Healthcare cost	208,887,076	212,854,235	212,907,179	210,843,150	**845,491,640**
Administrative expenses	13,447,987	14,306,963	14,132,881	14,393,740	**56,281,572**
MCO Tax	-	-	-	-	-
Income/(loss) from operations	(3,568,786)	(2,688,361)	938,239	7,211,203	**1,892,295**
Non-operating revenue	1,167,874	1,103,321	1,057,001	1,034,985	**4,363,181**
Net income/(loss)	(2,400,911)	(1,585,040)	1,995,240	8,246,188	**6,255,477**

Q2 2022 Financial Results

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	Q1 (Jan-Mar)	Q2 (Apr-Jun)	YTD Total	YTD Budget	Budget Variance
Capitation revenue	236,366,221	234,552,138	470,918,359	443,239,115	27,679,244
Healthcare cost	192,369,679	197,852,311	390,221,990	421,741,311	31,519,321
Administrative expenses	12,764,669	13,389,361	26,154,030	27,754,950	1,600,920
MCO Tax	9,160,100	9,160,100	18,320,200	-	(18,320,200)
Income/(loss) from operations	22,071,773	14,150,366	36,222,139	(6,257,146)	42,479,285
Non-operating revenue	1,197,234	1,640,611	2,837,845	2,271,195	566,650
Net income/(loss)	23,269,007	15,790,977	39,059,984	(3,985,951)	43,045,935

YTD June 2022 – PY/CY

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	YTD by PY/CY			Current Year YTD		
	Prior Year	Current Year	Total	Current Year	Budget	CY Variance
Capitation revenue	4,300,328	466,618,031	470,918,359	466,618,031	443,239,115	23,378,916
Healthcare cost	(4,557,927)	394,779,917	390,221,990	394,779,917	421,741,311	26,961,394
Administrative expenses	-	26,154,030	26,154,030	26,154,030	27,754,950	1,600,920
MCO Tax	-	18,320,200	18,320,200	18,320,200	-	(18,320,200)
Income/(loss) from operations	8,858,255	27,363,884	36,222,139	27,363,884	(6,257,146)	33,621,030
Non-operating revenue	(3,390)	2,841,235	2,837,845	2,841,235	2,271,195	570,040
Net income/(loss)	8,854,865	30,205,119	39,059,984	30,205,119	(3,985,951)	34,191,070

		YTD 03/22	YTD 06/22
M-Care risk adj rev.	Rev	-	1,640,000
M-Cal COA adjustments	Rev	4,230,000	1,430,000
M-Cal supplemental rev.	Rev	870,000	1,230,000
PY IBNR adj.	HC Cost	-	4,400,000
PY reinsurance recoveries	HC Cost	3,060,000	2,420,000
Recovery paid to DHCS (APL)	HC Cost	-	(1,670,000)
Misc. other	HC Cost	280,000	(600,000)
		8,440,000	8,850,000

Average Membership

Variance to Budget

LOB	Avg. Actual	Avg. Budget	Variance	% Var
Medi-Cal	73,082	72,478	604	0.8%
Medi-Cal Full Duals	8,016	7,834	182	2.3%
Medi-Cal Expansion	45,154	44,730	424	0.9%
Whole Child Model	1,387	1,381	7	0.5%
Cal Medi Connect	8,784	8,878	(94)	-1.1%
HealthWorx	1,199	1,227	(28)	-2.3%
Total at Risk	137,622	136,527	1,095	0.8%
+ ACE	25,669	24,867	802	3.2%
Grand Total	163,291	161,394	1,897	1.2%

Budget Variance by Major Drivers

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		YTD Mar	YTD Jun		Revenue	Expense
1	Prior year adjustments not in the budget	8,436,261	8,854,866			
	Current year variances:					
2	Membership higher than budget	48,496	331,900	<<	1,582,356	(1,250,509)
3	Revenue yield PMPM higher than budget	2,766,549	1,050,244			
4	Healthcare cost PMPM lower than budget	12,865,386	28,487,556			
5	Administrative cost under budget	683,317	1,600,920			
6	MCO Tax variance	837,161	2,150,409	<<	20,470,609	(18,320,200)
7	Non-op revenue (*CY portion) under budget*	32,749	570,039			
	Total current year	17,233,658	34,191,069			
	Total consolidated budget variance	**25,669,919**	**43,045,935**			

Revenue PMPM

Variance to Budget

LOB	Avg. Members	Base Capitation Revenue PMPM * Actual	Budget	Variance	% Var	Total Revenue Variance	Chng.	
Medi-Cal	73,082	$ 290.57	$ 291.99	$ (1.42)	-0.5%	(622,864)		
Medi-Cal Full Duals	8,016	$ 893.91	$ 953.15	$ (59.24)	-6.2%	(2,848,997)	-3.0M	CCI
Medi-Cal Expansion	45,154	$ 381.48	$ 368.63	$ 12.84	3.5%	3,479,319	+1.9M	
Whole Child Model	1,387	$ 2,039.17	$ 2,041.41	$ (2.24)	-0.1%	(18,626)		
Cal Medi Connect	8,784	$ 2,611.53	$ 2,591.31	$ 20.22	0.8%	1,065,592	-1.1M	CCI
HealthWorx	1,199	$ 438.27	$ 438.85	$ (0.58)	-0.1%	(4,180)		
Total at Risk	137,622					**1,050,244**		

* Revenue PMPM excludes portion for Directed Pmts and MCO Tax

Healthcare Cost PMPM

Variance to Budget

LOB	Avg. Members	Healthcare Cost PMPM * Actual	Budget	Variance	% Var	Total HC Cost Variance
Medi-Cal	73,082	$ 241.33	$ 263.28	$ 21.96	8.3%	9,627,574
Medi-Cal Full Duals	8,016	$ 765.05	$ 864.48	$ 99.43	11.5%	4,782,002
Medi-Cal Expansion	45,154	$ 300.81	$ 332.48	$ 31.66	9.5%	8,578,653
Whole Child Model	1,387	$ 1,181.34	$ 1,262.26	$ 80.92	6.4%	673,502
Cal Medi Connect	8,784	$ 2,540.65	$ 2,616.81	$ 76.15	2.9%	4,013,799
HealthWorx	1,199	$ 456.18	$ 404.02	$ (52.16)	-12.9%	(375,310)
Total at Risk	137,622			Sub-total HC Cost Variance		27,300,221
				UM/QA Variance		1,187,335
				Total Healthcare Cost Variance		**28,487,556**

* Healthcare Cost PMPM excludes Directed Pmts and UM/QA

Healthcare Cost

Detail by Category of Service

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		YTD Actual					
		Total	Prior Year	Current Year	YTD Budget	Variance	% *Var.*
	Provider Capitation	24,902,634	164,227	24,738,408	26,241,014	1,502,606	5.7%
	Hospital Inpatient	78,584,781	(3,850,000)	82,434,781	96,953,652	14,518,872	15.0%
	LTC/SNF	78,688,348	-	78,688,348	88,180,151	9,491,803	10.8%
	Pharmacy	28,095,541	(287,553)	28,383,094	30,130,171	1,747,076	5.8%
	Physician FFS	35,600,106	(139,928)	35,740,035	38,948,556	3,208,522	8.2%
	Hospital Outpatient	43,568,967	(58,396)	43,627,363	43,344,069	(283,294)	-0.7%
	Other Medical Claims	41,116,859	(53,467)	41,170,325	42,094,490	924,165	2.2%
	Other HC Services	5,218,713	1,670,466	3,548,246	2,918,440	(629,807)	-21.6%
	Directed Payments	14,646,026	23,330	14,622,696	14,346,990	(275,706)	-1.9%
	Long Term Support Services	1,096,831	-	1,096,831	1,589,038	492,207	31.0%
New	CPO/In-lieu of Services	3,352,277	36,865	3,315,413	2,131,775	(1,183,638)	-55.5%
New	Dental	7,884,285	-	7,884,285	8,864,049	979,764	11.1%
New	ECM	7,557,103	-	7,557,103	6,447,714	(1,109,389)	-17.2%
	Provider Incentives	7,740,199	312,457	7,427,742	4,586,079	(2,841,664)	-62.0%
	Transportation	4,056,564	14,532	4,042,032	3,338,126	(703,906)	-21.1%
	Indirect Health Care Benefits	(910,637)	(2,388,978)	1,478,340	1,414,788	(63,553)	-4.5%
	UMQA	9,023,394	(1,483)	9,024,876	10,212,212	1,187,335	11.6%
	Total Healthcare Cost	390,221,990	(4,557,927)	394,779,918	421,741,311	26,961,394	6.4%

Healthcare Cost

FFS Categories by Quarter – 2021, YTD 2022

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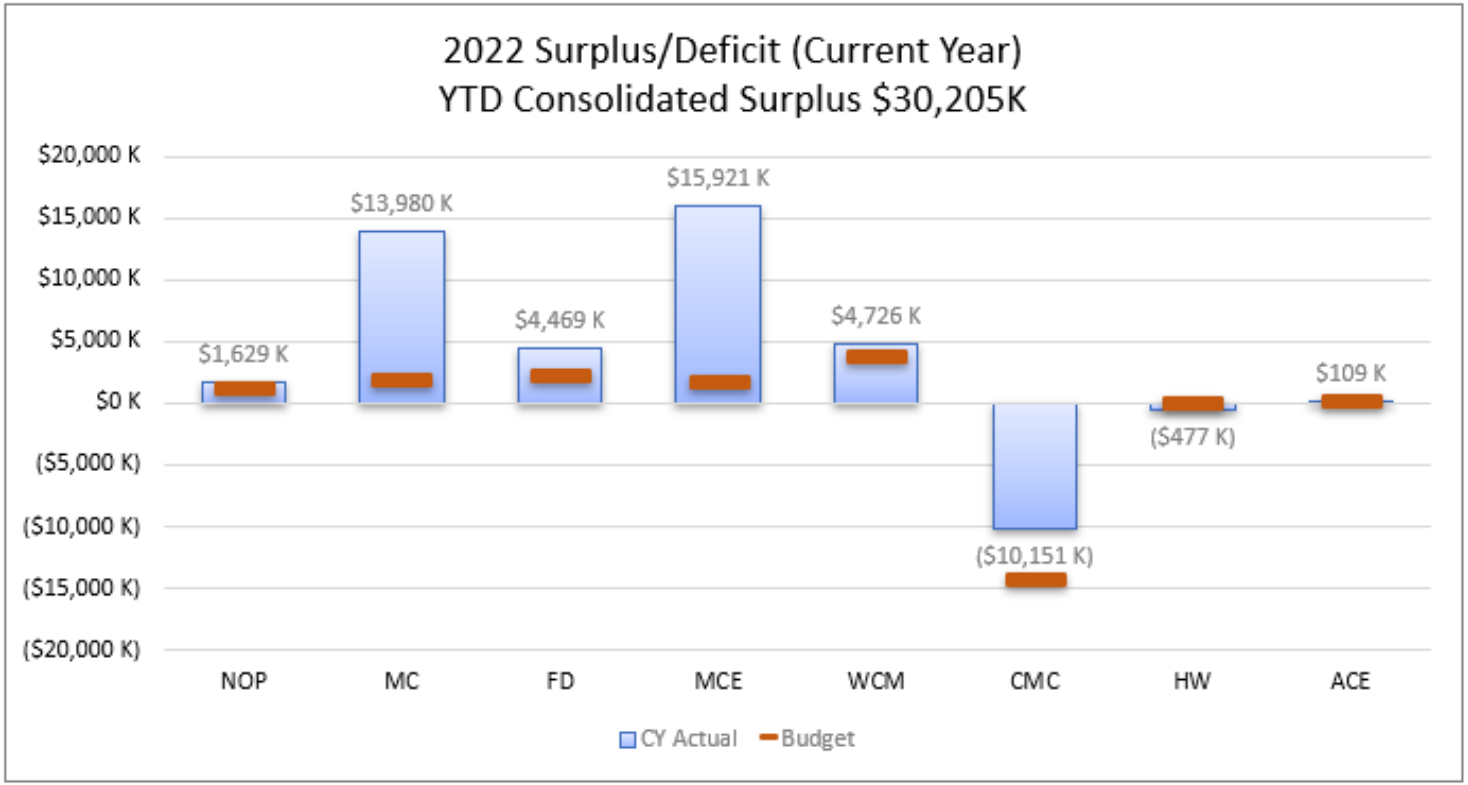
	2021 Restated by QTR				2022 Q1			
	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	Q2 Budget	% Var.
Hospital Inpatient	43,002,996	37,063,029	40,954,768	35,105,413	41,342,872	41,091,908	48,796,078	15.8%
LTC/SNF	38,379,846	40,272,942	41,851,514	42,388,971	38,291,686	40,396,662	44,515,165	9.3%
Pharmacy (CA, HW)	12,442,308	12,763,792	13,239,514	13,109,909	14,062,226	14,320,868	15,003,578	4.6%
Physician FFS	16,512,888	17,539,786	18,028,690	17,620,847	17,397,589	18,342,445	19,782,849	7.3%
Hospital Outpatient	18,038,246	19,160,001	19,694,068	19,248,551	21,236,995	22,390,368	22,081,925	-1.4%
Other Medical Claims	18,633,207	19,791,962	20,343,644	19,883,432	20,040,954	21,129,371	20,956,052	-0.8%
	147,009,491	146,591,512	154,112,198	147,357,123	152,372,323	157,671,622	171,135,646	7.9%

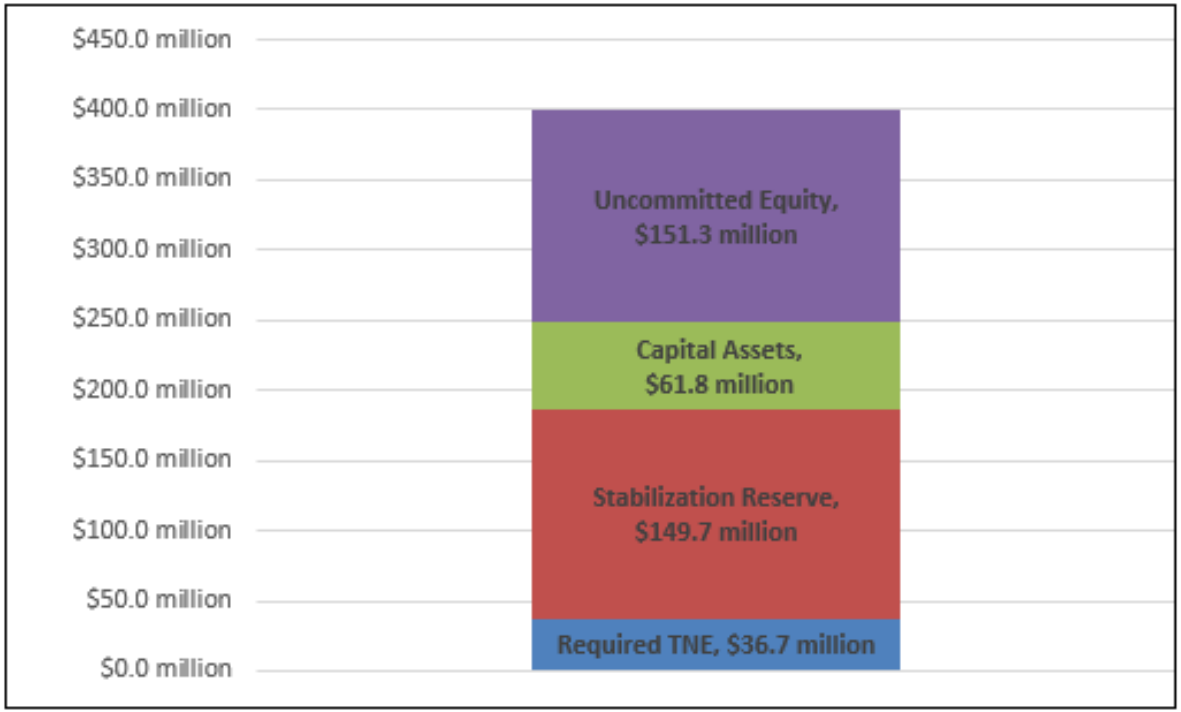
CY YTD Surplus/Deficit by LOB



Tangible Net Equity (TNE)

At 6/30/22 Pre-Audit TNE = $399.4M

Uncommitted portion = $151.3M



Q2 2022 Summary

- We are reporting another quarter with a significant surplus, with Q1 surplus at $23.3M, and Q2 surplus at $15.8M.
- Lower than average utilization is the primary driver of this surplus. The budget assumed we would be moving back toward pre-pandemic levels sooner. The postponed Medi-Cal redetermination process is causing this dynamic of lower cost and will continue for the remainder of the year by retaining low or zero utilizers.
- Newly implemented benefit Enhanced Care Management is still accrued at budget cost (mostly at break-even). These estimates will be refined later this year once we have more complete claim history. ECM will have a risk corridor, where any excess revenue not needed to cover cost will be returned to DHCS.
- The CCI (full duals) member mix risk corridor will be in play again this year, where HPSM will have to return excess revenue not needed to cover cost for this population. However, in this case, HPSM gets to keep part of the excess. Estimates for the first six months of 2022 show approximately $10M in excess revenue, of which HPSM will have to return around $4M. We recorded the $4M as a deduction to YTD revenue in Q2. This means $6M is still contributing to the favorable bottom line.

Q2 2022 Summary

continued . . .

- DHCS is expected to update 2022 Medi-Cal rates retro back to 1/1/2022 but will not deliver the final rates until around March 2023. There is exposure that we may have a decrease in rates due to the lower acuity of members (see second bullet point previous page). Two primary adjustments will be made including an increase on LTC funding (+10% for PHE adjustment), and a decrease for acuity adjustment (amount?). At this point, HPSM is recognizing Medi-Cal revenue based on latest draft rates.

Health Plan of San Mateo
Consolidated Balance Sheet
June 30, 2022 and May 31, 2022

	Current Month	Prior Month	PY 12/31
ASSETS			
Current Assets			
Cash and Equivalents	$ 339,213,246	$ 336,030,641	$ 257,910,849
Investments	179,709,572	179,709,572	179,148,167
Capitation Receivable from the State	108,386,586	104,412,118	162,771,179
Other Receivables	59,077,354	60,877,606	84,001,861
Prepaids and Other Assets	8,695,199	7,531,730	6,930,906
Total Current Assets	695,081,956	688,561,667	690,762,962
Capital Assets, Net	61,807,324	61,985,054	62,881,892
Net Pension Asset	2,373,317	2,373,317	2,373,317
Assets Restricted As To Use	300,000	300,000	300,000
Total Assets	759,562,597	753,220,037	756,318,171
Deferred Outflows of Resources	2,351,463	2,351,463	2,351,463
Total Assets & Deferred Outflows	$ 761,914,060	$ 755,571,500	$ 758,669,634
LIABILITIES			
Current Liabilities			
Medical Claims Payable	74,032,020	91,461,628	82,630,315
Provider Incentives	12,762,603	11,994,637	9,095,674
Amounts Due to the State	157,300,138	153,300,138	153,300,138
Accounts Payable and Accrued Liabilities	115,358,813	104,416,693	150,243,004
Total Current Liabilities	359,453,575	361,173,096	395,269,131
Net Pension Liability	-	-	-
Deferred Inflows of Resources	3,022,421	3,022,421	3,022,421
Total Liabilities & Deferred Inflows	$ 362,475,996	$ 364,195,517	$ 398,291,552
NET POSITION			
Invested in Capital Assets	61,807,324	61,985,054	62,881,892
Restricted By Legislative Authority	300,000	300,000	300,000
Unrestricted			
Stabilization Reserve	149,695,300	146,548,400	178,301,800
Unrestricted Retained Earnings	187,635,440	182,542,530	118,894,390
Net Position	399,438,064	391,375,983	360,378,082
Total Liabilities & Net Position	$ 761,914,060	$ 755,571,500	758,669,634
Change in Net Position	$ 39,059,983	$ 30,997,901	0

Printed: 20/Jul/2022 9:16:40 AM
Report: 320 Consolidated Qtrly
Unit: HPALL

Health Plan of San Mateo
Consolidated Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	YTD Actual	YTD Budget	YTD Variance	% Var
OPERATING REVENUE							
Capitation and Premiums							
Medi-cal (includes Offsets)	$ 182,018,310	$ 174,161,883	$ 7,856,427	$ 365,805,390	$ 342,644,588	$ 23,160,802	6.8%
HealthWorx	1,575,730	1,615,407	(39,676)	3,153,346	3,230,814	(77,468)	-2.4%
Medicare (includes CA-CMC)	50,958,098	48,695,548	2,262,549	101,959,623	97,363,714	4,595,909	4.7%
Total Operating Revenue	234,552,138	224,472,838	10,079,300	470,918,359	443,239,115	27,679,243	6.2%
OPERATING EXPENSE							
Healthcare Expense							
Provder Capitation	12,589,179	13,306,001	716,822	24,902,634	26,241,014	1,338,379	5.1%
Hospital Inpatient	37,007,224	48,796,078	11,788,854	78,584,781	96,953,652	18,368,872	18.9%
LTC/SNF	36,568,627	44,515,165	7,946,538	78,688,348	88,180,151	9,491,803	10.8%
Pharmacy	14,247,049	15,003,578	756,530	28,095,541	30,130,171	2,034,630	6.8%
Medical	74,364,121	71,586,060	(2,778,060)	140,150,671	141,652,544	1,501,873	1.1%
Long Term Support Services	541,277	794,175	252,898	1,096,831	1,589,038	492,207	31.0%
CPO/In-lieu of Services	2,297,713	1,074,102	(1,223,611)	3,352,277	2,131,775	(1,220,503)	-57.3%
Dental Expense	3,500,020	4,486,931	986,911	7,884,285	8,864,049	979,764	11.1%
Enhanced Care Management (ECM)	4,419,803	3,317,973	(1,101,830)	7,557,103	6,447,714	(1,109,389)	-17.2%
Provider Incentives	3,959,020	2,323,909	(1,635,111)	7,740,199	4,586,079	(3,154,120)	-68.8%
Transportation	2,105,055	1,747,017	(358,038)	4,056,564	3,338,126	(718,438)	-21.5%
Indirect Health Care Expenses	1,704,372	717,398	(986,974)	(910,637)	1,414,788	2,325,425	164.4%
UMQA, Delegated and Allocation	4,548,853	5,185,847	636,994	9,023,394	10,212,212	1,188,818	11.6%
Total Healthcare Expense	197,852,312	212,854,235	15,001,924	390,221,990	421,741,311	31,519,321	7.5%
Administrative Expense							
Salaries and Benefits	11,000,340	11,059,690	59,350	21,527,824	21,788,010	260,186	1.2%
Staff Training and Travel	27,949	93,175	65,226	91,223	197,100	105,877	53.7%
Contract Services	3,295,298	4,343,700	1,048,402	6,708,948	8,517,400	1,808,452	21.2%
Office Supplies and Equipment	1,545,931	1,756,133	210,202	3,051,896	3,510,883	458,988	13.1%
Occupancy and Depreciation	1,043,093	1,082,987	39,894	2,043,940	2,122,734	78,794	3.7%
Postage and Printing	611,432	441,000	(170,432)	1,118,634	877,000	(241,634)	-27.6%
Other Administrative Expense	353,833	656,862	303,029	504,344	837,275	332,931	39.8%
UM/QA Allocation	(4,488,515)	(5,126,585)	(638,070)	(8,892,778)	(10,095,454)	(1,202,676)	-11.9%
Total Admin Expense	13,389,362	14,306,963	917,601	26,154,030	27,754,949	1,600,918	5.8%
Premium Taxes	9,160,100	-	(9,160,100)	18,320,200	-	(18,320,200)	-
Total Operating Expense	220,401,773	227,161,198	6,759,424	434,696,221	449,496,260	14,800,039	3.3%
Net Income/Loss from Operations	14,150,365	(2,688,360)	(16,838,724)	36,222,138	(6,257,145)	(42,479,283)	-578.9%
Interest Income, Net	754,273	250,000	504,273	1,026,721	500,000	526,721	105.3%
Rental Income, Net	302,771	293,970	8,801	598,509	587,940	10,569	1.8%
Third Party Administrator Revenue	583,568	559,351	24,217	1,212,614	1,183,255	29,359	2.5%
Net Non-operating Revenue	1,640,611	1,103,321	537,290	2,837,845	2,271,195	566,650	24.9%
Net Income/(Loss)	$ 15,790,976	(1,585,039)	17,376,015	$ 39,059,983	$ (3,985,950)	$ 43,045,932	1079.9%
Admin exp as % of Net Rev (adj for Tax)	*5.94%*	*6.37%*		*5.78%*	*6.26%*		
Medical Loss Ratio (adj for Tax)	*84.40%*	*91.57%*		*82.98%*	*91.91%*		

Health Plan of San Mateo
HPSM Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
Total Operating Revenue	-	-	-	-	-	-	-	-
OPERATING EXPENSE								
Total Health Care Expense	-	-	-	-	-	-	-	-
Total Operating Expense	-	-	-	-	-	-	-	-
NON-OPERATING REVENUE								
Interest, Net	754,273	250,000	504,273	201.7%	1,026,721	500,000	526,721	105.3%
Rental Income, Net	302,771	293,970	8,801	3.0%	598,509	587,940	10,569	1.8%
Total Non-Operating	1,057,044	543,970	513,073	94.3%	1,625,230	1,087,940	537,290	49.4%
Net Income/(Loss)	$ 1,057,044	$ 543,970	513,073	-94.3%	$ 1,625,230	$ 1,087,940	$ 537,290	-49.4%
Medical Loss Ratio (adj MCO)	-	-			-	-		
Member Counts	-	-	-	-	-	-	-	-

Health Plan of San Mateo
Medi-Cal Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
MC Capitation	$ 78,245,155	$ 65,200,250	$ 13,044,905	20.0%	$ 156,402,885	$ 127,816,512	$ 28,586,374	22.4%
Supplemental Capitation	2,337,935	2,551,241	(213,307)	-8.4%	3,986,488	5,102,483	(1,115,995)	-21.9%
BHT Capitation	2,447,506	1,745,025	702,481	40.3%	4,119,973	3,490,049	629,924	18.0%
HepC Capitation	-	-	-	-	69,892	-	69,892	-
MC Cap Offset	(7,541,077)	-	(7,541,077)	-	(13,733,595)	-	(13,733,595)	-
Total Operating Revenue	75,489,519	69,496,516	5,993,003	8.6%	150,845,643	136,409,044	14,436,599	10.6%
OPERATING EXPENSE								
Provider Capitation	6,259,838	6,428,711	168,872	2.6%	12,462,624	12,743,360	280,735	2.2%
Hospital Inpatient	11,137,307	15,943,735	4,806,428	30.1%	23,209,336	31,888,491	8,679,156	27.2%
LTC/SNF	6,253,998	7,478,986	1,224,988	16.4%	14,013,727	14,738,714	724,987	4.9%
Pharmacy	(69,323)	-	69,323	-	(127,096)	-	127,096	-
Physician Fee for Service	5,984,807	6,743,722	758,915	11.3%	12,062,404	13,260,049	1,197,644	9.0%
Hospital Outpatient	6,442,710	7,197,837	755,127	10.5%	12,785,029	14,106,350	1,321,321	9.4%
Other Medical Claims	6,352,055	5,882,438	(469,616)	-8.0%	12,290,595	11,929,865	(360,729)	-3.0%
Other HC Services	3,565,043	1,441,288	(2,123,754)	-147.4%	5,375,329	2,857,005	(2,518,324)	-88.1%
Directed Payments	4,731,055	4,762,673	31,617	0.7%	9,319,064	9,431,256	112,192	1.2%
Long Term Support Services	120,334	144,790	24,456	16.9%	227,993	287,012	59,019	20.6%
CPO/In-lieu of Services	270,954	208,272	(62,682)	-30.1%	464,354	401,110	63,244	15.8%
Dental Expense	2,273,258	2,953,654	680,395	23.0%	5,183,500	5,854,902	(671,402)	-11.5%
Enhanced Care Management (ECM)	1,557,601	1,270,487	(287,114)	-22.6%	2,748,601	2,458,841	289,760	11.8%
Provider Incentives	1,753,260	1,168,373	(584,887)	-50.1%	3,398,417	2,316,015	(1,082,402)	-46.7%
Transportation	455,404	493,604	38,200	7.7%	1,156,420	956,901	199,520	20.9%
Indirect Health Care Expenses	1,312,524	349,890	(962,634)	-275.1%	810,591	693,573	(117,018)	-16.9%
UMQA (Allocation & Delegated)	953,842	1,356,714	402,872	29.7%	1,957,706	2,664,820	707,114	26.5%
Total Health Care Expense	59,354,667	63,825,173	4,470,506	7.0%	117,338,594	126,588,263	9,249,669	7.3%
G&A Allocation	3,414,880	4,186,407	771,527	18.4%	6,776,438	8,111,685	1,335,247	16.5%
Premium Tax	5,342,149	-	(5,342,149)	-	10,512,956	-	(10,512,956)	-
Total Operating Expense	68,111,696	68,011,580	(100,115)	-0.1%	134,627,987	134,699,948	71,961	0.1%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ 7,377,823	$ 1,484,936	5,892,887	-396.8%	$ 16,217,655	$ 1,709,096	$ 14,508,560	-848.9%
Medical Loss Ratio (adj MCO)	90.73%	98.60%			89.56%	99.69%		
Member Counts	222,337	219,379	2,958	1.3%	438,492	434,866	3,626	0.8%

Health Plan of San Mateo
Full Duals Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
MC Capitation	$ 24,216,895	$ 22,364,969	$ 1,851,926	8.3%	$ 47,997,787	$ 44,801,428	$ 3,196,359	7.1%
MC Cap Offset	(3,200,000)	-	(3,200,000)	-	(3,200,000)	-	(3,200,000)	-
Total Operating Revenue	21,016,895	22,364,969	(1,348,074)	-6.0%	44,797,787	44,801,428	(3,641)	0.0%
OPERATING EXPENSE								
Provider Capitation	26,409	-	(26,409)	-	60,418	-	(60,418)	-
Hospital Inpatient	221,058	375,408	154,350	41.1%	626,559	752,016	125,457	16.7%
LTC/SNF	12,837,476	16,653,961	3,816,485	22.9%	28,596,773	33,361,157	4,764,384	14.3%
Pharmacy	(10,353)	-	10,353	-	(44,649)	-	44,649	-
Physician Fee for Service	360,063	300,848	(59,215)	-19.7%	634,850	617,766	(17,084)	-2.8%
Hospital Outpatient	314,258	137,259	(177,000)	-129.0%	459,980	276,133	(183,847)	-66.6%
Other Medical Claims	1,627,719	1,635,606	7,887	0.5%	3,282,412	3,290,563	8,151	0.2%
Other HC Services	(833)	(469)	364	-77.6%	(4,031)	(940)	3,091	-328.8%
Directed Payments	193,334	1,173	(192,161)	-16379.9%	193,334	2,350	(190,984)	-8126.8%
Long Term Support Services	139,070	183,011	43,942	24.0%	280,709	368,962	88,253	23.9%
CPO/In-lieu of Services	497,919	279,444	(218,474)	-78.2%	781,994	559,782	222,213	39.7%
Dental Expense	141,695	209,545	67,850	32.4%	354,712	419,760	(65,049)	-15.5%
Enhanced Care Management (ECM)	404,152	320,552	(83,600)	-26.1%	730,052	642,128	87,924	13.7%
Provider Incentives	284,370	-	(284,370)	-	633,422	-	(633,422)	-
Transportation	257,274	132,566	(124,708)	-94.1%	435,400	267,909	167,490	62.5%
Indirect Health Care Expenses	-	38,075	38,075	100.0%	-	76,271	76,271	100.0%
UMQA (Allocation & Delegated)	278,132	256,071	(22,061)	-8.6%	541,583	502,838	(38,745)	-7.7%
Total Health Care Expense	17,571,742	20,523,049	2,951,307	14.4%	37,563,516	41,136,694	3,573,177	8.7%
G&A Allocation	1,030,606	812,493	(218,113)	-26.8%	1,297,524	1,574,307	276,783	17.6%
Premium Tax	594,874	-	(594,874)	-	1,135,015	-	(1,135,015)	-
Total Operating Expense	19,197,222	21,335,542	2,138,320	10.0%	39,996,055	42,711,001	2,714,946	6.4%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ 1,819,673	$ 1,029,427	790,246	-76.8%	$ 4,801,732	$ 2,090,427	$ 2,711,305	-129.7%
Medical Loss Ratio (adj MCO)	86.87%	91.77%			86.41%	91.82%		
Member Counts	24,239	23,463	776	3.3%	48,093	47,001	1,092	2.3%

Health Plan of San Mateo
HealthWorx Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
HealthWorx Premium	1,575,730	1,615,407	(39,676)	-2.5%	3,153,346	3,230,814	(77,468)	-2.4%
Total Operating Revenue	1,575,730	1,615,407	(39,676)	-2.5%	3,153,346	3,230,814	(77,468)	-2.4%
OPERATING EXPENSE								
Provider Capitation	24	-	(24)	-	48	-	(48)	-
Hospital Inpatient	292,625	189,802	(102,824)	-54.2%	638,453	376,152	(262,301)	-69.7%
Pharmacy	765,803	611,945	(153,858)	-25.1%	1,343,800	1,223,890	(119,910)	-9.8%
Physician Fee for Service	240,079	295,879	55,799	18.9%	567,387	593,598	26,211	4.4%
Hospital Outpatient	375,820	268,934	(106,886)	-39.7%	664,574	561,794	(102,780)	-18.3%
Other Medical Claims	85,875	99,019	13,144	13.3%	189,141	200,062	10,921	5.5%
Other HC Services	0	-	0	-	0	-	0	-
Indirect Health Care Expenses	10,666	9,433	(1,233)	-13.1%	21,257	18,866	(2,392)	-12.7%
UMQA (Allocation & Delegated)	29,791	39,430	9,639	24.4%	68,936	77,440	8,504	11.0%
Total Health Care Expense	1,800,684	1,514,441	(286,243)	-18.9%	3,493,597	3,051,803	(441,794)	-14.5%
G&A Allocation	136,164	123,940	(12,224)	-9.9%	279,055	240,149	(38,906)	-16.2%
Total Operating Expense	1,936,848	1,638,381	(298,467)	-18.2%	3,772,652	3,291,952	(480,700)	-14.6%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ (361,118)	$ (22,974)	(338,144)	1471.9%	$ (619,306)	$ (61,138)	$ (558,168)	913.0%
Medical Loss Ratio (adj MCO)	114.28%	93.75%			110.79%	94.46%		
Member Counts	3,588	3,681	(93)	-2.5%	7,195	7,362	(167)	-2.3%

Health Plan of San Mateo
Healthy Kids Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
Total Operating Revenue	-	-	-	-	-	-	-	-
OPERATING EXPENSE								
Pharmacy	0	-	0	-	(66)	-	66	-
Indirect Health Care Expenses	-	-	-	-	46	-	(46)	-
Total Health Care Expense	0	-	0	-	(20)	-	20	-
Total Operating Expense	0	-	0	-	(20)	-	20	-
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ 0	-	0	-	$ 20	-	$ 20	-
Medical Loss Ratio (adj MCO)	-	-			-	-		
Member Counts	-	-	-	-	-	-	-	-

Health Plan of San Mateo
CareAdvantage Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
Total Operating Revenue	-	-	-	-	-	-	-	-
OPERATING EXPENSE								
Total Health Care Expense	-	-	-	-	-	-	-	-
Total Operating Expense	-	-	-	-	-	-	-	-
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Medical Loss Ratio (adj MCO)	-	-			-	-		
Member Counts	-	-	-	-	-	-	-	-

Health Plan of San Mateo
ACE Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
Total Operating Revenue	-	-	-	-	-	-	-	-
OPERATING EXPENSE								
Total Health Care Expense	-	-	-	-	-	-	-	-
G&A Allocation	485,758	535,890	50,132	9.4%	1,103,558	1,071,780	(31,778)	-3.0%
Total Operating Expense	485,758	535,890	50,132	9.4%	1,103,558	1,071,780	(31,778)	-3.0%
NON-OPERATING REVENUE								
Third Party Administror Revenue	583,568	559,351	24,217	4.3%	1,212,614	1,183,255	29,359	2.5%
Total Non-Operating	583,568	559,351	24,217	4.3%	1,212,614	1,183,255	29,359	2.5%
Net Income/(Loss)	$ 97,810	$ 23,461	74,349	-316.9%	$ 109,056	$ 111,475	$ (2,419)	-2.2%
Medical Loss Ratio (adj MCO)	-	-			-	-		
Member Counts	71,865	68,402	3,463	5.1%	154,016	149,203	4,813	3.2%

Health Plan of San Mateo
CCS Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
WCM Capitation	9,713,031	8,480,058	1,232,973	14.5%	19,225,709	16,951,931	2,273,778	13.4%
Supplemental Capitation	-	-	-	-	(19,361)	-	(19,361)	-
BHT Capitation	199,032	143,309	55,723	38.9%	283,912	286,618	(2,707)	-0.9%
MC Cap Offset	(1,026,623)	-	(1,026,623)	-	(2,036,336)	-	(2,036,336)	-
Total Operating Revenue	8,885,440	8,623,367	262,073	3.0%	17,453,924	17,238,549	215,375	1.2%
OPERATING EXPENSE								
Provider Capitation	372,125	142,330	(229,795)	-161.5%	464,038	284,522	(179,517)	-63.1%
Hospital Inpatient	1,786,763	2,375,030	588,267	24.8%	3,650,971	4,737,599	1,086,628	22.9%
LTC/SNF	399,471	362,750	(36,721)	-10.1%	793,000	723,823	(69,177)	-9.6%
Pharmacy	-	-	-	-	(850)	-	850	-
Physician Fee for Service	450,280	503,455	53,175	10.6%	871,851	1,027,123	155,273	15.1%
Hospital Outpatient	1,338,340	775,177	(563,163)	-72.6%	2,107,827	1,549,605	(558,222)	-36.0%
Other Medical Claims	828,595	892,037	63,442	7.1%	1,828,284	1,762,514	(65,770)	-3.7%
Other HC Services	24,491	71,479	46,988	65.7%	(31,397)	142,888	174,286	122.0%
Directed Payments	161,454	163,854	2,400	1.5%	320,016	327,549	7,533	2.3%
CPO/In-lieu of Services	(500)	524	1,024	195.3%	-	1,048	(1,048)	-100.0%
Dental Expense	35,656	54,300	18,644	34.3%	89,837	108,547	(18,710)	-17.2%
Enhanced Care Management (ECM)	15,848	12,793	(3,055)	-23.9%	28,548	25,573	2,975	11.6%
Provider Incentives	27,876	21,209	(6,667)	-31.4%	55,878	42,397	(13,481)	-31.8%
Transportation	18,250	19,270	1,019	5.3%	30,687	36,451	(5,764)	-15.8%
Indirect Health Care Expenses	48,447	7,259	(41,188)	-567.4%	(515,337)	14,511	529,848	3651.5%
UMQA (Allocation & Delegated)	974,961	930,457	(44,504)	-4.8%	1,682,792	1,855,655	172,862	9.3%
Total Health Care Expense	6,482,055	6,331,921	(150,134)	-2.4%	11,376,143	12,639,804	1,263,660	10.0%
G&A Allocation	338,907	440,673	101,766	23.1%	750,589	853,860	103,271	12.1%
Premium Tax	101,468	-	(101,468)	-	200,066	-	(200,066)	-
Total Operating Expense	6,922,430	6,772,594	(149,836)	-2.2%	12,326,798	13,493,664	1,166,866	8.6%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ 1,963,010	$ 1,850,773	112,237	-6.1%	$ 5,127,125	$ 3,744,885	$ 1,382,240	-36.9%
Medical Loss Ratio (adj MCO)	75.18%	74.85%			67.18%	74.74%		
Member Counts	4,187	4,144	43	1.0%	8,323	8,284	39	0.5%

Health Plan of San Mateo
MCE Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
MCE Capitation	64,540,869	52,995,744	11545125	21.8%	126,292,892	102,844,435	23,448,457	22.8%
Supplemental Capitation	755,087	337,354	417,733	123.8%	745,687	674,708	70,979	10.5%
HepC Capitation	-	-	-	-	(69,892)	-	(69,892)	-
MC Cap Offset	(6,903,839)	-	(6,903,839)	-	(11,563,302)	-	(11,563,302)	-
Total Operating Revenue	58,392,117	53,333,099	5,059,018	9.5%	115,405,385	103,519,143	11,886,242	11.5%
OPERATING EXPENSE								
Provider Capitation	4,677,561	5,650,310	972,749	17.2%	9,749,992	10,947,546	1,197,554	10.9%
Hospital Inpatient	10,183,543	13,404,594	3,221,051	24.0%	21,356,125	25,935,142	4,579,017	17.7%
LTC/SNF	3,607,886	4,482,282	874,396	19.5%	7,430,602	8,622,160	1,191,558	13.8%
Pharmacy	(6,433)	-	6,433	-	(51,925)	-	51,925	-
Physician Fee for Service	5,426,335	6,335,748	909,412	14.4%	10,412,213	12,204,166	1,791,953	14.7%
Hospital Outpatient	8,262,341	7,349,689	(912,652)	-12.4%	14,141,903	14,175,183	33,280	0.2%
Other Medical Claims	4,190,375	4,823,978	633,603	13.1%	8,211,591	9,346,517	1,134,926	12.1%
Other HC Services	(78,418)	(41,555)	36,863	-88.7%	(121,178)	(80,513)	40,665	-50.5%
Directed Payments	2,525,901	2,366,793	(159,108)	-6.7%	4,813,613	4,585,835	(227,778)	-5.0%
Long Term Support Services	405	4,156	3,751	90.3%	405	8,051	7,646	95.0%
CPO/In-lieu of Services	73,113	25,152	(47,961)	-190.7%	96,613	48,732	47,881	98.3%
Dental Expense	741,505	925,505	184,000	19.9%	1,609,129	1,793,177	(184,048)	-10.3%
Enhanced Care Management (ECM)	2,167,490	1,714,142	(453,348)	-26.4%	3,775,190	3,321,172	454,018	13.7%
Provider Incentives	1,001,868	651,608	(350,260)	-53.8%	1,929,487	1,262,499	(666,988)	-52.8%
Transportation	794,877	644,102	(150,775)	-23.4%	1,401,005	1,215,490	185,515	15.3%
Indirect Health Care Expenses	211,938	221,861	9,923	4.5%	172,046	429,858	257,812	60.0%
UMQA (Allocation & Delegated)	736,571	999,076	262,505	26.3%	1,513,067	1,961,485	448,418	22.9%
Total Health Care Expense	44,516,858	49,557,440	5,040,581	10.2%	86,439,879	95,776,501	9,336,622	9.7%
G&A Allocation	2,566,868	3,126,034	559,166	17.9%	5,319,447	6,057,080	737,633	12.2%
Premium Tax	3,121,609	-	(3,121,609)	-	6,472,164	-	(6,472,164)	-
Total Operating Expense	50,205,335	52,683,474	2,478,138	4.7%	98,231,490	101,833,581	3,602,090	3.5%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ 8,186,782	$ 649,625	7,537,157	-1160.2%	$ 17,173,895	$ 1,685,562	$ 15,488,333	-918.9%
Medical Loss Ratio (adj MCO)	84.40%	97.24%			83.02%	96.81%		
Member Counts	141,057	138,517	2,540	1.8%	270,921	268,378	2,543	0.9%

Health Plan of San Mateo
CA CMC Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
CA Cal MediConnect Premium	50,958,098	48,695,548	2,262,549	4.6%	101,959,623	97,363,714	4,595,909	4.7%
Total Operating Revenue	50,958,098	48,695,548	2,262,549	4.6%	101,959,623	97,363,714	4,595,909	4.7%
OPERATING EXPENSE								
Provider Capitation	1,253,093	1,084,650	(168,443)	-15.5%	2,165,385	2,265,586	100,201	4.4%
Hospital Inpatient	12,674,574	15,931,329	3,256,755	20.4%	27,703,837	32,114,882	4,411,046	13.7%
LTC/SNF	2,039,155	2,593,472	554,318	21.4%	4,312,898	5,228,004	915,106	17.5%
Pharmacy	13,386,216	14,186,495	800,279	5.6%	26,642,996	28,494,501	1,851,505	6.5%
Physician Fee for Service	4,853,020	4,836,208	(16,812)	-0.3%	9,104,023	9,577,029	473,006	4.9%
Hospital Outpatient	6,658,048	5,586,769	(1,071,279)	-19.2%	11,525,855	11,007,767	(518,088)	-4.7%
Other Medical Claims	5,544,998	5,336,070	(208,928)	-3.9%	10,431,892	10,590,326	158,433	1.5%
Other HC Services	6	-	(6)	-	6	-	(6)	-
Enhanced Care Management (ECM)	275,124	-	(275,124)	-	275,124	-	275,124	-
Provider Incentives	587,302	482,719	(104,583)	-21.7%	1,186,855	965,167	(221,688)	-23.0%
Transportation	(12,902)	-	12,902	-	-	-	-	-
Indirect Health Care Expenses	120,797	89,227	(31,570)	-35.4%	(1,399,241)	178,403	1,577,643	884.3%
UMQA (Allocation & Delegated)	1,389,152	1,317,647	(71,505)	-5.4%	2,845,960	2,587,478	(258,481)	-10.0%
Total Health Care Expense	48,768,582	51,444,585	2,676,003	5.2%	94,795,590	103,009,143	8,213,553	8.0%
G&A Allocation	4,428,725	4,172,635	(256,090)	-6.1%	9,172,581	8,085,000	(1,087,581)	-13.5%
Total Operating Expense	53,197,307	55,617,221	2,419,913	4.4%	103,968,171	111,094,143	7,125,973	6.4%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ (2,239,210)	$ (6,921,672)	4,682,463	67.6%	$ (2,008,548)	$ (13,730,430)	$ 11,721,882	85.4%
Medical Loss Ratio (adj MCO)	95.70%	105.65%			92.97%	105.80%		
Member Counts	26,404	26,675	(271)	-1.0%	52,801	53,335	(534)	-1.0%

Health Plan of San Mateo
Medi-Cal CMC Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
MC Cal MediConnect Capitation	19,034,339	20,343,932	(1,309,593)	-6.4%	38,102,651	40,676,424	(2,573,773)	-6.3%
MC Cap Offset	(800,000)	-	(800,000)	-	(800,000)	-	(800,000)	-
Total Operating Revenue	18,234,339	20,343,932	(2,109,593)	-10.4%	37,302,651	40,676,424	(3,373,773)	-8.3%
OPERATING EXPENSE								
Provider Capitation	129	-	(129)	-	129	-	(129)	-
Hospital Inpatient	711,354	576,180	(135,174)	-23.5%	1,399,501	1,149,370	(250,131)	-21.8%
LTC/SNF	11,430,642	12,943,714	1,513,073	11.7%	23,541,348	25,506,292	1,964,945	7.7%
Pharmacy	181,138	205,138	24,000	11.7%	333,331	411,780	78,449	19.1%
Physician Fee for Service	1,065,680	766,991	(298,689)	-38.9%	1,947,379	1,668,826	(278,553)	-16.7%
Hospital Outpatient	914,135	766,260	(147,874)	-19.3%	1,883,798	1,667,236	(216,562)	-13.0%
Other Medical Claims	1,926,571	2,286,904	360,333	15.8%	4,882,945	4,974,643	91,698	1.8%
Other HC Services	(16)	-	16	-	(16)	-	16	-
Long Term Support Services	281,468	462,218	180,750	39.1%	587,724	925,013	337,289	36.5%
CPO/In-lieu of Services	1,456,226	560,708	(895,518)	-159.7%	2,009,315	1,121,102	888,214	79.2%
Dental Expense	307,907	343,928	36,021	10.5%	647,107	687,663	(40,556)	-5.9%
Enhanced Care Management (ECM)	(412)	-	412	-	(412)	-	(412)	-
Provider Incentives	304,344	-	(304,344)	-	536,139	-	(536,139)	-
Transportation	592,153	457,476	(134,676)	-29.4%	1,033,053	861,375	171,677	19.9%
Indirect Health Care Expenses	-	1,654	1,654	100.0%	-	3,308	3,308	100.0%
UMQA (Allocation & Delegated)	186,405	286,453	100,048	34.9%	413,350	562,496	149,146	26.5%
Total Health Care Expense	19,357,722	19,657,626	299,903	1.5%	39,214,691	39,539,104	324,413	0.8%
G&A Allocation	987,452	908,891	(78,561)	-8.6%	1,454,838	1,761,089	306,251	17.4%
Total Operating Expense	20,345,174	20,566,517	221,342	1.1%	40,669,529	41,300,193	630,664	1.5%
NON-OPERATING REVENUE								
Total Non-Operating	-	-	-	-	-	-	-	-
Net Income/(Loss)	$ (2,110,835)	$ (222,585)	(1,888,251)	848.3%	$ (3,366,878)	$ (623,769)	$ (2,743,108)	439.8%
Medical Loss Ratio (adj MCO)	106.16%	96.63%			105.13%	97.20%		
Member Counts	26,297	26,613	(316)	-1.2%	52,612	53,206	(594)	-1.1%

Health Plan of San Mateo
ALL LOB UNITS Statement of Revenue & Expense
for the Period Ending June 30, 2022

	Current Qtr Actual	Current Qtr Budget	Current Qtr Variance	% Var	YTD Actual	YTD Budget	YTD Var Fav/(Unfav)	% Var
OPERATING REVENUE								
MC Capitation	$ 102,462,050	$ 87,565,219	$ 14,896,831	17.0%	$ 204,400,672	$ 172,617,939	$ 31,782,733	18.4%
MCE Capitation	64,540,869	52,995,744	11545125	21.8%	126,292,892	102,844,435	23,448,457	22.8%
WCM Capitation	9,713,031	8,480,058	1,232,973	14.5%	19,225,709	16,951,931	2,273,778	13.4%
Supplemental Capitation	3,093,022	2,888,596	204,426	7.1%	4,712,814	5,777,191	(1,064,377)	-18.4%
BHT Capitation	2,646,538	1,888,334	758,204	40.2%	4,403,885	3,776,668	627,217	16.6%
HealthWorx Premium	1,575,730	1,615,407	(39,676)	-2.5%	3,153,346	3,230,814	(77,468)	-2.4%
CA Cal MediConnect Premium	50,958,098	48,695,548	2,262,549	4.6%	101,959,623	97,363,714	4,595,909	4.7%
MC Cal MediConnect Capitation	19,034,339	20,343,932	(1,309,593)	-6.4%	38,102,651	40,676,424	(2,573,773)	-6.3%
MC Cap Offset	(19,471,539)	-	(19,471,539)	-	(31,333,234)	-	(31,333,234)	-
Total Operating Revenue	234,552,138	224,472,838	10,079,300	4.5%	470,918,359	443,239,115	27,679,243	6.2%
OPERATING EXPENSE								
Provider Capitation	12,589,179	13,306,001	716,822	5.4%	24,902,634	26,241,014	1,338,379	5.1%
Hospital Inpatient	37,007,224	48,796,078	11,788,854	24.2%	78,584,781	96,953,652	18,368,872	18.9%
LTC/SNF	36,568,627	44,515,165	7,946,538	17.9%	78,688,348	88,180,151	9,491,803	10.8%
Pharmacy	14,247,049	15,003,578	756,530	5.0%	28,095,541	30,130,171	2,034,630	6.8%
Physician Fee for Service	18,380,264	19,782,849	1,402,584	7.1%	35,600,106	38,948,556	3,348,450	8.6%
Hospital Outpatient	24,305,652	22,081,925	(2,223,728)	-10.1%	43,568,967	43,344,069	(224,898)	-0.5%
Other Medical Claims	20,556,188	20,956,052	399,864	1.9%	41,116,859	42,094,490	977,631	2.3%
Other HC Services	3,510,272	1,470,743	(2,039,529)	-138.7%	5,218,713	2,918,440	(2,300,273)	-78.8%
Directed Payments	7,611,744	7,294,493	(317,252)	-4.3%	14,646,026	14,346,990	(299,036)	-2.1%
Long Term Support Services	541,277	794,175	252,898	31.8%	1,096,831	1,589,038	492,207	31.0%
CPO/In-lieu of Services	2,297,713	1,074,102	(1,223,611)	-113.9%	3,352,277	2,131,775	1,220,503	57.3%
Dental Expense	3,500,020	4,486,931	986,911	22.0%	7,884,285	8,864,049	(979,764)	-11.1%
Enhanced Care Management (ECM)	4,419,803	3,317,973	(1,101,830)	-33.2%	7,557,103	6,447,714	1,109,389	17.2%
Provider Incentives	3,959,020	2,323,909	(1,635,111)	-70.4%	7,740,199	4,586,079	(3,154,120)	-68.8%
Transportation	2,105,055	1,747,017	(358,038)	-20.5%	4,056,564	3,338,126	718,438	21.5%
Indirect Health Care Expenses	1,704,372	717,398	(986,974)	-137.6%	(910,637)	1,414,788	2,325,425	164.4%
UMQA (Allocation & Delegated)	4,548,853	5,185,847	636,994	12.3%	9,023,394	10,212,212	1,188,818	11.6%
Total Health Care Expense	197,852,312	212,854,235	15,001,924	7.0%	390,221,990	421,741,311	31,519,321	7.5%
G&A Allocation	13,389,360	14,306,963	917,603	6.4%	26,154,030	27,754,950	1,600,920	5.8%
Premium Tax	9,160,100	-	(9,160,100)	-	18,320,200	-	(18,320,200)	-
Total Operating Expense	220,401,772	227,161,199	6,759,427	3.0%	434,696,220	449,496,262	14,800,042	3.3%
NON-OPERATING REVENUE								
Interest, Net	754,273	250,000	504,273	201.7%	1,026,721	500,000	526,721	105.3%
Rental Income, Net	302,771	293,970	8,801	3.0%	598,509	587,940	10,569	1.8%
Third Party Administror Revenue	583,568	559,351	24,217	4.3%	1,212,614	1,183,255	29,359	2.5%
Total Non-Operating	1,640,611	1,103,321	537,290	48.7%	2,837,845	2,271,195	566,650	24.9%
Net Income/(Loss)	$ 15,790,977	$ (1,585,040)	17,376,017	1096.3%	$ 39,059,983	$ (3,985,952)	$ 43,045,934	1079.9%
Medical Loss Ratio (adj MCO)	90.85%	98.01%			89.10%	98.33%		
Member Counts	519,974	510,874	9,100	1.8%	1,032,453	1,021,634	10,819	1.1%

HEALTH PLAN OF SAN MATEO
STATEMENT OF CASH FLOWS - DIRECT & INDIRECT METHOD

FOR THE CURRENT PERIOD June 30, 2022

	CURRENT MONTH 6/30/2022	CURRENT YEAR YEAR-TO-DATE 2022
CASH FLOW PROVIDED BY OPERATING ACTIVITIES		
Group/Individual Premiums/Capitation	-	-
Title XVIII - Medicare Premiums	18,950,424	101,959,623
Title XIX - Medicaid Premiums	66,267,353	402,339,215
Investment and Other Revenues	(90,538)	258,254
Medical and Hospital Expenses	(79,698,024)	(396,830,868)
Administration Expenses	(2,682,653)	(28,452,143)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**2,746,563**	**79,274,080**
CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
Proceeds from Restricted Cash and Other Assets	-	-
Proceeds from Investments	-	-
Proceeds for Sales of Property, Plant and Equipment	-	-
Payments for Restricted Cash and Other Assets	-	-
Payments for Investments	-	-
Payments for Property, Plant and Equipment	0	0
Interest and Other Income Received	436,042	2,028,317
NET CASH PROVIDED BY INVESTING ACTIVITIES	**436,042**	**2,028,317**
CASH FLOW PROVIDED BY FINANCING ACTIVITIES:		
Principal payments under capital lease obligations	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	**-**	**-**
NET INCREASE (DECREASE) IN CASH	**3,182,604**	**81,302,397**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE MONTH/PRIOR YEAR	**336,030,642**	**257,910,849**
CASH AND CASH EQUIVALENTS AT THE END OF THE MONTH	**339,213,246**	**339,213,246**
RECONCILIATION OF NET OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:		
Operating Income	7,375,015	36,222,138
	-	-
Depreciation and Amortization	177,729	1,074,568
Decrease (Increase) in Receivables	(1,923,192)	79,557,223
Decrease (Increase) in Prepaid Expenses	(1,163,469)	(1,764,293)
Decrease (Increase) in Net Pension/Inflows and Outflows	-	-
Decrease (Increase) in Affiliate Receivables	-	-
Increase (Decrease) in Amts due to State of CA	(4,000,000)	4,000,000
Increase (Decrease) in Accounts Payable	18,942,121	(34,884,191)
Increase (Decrease) in Medical Claims Payable	(25,359,658)	(12,436,628)
Increase (Decrease) in Incurred But Not Reported	7,930,051	3,838,333
Increase (Decrease) in Provider Risk Sharing	767,966	3,666,929
Increase (Decrease) in Unearned Premium	-	-
Aggregate Write-Ins for Adjustments to Net Income	-	-
TOTAL ADJUSTMENTS	**(4,628,453)**	**43,051,942**
NET CASH PROVIDED BY OPERATING ACTIVITIES	**2,746,563**	**79,274,080**
DETAILS OF WRITE-INS AGGREGATED FOR ADJUSTMENTS TO NET INCOME		
Unrealized (Gain)/Loss on Equity Securities	-	-
(Gain)/Loss on Sale of Assets	-	-
Prior Period Rent Expense	-	-
Realized (Gain)/Loss on Investment	-	-
TOTALS	**-**	**-**

Draft

FINANCE/EXECUTIVE COMMITTEE MEETING
Meeting Summary – August 8, 2022
Teleconference Meeting

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, the meeting was conducted via online meeting/teleconference. Members of the public were invited to submit public comment via email to the Assistant Clerk to the Commission in advance of the meeting and were also able to access the meeting using the web and teleconference information provided on the meeting notice.

Member's present: Don Horsley, Ligia Andrade-Zuniga, Bill Graham, Mike Callagy

Members absent: Si France, M.D

Guests present: Chris Hunter, SMMC

Staff present: Trent Ehrgood, Pat Curran, Francine Lester, Katie-Elyse Turner, Chris Esguerra, M.D., Ian Johannson, Chris Baughman, Amy Scribner, Eben Yong, Lia Vedovini, Anne Bentz, Michelle Heryford

1.0 Call to Order – The meeting was called to order by Supervisor Horsley at 12:31 pm.

2.0 Public Comment – There was no public comment either virtually or via email.

3.0 Approval of Meeting Summary for May 9, 2022 – The meeting summary for the May 9, 2022, meeting was approved as presented. **Horsley/Andrade-Zuniga second. A roll call vote was unanimous.**

4.0 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 – The Committee moved to 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. **Horsley/Graham second. A roll call vote was unanimous.**

5.0 Preliminary Financial Summary for the period ending June 30, 2022 – Chief Financial Officer Trent Ehrgood, reviewed the 2nd quarter financial report. HPSM is experiencing a similar dynamic as last quarter, again reporting a significant surplus. It is diminishing a bit but is still quite larger than originally forecasted. The Q1 surplus

was $23.3M and the Q2 surplus is at $15.8M. The cumulative budget for the first 6 months showed an almost $4M loss, HPSM is now $43M favorable to that. Mr. Ehrgood provided a break down going over items related to prior year adjustments totaling $8.8M in favorable adjustments recorded so far. He explained that we should expect more favorable prior year IBNR adjustments to flow through in the next two quarters.

Mr. Ehrgood showed how the membership variance has grown since last quarter. At the time the budget was made, HPSM assumed the redetermination process for Medi-Cal eligibility would start at the beginning of 2022, and that they would start to see a slow decline in membership as those that no longer qualify would be disenrolled. Since the redetermination process is being postponed, instead of seeing a decline they are seeing a continued incline. Volume and membership are going to be higher because of that.

He reviewed the budget variance by major drivers and noted that all are growing with the exception of the Revenue yield PMPM, which is the actual yield HPSM receives on a per member basis. It is getting smaller because in Q2 they recorded a decrease in revenue for the Coordinated Care Initiative (CCI). This is where HPSM has to give back some of their revenue based on the member mix risk corridor. He also noted that the MCO tax is not budgeted but is usually break-even with a revenue and expense component that offset. Because HPSM has more members than they had originally estimated there is more MCO allowance in their rate, which ends up causing a favorable contribution to the bottom line. There is some speculation that DHCS may reconcile this and perhaps create a mechanism where they can recover some of the MCO tax funding overage.

He highlighted the revenue yield by line of business. He showed where the variances exist and how they are driven by the PMPM differences. He went over Revenue PMPM, and noted adjustments made for the CCI duals. Rates for these populations are derived on what portion of that membership are in a nursing facility. If the number of members in a nursing facility is smaller HPSM ends up with extra revenue. The way the risk corridor works is there are tiers, if you exceed the tier, you have to give some of

the revenue back. Last year the overage was about $20M, HPSM had to give back $8M and kept $12M. Numbers this year are similar to last year with HPSM anticipating the overage to equal $20M and being able to keep $12M once again which contributes to the favorable bottom line. About half ($4M of $8M) expected to refund for 2022 was recorded in Q2.

Next, he went over the healthcare cost variance by line-of-business, highlighting continued lower utilization than was projected in the budget across all lines-of-business. This is partly due to a higher portion of low utilizers who may have other health coverage besides their Medi-Cal coverage due to the delayed redetermination process.

He also spoke briefly about the new enhanced care management (ECM) benefit that started this year. They are still unsure what the total cost will be on a monthly basis because of the claim lag. For accounting purposes, what they've done for the first six months is accrue and expense equal to what is budgeted, which keeps it close to break even. This is another category of service that will have a risk corridor. If HPSM ends up with more revenue than they're spending, they will have to give back that revenue. The difference is this risk corridor will have tight bands, meaning every dollar not spent will be refunded. HPSM will not be able to keep a portion like the CCI duals. Whatever is not spent, is given back. Since they are unsure what the spend will be, they have an accrued expense to be equal to revenue, so they are the same number. It has a zero effect to the bottom line right now. Once they know the expense, revenue will be reduced simultaneously.

Mr. Ehrgood also highlighted reserve levels. The Tangible Net Equity, or reserves, are at $399.4M as of June 30, 2022, of which $151.3M is uncommitted equity.

He closed by notifying the group that DHCS is expected to update the 2022 Medi-Cal rates, retro back to 1/1/2022, however, they will not deliver the final rates until March of 2023. There will be two primary adjustments to final rates: an increase in LTC funding and a decrease for acuity adjustment. Right now, HPSM will recognize the

Medi-Cal revenue based on the latest draft rates and will make adjustments once they receive the final rates as part of year-end close.

The Committee approved the report as presented. **Graham/Andrade-Zuniga second. A roll call vote was unanimous.**

6.0 Compliance Case Discussion – Chief Compliance Officer, Ian Johannsson provided a report from the Compliance Department. The Centers for Medicare & Medicaid Services (CMS), who are regulators for the CareAdvantage LOB sent HPSM a notice of non-compliance for call center monitoring for Q1 of 2022. The metric was missed by less than 1.5%. There was no corrective action required. There is a new telecom system planned for 2022.

The second case was a performance issue. HPSM received an enforcement action from the Department of Managed Health Care (DMHC) for failure to correct errors in Measurement Year 2017 Timely Access and Network Adequacy Compliance Report which was issued in 2018. A $35K penalty was assessed and a corrective action plan was requested by the agency. The Provider Services department created a corrective action plan to resolve issues by the next timely access filing – MY2022 which will be issued in 2023.

The 3rd issue was a violation of the Knox-Keene act for a failure to initiate or adequately consider a grievance and a failure to resolve a grievance within 30 days of receipt. HPSM received an enforcement action from DMHC, and the agency issued a $12K penalty. Mr. Johansson worked with HPSM's Grievance and Appeals department. They were able to pull records and see where the breakdown occurred. He was advised that they now have processes in place that should prevent this from happening again.

The last case did not have a penalty; however, a corrective action plan was requested by the Department of Health Care Services (DHCS) for findings during a Facility Site Review (FSR). These are typically unannounced visits to provider offices in the HPSM network. DHCS audits those offices to certain specifications. There is the facility site, which is the actual location itself and there's also a medical record review (MRR),

where DHCS looks within the medical records to see if everything is charted according to state law and DHCS's own requirements. In this case, they looked at eight different providers, six of which failed both the FSR and MRR pieces. In some cases, by just a few percentage points from the passing threshold of 95%. They will work with those Provider sites to make corrections to their processes. They are awaiting a review from DHCS to ensure they agree with the corrective action.

Mr. Curran noted that Local Health Plans of California (LHPC) is considering doing an analysis on the fines levied on health plans over the last four or five years. They have noticed a fairly significant increase in financial penalties against health plans for non-compliance from some of these State agencies. Mr. Johansson said he has not noticed an increase from DMHC, but DHCS warned that they will start to use their sanction authority. He also noted that they receive anywhere from 3-6 penalties per year, but they often come four or five years after the fact which makes it hard to address in a way that benefits the member. He believes the lag is primarily due to staffing, noting that he is still waiting for the results from a DMHC audit from last year to report to the Commission. He hopes to have that available at the next Commission meeting.

7.0 Other Business – Mr. Ehrgood advised the committee that going forward the Finance-Executive Committee will include the draft version of the Finance minutes in the Commission packet whenever necessary, instead of waiting for the approved versions which often takes months.

Supervisor Horsely asked for a quick report and update on interactions with Seton Medical Center at the next Commission meeting. CEO, Pat Curran said he would provide one.

8.0 Adjournment – The meeting was adjourned at 1:26 pm by Supervisor Horsley.

Respectfully submitted:

M. Heryford

M. Heryford

Assistant Clerk to the Commission

RESOLUTION OF THE
SAN MATEO HEALTH COMMISSION
FINANCE/EXECUTIVE COMMITTEE

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

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 and its Committees 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 Finance/Executive Committee of 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 August 2022 by the following votes:

AYES: Horsley, Andrade-Zuniga, Graham
NOES: 0
ABSTAINED: 0
ABSENT: France, Callagy.

ATTEST: 0

BY: *Michelle Heryford*
Michelle Heryford
Assistant Clerk to the Commission

DRAFT

AGENDA ITEM: 4.3

DATE: September 14, 2022

-Virtual Meeting – Microsoft Teams-
CHI OVERSIGHT COMMITTEE MEETING
Meeting Summary
July 29, 2022, 10:00 a.m.
Health Plan of San Mateo

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 and were also able to access the meeting using the web and teleconference information provided on the meeting notice.

Voting Members Present:
Deanna Abrahamian, Cheryl Fama, Srija Srinivasan, Manny Santamaria, Pat Curran, Kitty Lopez.

Voting Members Absent:
Julie Lind, Pamela Kurtzman.

Non-Voting Members Present:
Emily Roberts, Michelle Blakely, Marmi Bermudez

Guests: Wendy Todd, Consultant

1) Call to Order / Introductions
Meeting was called to order at 10:01 pm by Pat Curran.

2) Public Comment
No public comments were received in advance of the meeting via email or made on the teleconference meeting.

3) Consent Agenda:
a) 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*
b) Approval of Minutes March 25, 2022*

Ms. Abrahamian noted a change to the minutes to remove a dollar amount listed which was only an example. This change was noted, and minutes were approved as corrected. Motion to approve consent agenda: **Abrahamian / Second: Srinivasan**

Verbal roll call vote:
Yes: 7 – Abrahamian, Lopez, Srinivasan, Curran, Fama, Santamaria.
No: 0

4) Approve Recommendation to Return Funds from HK Trust Fund

Ms. Srinivasan reviewed the history of the fund, the recent activity of funding that has been approved over the past several months, leaving the balance of the fund to be returned to the funding entities. She touched specifically on the work that has been done in distributing these funds and the investments made in our community during this time since the beginning of the pandemic and since the initial goal of the committee to achieve universal health insurance for San Mateo County kids was reached. The amount that has been distributed since then is $5.745 million directed strategically and impactfully in this shift to make a difference collectively during a difficult time.

Ms. Srinivasan stated that some months back, this committee acted to return funding to Sequoia Healthcare District and talked about returning money proportionately to the remaining core funders that had contributed to the trust fund. She outlined the distributions to each: $286,053 to First 5; $282,099 to Peninsula Health Care District; and, $851,387 to San Mateo County. The recommendation is to formally take action to return these funds to these funders. Additionally, recognizing that there are likely some residual interest that may be involved that these immaterial funds be transferred to the Health Coverage Unit at the closing of the trust fund.

Mr. Curran thanked Srija for her work and thanked the funders for their investments. In reflection of the list of funding distributed and the original goal of covering children, he noted the connection between our efforts and policy change at the state level. The State has changed policy to cover children and now families who did not get initial funding and were left out of assistance from the government. As of January 2024 the State will cover all undocumented residents in California with health coverage. He felt this indicated that our funds we put into the right focus areas.

Ms. Lopez expressed gratitude for this group and all that it has accomplished over the years. Ms. Fama assured the group that the Peninsula Health Care District will continue to focus on youth and children with the funds being returned. It was recognized that voting members have an interest in this recommendation to the commission to return the remaining funds as described.

Motion to approve the return of fund as outlined: **Santamaria / Second: Lopez**

Verbal roll call vote:

Yes: 7 – Abrahamian, Lopez, Srinivasan, Curran, Fama, Santamaria.
No: 0

5) Future of CHI Oversight Committee Meetings

Ms. Todd opened the floor for committee members to share their ideas about future opportunities this group may be able to focus on in the future:

Emily Roberts:

- Talked about opportunities coming from the state regarding Mental Health funding for children and youth up to age 25. There is a need for community input and a process to leverage partnerships where needed for a better understanding what process will take place.
- Community Health Worker benefit that went into effect within the last month is another opportunity. It will allow reimbursement through Medi-Cal dollars, and we need to learn how to connect to those dollars. This is another opportunity for children and youth around developmental screening and care coordination and connecting people to dental opportunities.

Michelle Blakley:

- Mentioned the carve out for children younger than school age. There still is some question about funding for younger children, for mental health for the babies, children ages four and five, etc. Supports for the youngest ones is still unclear.

Srija Srinivasan:

- Touched on one of the challenges of this initiative on mental health is the different opportunities being rolled out by the state, the constraints, and competitiveness. It is complicated and there is no one point person. She added that the prevention and early intervention realm may have different direction of dollars. The serious mental illness end of the continuum is being tracked by County BHRS and could be a lead. She stated there is not a clear mapping and planning process. Areas of local priority for the Youth BHRS team include strengthening capacity in crisis response, eating disorders and partnerships in the prevention/early intervention arena and County Health will continue to focus on closing gaps in COVID-19 vaccination reach.

Cheryl Fama:

- Commented that mental health is finally getting attention, however, there is currently no organized approach to the labor force and providers taking patients. She noted there has been some discussion with the county regarding some kind of strategic assessment of our behavioral health needs in the community. The district has a new person in charge of youth behavioral health. They want to be very active in this area mental health for youth with learning, coordinating, and sharing.

Pat Curran

- Talked about the Student Behavioral Health Incentive Program that the health plan is taking the lead on. This program is in the schools and in partnership with the County

Office of Education, South San Francisco, and Redwood City schools. This pilot is exploring how to enhance services on site and also coordinating services to other locations. He will be able to give an update in January.

- Services of Community Health Workers are now a full Medi-Cal benefit, which means providers need to be enrolled with Medi-Cal and bill Medi-Cal. He noted that the FQHC's are not included in this extra funding due to the rate they already receive as an FQHC. Emily asked if the community health workers could contract directly with the health plan and be paid fee for service. Pat replied that they can but would have to have a system to bill us and most organizations with community health workers are not set up that way.

There was more discussion related to the workforce issues. Ms. Todd noted that if this group wanted to get together on developing some strategy around workforce development, she was aware of the Sand Hill Foundation's interest in this work. Ms. Blakely added that there is an RFP closing soon for communities to develop pathways for health providers and we may be able to learn from that. She said the total funding for behavior health is up to $7 billion and the RFP was for a carve out directly for a workforce pathway careers pipeline development.

Manny Santamaria:

- Talked about Silicon Valley Community Foundation's health strategy, which has been focused on collaboratives and have scheduled conversation with Sand Hill next week. He mentioned work around livable wages and work with Blue Shield Foundation on a landscape analysis of the care economy within the state. He concurred with the issues around who takes care of whom, training and access to services, wages and even unionizing worker rights. This is what they are working on.

Srija Srinivasan:

- Added that other priorities are identifying and addressing gaps in care for kids, such as getting kids up to date on vaccinations beyond COVID and exploration of home visiting for newborns delivered at Packard, which was paused during the pandemic.

Ms. Roberts asked Ms. Todd if there were any consultant work going on with counties regarding mental health or community worker issues. Ms. Todd mentioned she is part of a consultant network who is working on the safety net across the state and some work on behavioral health in three other counties. She will check in with her colleagues to hear of any planning and other creative ideas or strategies around the workforce development piece to see if there is any movement with these issues.

6) **CHI Grant Updates:** [taken out of sequence]

a) MAF:

Ms. Srinivasan reported that 254 families have already enrolled and have received $297,000 in monthly payments of $400. In addition, 74 Daly City families have received $50,800 of this funding. This investment is really benefiting those families who were left out of assistance during the pandemic. There has been a lot of learning and operationalizing equity and how to make the application process completed within one day and payment within a week and then cycling to a monthly schedule.

b) Ensuring Equity through School-Based Oral Health

Ms. Roberts gave an update on the School-Based Oral Health Mapping grant to identify where oral health services are being delivered in school-based settings. They now have their first data set coming from Sonrisas. She expressed gratitude for Dr. Bonnie Jeu and her oversight of over 1,200 children who have been served through the school-based settings this past year and thanked SMC Health for their work on the data sharing side of this project. There is an epidemiologist who is working on the first phase of the individual level mapping. They have the site-based data from both Sonrisas and Ravenswood who are responsible for 99% of the service delivery. Healthier Kids Foundation works with one school in Redwood City, but they are trying to get all of them on board. She reflected that the data mapping will take less time than obtaining the data.

c) Sonrisas:

Mr. Curran gave an update on the three dental capacity grants which are similar in scope by funding additional chairs or operatories for access to children. Sonrisas is up and running and seeing additional patients.

d) NEMS:

NEMS had been stalled slightly due to city permitting issues. They have all the permits in place now and it is just a matter of time to finish construction to begin to see patients. Construction is starting and their timeline is approximately 6 to 12 months to implementation. They have a large facility on 19th Avenue in San Francisco and have opened up more access for members there.

e) Ravenswood:

Ravenswood is developing two chairs of which we paid only for one. This was because they knew they would be seeing adults and did not want to commit both chairs to care for children only. This works out since adult access is actually more challenging.

The HPSM dental program has been operating for about six months and children's access has been fairly good. We are not receiving reports of access issues for children, but the pent up demand for the adult population has presented a bit of a challenge. He added that the CHI funding has been productive. We are getting more community providers who are seeing patients and have even added a couple of orthodontists. He noted that a critical access point for our members is at the FQHCs and is where patients have been able to make appointments on short notice and for which we do not receive grievances. He stated it is clear that we need to develop these safety net clinics further and need to find ways to support their efforts. So the money that this group has invested is going into the right places.

7) Next Steps

The next meeting will be scheduled for January 2023.

8) Adjournment

The meeting adjourned at 11:00 a.m.

AGENDA ITEM: 4.4

DATE: September 14, 2022

DRAFT

Health Plan of San Mateo
Cal MediConnect Advisory Committee
Friday, July 29, 2022 – 11:30 p.m.
Meeting Summary
-Virtual Meeting via Microsoft Teams-

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 and were also able to access the meeting using the web and teleconference information provided on the meeting notice.

Committee Members Present: Gay Kaplan, Dr. Darlene Yee-Melichar, Beverly Karnatz, Jill Dawson, Amira Elbeshbeshy, Lisa Mancini, Ligia Andrade Zuniga, Art Wolf.

Committee Members Absent: Claire Day, Kirsten Irgens-Moller, Nina Rhee, Pete Williams, Ricky Kot

Staff Present: Pat Curran, Karla Rosado Torres, Gabrielle Ault-Riche, Karen Sturdevant.

1. Call to Order / Introductions

The meeting was called to order at 11:32 a.m. by Gay Kaplan.

2. Public Comment

There were no public comments received via email prior to the meeting or made at this time.

3. Approval of Minutes

The minutes for April 15, 2022, were presented for approval. Motion to approve: Zuniga
Minutes were unanimously approved as presented.

4. Adopt a resolution finding that, as a result of continuing COVID-19 pandemic state of emergency, meeting in person would present imminent risks to the health or safety of attendees

In accordance with AB 361, a resolution for approval was presented finding that meeting in person would present imminent health risk due to COVID-19.

Motion to approve: Dr. Yee-Melichar. All in attendance were in favor. The resolution is attached to these minutes as part of the record.

5. State/CMS Updates

a. Title 22

Mr. Curran explained new federal legislation proposing a new Title to the Federal Code specifically for the Dual Eligible individuals, forming a separate program for both Medicare and Medi-caid – The Comprehensive Care for Dual Eligible Individuals Act. He does not expect it to pass this fall. However, it introduces an important conversation about integrating services for dual eligible individuals. Right now, this does not have effect on us. California is ahead of the curve even as we move back to the D-SNP. The state is making policy changes reflecting the importance of integrated care for people between Medicare and Medi-Cal and aligning the plans to do that. A copy of the legislation will be sent out to the group.

6. HPSM Updates

a. DSNP Transition Update – Karla Rosado Torres

Ms. Karla Rosado Torres, HPSM Director of Medicare, gave an update on the D-SNP transition which be in effect on January 1, 2023, as part of the CalAIM provision. Staff have been working towards a smooth transition for staff and members. She reported the following:

- The Model of Care submission was approved by CMS and DHCS.
- The bid submission has been completed. This is the financial assumption made for the cost of services for our members. Staff have evaluated and designed an enhanced benefit package for 2023. The results on this bid should be received soon.
- Staff continues to evaluate the market to be forward thinking for next future year's benefits to ensure we are competitive in the services we provide.
- Additionally, staff continue work in our Star ratings workgroups to strategize around the quality and member experience measurements. This rating is the measurement of health plans and helps members with their selection when deciding which health plan to choose. The member engagement is a significant factor in our Star rating, so staff is focusing on aligning our services with this measure.
- Member materials are still under review for this transition. Some have already been submitted to CMS and DHCS.
- A market and brand analysis are underway to create an attractive presence for CareAdvantage. Staff is working with a marketing firm to analyze our strengths and weaknesses in our marketing presence to improve our presence internally and externally.
- The timing of outreach to our members about the transition has been under review and while some thought it better not to reach out to members with this information during open enrollment, the state is making this a requirement. There is concern about using a vendor which, in the past, did cause confusion for our members. Staff is still working on a developing a plan on the best approach.

- Open enrollment period is October 15 through December 7. HPSM will be very present and visible during this upcoming enrollment period. We will be announcing new benefits to our current members and hope this will help to retain them and entice new potential members.

Mr. Wolf asked what the expected losses and gains in membership are and what is the breaking point in order to be considered successful in this transition and enrollment period. Ms. Rosado Torres explained that this is a new venture for HPSM and do not have history to look back to in order to make projections. We hope to gain 200-700 members throughout the entire first year. He suggested that a cost analysis be performed to find out how much it costs to obtain that new member.

Ms. Andrade Zuniga asked how those affiliated with community-based organizations can support the health plan in educating people to become or stay as members. Ms. Rosado-Torres stated that they are looking into ways of connecting with our community partners to develop talking points and presentations to help them understand the advantages of HPSM CareAdvantage.

b. End of Public Health Emergency Member Communications Plan

Ms. Ault-Riche touched on the possible effects on member eligibility related to the end of the Public Health Emergency (PHE). Since the beginning of the pandemic, the PHE has been extended every 90 days. It now has been extended through mid-October. If it is not extended again, the Human Services Agency will begin to send out redetermination packets at that time. There are many factors involved in members keeping their Medi-Cal eligibility and the fear is that they could be dropped from Medi-Cal coverage, which would affect their CareAdvantage eligibility. She described some of the ways that members could be dropped, for example, the need to return all of their documentation in a timely manner and if they miss their deadline or if they are lacking information, these could cause their coverage to be dropped.

Staff have been working on developing a communication plan to give notice to members about the importance of returning their paperwork to avoid losing their coverage. She will come to the next meeting with what they have developed. HPSM will collaborate with Human Services on ways to target members with communications.

Beverly Karnatz suggested that we reach out to the housing facilities because they can assist in connecting with residents with these communications. Mr. Wolfe suggested the same for the Long Term Care Facilities. Any other ideas can be sent to Karla Rosado-Torres.

7. Discussion Topics:

a. Proposal to change advisory committee name to "CareAdvantage Advisory Committee" for the upcoming transition to a Duals Special Needs Plan (DSNP)

In terms of the naming of the committee, now that the program is going back to the D-SNP program, the committee would be better described as the "CareAdvantage Advisory Committee". This name change was proposed to the group to become effective as of January 2023. Ms. Elbeshbesy motioned to make that change; second by: Dr. Yee-Melichar. All were in favor of this name change.

Ms. Ault-Riche reported on communications with DHCS and CMS about this committee and they expressed the need to recruit more beneficiaries to this committee. This has been stated by these agencies before. They are interested in learning more from members. Another perspective shared by DHCS and CMS is that they would like to see our committees have more reporting and discussion from the member perspective, with input and priorities from the community and community advocates.

b. Proposal to shift committee agenda structure to focus more on discussion topics.
    i. What topics are you interested in receiving updates on through HPSM staff presentations vs. what topics would you prefer to learn about through reports in the consent agenda?
    ii. What topics are you most interested in discussing and providing feedback/insights to HPSM about during committee mee4tings?
    iii. What topics do you think are most pressing for CareAdvantage members and warrant additional attention from this committee?

Mr. Wolf suggested that staff convene a strategic planning session to identify the scope of focus for the group with what we see coming down the pike and what the scope and role is on an ongoing basis.

Ms. Elbeshbeshy agreed and suggested preparing a welcome packet for committee members to explain the role of the group and as well the role of beneficiaries, and how they can be a contributing member of this group. And, to set aside time for questions, concerns and grievances for members to be empowered to share at the meeting.

Ms. Ault-Riche added that they are also thinking about having a separate group that would be more like a focus group of members that is not a formal committee. Ms. Elbeshbeshy agreed with this idea and suggested then one of these members might also come to this meeting to be a representative for that group.

8. CCI Ombudsperson Report (Legal Aid)

Ms. Elbeshbesy reported:

- The PHE extension means no negative actions will be taken through the rest of the year. CMS has said they will provide 60 days' notice so we should know in a few weeks if it will be extended again.
- The final legislative budget:
    - Money has been allocated in the budget for Medi-Cal Share of Cost reform targeted for implementation by January 2025. This will eliminate the maintenance needs allowance making the maintenance needs the federal poverty level. As an example, currently if a member is $1 over this limit their SOC is $900; with this change, if a person is over by $1, their SOC is $1.
    - Medi-Cal expansion in May 2022 included people aged 50 and over, and years ago it was expanded to include adults up to age 26. The goal now is to close that gap to include the undocumented between ages 26 to 49.
    - A permanent back up provider systems for IHSS is being established.
    - Premium elimination was effective July 1st for the working disabled, MCAP and other programs. Balances as of June 30th should be zeroed out and payments made should rejected if sent in after that date.
- The asset limit went up July 1st however, some people are still receiving notices that they are ineligible based on the old asset limits
- Legal Aid have had a hearing on cases around negative actions being taken on LTC SOC. Their stand is that this should not have been allowed during the pandemic. DHCS is contending that it is not a negative action because its basis is on a post-eligibility treatment of income (PETI) rule. They are waiting to hear the results from the hearing.
- Another issue of cases going to hearing has to do with people being disenrolled from QMBY, one of the Medicare savings programs. This is due to premiums of almost $1,000 a month for a couple when they did not have to pay premiums in the past.
- A new ACWDL 22-19 was issued in July related to updating contact information and what is allowable sharable information between counties. She encouraged staff to look this up.

9. LTC Ombudsperson Report

Ms. Irgens-Moller was not present at the meeting.

10. Questions about reports distributed prior to meeting.

Mr. Wolf asked how staff is approaching getting new members as they are going through this transition and focusing on quality at the same time. Ms. Ault-Riche did say this is a difficult time for staff with this transition. However, as they are working on integrating, there is focus on not losing people because of issues that could be avoided such as answering phones on

time. While this is the basics it is currently a challenge. Mr. Curran talked about the Star rating and the member experience through their Primary Care which is a significant measure. He stated that this is an important area of focus with sharing information, tools and support for providers and is an area where staff will put a lot of energy. He suggested this will assist in keeping members during this transition.

Ricky Kot pointed out that MSSP is no long a program and has been transitioned to CalAIM ECM this year.

Ms. Sturdevant commented how some of the information shared in the reports is helpful to her to see what kinds of issues people are having. For her, this shed light on how she might better explain information to members during the enrollment process. Ms. Ault-Riche added that many of the quality issues are related to the Primary Care members receive and is key what can we do as a plan to improve for our members.

Beverly Karnatz suggested that the health plan could give an informational or educational presentation to residents to help them understand changes taking place that could affect them. Ms. Rosado-Torres added that this is something they have been thinking about, ways to be out in the community and interacting in the community on a regular basis. Ms. Kaplan asked if the health plan could go into schools with education and resources because of the multi-generational representation. Ms. Rosado-Torres stated there are strict regulations between education and sales. She stated staff is open to all opportunities within the community.

There were no specific questions asked about the dashboard or other reports at this time.

a. HPSM Dashboards
b. Grievance & Appeals Report
c. Call Center & Enrollment Report
d. IHSS

10. Other Discussion Topics

There were no other topics discussed at this time.

11. Adjournment

The meeting adjourned at 1:05 p.m.

Respectfully submitted:
C. Burgess
C. Burgess, Clerk of the Commission

RESOLUTION OF THE
Cal MediConnect Advisory Committee

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

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 Committees of the San Mateo Health Commission must make such a finding under AB 361 in order to continue to conduct meetings as online teleconference meetings.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The CMC Advisory Committee 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 CMC Advisory Committee continues to agendize its meetings only as online teleconference meetings; and presents this item, within 30 days, 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 CMC Advisory Committee this 29th day of July 2022 by the following votes:

AYES: Kaplan, Yee-Melichar, Karnatz, Dawson, Elbeshbeshy, Mancini, Zuniga, Wolf.

NOES: -0-

ABSTAINED: -0-

ATTEST:

BY: C. Burgess _____

C. Burgess, Clerk

HealthPlan OF SAN MATEO
Healthy is for everyone

AGENDA ITEM: 4.5

DATE: September 14, 2022

OPEN SESSION-PHYSICIAN ADVISORY GROUP (PAG)
Meeting Minutes
June 14, 2022 - 7:30 a.m.
Virtual Meeting

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, the meeting was conducted via online meeting/teleconference. Members of the public were invited to submit public comment via email to Luarnie.Bermudo@hpsm.org in advance of the meeting and were also able to access the meeting using the web and teleconference information provided on the meeting notice.

Voting Committee Members	Specialty	Present (Yes or Excused)
Janet Chaikind, MD, Committee Chair	Pediatrics	**Yes**
Vincent Mason, MD	Pediatrics	**Yes**
Leland Luna, MD	Family Practice	**Yes**
Kenneth Tai, MD	Internal Medicine	**Assigned Proxy to Janet Chaikind**
Tom Stodgel, MD	Obstetrics and Gynecology	**Yes**
Randolph Wong, MD	General Surgery	**Yes**
Michael Okuji, DDS	Dental Director, DDS	**Yes**
Carolyn Brown, DDS	Dental Consultant, DDS	**Excused**
Non-voting HPSM Staff Members	**Title**	**Present (Yes or Excused)**
Richard Moore	Medical Director	Yes
Colleen Murphey	Chief Operating Office	Yes
Paul de la Cruz	Credentialing Specialist	Yes
Treschere Lowery	Credentialing Specialist	Yes
Luarnie Bermudo	Provider Services Director	Yes
Patrick Curran	Chief Executive Officer	Yes
Karla Rosado-Torres	Medicare Director	Excused
Cynthia Cooper	Medical Director	Yes
Nicole Ford	Director of Quality Improvement	Yes
April Watson	Provider Network Manager	Excused
Scott Fogle	Provider Services Program Specialist	Excused
Stephanie Mahler	Clinical Network Liaison	Excused
Gabrielle Ault-Riche	Director of Customer Support	Yes
Marisa Cardarelli	Dental Benefits Manager	Yes
Clarissa Rivera-Loo	Network Liaison	Excused
Miriam Sheinbein	Medical Director	Excused

Nina Nguyen	Provider Operations Manager	Yes
Jenny Hu	Provider Network Liaison	Yes

	Item(s)	Discussion	Action	Responsible Parties	Due Date
1	**Call to Order**	Dr. Janet Chaikind called the meeting to order at 7:34 am. A quorum was present.	Quorum was present	J. Chaikind	06/14//2022
2	**Public Comment**	None	N/A	N/A	N/A
3	**Meeting Agenda and Meeting Minutes**	Agenda and Minutes disseminated to committee. Agenda for today's meeting and Minutes from the April 2022 PAG Committee Meeting were approved.	Agenda approved; Minutes from April 2022 PAG Approved.	PAG	06/14//2022
4	**Introduction**	Nina Nguyen, New Provider Operations Manager & Welcome Jenny Hu, Provider Network Liaison	N/A	J. Chaikind/ Luarnie Bermudo	N/A
5	**HPSM Announcements**	1. Pat provided update around 2022 budget season, as CA has a very healthy budget surplus that is projecting a significant budget exceeded the expectation in January. In terms of baseline, with good news, there is no funding or benefit cuts, as well as no loss in coverage for any Medi-Cal eligible. The funding that we're seeing in HealthCare arena focused on CalAIM program which is the CA 5 years transformation to innovate Medi-Cal. There are many elements that involve broadening of services including SDOH (e.g. school BH, housing with County, nursing home transition, etc.). 2. Key element is that CA is doing a lot of one-time	N/A	Pat Curran	N/A

		incentive funding. The challenge is the sustainable path of these efforts, as a result we're conservative in how we implement some of these services. 3. Other approved element is that as of Jan 2024, all undocumented individuals who meet income requirements will qualify for Medi-Cal. Also, as of May 1st, individuals who are under age 26 as well as who are over age 50 will also be eligible as an effort to filling the gap. This is the primary focus of the ACE program. 4. State has also proposed a direct contract with Kaiser, and it appears will go through. There would be no changes/impacts to providers and members. However, we are hoping to have seamless transition in terms of credentialing and delegation oversight. 5. We're still all waiting for announcement of PHE- that will trigger state to start to re-determination; however, it has not been announced.			
6	**Health Services Announcements**	1. Dr. Moore mentioned that COVID is 0.99, less than 1 means that there is a decreasing number of cases, but it has been high. Issues is that there are quite a few facilities closure due to high rate of COVID positivity. We are still abiding by omicron guidelines.		Dr. Richard Moore	N/A

		2. Laguna Honda lost their accreditation for Medi-Cal participation. Also, their current census is little over 700 patients.			
7	**Provider Services Announcements**	1. Luarnie mentioned network need for NEMT, Incontinence supplies, and the efforts to expand the Dental specialty provider network. Good news, there will be some expansion capacity in our NEMS agreement for PCP, RP and OSP. Luarnie also provided an update on the Ortho Pilot with the County. We'll contracting with at least 10 new orthodontists in the network where we'll be able to incentivize access to support at least 100 young members over the next few years. 2. Colleen mentioned Seton Nurses strike with notion around planning for a surge in COVID cases, as well as the post-acute facilities, hospitals and Nursing facilities cooperation in the past years. In July, a new learning collaborative will be launched, and there are 4 hospitals that volunteered to sponsor SNFs in learning. 3. Ways to support vaccinations for children. Our public health partners have offered some great resources to provide staffing in order to assist parents who have additional questions.	N/A	Colleen Murphey/ Luarnie Bermudo	N/A

7	**Adjournment**	The meeting was adjourned to the Peer Review Committee (PRC) closed session.	N/A	N/A	N/A

Next Meeting for the Physician Advisory Group: 08/09/2022 at 7:30 am

AGENDA ITEM: 4.6

DATE: September 22, 2022

MEMORANDUM

DATE: September 6, 2022

TO: San Mateo Health Commission

FROM: Patrick Curran, Chief Executive Officer

RE: Approval of Returning Funds from Children's Health Initiative (CHI) Fund

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Recommendation

Approve the return of the remaining funds to the core funders from the CHI Trust Fund.

Background and Discussion

In 2003, San Mateo County and key partners launched the Children's Health Initiative to achieve universal health insurance coverage for children in San Mateo County. HPSM played a critical role by administering a locally supported health insurance program called Healthy Kids that was designed to serve children ineligible for federal and state programs, generally due to immigration status.

In 2007, governance for this initiative was moved from San Mateo County to the San Mateo Health Commission with guidance by the Children's Health Initiative (CHI) Oversight Committee. HPSM operated the Healthy Kids program until 2018; the State expanded the Medi-Cal program in 2016, covering all children under the age of 19 regardless of immigration status. CHI had built up a reserve over many years of program operations; the reserve is managed by the County in a restricted Children's Health Initiative fund.

The CHI Oversight Committee operates through a Memorandum of Understanding (MOU) involving eight voting members. This MOU was last revised in January 2019. San Mateo County oversees the financial stewardship of the restricted fund established to support CHI. HPSM is one of the eight voting members and participates in the CHI Oversight Committee.

The dollars held in the CHI Fund were not contributed by HPSM. The funding was contributed by the following entities: San Mateo County, First Five San Mateo County, Peninsula Health Care District, and Sequoia Healthcare District.

Since Medi-Cal was expanded to cover all children, the CHI Oversight Committee has considered areas of investment for children in San Mateo County for the use of the remaining restricted reserve funds. Between December 2020 and September 2021, CHI recommended and the commission approved directing $5,159,800 from the restricted fund for various programs to increase dental

access, to administer an oral health planning grant, to provide support to immigrant families through Mission Assets Fund's San Mateo County Immigrant Relief Fund, and have returned funds to Sequoia Health Care District. Most recently, a grant was approved to Ravenswood Family Health Network in the amount of $105,000 to fund capital expenditures to include one dental chair and, associated equipment and instruments increasing the number of low-income children receiving dental services between July 1, 2022, through June 30, 2024.

The recommended distribution to the remaining core funders is: $286,053 to First 5; $282,099 to Peninsula Health Care District; and, $851,387 to San Mateo County with any residual interest that may be involved to be transferred to the Health Coverage Unit at the close of the trust fund.

Fiscal Impact

The San Mateo Health Commission, as the governing body for CHI, must authorize release of funds from the restricted account. These funds do not have any financial impact on Health Plan of San Mateo and are not held in HPSM accounts. After approval by the Commission, this recommendation will be brought to the San Mateo County Board of Supervisors for approval.

DRAFT

RESOLUTION OF THE
SAN MATEO HEALTH COMMISSION

IN THE MATTER OF APPROVAL OF RETURNING FUNDS FROM THE CHILDREN'S HEALTH INITIATIVE TRUST FUND

RESOLUTION 2022 -

RECITAL: WHEREAS,

A. The Children's Health Initiative (CHI) was created in 2003 to achieve universal health insurance coverage in San Mateo County for children ineligible for federal and state programs;
B. In 2007, governance for this initiative was moved to the San Mateo Health Commission with San Mateo County overseeing the financial stewardship of the restricted fund established to support CHI;
C. With Medi-Cal expansion covering all children, The CHI Oversight Committee has conducted research and analysis of the needs facing children and their families; and has since then invested and distributed $5.745 million strategically in our community during the pandemic;
D. The CHI Oversight Committee now recommends the return of the remaining funds to the core funders and close the CHI Trust Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The San Mateo Health Commission approves return of funds to the remaining core funders and thereby closing the CHI Trust fund in the following amounts:
    a. $286,053 to First 5;
    b. $282,099 to Peninsula Health Care District; and
    c. $851,387 to San Mateo County; and
    d. Any residual interest is to be transferred to the Health Coverage Unit at the close of the trust fund.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 14th day of September 2022 the following votes:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Don Horsley, Chairperson

ATTEST:

BY: _____
C. Burgess, Clerk

APPROVED AS TO FORM:

_____
Kristina Paszek
DEPUTY COUNTY COUNSEL

MEMORANDUM

AGENDA ITEM: 4.7

DATE: September 14. 2022

DATE: September 7, 2022

TO: San Mateo Health Commission

FROM: Pat Curran, Chief Executive Officer
Nicole Ford, Quality Improvement Director
Anne Bentz, Revenue Data Operations Manager

RE: Approval of Amendment to Agreement with Change Healthcare Resources, LLC

Recommendation

Authorize the Chief Executive Officer to execute a contract amendment with Change Healthcare Resources, LLC to add $1,095,000 for a total amount not to exceed of $5,430,000; and, to extend the agreement for three years for a term ending on October 18, 2025.

Background & Discussion

HPSM conducts several ongoing efforts related to understanding and reporting its members' health conditions and accessed services. In addition to other data sources, medical records created and maintained by providers that see HPSM members are a rich source of information that the health plan relies on for Medi-Cal and Medicare Quality Improvement requirements through the Health Effectiveness Information Data Set (HEDIS) reporting mechanism and for ensuring accurate risk adjusted Medicare revenue in CareAdvantage.

In February 2019, HPSM issued a Request for Proposals (RFP) to identify a vendor to support HPSM's inter-departmental alignment of its medical record collection and review activities for both Risk Adjustment and Quality medical record-based functions. The primary goals were to reduce provider network abrasion and improve administrative efficiency by leveraging each function's medical record-based activities in support of the other. After a rigorous review of the finalist's proposals, HPSM selected Change Healthcare Resources, LLC as our partner for medical record collection and review services.

Based on Change Healthcare's partnership with HPSM over the past three years, the Quality Improvement and Revenue Data Operations teams find that Change Healthcare continues to meet business requirements, are competitively priced, and demonstrate a nuanced understanding of HPSM's goals in pursuing an integrated solution for shared business needs. In pursuing a shared vendor relationship, staff has plans that a historical vendor relationship will be phased out in favor of operational alignment through the relationship with Change Healthcare.

Fiscal Impact

The revised term of the agreement is six years, from October 18, 2019, through October 18, 2025. HPSM estimates that annual HEDIS and risk adjustment-related expenditures will be approximately $230,000 and $675,000, respectively, over the term of the contract. The total contract not to exceed amount is therefore updated from $4,335,000 to $5,430,000.

DRAFT

RESOLUTION OF THE
SAN MATEO HEALTH COMMISSION

IN THE MATTER OF APPROVAL OF AMENDMENT TO AGREEMENT WITH CHANGE HEALTHCARE RESOURCES, LLC FOR MEDICARE RISK ADJUSTMENT BUSINESS NEEDS

RESOLUTION 2022 -

RECITAL: WHEREAS,

A. The San Mateo Health Commission seeks an external partner with subject matter and operational expertise to align medical record collection and review activities;
B. Change Healthcare Resources, LLC continues to provide medical record collection and review services in support of Health Plan of San Mateo's Quality Improvement and Medicare Risk Adjustment business needs;
C. Both parties with to extend the agreement for an additional 3-year term.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The San Mateo Health Commission approves the amendment to the agreement with Change Healthcare Resources, LLC adding $1,095,000 for a total amount not to exceed of $5,430,000; and to extend the term of the agreement three years through October 18, 2025; and
2. Authorizes the Chief Executive Officer to execute said amendment.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 14th day of September 2022 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dan Horsley, Chairperson

ATTEST:

BY: _____
C. Burgess, Clerk

APPROVED AS TO FORM:

_____
Kristina Paszek
DEPUTY COUNTY COUNSEL

DRAFT

SAN MATEO HEALTH COMMISSION
Meeting Minutes
August 10, 2022 – 12:30 p.m.

AGENDA ITEM: 4.8

DATE: September 14, 2022

****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:	Michael Callagy	George Pon, R. Ph., Vice-Chair
	David J. Canepa	Manny Santamaria
	Bill Graham	Kenneth Tai, M.D.
	Barbara Miao	Ligia Andrade Zuniga
Commissioners Absent:	Jeanette Aviles, Don Horsley, Chair, Si France, M.D.	
Counsel:	Kristina Paszek	
Staff Present:	Chris Baughman, Corinne Burgess, Pat Curran, Trent Ehrgood, Chris Esguerra, M.D., Nicole Ford, Ian Johansson, Francine Lester, Richard Moore, M.D., Amy Scribner, Courtney Sage, Carl Smith, Jr., April Watson, and Eben Yong.	

1. Call to order/roll call

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

2. Public Comment

No public comments were received via email or verbally 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.

Mr. Curran welcomed Mr. Manny Santamaria, who was recently appointed to the commission. This is his first meeting. Mr. Santamaria expressed his appreciation in joining this group and for the welcoming he has received. He noted that he works with the Silicon Valley Community Foundation as its VP of Community Action, and and he is looking forward to the work ahead.

3. Approval of Agenda

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

Verbal roll call vote was taken:

Yes: 7 – Canepa, Graham, Miao, Pon, Santamaria, Tai, Zuniga.

No: 0

4. Approval of Consent Agenda

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

Verbal roll call vote was taken:

Yes: 7 – Canepa, Graham, Miao, Pon, Santamaria, Tai, Zuniga.

No: 0

5. Specific Discussion/Action Items

5.1 Resolution of Appreciation for Teresa Guingona Ferrer

[Commissioner Callagy joined the meeting at this time]

Mr. Pat Curran introduced the resolution of appreciation for Teresa Guingona Ferrer who left the commission in February. She was unable to attend today's meeting but he wanted to officially acknowledge her for her service on this commission and in this community. She served in many committees of the San Mateo Health Commission.

Commissioner Pon commented on the time he has spent working with Ms. Ferrer over the years and her contributions to this commission and the community.

Commissioner Canepa commented that Ms. Ferrer's work has been rooted in the community through her volunteer work. Her insights and observations on this commission were a tremendous value in sharing the community needs.

Motion to approve the resolution of appreciation of Teresa Guingona Ferrer as presented: **Canepa/ Second: Tai**

Verbal roll call vote was taken:

Yes: 8 – Callagy, Canepa, Graham, Miao, Pon, Santamaria, Tai, Zuniga.

No: 0

5.2 Update Presentation on CalAIM

Mr. Curran introduced Amy Scribner, Chief Health Officer, who presented an update on the activities and status on CalAIM. A copy of her presentation is attached.

Ms. Scribner touched on the following points:

- CalAIM is California's program for advancing and innovating Medi-Cal. This program is designed to update and innovate the Medi-Cal program for a more consistent and seamless system for enrollees.
- The program has a strong focus on improving quality outcomes and reducing health disparities by transforming the delivery system through value-based initiatives.
- CalAIM will position health plans as a hub in the healthcare system, focusing on leveraging existing partnerships and whole person care approaches, as well as creating new partnerships, including corrections and housing, to identify and address social drivers of health.
- CalAIM presents revenue opportunities through three incentive plans that will have an impact on HPSM and several others that community-based organizations. These are voluntary and the health plan has submitted them for approval:
    - The first is the Housing and Homelessness Incentive Program, or HHIP. This program enables the health plan to earn incentive funds for improving health outcomes and access to whole person care services by addressing homelessness and housing insecurity.
    - The second one is the Student Behavioral Health Incentive Program or SBHIP. This will support new investments and behavioral health services, infrastructure, information technology and data exchange and workforce capacity for school-based and school-affiliated behavioral health providers. The documentation for this program has been submitted and we have already received some funding.
    - The third one is the Cal AIM incentive payment program. This program is intended to support the implementation and expansion of Enhanced Case Management (ECM) and Community Supports by incentivizing managed care plans to facilitate and fund delivery system investment and provider capacity, including delivery system infrastructure. We have received approval on our initial plan. We are working with our providers on how to distribute and implement reporting mechanisms for these dollars.

  These three different incentive programs are allocating billions of dollars statewide. Additionally, there is another incentive program which doesn't hit the health plan but has a system impact, which is funding to expand medical waivers like the home and community based services waiver that can encourage alternatives for caregiving. These are important components of the system. In addition, there is also funding that goes directly to community-based organizations called PATH funding.

- Some challenges found in the process:
    - All the incentive programs are time limited to about two and a half years with very prescriptive statewide targets to help us build infrastructure, but do not cover any actual services being provided.

- Plans and partners are required to create sustainability plans and processes for when the funds run out. Additionally, there are several tracking and improvement requirements that are in place to qualify for the funding.
- Several new requirements for community-based organizations will mean a shift in the way they operate in order to fit into managed care. This includes administrative tasks such as credentialing, data tracking and claims submission. All these tasks are a heavy lift for many smaller community-based organization partners who do not have the infrastructure to administer these programs.
- Turn around times with DHCS also present a challenge. We receive regulations shortly before program launch, making it a challenge to implement effectively with our community partners.
- Quantifying and measuring social drivers is challenging due to the complicated nature of the services and their impact on health, such as housing, food, social services, and the home environment.

- Delivery Service Impacts:
  - A "No Wrong Door" approach will have an impact on BHRS and HPSM. This approach means that members can access behavioral health services from wherever they enter the system. Sometimes this could result in members getting services in both systems and the same time.
  - Another impact is the transition and hand-offs between the behavioral health systems. There are additional requirements for the mental health plans, like new specialty mental health criteria and some CPT code transitions. Care courts, mobile crisis and other services required through behavioral health on the mental health plan, which is BHRS, will impact the system as a whole.
  - Child and youth behavioral health initiatives delivering services in schools (Student Behavioral Health Incentive Plan) will create new partnerships focusing on prevention and early intervention with kids, which includes more robust screening.

- Cal MediConnect move to D-SNP:
  - The transition from Cal MediConnect to a duals special needs plan (DSNP) has staff focusing on star ratings, which are the CMS measures for health outcomes and member satisfaction.

- Homelessness and Housing / ECM
  - Continuing to expand services and relationships with the Housing Authority and senior housing developers, who can set aside units for members. We hope to expand our housing relationships through a new partnership to include housing for younger people I the coming year.
  - The Housing and Homelessness Incentive Program (HHIP) allows us to partner more closely with the County's Human Service Agency.

- Being an active member of the San Mateo Continuum of Care (stakeholders working together to end homelessness) on the behavioral health side. CalAIM will allow us to better coordinate care for members moving across the continuum from non-specialty to specialty mental health care (No Wrong Door approach).
- Continuing to expand services for medically tailored meals by increasing utilization and eligibility.
- Working on refining implementation to meet the needs of the new state requirements.

- New Relationships and Processes:
  - Two new populations we will be embarking upon through CalAIM are Justice-Involved population and the foster care population.
  - Programming will need to be developed for these two areas. The Justice-Involved population has been served through whole person care a little but will grow with corrections reforms that are coming.
  - HPSM's understanding of members in foster care is improving and we have begun a landscape assessment.
  - Engaging experts and stakeholders in these areas will help us better understand the gaps and needs as we prepare for programming.

- Increase Eligibility for Medi-Cal
  - Another piece of CalAIM in the governor's budget is the increased eligibility for Medi-Cal by removing the historical asset limits starting in 2024 and eliminating the prior requirement for citizenship status for the age 26-49 age group.

Commissioner Maio stated this is a very comprehensive program that will cover many unmet needs. She asked if there is a projection of the number of new members we could expect. She was also curious about the reimbursement if it is PMPM or fee-for-service.

Ms. Scribner stated that the Enhanced Case Management is a PMPM. Mr. Ehrgood explained that since these are new program DHCS will basically have to build estimations into our rates for some of them like the enhanced care management.

In year one, they will reconcile our actual expense and to approximate the funding. So, if they gave us too much, we will return it. In subsequent years the actual program costs will be reflected in our data based on actual utilization. Regarding membership impact, Ms. Scribner stated she would need to come back with more information.

Commissioner Zuniga asked about the Whole Person Care program and what replaced it. Ms. Scribner explained that Whole Person Care pilot ended on December 31, 2021, and this is the group that transitioned in January 1, 2022 to Enhance Care Management. Commissioner Zuniga wanted to ensure there is a way to evaluate equity and accessibility.

Ms. Scribner stated this is in process as the way to assess our readiness through population health.

There was a question about the caregiver support. Most of those services are through the home and community based alternatives waiver that transitioned into ECM and can be used as much as the need or want. We are trying to figure out is what the needs are for additional caregiving services as we expand over time. Our goal is by 2024 to offer caregiving and personal care assistance services more broadly to anyone who needs them. Ms. Scribner did say that she would welcome ideas on how to reach folks to don't have access to technology and are not getting our letters and for those who cannot read or write.

5.3 Approval of Amendment to Agreement with Palo Alto Medical Foundation / Sutter Health

Mr. Curran introduced the recommendation for approval of an amendment to the agreement with Palo Alto Medical Foundation that focuses on our Care Advantage membership, which is our Medicare plan. He explained that in this pilot, PAMF uses a team based care approach to address complex, high risk member needs. This program would extend the primary care and is already set up to do virtual visits, home visits, home monitoring and 24/7 care.

What we are trying to accomplish here is the triple aim. We will measure the member experience, health outcomes and cost. We will also see what aspects of this program can be spread to other organizations in our provider community. PAMF is going to work with us to grow membership based upon their current dual eligible population.

Commissioner Canepa asked if this arrangement might also be used with Seton. Mr. Curran stated this is specific to PAMF who already has the program developed but we can learn how we to deploy in other areas such as Seton. Mr. Curran mentioned that NEMS is looking at a residency program and will be working with Seton on this in the northern part of the county to bring additional primary care capacity to that community.

Motion to approve the amendment to agreement with Palo Alto Medical Foundation as presented: **Canepa/ Second: Tai**

Verbal roll call vote was taken:
Yes: 8 – Callagy, Canepa, Graham, Miao, Pon, Santamaria, Tai, Zuniga.
No: 0

6. Report from Chairman/Executive Committee

Commissioner Pon had nothing to report from the Executive Committee.

7. Report from Chief Executive Officer

Mr. Curran introduced Linnea Koopmans, who is joining us today. She is the CEO of Local Health Plans of California (LHPC). Mr. Curran extended greetings to her and appreciation on the Commission's behalf for Linnea and the work she oversees on behalf of all of the health plans. Ms. Koopmans has been involved in the communications at the state and federal level regarding the direct contract with Kaiser, representing all of our interests and doing it respectfully and knowledgeably. Ms. Koopmans expressed gratitude for hearing the presentations today and all that the health plan is working on in our communities. She stated there is a lot of time and resources spent on advocacy around the statewide Kaiser contract. We know it is moving forward so now the conversation has moved to what to do next, how do we implement it and what does it mean for our communities.

8. Other Business

No other business was discussed.

9. CLOSED SESSION

The commission moved to closed session at 1:33 pm.

- CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2)) (1 case)

- CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) THC-Orange County LLC d/b/a Kindred Hospital – San Francisco Bay Area v. San Mateo Health Commission d/b/a Health Plan of San Mateo et al. (Case No. 22-CIV-2376, Superior Court for the County of San Mateo)

10. Report Out on Closed Session

The commission reconvened at 2:01 pm. Kristina Paszek, County Counsel, reported that in closed session, the commissioners present unanimously voted to approve an agreement with Ankura for services in anticipation of litigation for an amount not to exceed $250,000 for the first closed session item.

She further reported that in relation to the second closed session item, the commission gave direction to staff.

11. Adjournment: The meeting was adjourned at 2:03 p.m.

Respectfully submitted:

C. Burgess

C. Burgess, Clerk of the Commission

RESOLUTION OF THE
SAN MATEO HEALTH COMMISSION

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

RESOLUTION 2022 - 19

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 10th day of August 2022 by the following votes:

AYES: Canepa, Graham, Miao, Pon, Santamaria, Tai, Zuniga.
NOES: -0-
ABSTAINED: -0-
ABSENT: Aviles, Callagy, France, Horsley.

_____
George Pon, Vice- Chairperson

ATTEST:
BY: C. Burgess
C. Burgess, Clerk

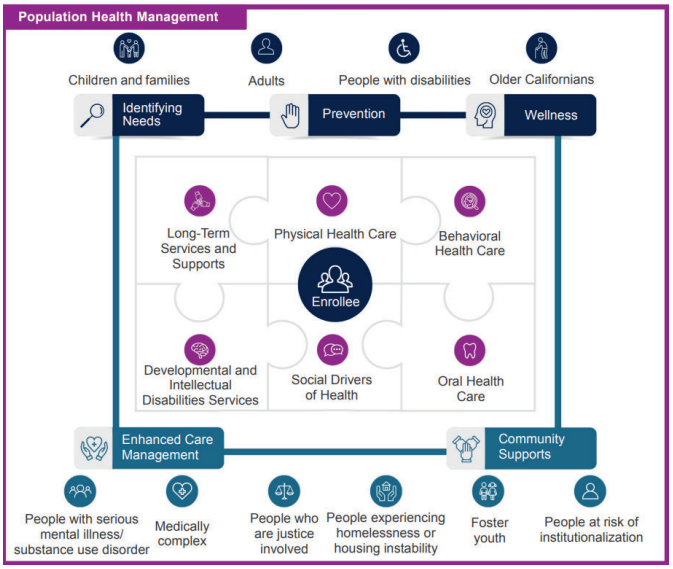
APPROVED AS TO FORM:
_____
Kristina Paszek
DEPUTY COUNTY COUNSEL

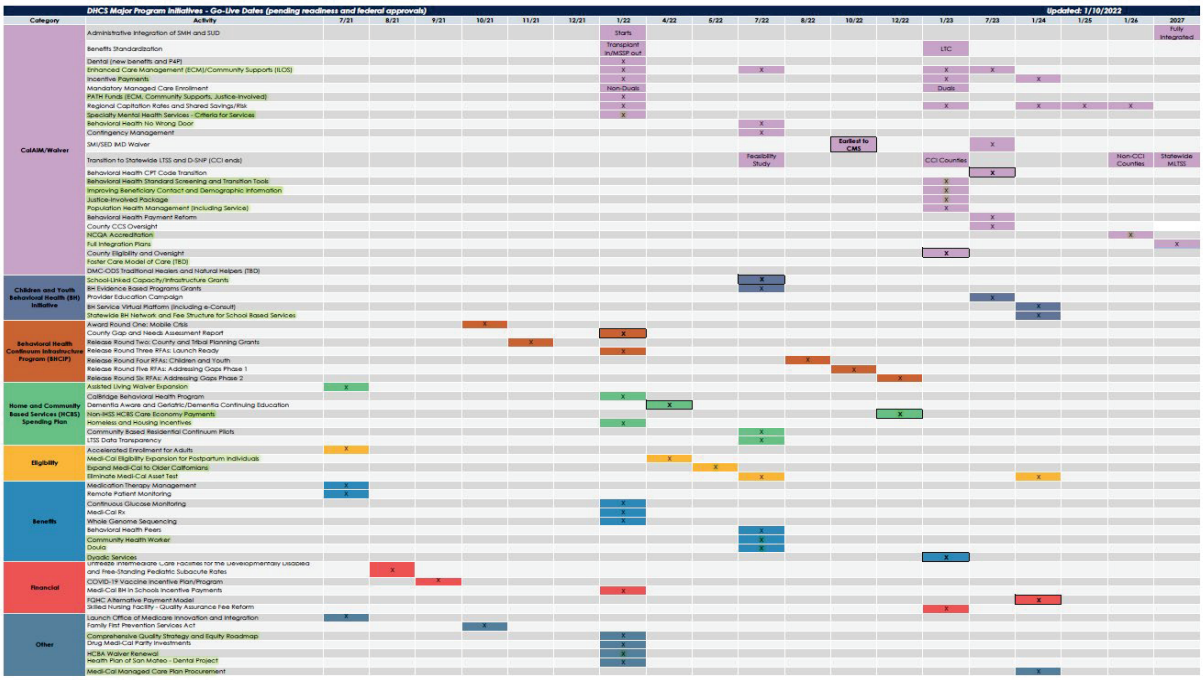
California Advancing and Innovating Medi-Cal (CalAIM)

HealthPlan OF SAN MATEO
Healthy is for everyone

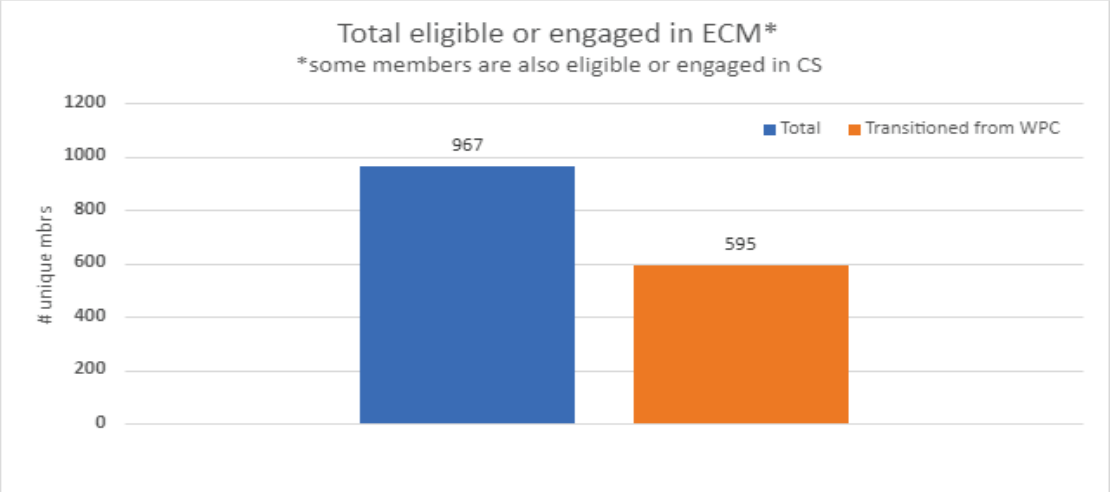
Medi-Cal transformation

Components

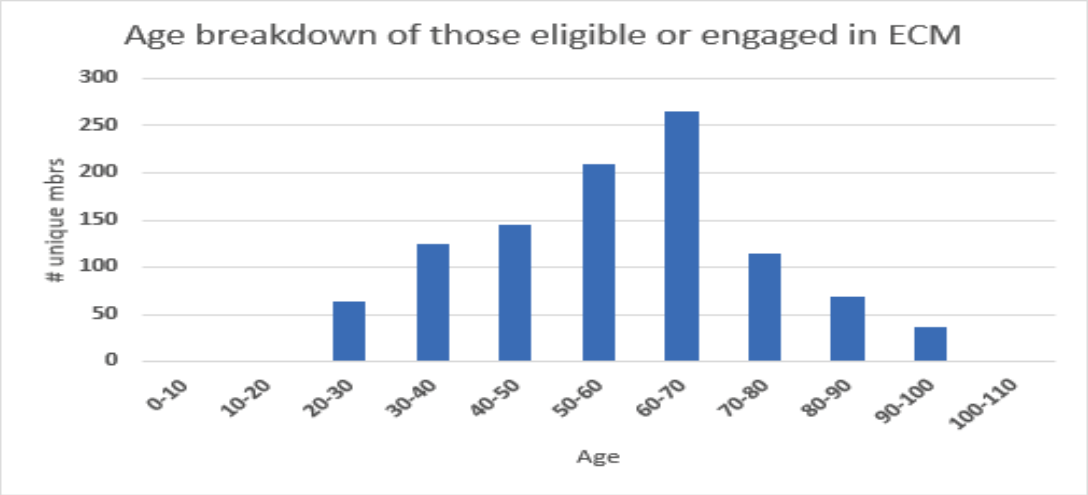

Population Health Management
Children and families
Adults
People with disabilities
Older Californians
Identifying Needs
Prevention
Wellness
Long-Term Services and Supports
Physical Health Care
Behavioral Health Care
Enrollee
Developmental and Intellectual Disabilities Services
Social Drivers of Health
Oral Health Care
Enhanced Care Management
Community Supports
People with serious mental illness/ substance use disorder
Medically complex
People who are justice involved
People experiencing homelessness or housing instability
Foster youth
People at risk of institutionalization


DHCS Major Program Initiatives - Go-Live Dates (pending readiness and federal approvals)
Updated: 1/10/2022
Category
Activity
7/21
8/21
9/21
10/21
11/21
12/21
1/22
4/22
5/22
7/22
8/22
10/22
12/22
1/23
7/23
1/24
1/25
1/26
2027
CalAIM/Waiver
Administrative Integration of SMH and SUD
Starts
Fully Integrated
Benefits Standardization
Transplant In/MSDP out
LTC
Dental (new Benefits and P4P)
Enhanced Care Management (ECM)/Community Supports (ILOS)
Incentive Payments
Mandatory Managed Care Enrollment
Non-Duals
Duals
PATH Funds (ECM, Community Supports, Justice-Involved)
Regional Capitation Rates and Shared Savings/Risk
Specialty Mental Health Services - Criteria for Services
Behavioral Health No Wrong Door
Contingency Management
SMI/SED IMD Waiver
Earliest to CMS
Transition to Statewide LTSS and D-SNP (CCI ends)
Feasibility Study
CCI Counties
Non-CCI Counties
Statewide MLTSS
Behavioral Health CPT Code Transition
Behavioral Health Standard Screening and Transition Tools
Improving Beneficiary Contact and Demographic Information
Justice-Involved Package
Population Health Management (including Service)
Behavioral Health Payment Reform
County CCS Oversight
NCQA Accreditation
Full Integration Plans
County Eligibility and Oversight
Foster Care Model of Care (TBD)
DMC-ODS Traditional Healers and Natural Helpers (TBD)
Children and Youth Behavioral Health (BH) Initiative
School-Linked Capacity/Infrastructure Grants
BH Evidence Based Programs Grants
Provider Education Campaign
BH Service Virtual Platform (including e-Consult)
Statewide BH Network and Fee Structure for School Based Services
Behavioral Health Continuum Infrastructure Program (BHCIP)
Award Round One: Mobile Crisis
County Gap and Needs Assessment Report
Release Round Two: County and Tribal Planning Grants
Release Round Three RFAs: Launch Ready
Release Round Four RFAs: Children and Youth
Release Round Five RFAs: Addressing Gaps Phase 1
Release Round Six RFAs: Addressing Gaps Phase 2
Home and Community Based Services (HCBS) Spending Plan
Assisted Living Waiver Expansion
CalAIM Behavioral Health Program
Dementia Aware and Geriatric/Dementia Continuing Education
Non-IMD HCBS Care Economy Payments
Homeless and Housing Incentives
Community Based Residential Continuum Pilots
LTSS Data Transparency
Eligibility
Accelerated Enrollment for Adults
Medi-Cal Eligibility Expansion for Postpartum Individuals
Expand Medi-Cal to Older Californians
Eliminate Medi-Cal Asset Test
Benefits
Medication Therapy Management
Remote Patient Monitoring
Continuous Glucose Monitoring
Medi-Cal Rx
Whole Genome Sequencing
Behavioral Health Peers
Community Health Worker
Doula
Dyadic Services
Financial
Increase Intermediate Care Facilities for the Developmentally Disabled and Free-Standing Pediatric Subacute Rates
COVID-19 Vaccine Incentive Plan/Program
Medi-Cal BH In Schools Incentive Payments
FQHC Alternative Payment Model
Skilled Nursing Facility - Quality Assurance Fee Reform
Other
Launch Office of Medicare Innovation and Integration
Family First Prevention Services Act
Comprehensive Quality Strategy and Equity Roadmap
Drug Medi-Cal Parity Investments
HCBA Waiver Renewal
Health Plan of San Mateo - Dental Project
Medi-Cal Managed Care Plan Procurement

Enhanced Case Management (ECM)



Enhanced Case Management (ECM)



ECM POF Implementation Timeline

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January 1, 2022

- Homelessness – individuals and families
- Adult High Utilizer
- Adults with SMI/SUD

July 1, 2023

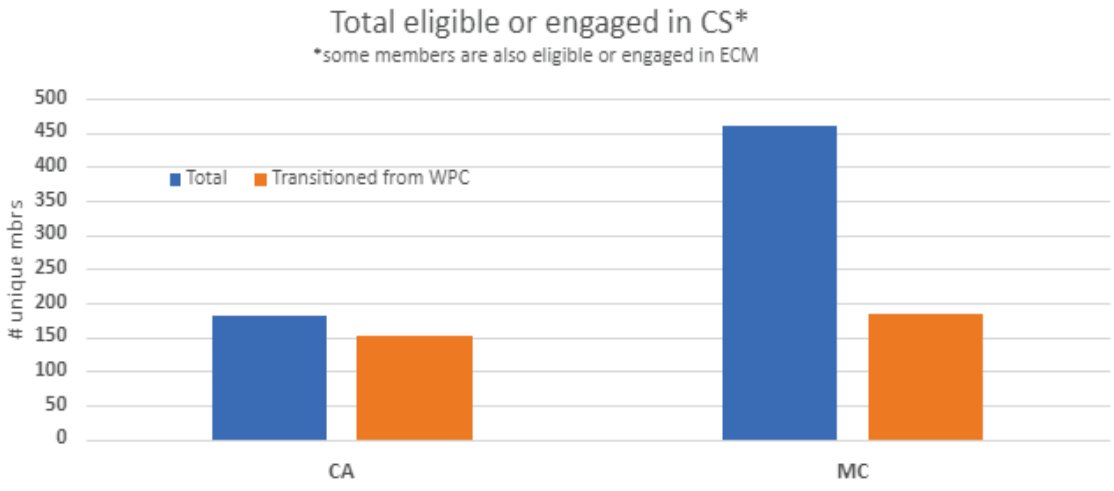
- Children and Youth
- Justice Involved – date still TBD

January 1, 2023

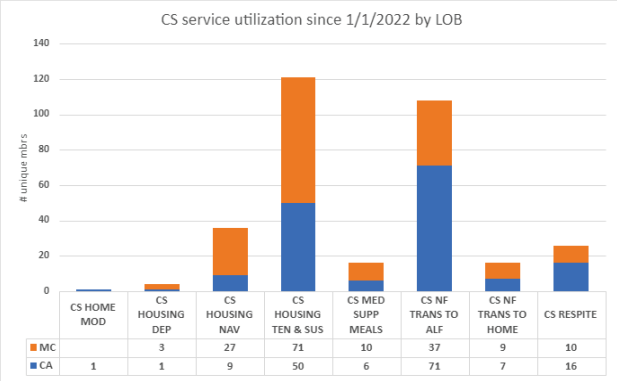
- At risk for institutionalization
- Nursing home residents

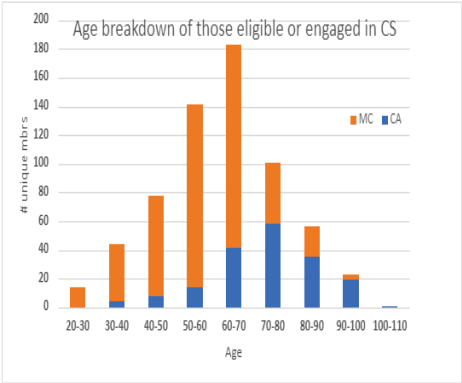
Community Supports

HealthPlan OF SAN MATEO
Healthy is for everyone



Community Supports





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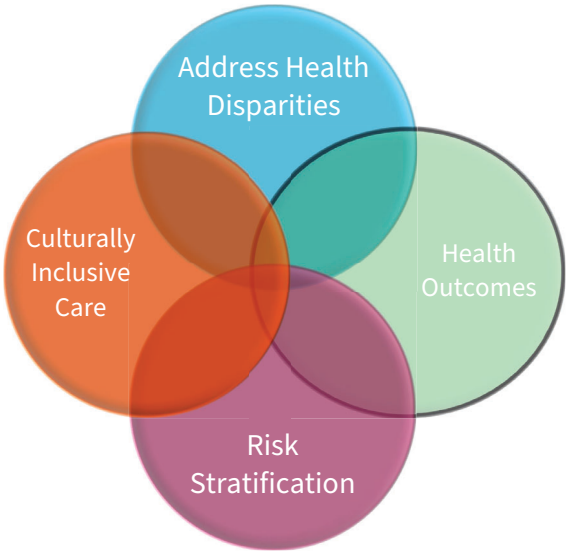
Population Health Management



Improvement and Revenue Opportunities

- Housing and Homelessness Incentive Program (HHIP)
- Student Behavioral Health Incentive Program (SBHIP)
- CalAIM - Incentive Payment Program (IPP)
- Expansion of Medi-Cal waivers, such as HCBS

Challenges

- One time and limited funding
- Shifts for Community Based Organizations into Managed Care
- New and evolving State regulations result in short timelines for implementation
- Measures of success for Social Drivers of Health programming is difficult to quantify

Delivery System impacts

- BH Reform
- Child and Youth BH Initiatives
- CMC to D-SNP
- Full integration pilots

Looking forward

- Expanding services and relationships we already have
  - Housing – senior set-asides, strengthen HSA/Department of Housing/CoC relationships
  - Behavioral Health – BHRS
  - ECM/CS – CCSP, medically tailored meals
  - Population health – identifying and addressing social drivers, risk stratification and reducing health disparities
- Developing new relationships and processes
  - Corrections/justice-involved
  - Foster care
- Increased eligibility
  - New MC members

Questions?

AGENDA ITEM: 5.1

DATE: September 14, 2022

Meeting materials are not included

for Item 5.1 – Medicare Plan

Update

MEMORANDUM

AGENDA ITEM: 5.2

DATE: September 22, 2022

DATE: September 6, 2022

TO: San Mateo Health Commission

FROM: Patrick Curran, Chief Executive Officer

RE: Employee Incentive Plan

Recommendation:

Implement an Employee Incentive Plan for all HPSM employees that would take effect in calendar year 2023 and have the first potential payout in 2024.

Background:

HPSM is a community-based mission driven organization that is primarily funded by public entities, such as the state and federal government. As such, HPSM has an important stewardship role of the financial resources we receive to arrange for covered services for our members.

As HPSM looks to the future, we see a compelling organizational imperative that we use our resources, both people and financial, to improve health outcomes and reduce disparities for our members. Historically, HPSM has not included employee financial incentives as a part of overall employee compensation.

Discussion:

By implementing this plan, HPSM introduces a program in which all HPSM employees can participate and achieve the same percentage of their salary as an annual incentive payment. The plan is also aligned with our overall goal of achieving the Triple Aim (financial sustainability, health outcomes, and member experience) for our members. Payment only occurs if we are good stewards of public dollars, improve member health outcomes, and reduce health disparities for our members.

Fiscal Impact:

The payout of the Employee Incentive Plan could be up to 5% of employee salaries. The plan is structured so that achieving 100% of the payout is very challenging, and if it does occur, the amount of savings in administrative expenses is more than the payout amount. In other words, the plan in many instances pays for itself. There are permutations of partial payout in which the administrative expense savings does not exceed the payout, but HPSM will still have a positive net income for the year as the threshold basis for payout.

DRAFT

RESOLUTION OF THE

SAN MATEO HEALTH COMMISSION

IN THE MATTER OF RATIFICATION OF THE HPSM EMPLOYEE INCENTIVE PLAN

RESOLUTION 2022 -

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 implement an Employee Incentive Plan as a way to align employee efforts in improving the health and well-being of our community.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The San Mateo Health Commission approves the implementation of an HPSM Employee Incentive Plan, which will be administered according to policies and procedures developed and implemented by HPSM leadership. The Employee Incentive Plan will apply to all HPSM staff except for the Chief Executive Officer, whose compensation is determined by the San Mateo Health Commission.

PASSED, APPROVED, AND ADOPTED by the San Mateo Health Commission this 14th day of September 2022 by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Don Horsley, Chairperson

ATTEST:

BY: _____
C. Burgess, Clerk

APPROVED AS TO FORM:

_____
Kristina Paszek
DEPUTY COUNTY COUNSEL

HPSM Employee Incentive Plan Proposal

Health Commission Meeting: September 14, 2022

HealthPlan OF SAN MATEO
Healthy is for everyone

Rationale

Achieving and continuing to improve member experience (as measured by CAHPS) and health outcomes (as measured by HEDIS and other metrics), as well as reducing disparities, is critical for HPSM's future and for our members' health and well-being.

Putting in place an employee incentive plan is a tangible way to align staff work toward common goals and assists in prioritizing the use of our limited resources.

Creating a plan that makes payments only when the organization has positive net income and strong financial health will ensure its long-term sustainability.

Incentive Plan Description

- **Goal**: Each HPSM employee can achieve a financial incentive for helping HPSM strive toward our vision that Healthy is for Everyone.
- **Threshold**: Positive net income for the calendar year. The Health Commission may recommend partial payout if there is negative net income due to extenuating circumstances. In addition, HPSM reserves must meet Health Commission designated minimum levels.
- **Maximum Incentive**: Each staff member can earn up to a maximum of 5% of current salary.
- **Eligibility**: All employees who were employed during the year, prorated for those who joined during the year. Employees must be currently employed at HPSM at the time of payout (June-July of the following year).
- **Metrics**: A simple combination of metrics that combines fiscal stewardship with improved health outcomes and health equity for our members.
- **Implementation Date**: The first measurement year would be 2023 and the first potential payout to employees would be June-July 2024.

Incentive Plan Metrics

	Baseline	Target	Stretch
Stewardship of Administrative Expenses	Meet budget	5% under budget	10% under budget
Overall Medi-Cal Aggregated Quality Factor Score (AQFS)	Equal to prior year	10% improvement from prior year	Top 10% of counties (top 6 counties)
Medicare Star Rating for 2023 and 2024*	Equal to prior year	10% improvement from prior year	25% improvement from prior year
Health Equity Metric (Different each year)	Baseline	TBD	TBD

	Baseline	Target	Stretch
Exceed target for administrative budget	10 points	20 points	40 points
Overall Medi-Cal Aggregated Quality Factor Score (AQFS)	5 points	10 points	20 points
Medicare Star Rating	5 points	10 points	20 points
Health Equity Metric	5 points	10 points	20 points

**Beginning in 2025, Medicare Star Rating Metric will be: Baseline (4 stars); Target (4.5 stars); Stretch (5 Stars)*

Summary of Incentive Plan Metrics

40% of Total Score is related to efficient use of health plan resources as measured by administrative costs.

40% of Total Score is related to improved health outcomes for HPSM members.

20% of Total Score is related to achieving demonstrated reductions in health disparities for HPSM members.

Sample Calculation

- Admin budget is 7% below budget
- Achieved 4th highest AQFS quality score for all counties in California
- Demonstrate 12% improvement in overall Medicare Star Rating score
- Don't achieve baseline for health equity measure

	Baseline	Target	Stretch
Exceed target for administrative budget	10	20	40
Overall Medi-Cal Quality Score	5	10	20
Medicare Star Rating	5	10	20
Health Equity (Different each year)	5	10	20
Total = 50/100 = 50% = 2.5% of annual pay			

Summary

Achieving and continuing to improve member experience (as measured by CAHPS) and health outcomes (as measured by HEDIS and other metrics), as well as reducing disparities, is critical for HPSM's future and for our members' health and well-being.

Putting in place an employee incentive plan is a tangible way to align staff work toward common goals and assists in prioritizing the use of our limited resources.

Creating a plan that makes payments only when the organization has positive net income and strong financial health will ensure its long-term sustainability.

MEMORANDUM

AGENDA ITEM: 7.0

DATE: September 14, 2022

DATE: September 6, 2022

TO: San Mateo Health Commission

FROM: Patrick Curran

RE: CEO Report – September 2022

Public Health Emergency (PHE)

We still have no official notice or inclination that the PHE will end in October. Extending the PHE means that the redetermination process will not begin for more than 14 million Medi-Cal beneficiaries until 2023. This redetermination process, when implemented, will occur over a 14-month timeframe, and beneficiaries will renew coverage on their prior redetermination date. Though we do not have a date for the end of the PHE, HPSM staff are working with the Health Coverage Unit of San Mateo County Health and the Human Services Agency of San Mateo County to ensure an efficient process once the redetermination process does begin.

Federal Legislation

The signing of the Inflation Reduction Act of 2022 (IRA) includes several health care provisions. The area most likely to affect HPSM is pharmacy coverage. The legislation made several changes to the purchasing and administration of the Medicare Part D program. These changes will take effect over the next several years and have no immediate effect on HPSM or our members. We will provide an overview of the changes and the impact on HPSM members at a future Health Commission meeting.

There is also activity related to legislation to improve coordination of care for dual eligible beneficiaries (those who have both Medicare and Medi-Cal coverage). HPSM has been participating in the advocacy for these initiatives through both ACAP, our national health plan association, and Leavitt Partners, a national coalition of plans, advocates, states, and policymakers. We will update the Health Commission regarding the progress of this proposed legislation.

2024 Medi-Cal Contract

As mentioned last month, the state is undergoing a statewide procurement process and implementing a new contract for all plans in 2024. HPSM did not need to apply or re-apply to serve Medi-Cal members, but other geographic locations did. In so-called two-plan counties, the commercial plans applied to serve Medi-Cal members alongside the local initiative plan. In two counties, San Diego and Sacramento, there are currently several plans serving Medi-Cal members. This model is called Geographic Managed Care. The state is changing that model so that only two plans will serve members in those counties beginning in 2024.

The state announced its procurement decisions at the end of August and Community Health Group (CHG), a local nonprofit health plan that has served its community for 40 years and a member of Local Health Plans of

California (LHPC), was not selected as one of the two plans in San Diego County. CHG has the largest Medi-Cal membership in San Diego, as well as operating a Medicare plan similar to HPSM. CHG will appeal the decision. Another notable change in health plans is that HealthNet, a division of Centene, was not selected to renew its participation in Los Angeles County.