

MINUTES
Santa Clara County Health Authority
Executive Committee

Thursday, May 16th, 2013
8:30-10:00 AM
Santa Clara Family Health Plan
210 E. Hacienda Avenue
Campbell CA 95008

Members present:

Mr. Bob Brownstein
Ms. Michele Lew
Mr. Chris Dawes
Dr. Wally Wenner
Dr. Dale Rai

Members absent:

None

Staff present:

Ms. Elizabeth Darrow, Chief Executive Officer
Mr. Dave Cameron, Chief Financial Officer
Ms. Shannon McNally, Executive Assistant
Mr. Rayne Johnson, Chief Information Officer
Mr. Matt Woodruff, Chief Operations Officer
Mr. Jeff Robertson, Chief Medical Officer

Others present:

Mr. Dan Peddycord, SCCHA Governing Board Member
Ms. Laura Jones, SCCHA Governing Board Member
Ms. Judy Chirco, SCCHA Governing Board Member
Ms. Linda Williams, SCCHA Governing Board Member
Ms. Emily Harrison, SCCHA Governing Board Member
Ms. Patti DeMelopine, SCCHA Governing Board Member
Mr. Mark Pasos, Walgreens Co.

1. Roll call

The meeting was called to order at 8:32 a.m. by Ms. Lew. Roll call was taken, and a quorum was established.

2. Public comment

There was no public comment.

3. Action item: Approve minutes of Executive Committee dated March 14th, 2013.

It was moved, seconded, and approved to approve the minutes as presented

4. Discussion item: Dual Demonstration Project

Ms. Darrow gave an overview on the Coordinated Care Initiative which included the following highlights:

- Coordination of care for dual eligible enrollees
- Three way contract between CMS, DHCS and SCFHP
- Health Plan takes risk for all Medicare benefits and all Medi-cal benefits
- Intention is to better manage the care, save the state and federal government money and integrate the medical and social services

Ms. Darrow commented that the Health Plan had been chosen to participate in the Duals Demonstration Project. The original requirement was that the two-plan model counties had to both enter to participate and both be selected. If only one plan was selected neither was able to go any further. The Health Plan takes risks for all of their Medicare benefits and for all of their Medi-Cal benefits. This is different from the Medi-Cal benefits we take risk for now because this will be inclusive of long term care, long term support services and all of the waiver programs.

Ms. Darrow also commented on Health Plan Readiness stating that the Plan would need to implement a new system for Medicare enrollment processing and Medicare claims processing and crossover claims. Moving forward would also require a significant staffing increase for the Health Plan.

Ms. Darrow noted that the May Revise included additional information regarding the Coordinated Care Initiative:

- Enrollment no sooner than January 2014
- Mandatory enrollment of duals into Medi-Cal Managed Care Plans
- Move forward with integration of IHSS/MSSP/LTSS into the Managed care Plans in the 8 counties (even if Medicare Demonstration does not go forward or plan opts out)

Ms. Darrow commented that the Health Plan needs to consider the demonstration versus the Dual SNP in regard to long term issues and competition. The Health Plan has one chance to be in the demo according to DHCS. DHCS also clarified that if the Health Plan pulled out of the demo that Blue Cross would still be eligible to participate.

Mr. Brownstein, committee member, asked Ms. Darrow to expand on what it means to integrate IHSS and LTSS. Ms. Darrow commented that currently the Plan has several members who use the benefit of Medi-Cal, which is Long Term Care and Long Term Support Services including In Home Support Services, which helps beneficiaries to stay in their homes. Now, those become the risk of the Health Plan and the Plan pays for those services.

Mr. Cameron provided a summary of 5 months of aggregation for Medi-Cal. Mr. Cameron noted that the Plan had used two actuaries because of the complexity and there are so many adjustments involved. Mr. Cameron commented that the trend rate of 0.6% vs. 4.0% is the primary driver of difference in projections. The managed care adjustments seem large and the current estimates did not reflect any adjustment for increased acuity due to the opt-out option. Ms Darrow commented that the majority of the population is considered community well, meaning the Plan shouldn't expect high medical costs. Members who haven't had any services defaulted into this category. These could be members who, for some reason, have never accessed care or are somehow under the radar and show no data. This is one of the reasons why we want the actuary to actuary discussion and peer review of this to understand the state's assumptions and also to understand the fluctuations in the codes.

5. Discussion item: Special Needs Plan Submission

Ms. Darrow commented that she did not believe the SNP program was an option now since it would be almost impossible to do with the final budget language

whereby if the Plan was not a SNP by the end of 2013 the State would not offer a MIPPA contract for duals.

6. Discussion item: CEO Update

Ms. Darrow gave an update on the Plan's work with the county in becoming their MSO. After conversations with Paul Lorenz, VMC is so focused on their systems conversion that this will be put on hold until next year.

Ms. Darrow stated that the Plan had their first audit for the Customer Service Excellence Award. The Plan had very good survey results from employees. The Plan has also been given a list of improvements that need to be implemented. SCFHP will be audited again in six to nine months and the Plan hopes to then receive their Excellence Award.

By way of further discussion, Ms. Darrow commented that the Plan has started performance evaluations for employees and that there was almost 100% participation with self reviews. The Plan also celebrated reaching 150,000 members this week.

Lastly, Ms. Darrow informed the committee that the Santa Clara Family Health Foundation would be separating from the Health Plan as of June 30th.

Executive Session

7. Adjourn to closed session

a. Real Property Negotiations (Government Code Section 54956.8)

It is the intention of the Executive Committee of the Santa Clara County Health Authority Governing Board to meet in Closed Session to confer with its Real Property Negotiators concerning:

The price and terms for the possible acquisition of real property located at 210 E. Hacienda Avenue, Campbell, CA 95008, APN 424-33-121. The negotiator for the Health Authority is Dave Cameron, Chief Financial Officer. The other negotiating party is the owner of the

210 E. Hacienda Avenue property.

b. Personnel (Government Code 54957)

It is the intention of the Committee to meet in closed session to consider the performance evaluation of the Chief Executive Officer.

8. Report from closed session

The Executive Committee discussed property negotiations. No action was taken.

The Executive Committee discussed personnel issues. No action was taken.

It was moved, seconded, and approved to adjourn the meeting at 9:52 a.m.

Shannon McNally, Secretary to the Board