L.A. Care HEALTH PLAN
For All of L.A.

BOARD OF GOVERNORS MEETING

February 3, 2022 • 2:00 PM

L.A. Care Health Plan

1055 W. 7th Street, Los Angeles, CA 90017

ELEVATING HEALTHCARE IN LOS ANGELES COUNTY SINCE 1997

L.A. Care HEALTH PLAN
For All of L.A.

About L.A. Care Health Plan

Statement

L.A. Care's mission is to provide access to quality health care for Los Angeles County's vulnerable and low-income communities and residents and to support the safety net required to achieve that purpose.

Overview

Committed to the promotion of accessible, affordable and high quality health care, L.A. Care Health Plan (Local Initiative Health Authority of Los Angeles County) is an independent local public agency created by the State of California to provide health coverage to low-income Los Angeles County residents. Serving more than 2.4 million members in four product lines, L.A. Care is the nation's largest publicly operated health plan.

L.A. Care Health Plan is governed by 13 board members representing specific stakeholder groups, including consumer members, physicians, federally qualified health centers, children's health care providers, local hospitals and the Los Angeles County Department of Health Services.

L.A. Care advances individual and community health through a variety of targeted activities including a Community Health Investment Fund and sponsorships program that have awarded more than $180 million throughout the years to support the health care safety net and expand health coverage. The patient-centered health plan has a robust system of consumer advisory groups, including 11 Regional Community Advisory Committees (governed by an Executive Community Advisory Committee), 35 health promoters and nine Resource Centers that offer free health education and exercise classes to the community, and has made significant investments in Health Information Technology for the benefit of the more than 10,000 doctors and other health care professionals who serve L.A. Care members.

Programs

- **Medi-Cal** – In addition to offering a direct Medi-Cal line of business, L.A. Care works with three subcontracted health plans to provide coverage to Medi-Cal members. These partners are Anthem Blue Cross, Blue Shield of California Promise Health Plan and Kaiser Permanente. Medi-Cal beneficiaries represent a vast majority of L.A. Care members.

- **L.A. Care Covered™** – As a state selected Qualified Health Plan, L.A. Care provides the opportunity for all members of a family to receive health coverage under one health plan in the Covered California state exchange.

- **L.A. Care Cal MediConnect Plan** – L.A. Care Cal MediConnect Plan provides coordinated care for Los Angeles County seniors and people with disabilities who are eligible for Medicare and Medi-Cal.

- **PASC-SEIU Homecare Workers Health Care Plan** – L.A. Care provides health coverage to Los Angeles County's In-Home Supportive Services (IHSS) workers, who enable our most vulnerable community members to remain safely in their homes by providing services such as meal preparation and personal care services.

L.A. Care Membership by Product Line – As of December 2021	
Medi-Cal	**2,325,929**
L.A. Care Covered	**102,780**
Cal MediConnect	**18,885**
PASC-SEIU	**50,625**
Total membership	**2,498,219**
L.A. Care Providers – As of December 2020	
Physicians	**6,061**
Specialists	**13,723**
Both	**731**
Hospitals, clinics and other health care professionals	**12,257**
Financial Performance (FY 2020-2021 budget)	
Revenue	**$7.7M**
Fund Equity	**$778,308**
Net Operating Surplus	**($169,273)**
Administrative cost ratio	**5.8%**
Staffing highlights	
Full-time employees (Actual as of September 2020)	**2,088**
Projected full-time employees (FY 2020-2021 budget)	**2,033**

L.A. Care HEALTH PLAN

Schedule of Meetings
February 2022

Monday	Tuesday	Wednesday	Thursday	Friday
	1	2	3 ***Board of Governors Meeting*** *2 PM*	4
7	8	9 ***ECAC Meeting*** *10 AM* *(for approx. 2 hours)*	10	11
14	15	16	17	18
21	22 ***Finance & Budget*** *1 pm* *(for approx. 1 hour)* ***Executive Committee*** *2 pm* *(for approx. 2 hours)*	23	24	25
28				

Due to COVID 19 pandemic, California Governor issued Executive Order N-25-20, N-29-20, which among other provisions amends the Ralph M. Brown Act and Executive Order N 33-20, ordering all residents to stay in their homes, except for specific essential functions.
L.A. Care has temporarily suspended some of its public meetings.

For information on the current month's meetings, check calendar of events at www.lacare.org. Meetings may be cancelled or rescheduled at the last moment. To check on a particular meeting, please call (213) 694-1250 or send email to boardservices@lacare.org.

Prepared by mhbalones/printed on 01/24/22

L.A. Care HEALTH PLAN
1055 W. 7th Street, 1st Floor, Los Angeles, **CA 90017**
Tel. (213) 694-1250 / Fax (213) 438-5728

BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2022 MEETING SCHEDULE / MEMBER LISTING

	MEETING DAY, TIME & LOCATION	MEETING DATES	BOARD MEMBERS / STAFF CONTACT
BOARD OF GOVERNORS	**1st Thursday** 2:00 PM *(for approximately 3 hours)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **Placeholder meeting* ***Offsite meeting – location TBD* ****All Day Retreat – location TBD*	February 3 March 3* April 7 May 5 June 2** July 28 *No meeting in August* September 1*** October 6* November 3 December 1	Hector De La Torre, *Chairperson* Alvaro Ballesteros, MBA, *Vice Chairperson* Ilan Shapiro, MD, MBA, FAAP, FACHE. *Treasurer* Stephanie Booth, MD, *Secretary* Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Antonia Jimenez Supervisor Holly J. Mitchell Hilda Perez G. Michael Roybal, MD, MPH Nina Vaccaro, MPH VACANT **Staff Contact:** John Baackes *Chief Executive Officer, x4102* Linda Merkens *Senior Manager, Board Services, x4050*
BOARD COMMITTEES			
EXECUTIVE COMMITTEE	**4th Tuesday of the month** 2:00 PM *(for approximately 2 hours)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **2nd Tuesday due to religious holiday* ***2nd Tuesday due to Thanksgiving holiday*	February 22 March 22 April 26 May 24 June 28 *No meeting in July* August 23 September 20* October 25 November 15** *No meeting in December*	Hector De La Torre, *Chairperson* Alvaro Ballesteros, MBA, *Vice Chairperson* Ilan Shapiro, MD, MBA, FAAP, FACHE. *Treasurer* Stephanie Booth, MD, *Secretary* Hilda Perez *Compliance & Quality Committee Chair* **Staff Contact:** Linda Merkens *Senior Manager, Board Services, x4050* Malou Balones *Board Specialist III, Board Services x4183*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
2022 MEETING SCHEDULE / MEMBER LISTING

	MEETING DAY, TIME & LOCATION	MEETING DATES	BOARD MEMBERS / STAFF CONTACT
COMPLIANCE & QUALITY COMMITTEE	**3rd Thursday every 2 months** 2:00 PM *(for approximately 2 hours)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **tentative*	March 17 May 19 *No meeting in July* August 18 September 15* November 17 *No meeting in December*	Stephanie Booth, MD, *Chairperson* Alvaro Ballesteros, MBA Hilda Perez G. Michael Roybal, MD, MPH Nina Vaccaro, MPH **Staff Contact:** Victor Rodriguez *Board Specialist II, Board Services x 5214*
FINANCE & BUDGET COMMITTEE	**4th Tuesday of the month** 1:00 PM *(for approximately 1 hour)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **2nd Tuesday due to religious holiday* ***2nd Tuesday due to Thanksgiving holiday*	February 22 March 22 April 26 May 24 June 28 *No meeting in July* August 23 September 20* October 25 November 15** *No meeting in December*	Ilan Shapiro, MD, MBA, FAAP, FACHE, *Chairperson* Stephanie Booth, MD Hector De La Torre Hilda Perez G. Michael Roybal, MD, MPH **Staff Contact:** Malou Balones *Board Specialist III, Board Services x4183*
GOVERNANCE COMMITTEE	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **MEETS AS NEEDED**		Hilda Perez, *Chairperson* Stephanie Booth, MD Layla Gonzalez Antonia Jimenez Nina Vaccaro, MPH **Staff Contact:** Malou Balones *Board Specialist III, Board Services/x 4183*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
2022 MEETING SCHEDULE / MEMBER LISTING

	MEETING DAY, TIME & LOCATION	MEETING DATES	BOARD MEMBERS / STAFF CONTACT
SERVICE AGREEMENT COMMITTEE	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **MEETS AS NEEDED**		Layla Gonzalez, *Chairperson* George W. Greene Antonia Jimenez Hilda Perez **Staff Contact** Malou Balones *Board Specialist III, Board Services/x 4183*
AUDIT COMMITTEE	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **MEETS AS NEEDED**		Alvaro Ballesteros, MBA, *Chairperson* Stephanie Booth, MD, Layla Gonzalez **Staff Contact** Malou Balones *Board Specialist III, Board Services, x 4183*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
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L.A. CARE COMMUNITY HEALTH PLAN	**Meets Annually or as needed** L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **Placeholder meeting* ***Offsite meeting – location TBD* ****All Day Retreat – location TBD*		Hector De La Torre, *Chairperson* Alvaro Ballesteros, MBA, *Vice Chairperson* Ilan Shapiro, MD, MBA, FAAP, FACHE. *Treasurer* Stephanie Booth, MD, *Secretary* Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Antonia Jimenez Supervisor Holly J. Mitchell Hilda Perez G. Michael Roybal, MD, MPH Nina Vaccaro, MPH VACANT **Staff Contact:** John Baackes, *Chief Executive Officer, x4102* Linda Merkens, *Senior Manager, Board Services, x4050*
L.A. CARE JOINT POWERS AUTHORITY	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250 **Placeholder meeting* ***Offsite meeting – location TBD* ****All Day Retreat – location TBD*	March 3* April 7 May 5 June 2** July 28 *No meeting in August* September 1*** October 6* November 3 December 1	Hector De La Torre, *Chairperson* Alvaro Ballesteros, MBA, *Vice Chairperson* Ilan Shapiro, MD, MBA, FAAP, FACHE. *Treasurer* Stephanie Booth, MD, *Secretary* Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Antonia Jimenez Supervisor Holly J. Mitchell Hilda Perez G. Michael Roybal, MD, MPH Nina Vaccaro, MPH VACANT **Staff Contact:** John Baackes, *Chief Executive Officer, x4102* Linda Merkens, *Senior Manager, Board Services, x4050*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
2022 MEETING SCHEDULE / MEMBER LISTING

PUBLIC ADVISORY COMMITTEES			
CHILDREN'S HEALTH CONSULTANT ADVISORY COMMITTEE GENERAL MEETING	**3rd Tuesday of every other month** 8:30 AM *(for approximately 2 hours)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	March 15 May 17 *No meeting in July* August 16 September 20 November 15	**Tara Ficek, MPH,** *Chairperson* **Staff Contact:** Victor Rodriguez *Board Specialist II, Board Services/x 5214*
EXECUTIVE COMMUNITY ADVISORY COMMITTEE	**2nd Wednesday of the month** 10:00 AM *(for approximately 3 hours)* L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	February 9 March 9 April 13 May 11 June 8 *No meeting in July* August 10 September 14 October 12 November 9 December 14	**Fatima Vasquez,** *Chairperson* **Staff Contact:** Idalia Chitica**,** *Community Outreach & Education, Ext. 4420*
TECHNICAL ADVISORY COMMITTEE	**Meets Quarterly** L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250		Richard Seidman, MD, MPH*, Chairperson* **Staff Contact:** Victor Rodriguez *Board Specialist II, Board Services/x 5214*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
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REGIONAL COMMUNITY ADVISORY COMMITTEES
DUE TO COVID 19 PANDEMIC, CALIFORNIA GOVERNOR ISSUED EXECUTIVE ORDER N-25-20, N-29-20, WHICH AMONG OTHER PROVISIONS AMENDS THE RALPH M. BROWN ACT AND EXECUTIVE ORDER N 33-20 ORDERING ALL RESIDENTS TO STAY IN THEIR HOMES, EXCEPT FOR SPECIFIC ESSENTIAL FUNCTIONS. L.A. CARE HAS TEMPORARILY SUSPENDED SOME OF ITS PUBLIC MEETINGS.

REGION 1 **ANTELOPE VALLEY**	**3rd Friday of every other month** 10:00 AM *(for approximately 2-1/2 hours)* L.A. Care Family Resource Center-Palmdale 2072 E. Palmdale Blvd. Palmdale, CA 93550 (213) 438-5580		**Russel Mahler,** *Chairperson* **Staff Contact:** Kristina Chung *Community Outreach & Education, x5139*
REGION 2 **SAN FERNANDO VALLEY**	**3rd Monday of every other month** 10:00 AM *(for approximately 2-1/2 hours)* L.A. Care Family Resource Center-Pacoima 10807 San Fernando Road Pacoima, CA 91331 (844) 858-9942		**Estela Lara,** *Chairperson* **Staff Contact:** Martin Vicente *Community Outreach & Education, x 4423*
REGION 3 **ALHAMBRA, PASADENA AND FOOTHILL**	**3rd Tuesday of every other month** 9:30 AM *(for approximately 2-1/2 hours)* Robinson Park Recreation Center 1081 N. Fair Oaks Avenue Pasadena, CA 91103 (626) 744-7330		**Cynthia Conteas-Wood,** *Chairperson* **Staff Contact:** Frank Meza *Community Outreach & Education, x4239*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
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REGION 4 **HOLLYWOOD-WILSHIRE, CENTRAL L.A. AND GLENDALE**	**3rd Wednesday of every other month** 9:30 AM *(for approximately 2-1/2 hours)* L.A. Care Health Plan Conference Room 100 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250		**Sylvia Poz,** *Chairperson* **Staff Contact:** Kristina Chung *Community Outreach & Education, x5139*
REGION 5 **CULVER CITY, VENICE, SANTA MONICA, MALIBU, WESTCHESTER**	**3rd Monday of every other month** 2:00 PM *(for approximately 2-1/2 hours)* Veterans Memorial Building Garden Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625		**Maria Sanchez,** *Chairperson* **Staff Contact:** Jose Rivas *Community Outreach & Education, x4090*
REGION 6 **COMPTON, INGLEWOOD, WATTS, GARDENA, HAWTHORNE**	**3rd Thursday of every other month** 3:00 PM *(for approximately 2-1/2 hours)* South LA Sports Activity Center 7020 S. Figueroa Street Los Angeles, CA 90003 (323) 758-8716		**Andria McFerson,** *Chairperson* **Staff Contact:** Frank Meza *Community Outreach & Education, x4239*
REGION 7 **HUNTINGTON PARK, BELLFLOWER, NORWALK, CUDAHY**	**3rd Thursday of every other month** 2:00 PM *(for approximately 2-1/2 hours)* Community Empowerment Center 7515 Pacific Blvd. Walnut Park, CA 90255 (213) 516-3575		**Fatima Vasquez,** *Chairperson* **Staff Contact:** Martin Vicente *Community Outreach & Education, x 4423*

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BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES AND REGIONAL COMMUNITY ADVISORY COMMITTEES
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REGION 8 **CARSON, TORRANCE, SAN PEDRO, WILMINGTON**	**3rd Friday of every other month** 10:30 AM *(for approximately 2-1/2 hours)* Providence Community Health Wellness and Activity Center 470 N. Hawaiian Ave. Wilmington, CA 90744 (424) 212-5699		**Ana Romo – *Chairperson*** **Staff Contact:** Jose Rivas *Community Outreach & Education, x4090*
REGION 9 **LONG BEACH**	**3rd Monday of every other month** 10:00 AM *(for approximately 2-1/2 hours)* Albert Jewish Community Center 9801 E. Willow Street Long Beach, CA 90815 (562) 426-7601		**Tonya Byrd**, *Chairperson* **Staff Contact:** Kristina Chung *Community Outreach & Education, x5139*
REGION 10 **EAST LOS ANGELES, WHITTIER AND HIGHLAND PARK**	**3rd Thursday of every other month** 2:00 PM *(for approximately 2-1/2 hours)* L.A. Care East L.A. Family Resource Center 4801 Whittier Blvd Los Angeles, CA 90022 (213) 438-5570		**Damaris de Cordero,** *Chairperson* **Staff Contact:** Jose Rivas *Community Outreach & Education, x4090*
REGION 11 **POMONA AND EL MONTE**	**3rd Thursday of every other Month** 10:00 AM *(for approximately 2-1/2 hours)* Pomona Community Resource Center 696 W. Holt Street Pomona, CA 91768 (909) 620-1661		**Maria Angel Refugio,** *Chairperson* **Staff Contact:** Frank Meza *Community Outreach & Education, x4239*

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L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022

Motion No. BOG 100.0222

Committee: Executive

Chairperson: Hector De La Torre

Issue: Remote Teleconference Meetings

Background: On March 17, 2020, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act (the "Brown Act") in order to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means due to public health orders restricting gatherings during the COVID-19 pandemic.

Recent legislation and amendments to the Brown Act allow legislative bodies to continue meeting virtually provided there is a state of emergency declared by the Governor, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees. The Governor, by executive order signed on September 20, 2021, suspended the effective date of this new legislation to October 1, 2021. And, the virtual meetings must be held consistent with these new requirements.

In order to continue conducting virtual meeting under the revised provisions of the Brown Act the Board of Governors, or any other legislative bodies of L.A. Care Health Plan, including Committees, must, within thirty (30) days of the first meeting following the effective date and every thirty (30) days thereafter, make findings that (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees.

Findings:

1. The Board of Governors has reconsidered the circumstances of the state of emergency initially declared by the Governor on March 4, 2020, pursuant to section 8625 of the California Emergency Services Act, relating to the COVID-19 public health crisis and finds that the declaration still remains in effect. The continuation of virtual meetings will allow for full participation by members of the public while social distancing recommendations remain in effect and will facilitate the purposes of such social distancing recommendations by preventing large crowds from congregating in indoor facilities for extended periods of time. Given that the vaccination status of meeting participants is not known, it is prudent to use caution in protecting the health of the public, L.A. Health Care's employees and its members where, as here, adequate virtual means exist to permit the meeting to occur by teleconference/videoconference with the public being afforded the ability to comment in real time.
2. The Board of Governors finds that state and local officials continue to impose or recommend measures to promote social distancing. The Department of Industrial Relations' issuance of COVID-19 Prevention regulations through Title 8 of the California Code of Regulations, section

3205 *et seq*., includes informing employees that masking and social distancing in the workplace are most effective when used in combination because particles containing the virus can travel more than six feet. Further, as of the date of this Motion, the Los Angeles County Department of Public Health continues to recommend measures to promote social distancing, including recommendations to avoid crowded indoor spaces and to maintain six feet of social distancing, especially in cases where the vaccination status of persons outside a person's household is unknown.

As such, staff recommends approval of this motion so that the Board of Governors and all legislative bodies of the L.A. Care Health Plan may continue to meet virtually. The Board of Governors, or other legislative bodies on the Board's behalf, may extend the authorization for an additional thirty (30) days via another motion summary that makes the above specific findings in support of continuing virtual meetings.

Member Impact: L.A. Care members will benefit from this motion by providing for public participation in Board of Governor meetings, while following social distancing measures promoted by State and Local public health officials.

Budget Impact: The approval of a motion to continue virtual meetings will maintain the status quo and minimal financial impact is anticipated by the approval of this motion, though some costs may be associated with the technical solutions required to conduct teleconference meetings in compliance with the Brown Act.

Motion:

1. **Authorize remote teleconferencing consistent with the Ralph M. Brown Act;**
2. **Adopt findings as set forth in this Motion Summary and,**
3. **For all L.A. Care meetings subject to the Ralph M. Brown Act that are not held within 30 days, delegate authority to the Executive Committee to authorize findings to continue remote teleconferencing consistent with the Ralph M. Brown Act.**

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 100.0222**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

Issue: Accept the Investment Report for the quarter ended December 31, 2021.

☐ **New Contract** ☐ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Background: Per L.A. Care's Investment Policy, the Finance & Budget Committee is responsible for reviewing L.A. Care's investment portfolio to confirm compliance with the Policy, including its diversification and maturity guidelines.

Member Impact: N/A

Budget Impact: L.A. Care budgets a reasonable return on investment holdings.

Motion: To accept the Quarterly Investment Report for the quarter ending December 31, 2021, as submitted.

DATE: January 25, 2022

TO: Finance & Budget Committee

FROM: Marie Montgomery, *Chief Financial Officer*

SUBJECT: Quarterly Investment Report – December 2021

As of December 31, 2021, L.A. Care's combined investments value was approximately $1.7 billion. Interest income, amortization, realized gains and losses was approximately $2.8 million for the quarter. Unrealized loss due to market price fluctuations was $5.5 million for the quarter. The rate of return for the quarter was -0.15%. Based upon an independent compliance review performed as of December 31, 2021, LA Care is in compliance with its investment policy guidelines pursuant to the California Government Code and the California Insurance Code.

At quarter end $1.06 billion (or approx. 62% of total investments) and $0.34 billion (or approx. 19% of total investments) were under the management of Payden & Rygel and New England Asset Management, respectively. Both are external professional investment management firms. A list of the securities held under management of these two firms are attached. Below are the same securities grouped by investment type:

	Payden	NEAM	Combined
Cash and Money Market Mutual Fund	3%	2%	3%
U.S. Treasury Securities	60%	1%	46%
U.S. Agency & Municipal Securities	6%	4%	5%
Corporate bonds	0%	92%	22%
Asset Backed and Mortgage Backed Securities	17%	0%	13%
Negotiable CDs	10%	0%	8%
Other	4%	1%	3%
	100%	100%	100%
Average credit quality:	AAA	A1	
Average duration:	0.46 years	2.42 years	
Average yield to maturity:	0.23%	1.14%	

The funds managed by Payden & Rygel are managed as two separate portfolios based on investment style – 1) the short-term portfolio and 2) the extended term portfolio. The short-term portfolio had approximately $971 million invested as of December 31, 2021, and returned -0.02% for the quarter. The comparative benchmark returned 0.01% for the quarter. The extended term portfolio had approximately $93 million invested December 31, 2021, and returned -0.71% for the quarter. The comparative benchmark had a return of -0.74%.

PORTFOLIO RETURNS
Periods over one year annualized

Periods ended 12/31/2021 Performance	4th Quarter	YTD 2021	Trailing 1 Year	Trailing 3 Year
LA Care - Short-Term Portfolio	**-0.02**	**0.05**	**0.05**	**1.07**
Benchmark*	0.01	0.05	0.05	0.99
LA Care - Extended-Term Portfolio	**-0.71**	**-0.86**	**-0.86**	**2.62**
Benchmark**	-0.74	-1.18	-1.18	2.43
LA Care - Combined Portfolio	**-0.07**	**-0.02**	**-0.02**	**1.18**

* ICE BoA 91 Day Treasury Index
** Bloomberg US Govt 1-5 Yr Bond Index

The $337 million portfolio managed by New England Asset Management, Inc (NEAM), focused on corporate fixed income bonds returned -0.67% for the quarter. The comparative benchmark returned -0.69% for the quarter.

LA Care also invests with 2 government pooled investment funds, the Local Agency Investment Fund (LAIF) and the Los Angeles County Pooled Investment Fund (LACPIF). L.A. Care's investment balances as of December 31, 2021 were $73 million in LAIF and $253 million in LACPIF.

The Local Agency Investment Fund (LAIF) yielded approximately 0.05% for the quarter. The fund's total portfolio market value as of November 30, 2021, was $178.6 billion, with a weighted average maturity of 332 days. LAIF is administered and overseen by the State Treasurer's office. The fund's investment holdings as of November 30, 2021 were as follows:

U.S. Treasury Securities	66%
Agencies	17%
CD's and bank notes	8%
Commercial paper	6%
Time deposits	2%
Other	1%
	100%

The Los Angeles County Pooled Investment Fund (LACPIF) yielded approximately 0.12% for the quarter. The fund's market value as of November 30, 2021, was $39.4 billion, with a weighted average maturity of 998 days. LACPIF is administered and overseen by the Los Angeles County Treasurer. The fund's most recent published investment holdings (November 30, 2021) were as follows:

U.S. Govt. and Agency Securities	69%
Commercial paper	26%
CD's	5%
	100%

Lastly, LA Care also has a $100,000 certificate of deposit (CD) account at Banc of California. The CD account is FDIC insured. The CD yielded 0.03% for the quarter and will mature on May 11, 2022.

L.A. Care HEALTH PLAN

L.A. Care Health Plan
Quarterly Investment Compliance Report
October 1, 2021 through December 31, 2021

OVERVIEW

The California Government Code requires the L.A. Care Treasurer to submit a quarterly report detailing its investment activity for the period. This investment report covers the three-month period from October 1, 2021 through December 31, 2021.

PORTFOLIO SUMMARY

As of December 31, 2021, the market values of the portfolios managed by Payden & Rygel and New England Asset Management are as follows:

Portfolios	Payden & Rygel
Cash Portfolio #2365	*$970,666,141.39*
Low Duration Portfolio #2367	*$93,129,061.04*
Total Combined Portfolio	**$1,063,795,202.43**

Portfolios	NEAM
Government and Corporate Debt	**$336,668,238.46**

COMPLIANCE WITH ANNUAL INVESTMENT POLICY

Based on an independent compliance review of the Payden & Rygel and NEAM portfolios performed by Wilshire (using 3rd party data), L.A. Care is in compliance with the investment guidelines pursuant to the California Government Code and California Insurance Code. The Payden & Rygel and NEAM investment reports for L.A. Care are available upon request.

L.A. Care has invested funds in California's Local Agency Investment Fund (LAIF) and the Los Angeles County Treasurer's Pooled Investment Fund (LACPIF). In a LAIF statement dated January 4, 2022, the December 31, 2021 balance is reported as $72,829,058.10 with accrued interest of $37,457. In the LACPIF statement dated December 27, 2021, the December 31, 2021 balance was determined to be $252,790,349.51. The LACPIF account balance does not reflect accrued interest.

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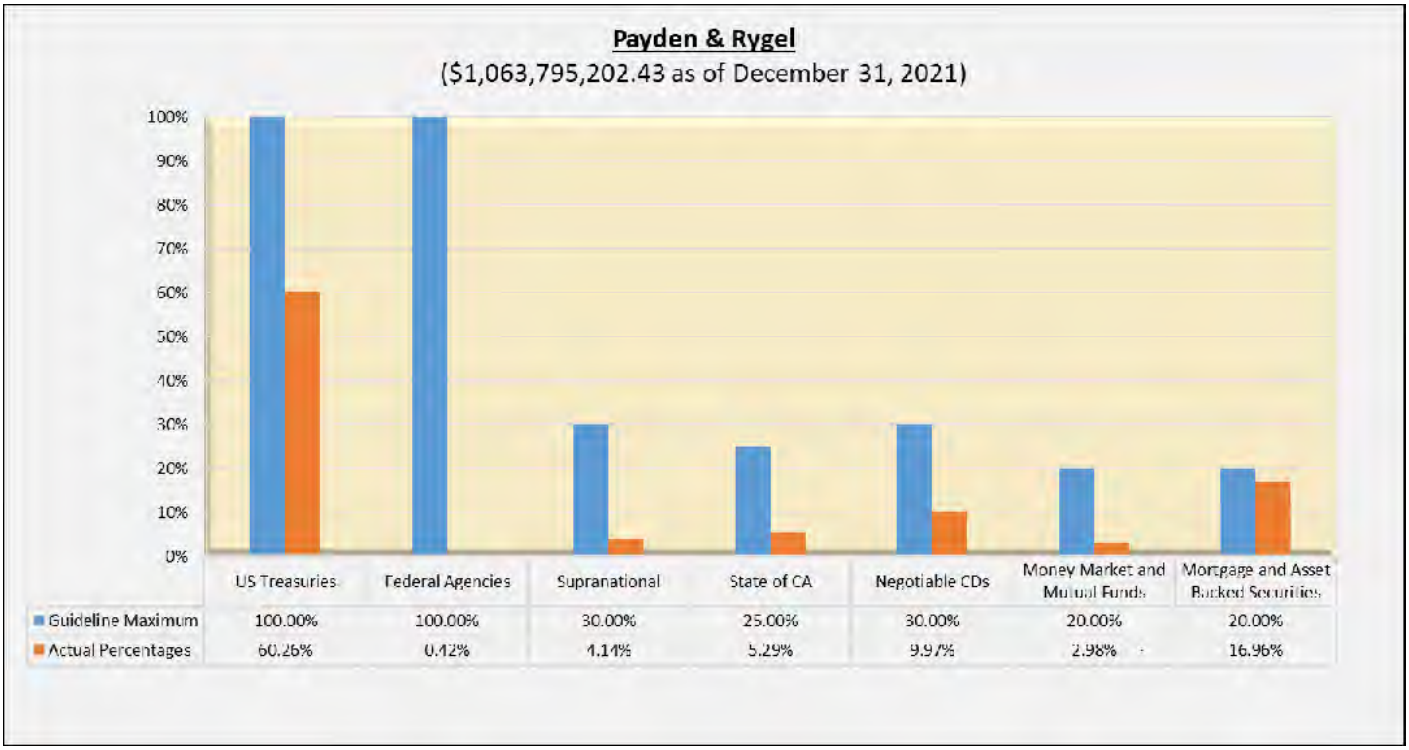
Payden & Rygel Compliance Verification

California Government Code Compliance Verification Detail as of December 31, 2021



	Maximum Permitted Maturity		Actual Maximum Maturity		Compliance
	#2365	#2367	#2365	#2367	
	Enhanced Cash	Low Duration	Enhanced Cash	Low Duration	
US Treasuries	5 Years	5 Years	1.96 Years	5.00 Years	YES
Federal Agencies	5 Years	5 Years	-	4.12 Years	YES
Supranational	5 Years	5 Years	2.26 Years	2.26 Years	YES
State of CA	5 Years	5 Years	1.33 Years	3.84 Years	YES
Negotiable CDs	270 Days	270 Days	144 days	-	YES
Money Market and Mutual Funds	NA	NA	1 Day	1 Day	YES
Mortgage and Asset Backed Securities	5 Years	5 Years	4.82 Years	4.45 Years	YES

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Payden & Rygel Compliance Verification

Combined #2365 and #2367 Portfolios as of December 31, 2021

	Govt. Code Section 53601	Insur. Code Sections 1170-1182 1191-1202
US Treasuries	*YES (1)(2)(3)*	*YES (4)(5)*
Federal Agencies	*YES (1)(2)(3)*	*YES (4)(5)*
Supranational	*YES (1)(2)(3)*	*YES (4)(5)*
State of CA	*YES (1)(2)(3)*	*YES (4)(5)*
Negotiable CDs	*YES (1)(2)(3)*	*YES (4)(5)*
Money Market and Mutual Funds	*YES (1)(2)(3)*	*YES (4)(5)*
Mortgage and Asset Backed Securities	*YES (1)(2)(3)*	*YES (4)(5)*

(1) Approved security
(2) Meets minimum rating (A3/A-)
(3) Meets diversification maximums (max market value of issue: 5%)
(4) NAIC High Grade Obligations
(5) Authorized by Insurance Code Sections 1174 and 1194.5
(6) Authorized by Insurance Code Section 1196.1

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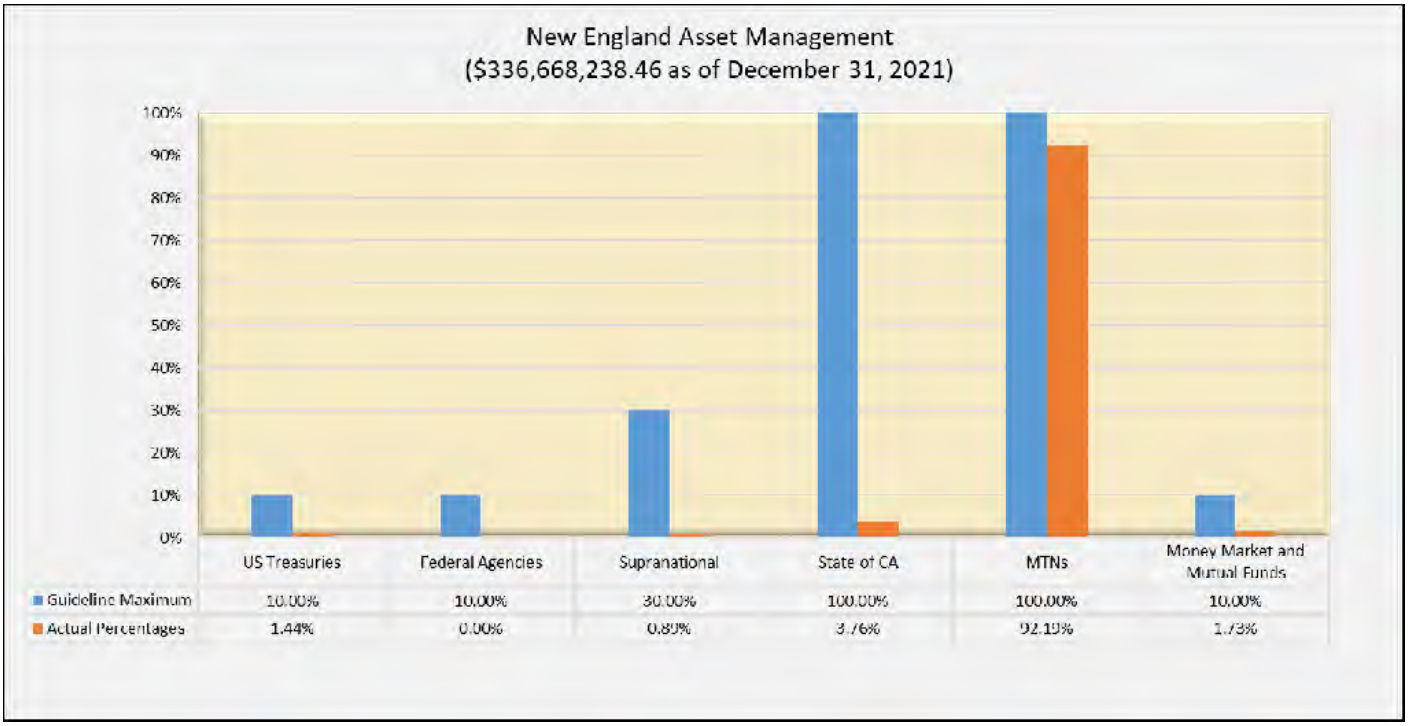
New England Asset Management Compliance Verification

California Government Code Compliance Verification Detail as of December 31, 2021



	Maximum Permitted Maturity	Actual Maximum Maturity	Compliance
	NEAM	NEAM	
US Treasuries	5 Years	0.87 Years	**YES**
Federal Agencies	5 Years	-	**YES**
Supranational	5 Years	1.30 Years	**YES**
State of CA	5 Years	3.62 Years	**YES**
MTNs	5 Years	4.75 Years	**YES**
Money Market and Mutual Funds	NA	1 Day	**YES**

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New England Asset Management Compliance Verification

As of December 31, 2021

	Govt. Code Section 53601	Insur. Code Sections 1170-1182 1191-1202
US Treasuries	*YES (1)(2)(3)*	*YES (4)(5)*
Federal Agencies	*YES (1)(2)(3)*	*YES (4)(5)*
Supranational	*YES (1)(2)(3)*	*YES (4)(5)*
State of CA	*YES (1)(2)(3)*	*YES (4)(5)*
MTNs	*YES (1)(2)(3)*	*YES (4)(5)*
Money Market and Mutual Funds	*YES (1)(2)(3)*	*YES (4)(5)*

(1) Approved security
(2) Meets minimum rating (A3/A-)
(3) Meets diversification maximums (max market value of issue: 5%)
(4) NAIC High Grade Obligations
(5) Authorized by Insurance Code Sections 1174 and 1194.5
(6) Authorized by Insurance Code Section 1196.1

Based on an independent review of Payden & Rygel's and New England Asset Management's month-end portfolios performed by Wilshire, L.A. Care's portfolios are compliant with its Annual Investment Guidelines, the California Government Code, and the Insurance Code sections noted above. In addition, based on the review of the latest LAIF and LACPIF reports and their respective investment guidelines, the LAIF and LACPIF investments comply with the Annual Investment Policy, the California Government Code, and the California Insurance Code.

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MARKET COMMENTARY

Economic Highlights

- **GDP**: Real GDP growth slowed during the third quarter, up an annualized 2.3%. The main drivers of growth were private investment (up 12.4%) and personal consumption (up 2.0%). Imports continue to rise while exports fell during the quarter, the net effect being a drag on economic growth of -1.3%. The Atlanta Fed's GDPNow forecast for the fourth quarter currently stands at 7.6%.
  Source: Bureau of Economic Analysis

- **Interest Rates**: The Treasury curve rose meaningfully in the short end during the fourth quarter, while longer term rates were down. The 10-year Treasury closed at 1.51%, up two basis points since September. The 10-year real yield (i.e., net of inflation) fell 21 basis points to -1.10%. The Federal Open Market Committee left the Fed Funds rate unchanged this quarter. At the December meeting, the committee's median outlook moved to three, 25 basis point increases in the overnight rate by the end of 2022.
  Source: U.S. Treasury

- **Inflation**: Consumer price changes have accelerated rapidly as the Consumer Price Index jumped 2.1% for the three months ending November. For the one-year period, the CPI is up 6.9%. The 10-year breakeven inflation rate increased to 2.59% in December versus 2.38% in September.
  Source: Dept. of Labor (BLS), U.S. Treasury

- **Employment**: Jobs growth has been quite strong this year, with an average of 378k jobs/month added during the three months ending in November. The unemployment rate continued to fall, dropping to 4.2%. Reported job openings continue to rise and are now above the number of unemployed persons.
  Source: Dept. of Labor (BLS)

U.S. Fixed Income Markets

The U.S. Treasury yield curve was up 45 basis points in the short end (at the 2-year maturity) but down in the long end of the curve. The 10-year Treasury yield ended the quarter at 1.51%, up two basis points from September. Investment-grade credit spreads widened during the quarter, but the spread on the broad high yield tightened, closing the quarter at 2.83%. The Federal Open Market Committee met twice during the quarter, as scheduled, with no change to their overnight rate. Through the Fed's "dot plot," they are messaging that the current intent is for three 25 basis point increases in the overnight rate before the end of 2022. Their median forecast for year-end 2023 is for a Fed funds rate of 1.625%. During the December meeting, the committee announced that it would begin to reduce (i.e., taper) the monthly pace of its asset purchases starting in January. Despite previously labeling increased inflation as "transitory," Fed chair Jerome Powell acknowledged that increases have spread to a broader range of goods and that inflation may now be "more persistent."

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Payden&Rygel

QUARTERLY PORTFOLIO REVIEW

LA CARE HEALTH PLAN

4th Quarter 2021

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LETTER FROM THE CEO

January 2022

Dear Client,

As we complete another year and are still under the restrictions and challenges of Covid-19, we want to share with you the "state of the firm." Since the firm's inception 38 years ago, we have maintained a consistent ownership structure and culture, where competition is external and not internal. We are very pleased to report that this consistency has resulted in the firm's most successful year, both from the standpoint of clients and internally, since our inception.

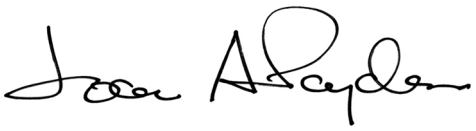
Turning now to the U.S. and global economies, coronavirus disruptions have led to a change in consumer behavior that has exacerbated inflationary pressures worldwide. The situation has led to labor shortages and higher prices that central banks can no longer ignore. The Federal Reserve has accelerated the pace of tapering and signaled it would no longer wait for maximum employment before hiking interest rates. As a result, we expect to see three rate hikes this year, with the initial liftoff coming in June. On the other hand, the European Central Bank will be slower to move on interest rate policy as inflation readings in the region are primarily driven by energy-related commodities and have not had a significant impact on inflation expectations.

We want to assure you that your portfolio has weathered these conditions as, over the last two years, lower interest rates and record fiscal stimulus have been crucial to investment results.

Looking ahead, new variants of the virus and the gradual removal of central bank accommodation will continue to cause volatility in the markets. Against this background, we want to assure you that your portfolio is positioned to have liquidity for any unexpected conditions.

As always, we are available to answer any questions or concerns. But, most importantly, our very best wishes for your health and safety in this new year.

Warmest regards,

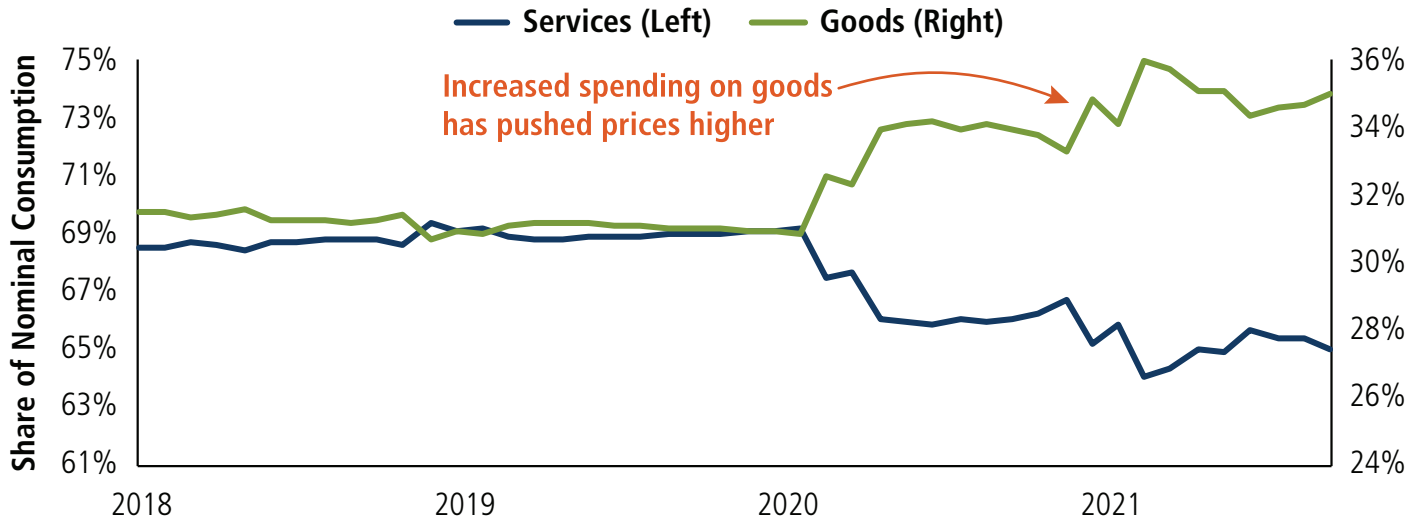


Joan A. Payden

President & CEO

During the pandemic, many consumers have shifted their spending away from services towards goods. This shift in consumer behavior has been responsible for many economic woes, most notably inflation. Why? Some goods, particularly durable goods, take longer to create, meaning that the supply is relatively inelastic compared to demand. Add to that a shortage of port and warehouse workers around the world due to rolling waves of the virus, and you've got one big mess. The key question moving forward is whether this change in consumer behavior will be more persistent or whether we'll see a return to services just as delayed goods producers' supply catches up.

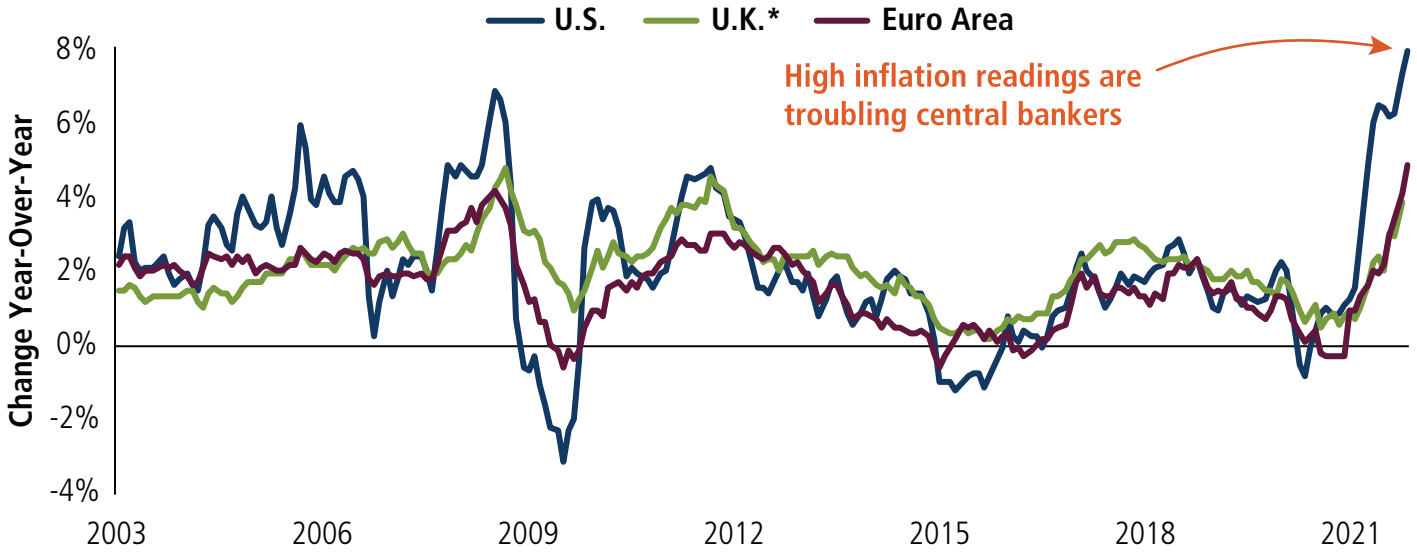
CONSUMERS HAVE SHIFTED AWAY FROM SERVICES TOWARDS GOODS



Source: U.S. Bureau of Economic Analysis

In response to the highest inflation readings in decades due in part to these consumer shifts, global central banks have pivoted to a more hawkish tone. U.S. central bankers accelerated the pace of tapering and signaled they would be open to hiking interest rates before the labor market reaches "maximum employment." The median member of the Federal Open Market Committee now expects to hike rates three times before year-end 2022, up from just one hike at the September meeting. U.K. policymakers surprised markets as well by initiating a rates liftoff at their December meeting. The European Central Bank (ECB) announced it would halt its Pandemic Emergency Purchase Programme in March 2022, but is unlikely to hike next year as President Lagarde believes the ECB was "really making progress" toward hitting their 2% inflation target. Investors are watching these moves closely and and pulling forward interest rate hike expectations.

HIGH INFLATION READINGS ARE A GLOBAL PHENOMENON



Source: Eurostat, Organization for Economic Co-operation and Development

**U.K. data represent CPI instead of HCIP readings*

L.A. CARE HEALTH PLAN COMBINED PORTFOLIO

Portfolio Review and Market Update – 4th Quarter 2021

PORTFOLIO CHARACTERISTICS (As of 12/31/2021)

Market Value	1,063,795,202
Avg Credit Quality	AAA
Avg Duration	0.46
Avg YTM	0.23%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	31,699,284	2.98%
Money Market	106,001,941	9.96%
Treasury	641,020,031	60.26%
Agency	4,435,552	0.42%
Government Related	44,007,926	4.14%
Credit	-	0.00%
ABS/MBS	180,390,500	16.96%
Municipal	56,239,969	5.29%
Total	1,063,795,202	100.0%

MATURITY DISTRIBUTION

Sector	**Market Value**	**% of Port**
<90 day	718,854,431	67.6%
90 days - 1 Year	179,506,445	16.9%
1 - 2 Years	106,252,002	10.0%
2 - 5 years	59,182,324	5.6%
Total	1,063,795,202	100%

PORTFOLIO RETURNS
Periods over one year annualized

Periods ended 12/31/2021

Performance	4th Quarter	YTD 2021	Trailing 1 Year	Trailing 3 Year
LA Care - Short-Term Portfolio	**-0.02**	**0.05**	**0.05**	**1.07**
Benchmark*	0.01	0.05	0.05	0.99
LA Care - Extended-Term Portfolio	**-0.71**	**-0.86**	**-0.86**	**2.62**
Benchmark**	-0.74	-1.18	-1.18	2.43
LA Care - Combined Portfolio	**-0.07**	**-0.02**	**-0.02**	**1.18**

* ICE BoA 91 Day Treasury Index
** Bloomberg US Govt 1-5 Yr Bond Index

L.A. CARE HEALTH PLAN SHORT TERM PORTFOLIO

Portfolio Review and Market Update – 4th Quarter 2021

PORTFOLIO CHARACTERISTICS (As of 12/31/2021)

Market Value	970,666,141
Avg Credit Quality	AAA
Avg Duration	0.27
Avg YTM	0.16%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	31,339,714	3.23%
Money Market	106,001,941	10.92%
Treasury	600,641,924	61.88%
Agency	-	0.00%
Government Related	41,308,557	4.26%
Corporate Credit	-	0.00%
ABS/MBS	161,906,015	16.68%
Municipal	29,467,991	3.04%
Total	970,666,141	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	715,825,767	73.7%
90 days - 1 Year	169,560,472	17.5%
1 - 2 Years	85,279,902	8.8%
2 - 5 years	-	0.0%
Total	970,666,141	100.0%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 12/31/2021

Performance	4th Quarter	YTD 2021	Trailing 1 Year	Trailing 3 Year
L.A. Care - Short-Term Portfolio	**-0.02**	**0.05**	**0.05**	**1.07**
Benchmark*	0.01	0.05	0.05	0.99

* ICE BofA 91 Day Treasury Index

L.A. CARE HEALTH PLAN EXTENDED TERM PORTFOLIO

Portfolio Review and Market Update – 4th Quarter 2021

PORTFOLIO CHARACTERISTICS (As of 12/31/2021)

Market Value	93,129,061
Avg Credit Quality	AA+
Avg Duration	2.42
Avg YTM	0.94%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	359,570	0.39%
Money Market	-	0.00%
Treasury	40,378,107	43.36%
Agency	4,435,552	4.76%
Government Related	2,699,369	2.90%
Credit	-	0.00%
ABS/MBS	18,484,486	19.85%
Municipal	26,771,978	28.75%
Total	93,129,061	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	3,028,664	3.3%
90 days - 1 Year	9,945,973	10.7%
1 - 2 Years	20,972,100	22.5%
2 - 5 years	59,182,324	63.5%
Total	93,129,061	100%

PORTFOLIO RETURNS
Periods over one year annualized

Periods ended 12/31/2021

Performance	4th Quarter	YTD 2021	Trailing 1 Year	Trailing 3 Year
LA Care - Extended-Term Portfolio	**-0.71**	**-0.86**	**-0.86**	**2.62**
Benchmark**	-0.74	-1.18	-1.18	2.43

** Bloomberg US Govt 1-5 Yr Bond Index

MARKET THEMES

Volatility increased across equity and bond markets in the last quarter of 2021. Covid-19's newest variant, Omicron, spread rapidly across the globe and brought fresh doubts as to the likelihood of a global economic recovery, with countries re-imposing lockdowns and restrictions. In the U.S., inflation hit a 39-year high, pushing the Fed to initiate, and then speed up, the pace of its asset purchase "taper." In addition, the median policy rate projection from the Fed increased to three hikes for 2022. As a result, the U.S. Treasury curve had a pronounced flattening over the quarter, with 1 to 5-year yields moving notably higher, while 10 to 30-year rates were relatively unchanged.

STRATEGY

- We continue to emphasize a balance between credit diversification and quality using asset-backed securities (ABS), mortgage-backed securities (MBS) and taxable municipal securities to maintain various sources of high-quality income.
- We continue to maintain a bias toward a shorter maturity profile within the non-government allocation to limit the portfolio's sensitivity to changes in credit risk premiums while maintaining a yield advantage, and in anticipation to additional increases in short-term rates.

INTEREST RATES

U.S. Treasury yields across the 1 to 5-year part of the curve rose dramatically during the quarter, as market participants expected tighter monetary policy and a more aggressive path of rate hikes - a view that was eventually confirmed by the Fed in December. As market pricing of the hiking cycle was pulled forward, the short part of the curve steepened, while the long end flattened. Continued strong demand for ultra-short maturity fixed income outweighed the impacts of tapering and increased bill supply.

- The one-year U.S. Treasury bill moved up 31 basis points over the quarter to 0.38%, while two and three-year yields increased 45 bps to 0.73% and 0.96%, respectively. The slope between two- and five-year maturities flattened 16 bps to finish the quarter at 53 bps.
- One-month LIBOR rose 2 bps to 0.10%, while three-month LIBOR was higher by 8 bps to 0.21%. The SOFR overnight rate finished the quarter unchanged at 0.05%, after moving down one basis point to 0.04%.

SECTORS

We remain overweight and diversified within credit sectors. Spreads across all credit sectors widened modestly during the quarter, which detracted from performance. Wider credit spreads were largely driven by supply but were also influenced by widespread market volatility. Taxable municipals were mostly flat on the quarter despite the backdrop of a volatile Treasury market.

OVER 35 YEARS OF INSPIRING CONFIDENCE WITH AN UNWAVERING COMMITMENT TO OUR CLIENTS' NEEDS.

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OUR STRATEGIES

Multi-Sector

Short Maturity Bonds

U.S. Core Bond

Absolute Return Fixed Income

Strategic Income

Global Fixed Income

Liability Driven Investing

Sector-Specific

Emerging Markets Debt

Government/Sovereign

High Yield Bonds & Loans

Inflation-Linked/TIPS

Investment Grade Corporate Bonds

Municipal Bonds (U.S.)

Securitized Bonds

Income-Focused Equities

Equity Income

Available in:
Separate Accounts – Mutual Funds (U.S. and UCITS)
Collective Trusts ("CITs") – Customized Solutions

For more information about Payden & Rygel's strategies, contact us at a location listed below.

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New England Asset Management

L.A. Care Health Plan

NEAM's L.A. Care Board Report

L.A. Care HEALTH PLAN

Data as of December 31, 2021

Please refer to last page of this presentation for important disclosures.

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Portfolio Summary

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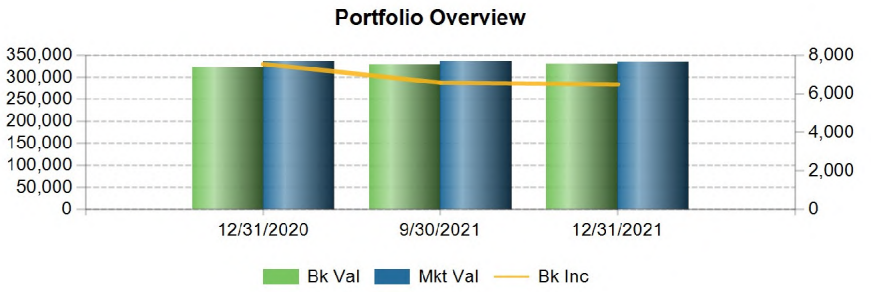
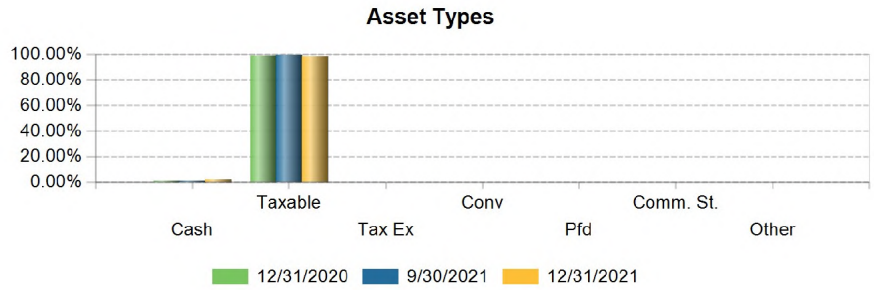
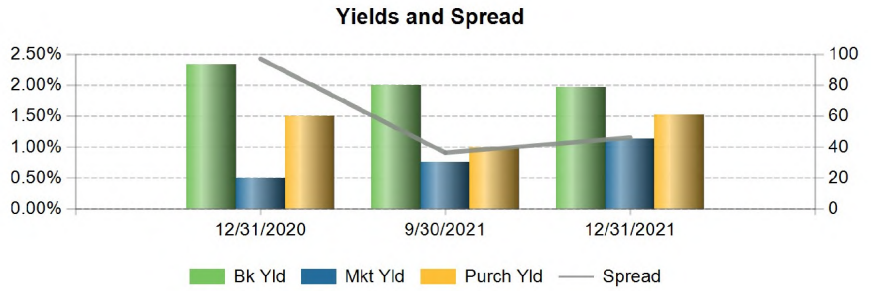
L.A. Care Health Plan - Comparative Overview

	12/31/2020	9/30/2021	12/31/2021	Change since 9/30/2021
Portfolio Overview (000's Omitted)				
Book Value	322,620	329,137	330,684	1,547
Market Value	336,396	336,749	334,273	(2,475)
Total Unrealized Gain/Loss	13,776	7,612	3,589	(4,023)
Net Gains	13,786	8,322	5,519	(2,803)
Net Losses	(11)	(709)	(1,929)	(1,220)
Realized Gain / Loss	1,239	921	104	
Annualized Book Income	7,548	6,577	6,490	(87)
After Tax Book Income	5,963	5,196	5,127	(69)
Asset Types				
Cash / Cash Equivalents	1.0%	0.5%	1.7%	1.2%
Taxable Fixed Income	99.0%	99.5%	98.3%	(1.2%)
Portfolio Yields				
Book Yield (Before Tax)	2.34%	2.00%	1.96%	(0.04%)
Book Yield (After Tax)	1.85%	1.58%	1.55%	(0.03%)
Market Yield	0.50%	0.77%	1.14%	0.37%
Fixed Income Analytics				
Average OAD	2.56	2.62	2.42	(0.20)
Average Life	2.78	2.82	2.62	(0.20)
Average OAC	6.45	7.68	6.66	(1.02)
Average Quality	A+	A+	A+	
144A %	9.59%	12.48%	12.43%	(0.05%)
Average Purchase Yield	1.49%	0.99%	1.52%	0.53%
Average Spread Over Tsy	97	36	46	10
5 Year US Govt On The Run	0.36%	0.97%	1.26%	0.29%

	12/31/20	03/31/21	06/30/21	09/30/21	12/31/21	Change since 09/30/2021
MV Excl. Acc. Int. Inc.	336,395,862	335,086,214	336,631,293	336,748,657	334,273,290	(2,475,367)
Acc. Int. Inc.	2,500,224	2,257,370	2,389,372	2,202,333	2,394,948	192,615
MV Inc. Acc. Int. Inc.	338,896,087	337,343,585	339,020,665	338,950,990	336,668,238	(2,282,752)







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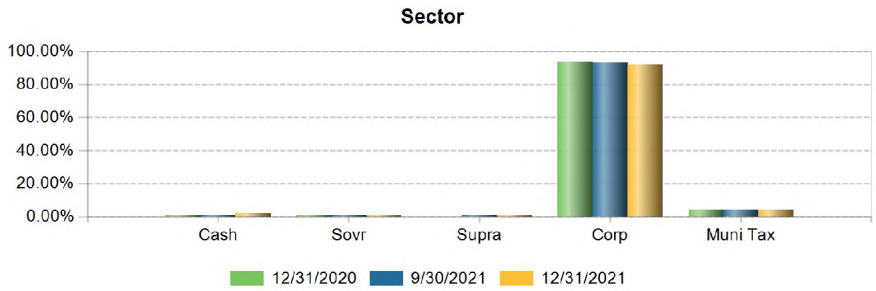
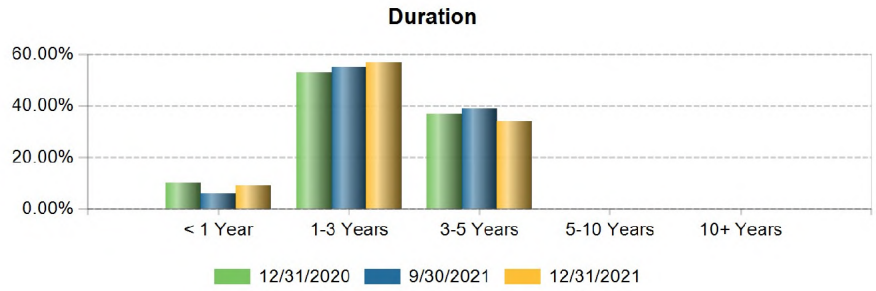
L.A. Care Health Plan - Fixed Income Summary

	12/31/2020	9/30/2021	12/31/2021	Change since 9/30/2021
Sector				
Cash & Cash Equivalents	1%	1%	2%	1%
Sovereigns	1%	1%	1%	-
Supranationals	-	1%	1%	-
Corporates	94%	93%	92%	(1%)
Municipals - Taxable	4%	4%	4%	-
Fixed Income	100%	100%	100%	
Duration				
< 1 Year	10%	6%	9%	3%
1-3 Years	53%	55%	57%	2%
3-5 Years	37%	39%	34%	(5%)
Average Duration	2.56	2.62	2.42	(0.20)
Quality				
AAA	7%	9%	10%	1%
AA	24%	29%	28%	(1%)
A	69%	62%	62%	-
Average Quality	A+	A+	A+	

	Average Portfolio Rating at 12/31/21				
	Moody	S&P	Fitch	Lowest	Highest
Average Rating	A1	A	A+	A	A+





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Activity Report

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L.A. Care Health Plan - Transaction Summary

(000's Omitted)

Purchases	Market Value	%	Spread (Bp)	Book Yld	High	Duration
Corporates	9,275	100.0	46	1.52	AA-	4.26
Total Purchases	9,275	100.0	46	1.52	AA-	4.26

Sales	Market Value	%	Realized G/L	Trade / Book Yld	High	Duration
Corporates	5,040	100.0	35	0.21 / 2.33	A	0.36
Total Sales	5,040	100.0	35	0.21 / 2.33	A	0.36

Other Transactions	Market Value	%	Realized G/L	Book Yld	High	Duration
Calls	6,351	100.0	68	1.66	A-	2.93
Total Other Transactions	6,351	100.0	68	1.66	A-	2.93

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Performance Report

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L.A. Care Health Plan - Performance Report Not Tax Adjusted

							Annualized			
	Dec 2021	Nov 2021	Oct 2021	Q4	YTD	12 Month	3 Year	5 Year	Inception	Inc Date
LA Care HealthPlan	(0.07)	(0.13)	(0.47)	(0.67)	(0.65)	(0.65)	3.51		2.91	Jan 2018
Barclay Bloomberg U.S. Credit: 1-5 Yr A- or better (Highest)	(0.01)	(0.15)	(0.52)	(0.69)	(0.75)	(0.75)	3.42		2.88	Jan 2018
Difference	(0.06)	0.02	0.05	0.02	0.10	0.10	0.09		0.03	
BB U.S. Treasury: 1-5 year AAA	(0.24)	0.01	(0.51)	(0.74)	(1.19)	(1.19)	2.44		2.21	Jan 2018
BB U.S. Agency: 1-5 year	(0.21)	(0.09)	(0.52)	(0.82)	(0.98)	(0.98)	2.08		1.98	Jan 2018
ICE BofA 0-3 Month US Treasury Bill	0.01	0.01	0.00	0.01	0.04	0.04	0.93		1.15	Jan 2018
ICE BofA 1 year US Treasury Bill	(0.03)	(0.04)	(0.03)	(0.10)	0.02	0.02	1.57		1.65	Jan 2018
ICE BofA 1 year US Treasury Note	(0.11)	(0.05)	(0.03)	(0.18)	(0.07)	(0.07)	1.55		1.63	Jan 2018

Please see the accompanying Disclosure Page for important information regarding this Performance Exhibit.

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L.A. Care Health Plan - Performance Report Not Tax Adjusted

Disclosures

Management start date is 10/1/17 and performance start date is 1/1/18 to allow for seasoning.

The performance results reflect LA Care Health Plan's portfolio managed by NEAM. A Daily Valuation Methodology that adjusts for cash flows is utilized to calculate portfolio performance. Portfolio returns are calculated daily and geometrically linked to create monthly gross of fee rates of return. Performance results are reported gross of management fees and of custody fees and other charges by the custodian for your account and net of commissions, mark-ups or mark-downs, spreads, discounts or commission equivalents. The performance results for your account are shown in comparison to an index that has been chosen by you. The securities comprising this index are not identical to those in your account. The index is comprised of securities that are not actively managed and does not reflect the deduction of any management or other fees or expenses. Past performance is not indicative of future performance.

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Appendix

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Risk Reports

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L.A. Care Health Plan - Profile Report

Distribution by Class

	Quantity	Book	Market	Unrealized Gain/ Loss	Book Yield	OAY	OAD	OAC	Avg Life	% of Portfolio
Cash & Cash Equivalents	5,817,201	5,817,201	5,817,201	-	0.01	0.06	0.08	0.05	0.08	1.74
Sovereigns	4,800,000	4,801,171	4,851,000	49,829	1.60	0.40	0.87	1.19	0.88	1.45
Supranationals	3,000,000	2,995,952	2,983,032	(12,920)	0.23	0.56	1.30	2.33	1.31	0.89
Corporates	257,785,000	263,065,504	266,454,805	3,389,302	2.06	1.18	2.47	6.38	2.70	79.71
144A	41,000,000	41,151,322	41,540,161	388,839	2.19	1.12	2.47	8.73	2.56	12.43
Municipals - Taxable	12,800,000	12,852,755	12,627,091	(225,664)	0.63	1.19	3.18	12.03	3.24	3.78
Total Portfolio	**325,202,201**	**330,683,904**	**334,273,290**	**3,589,386**	**1.96**	**1.14**	**2.42**	**6.66**	**2.62**	**100.00**

Rating Analysis - Highest

	% of Portfolio
AAA	10.27
AA	28.25
A	61.48
BBB	-
Below BBB	-
NR	-
Total Fixed Income	**100.00**
Equity	-
Total	**100.00**

Average Rating: A+

Scenario Analysis - % of Market

	-300	-200	-100	-50	+50	+100	+200	+300
Cash & Cash Equivale	0.01	0.01	0.01	0.01	(0.04)	(0.08)	(0.17)	(0.25)
Sovereigns	0.39	0.39	0.39	0.33	(0.43)	(0.86)	(1.71)	(2.55)
Supranationals	0.78	0.78	0.78	0.55	(0.65)	(1.29)	(2.55)	(3.79)
Corporates	2.58	2.58	1.99	1.14	(1.23)	(2.44)	(4.81)	(7.11)
144A	2.70	2.70	2.00	1.14	(1.22)	(2.43)	(4.77)	(7.03)
Municipals - Taxable	3.65	3.65	2.71	1.50	(1.57)	(3.12)	(6.12)	(9.02)
Total Portfolio	**2.54**	**2.54**	**1.95**	**1.12**	**(1.20)**	**(2.39)**	**(4.71)**	**(6.95)**

Key Rate Duration

	Market Value	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	30 Year
Cash & Cash Equival	5,817,201	0.08	-	-	-	-	-	-	-	-
Sovereigns	4,851,000	0.87	< 0.01	-	-	-	-	-	-	-
Supranationals	2,983,032	0.90	0.39	-	-	-	-	-	-	-
Corporates	266,454,805	0.19	0.68	1.07	0.52	< 0.01	-	-	-	-
144A	41,540,161	0.32	0.47	0.81	0.87	-	-	-	-	-
Municipals - Taxable	12,627,091	0.01	0.41	2.06	0.70	-	-	-	-	-
Total Portfolio	**334,273,290**	**0.22**	**0.62**	**1.03**	**0.55**	**< 0.01**	**-**	**-**	**-**	**-**

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NEAM's portfolio management tools utilize deterministic scenario analysis to provide an estimated range of total returns based on certain assumptions. These assumptions include the assignment of probabilities to each possible interest rate and spread outcome. We assume a 12 month investment horizon and incorporate historical return distributions for each asset class contained in the analysis. These projected returns do not take into consideration the effect of taxes, fees, trading costs, changing risk profiles, operating cash flows or future investment decisions. Projected returns do not represent actual accounts or actual trades and may not reflect the effect of material economic and market factors.

Clients will experience different results from any projected returns shown. There is a potential for loss, as well as gain, that is not reflected in the projected information portrayed. The projected performance results shown are for illustrative purposes only and do not represent the results of actual trading using client assets but were achieved by means of the prospective application of certain assumptions. No representations or warranties are made as to the reasonableness of the assumptions. Results shown are not a guarantee of performance returns. Please carefully review the additional information presented by NEAM.

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L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 101.0222**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

Issue: Approve Accounting & Financial Services Policy AFS 006 (Authorization and Approval Limits).

Background: On an annual basis, L.A. Care's Financial policies are brought to the Board for review, updates and approval. We are bringing this policy to the Board for review which has minor updates. A summary is provided below:

AFS-006: Authorization and Approval Limits

- Policy updates exclusions to better align with business objectives.
- Policy updates the reporting section to be consistent with other Financial policies that have quarterly reporting requirements.
- Minor updates

Member Impact: This action will not directly affect L.A. Care members.

Budget Impact: None

Motion: To Accounting & Financial Services Policy AFS 006 (Authorization and Approval Limits) as submitted.

	AUTHORIZATION AND APPROVAL LIMITS	**AFS-006**

DEPARTMENT	ACCOUNTING AND FINANCIAL SERVICES
Supersedes Policy Number(s)	

DATES					
Effective Date	1/10/2002	Review Date	12/14/2020	Next Annual Review Date	12/14/2021
Legal Review Date		Committee Review Date	7/19/2017		

LINES OF BUSINESS

☐ Cal MediConnect ☐ L.A. Care Covered ☐ L.A. Care Covered Direct ☐ MCLA

☐ PASC-SEIU Plan ☒ Internal Operations

DELEGATED ENTITIES / EXTERNAL APPLICABILITY

☐ PP – Mandated ☐ PP – Non-Mandated ☐ PPGs/IPA ☐ Hospitals

☐ Specialty Health Plans ☐ Directly Contracted Providers ☐ Ancillaries ☐ Other External Entities

ACCOUNTABILITY MATRIX

ATTACHMENTS

- Authorization and Approval Limits
- Authorizations and Approvals When Amount Exceeded
- Examples

ELECTRONICALLY APPROVED BY THE FOLLOWING			
	OFFICER	**DIRECTOR**	**COMMITTEE CHAIR**
NAME	Marie Montgomery	JR Nino	~~Robert H. Curry~~Ilan Shapiro, MD MBA FAAP FACHE
DEPARTMENT	Financial Services	Financial Services	Finance and Budget Committee
TITLE	Chief Financial Officer	Senior Director, Procurement	Treasurer of the Board of Governors

AUTHORITIES
➢ N/A

REFERENCES
➢ AFS-004, "Expense Policy"
➢ AFS-007, "Procurement Policy"
➢ AFS-027, "Travel Expense Policy"
➢ LS-009, "Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims"
➢ LS-010, "Delegation of Authority to Approve, Compromise and/or Settle Certain Pre-Litigation Claims and Pending Litigation"

HISTORY	
REVISION DATE	**DESCRIPTION OF REVISIONS**
01/10/02	New Policy
02/10/10	Annual Review
06/24/2015	Annual Review with revisions
06/23/2017	Annual Review with revisions
08/14/2018	Annual Review
10/10/2019	Annual Review
12/14/2020	Annual review, no changes.

DEFINITIONS
Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies: http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures

1.0 OVERVIEW:

1.1 L.A. Care Health Plan (L.A. Care) expenditures shall only be made as authorized by designated management personnel. Designated management personnel have approval authority for expenditures as specified herein with oversight by supervisory levels. This policy seeks to balance the need for organizational efficiency and delegated decision making, with financial responsibility, oversight and accountability both internal to L.A. Care and consistent with L.A. Care's public entity status.

2.0 DEFINITIONS:

2.1 **Operating Expenditures:** Expenditures for goods and services required to conduct the day to day business operations of the organization. Examples are: advertising, consulting fees, IT or business hosting/cloud services, temporary labor, training, translation services, repair and maintenance, supplies, utilities, and all vendor services not related to providing medical care. For the purpose of this policy, operating expenditures excludes regulatory fees, legal fees from Section 2.2, medical services, and Capital Expenditures.

2.2 **Capital Expenditures:** Expenditures incurred for the purchase of tangible property, i.e. furniture, fixture, office equipment, computer equipment. Refer to Policy AFS-002-Capital Assets.

3.0 POLICY:

3.1 All purchases of Operating and Capital Expenditures must be made in accordance with AFS-007, "Procurement Policy" in order to comply with applicable legal, financial, compliance, privacy, and information security requirements prior to any contract (including without limitation amendments, new schedules or scope of work) execution.

3.2 This policy excludes the authorizations and approvals of all travel and expenses including all catering and meals from an L.A. Care meeting, training, recruiting, workplace meeting, provider relations, sales, or related purpose. For these expenditures please refer to Expense Policy (AFS-004) and Travel and Other Expense Policy (AFS-027). This policy also excludes employee benefits; medical claims; pharmacy claims; capitation; other health care expenses including member and provider incentives; and claims settlements covered by Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims Policy (LS-009) and Delegation of Authority to Approve, Compromise and/or Settle Certain Pre-Litigation Claims and Pending Litigation Policy (LS-010).

3.3 Authorization and Approval Limits are subject to the review and approval by the Board of Governors, and L.A. Care management authorization in accordance with the authorization limits (see "Authorization and Approval Levels" attachment).

3.4 The Authorizations and Approval Limits are based on the total dollar amount of a purchase or contract. If additional dollars are added to an existing purchase order or contract already

authorized, then the authorization limit is based on the total aggregate amount of the original authorized dollar amount plus the additional dollars to be added.

3.5 In addition to the approvers found in the "Authorization and Limits" attachment, there must be at least one other approver for purchases, contracts, or check requests. These approvers are accounting/budget and/or procurement. Exceptions to this are low dollar purchases for office supplies and IT peripherals directly from L.A. Care's electronic catalog procurement system.

3.6 Only authorized signers who have a current signatory card on file in Accounts Payable, as approved by their respective officer, and who have primary responsibility for managing the budget of one or more cost centers will be able to sign contracts, subject to the Authorizations and Approval Limits above.

3.7 Only the CEO or designee has the authority to execute contracts approved by the Finance & Budget Committee or the Board of Governors.

3.8 In a situation when time is of the essence and presenting a motion to Finance & Budget Committee is not possible, only the Chief Executive Officer (CEO) or designee may authorize an expenditure, not to exceed $2,000,000, if prior approval is received from the Chairperson of the Executive Committee and the Chairperson of the Finance & Budget Committee.

3.9 In a situation when time is of the essence and when a motion must be presented to the Board of Governors prior to Finance & Budget Committee, the Chairperson of the Finance & Budget Committee must approve presenting of the said motion on behalf of the Finance & Budget Committee.

3.10 In the event that the actual expenditure or an approved invoice exceeds the original amount authorized, it will be handled in accordance with the attached procedure (see "Authorizations and Approvals When Amount Exceeded" attachment). Beyond these limits the next management level authorization is required in accordance with Section 3.4 and 3.5.

3.11 All staff must adhere to these authorization limits and must not submit multiple purchase requisitions, check requests, or other payment requests that are under an authorization limit to avoid higher levels of management approvals.

3.12 Delegation of approvals and authorizations to a substitute approver when an approver is not available may be requested in writing via e-mail from the approver to Accounts Payable and Procurement. Delegation must be made at the same management level of the approver or higher.

3.13 In the event an officer needs to delegate approvals and authorizations to one formal designee to approve and sign contracts for an extended period of time other than for short-term unavailability, the following is required in writing:

3.13.1 Approval by officer who is requesting designee.

3.13.2 Approval by CFO. If CFO is requesting officer, then approval by CEO.

3.13.3 Signatory card of designee on file in Accounts Payable.

3.14 The requesting officer, CFO, or CEO can revoke designee's approval and authorization at any time. The list of designees will be reviewed annually by CFO or designee.

3.15 In a situation when a management level individual is unable to authorize and approve expenditures, authorizations can be delegated temporarily in writing via e-mail to Accounts Payable and Procurement.

3.16 Examples of scenarios that apply to this policy's authorization and approval limits can be found in the "Examples" attachment.

3.17 The following are special authorizations and approvals for recurring expenditures which already have a previously authorized commitment (i.e., active and fully executed contract). A board motion is required when the following amounts are exceeded:

Recurring Expenditure	Delegated Approver	Up to the following amounts
Building lease payments from an active, fully executed lease contract	CFO or designee	$12,000,000 per year
Sales agency broker commissions from an active, fully executed contract	CFO or designee	$4,000,000 per year
L.A. Care insurance premiums from annual renewals (e.g., workers compensation, crime, fiduciary, managed errors and omissions, etc.)	CFO or designee	$4,000,000 per year
Investment fees	CFO or designee	$400,000 per month
Regulatory fee wire transfers (exclude Legal settlements and Provider payments)	CFO or designee	$15,000,000 per month

4.0 Monitoring:

4.1 List of substitute of approvers will be maintained by Accounts Payable and Procurement.

4.2 Accounts Payable will maintain the list of designees for special approvals and authorizations. The list of designees will be reviewed annually by CFO or designee.

5.0 Reporting:

5.1 Instances in which staff appears to unbundle purchases or split requirements to avoid scrutiny by higher levels of authority will be reported to senior management and could be subject to disciplinary action up to and including termination.

5.2 All executed vendor contracts for all expenditures will be reported to the ~~Finance and Budget Committee~~Board of Governors ~~-~~on a quarterly basis.

Authorization and Approval Levels*

Management Level	**Operating and Capital Expenditures Up to and including the following amounts**
Department Managers*	$2,000
Directors / Senior Directors / Managing Directors /	$75,000
Officers (CEO, COO, CFO, CHRO, Chief Information and Technology Officer, CMO, General Counsel~~, Chief Enterprise Officer~~ Chief of Staff Executive Services, Chief Product Officer, Executive Directors)	$300,000
CEO plus CFO	$1,000,000
Finance & Budget Committee	$2,000,000
Board of Governors	over $2,000,000

See Section 3.2 for exclusions.

*Manager level with direct reports.

Authorizations and Approvals When Amount Exceeded

Less than or equal to $250,000	Greater than $250,000 and up to $1,000,000	Greater than $1,000,000
Directors / Senior Directors / Managing Directors can approve up to the lesser of 10% or $15,000	Officers (CEO, COO, CFO, CHRO, CIO, CMO, General Counsel, ~~Chief Enterprise Officer~~Chief of Staff Executive Services, Executive Directors) can approve up to the lesser of 5% or $25,000	CEO & CFO can approve up to the lesser of 5% or $75,000

For purchases less than or equal to $250,000, if the additional amount of a final expenditure or a final approved invoice is the lesser of ten percent (10%) of the original amount authorized or $15,000, the additional amount may be approved by at least a director level approver or designee provided the cost overage is limited to the same goods and services originally authorized.

For purchases greater than $250,000 and up to $1,000,000, if the additional amount of a final expenditure or a final approved invoice is the lesser of five percent (5%) of the original amount authorized or $25,000, the additional amount may be approved by an officer level approver or designee provided the cost overage is limited to the same goods and services originally authorized.

For purchases greater than $1,000,000 that have already been authorized by the Finance & Budget Committee or the Board of Governors, if the additional amount of a final expenditure or a final approved invoice is the lesser of five percent (5%) of the original amount authorized or $75,000, the additional amount may be approved by the CEO and the CFO or respective designees provided the cost overage is limited to the same goods and services originally authorized; otherwise, Finance & Budget Committee and/or the Board of Governors authorization is required.

Section 3.12 applies to above.

Examples

Example	Scenario	Expenditure Type	Authorized Approver
1	$75,000 Facility Services Contract	Operating	Director, Senior Director, Managing Director
2	$300,000 Consulting Contract	Operating	Officers (CEO, COO, CFO, CHRO, Chief Information and Technology Officer, CMO, General Counsel, Chief Product Officer, ~~Chief Enterprise Officer~~Chief of Staff Executive Services, Executive Directors)
3	$1M Translation Services	Operating	CEO plus CFO
4	$1,999,999 Hardware Purchase	Capital	Finance & Budget Committee
5	$2.5M Health Risk Assessment Contract	Operating	Board of Governors
6	Using Example #2, a $2,000 increase from a final invoice with a new total of $302,000	Operating	Officers (CEO, COO, CFO, CHRO, Chief Information and Technology Officer, CMO, General Counsel, Chief Product Officer, ~~Chief Enterprise Officer~~Chief of Staff Executive Services, Executive Directors)
7	Using Example #3, a $40,000 increase from a final invoice with a new total of $1,040,000	Operating	CEO plus CFO
8	$200 Catering Request	N/A	See Expense Policy AFS-004

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 102.0222**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

Issue: Approval of funds to amend the Session Initiating Protocol (SIP) Trunking Service Contract under Verizon Business.

☐ **New Contract** ☒ **Amendment** ☒ **Sole Source** ☐ **RFP/RFQ was conducted**

Background: Verizon is L.A. Care's main phone line provider. Among the many phone services they provide is SIP Trunking Service, a virtual solution that can support up to 4,000 concurrent calls. This service is the backbone that allows multiple users to connect to a telephone network at any given time. As such, it's a crucial component that supports how L.A. Care manages the high inflow of daily calls from Members, Providers and Business Partners.

The current service contract was on a two-year term and must be amended to continue to receive services. Currently, L.A. Care spends approximately $1.1 million/year or about $90,000/month. L.A. Care staff requests approval to amend the contract for a new 2-year term in an amount not to exceed $2.2 million.

Member Impact: The services under this agreement ensures that Members have a means of communication with L.A. Care and its services.

Budget Impact: Sufficient funds are budgeted under the Information Technology Department for FY2021-22. The balance will be budgeted accordingly in the upcoming fiscal year.

Motion: **To authorize staff to amend the Session Initiating Protocol (SIP) Trunking Service contract under Verizon for a two-year term, in an amount not to exceed $2.2 million.**

L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 103.0220**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

Issue: Amend a current contract with PaySpan for additional funds of $1,000,000 to provide Electronic Funds Transfer (EFT) services through its Electronic Data Interchange (EDI) System solution.

☐ **New Contract** ☒ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Background: L.A. Care has been in partnership with PaySpan for an EDI System. This system includes Electronic Funds Transfer (EFT), file processing, Electronic Remittance Advice (ERA), and online archive.

L.A. Care staff requests approval for additional funds to continue partnership with PaySpan as an EDI System solution to accommodate payments for L.A. Care in the amount of $1,000,000 for a new contract total of $2,875,000.

The EDI System enables L.A. Care to be compliant with the Department of Health & Human Services regulation regarding Adoption of Operating Rules for Health Care EFTs and Remittance Advice Transactions, including Provider Enrollment in EFT and ERA. L.A. Care requires these services because of an increase in L.A. Care EFT Claims Payments. We have used this vendor since May 2014 and are pleased with their work. Other units also use this vendor to assist with provider payments.

Member Impact: L.A. Care members will benefit from this motion through lower costs of making check payments to payees/providers, converting payees/providers to electronic payment using EFT, and from improved efficiency and tracking resulting in provider satisfaction due to timely payments.

Budget Impact: The cost was anticipated and included in the approved budget for the Finance Department in fiscal year 2021-2022. We will budget the balance in future fiscal years.

Motion: To authorize staff to amend a contract in the amount of $1,000,000 with PaySpan to provide Electronic Funds Transfer services through its Electronic Data Interchange System through December 31, 2023 for a new contract total of $2,875,000.

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 104.0220**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro, MD, MBA, FAAP, FACHE

☐ **New Contract** ☒ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Issue: Execute an amendment with Toney Health Care Consulting (THCC) Statement of Work (SOW) 3, to retain two frontline nursing staff for Utilization Management (UM) services through June 30, 2022, at an additional cost of $188,571.

Background: In July 2019, following a notice of non-compliance due to persistent poor performance and Centers for Medicare and Medicaid Services (CMS) audit findings for one of our delegates, L.A. Care de-delegated Care Management (CM) activities for that delegate. At that time, L.A. Care executed a staff augmentation agreement with THCC to add Frontline Nurses to enable L.A. Care to perform these activities internally. These staff have performed well and are now familiar with our service needs and regulatory requirements, which has assisted in the acclamation of the Frontline Nurses from CM to UM activities.

In Q2 of 2021, the UM department experienced a significant period of non-compliance and was placed on a corrective action plan with enhanced monitoring by the California Department of Health Care Services (DHCS) with whom L.A. Care contracts for the Medi-Cal product lines. Frontline Nurses from Toney have been deployed to UM to remediate backlog in our effort to maintain compliance. There is currently a backlog of approximately 2000 Provider Dispute Resolutions (PDRs) that must be addressed to avoid further risk. The request is to extend this contract to June 30, 2022 and retain two Frontline Nurses to accelerate remediation of the PDR backlog, which was included in the DMHC Financial Audit. This will also decrease the amount of DMHC complaints due to hospital abrasion.

The current contract amendment term for SOW 3, Amendment No. 4 is in effect through February 28, 2022, at a total contract cost not to exceed $10,332,000. After further review of business needs, we request approval to extend the contract through June 30, 2022 at an additional cost of $188,571, for a total contract not to exceed $10,520,571.

Member Impact: Executing this amendment allows us to address the longstanding backlog, thus assisting in our efforts to maintain compliance for all lines of business.

Budget Impact: Funds from Operations will cover this amendment, in FY 2021-22 budget.

Motion: To authorize an amendment extending the current contract with Toney Health Care Consulting (SOW 3) for Utilization Management services through June 30, 2022, at an additional cost of $188,571, for a total contract not to exceed $10,520,571.

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 105.0222**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

Issue: Execute a contract amendment with L.A. Care's telephonic interpreting vendor, Language Line, to extend the term by two additional years (April 2022 to April 2024) to meet regulatory and member needs, and add funds in the amount of $3.6 million.

☐ **New Contract** ☒ **Amendment** ☐ **Sole Source** ☒ **RFP/RFQ was conducted in 2017**

Background: L.A. Care staff requests approval to execute a contract amendment with the telephonic interpreting vendor Language Line to extend the term by two additional years and add funds in the amount of $3.6 million. Per state and federal regulations, no-cost interpreting services must be made available to limited English proficient members 24 hours a day, 7 days a week at all points of contact. Telephonic interpreting services is used by various L.A. Care departments such as Customer Solution Center, Care Management, MLTSS, Utilization Management as well as network providers and call center vendor, C3.

Language Line was selected through a competitive Request for Proposal (RFP) in November 2017 based on their company credentials, quality assurance and control, health care experience, and capacity to meet L.A. Care's interpreting needs. In 2018, the Board of Governors Finance & Budget Committee initially approved a Language Line contract for three years amounting to $9 million, with an option to renew for two consecutive years (FIN 102.0418). Since then, Language Line has been successfully providing services at the performance level specified in the contract. The Cultural and Linguistics staff is satisfied with the services Language Line has been providing and will continue assuring the vendors' performance through regular monitoring of their services.

The two-year extension and additional funds will ensure compliance with the language assistance regulations and provision of uninterrupted interpreting services, while allowing sufficient time to conduct an RFP in Q1 2023 and execute a new contract before expiration of this amendment in 2024.

The additional funds were estimated based on the monthly average expenditure of the last two fiscal years and include an additional 10% overage to accommodate for an anticipated utilization increase.

The telephonic interpreting expenditure increased by 6% (the average monthly expenditure in 2019 was $170,000 and increased to $180,000 in 2020 and 2021) during the COVID-19 pandemic. This trend is expected to continue in the coming years with new COVID-19 variants, and providers and members preferring telephonic interpretation. Additionally, L.A. Care added 145,000 Medi-Cal members last year, a growth of 6%. L.A. Care's continuous membership growth is expected to raise the demand for member interpreting needs.

As of November 2021, the contract balance is $1.9 million. With a monthly average expenditure of $180,000, the additional $3.6 million will provide sufficient funds for the next 29 months (covering remainder of the current contract term of five months and a two-year extension) for telephonic

interpreting services. The rates in the amendment will be at the same competitive rates that were negotiated in 2018.

Vendor	Current Contract Total	Amendment Term	Funds requested for additional 2 year term	Revised Contract Total for 2 additional years
Language Line *OPI (over the phone interpreting)*	$ 9,000,000	4/18/2022 to 4/17/2024	$3,600,000	$12,600,000

Member Impact: These services will improve member satisfaction and ensure L.A. Care's compliance with regulatory requirements.

Budget Impact: Sufficient funds are budgeted in the C&L budget for the current contract term in FY2021-22 budget. Additional funds will be requested for subsequent fiscal years.

Motion: **To approve a contract amendment with Language Line for telephonic interpreting, to extend the contract term by two years (2022-2024), and increase funds in the total amount of $3.6 million (for total contract value not to exceed $12.6 million).**

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. COM 100.0222**

Committee: Compliance and Quality **Chairperson:** Stephanie Booth, MD

Issue: Approve CY 2022 Compliance Work Plan

☐ **New Contract** ☐ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Background: L.A. Care's Compliance Plans establish a foundation for responding to multiple state and federal regulatory initiatives. Not only does the implementation of our Compliance Plans help identify and prevent deficiencies, but it also may reduce the potential for liability should violations occur. Additionally, the Compliance Plans establish the organization's commitment to ethical behavior and the proper way of doing business.

Member Impact: None

Budget Impact: None.

Motion: To approve the CY 2022 Compliance Work Plan, as submitted.

CY2022 COMPLIANCE WORK PLAN							
	Planned Activity	Start Date	Completion Date	Description	Purpose/Value Add	Responsible Compliance Unit(s)	Delegates Involved
1	Regulatory Report Quality Assurance & Monitoring	December (2020)	December (2022)	Continue to develop and expand the Regulatory Reporting Quality Assurance process in partnership with IT. The process includes: - Compliance and Business Unit input during the report development process, to ensure the output will align with regulator requirements - Compliance review of the output. - Partner with the Monitoring Team to draw insights/utilize the reported data. This is shifting Compliance's reporting team functions toward reporting quality oversight and monitoring.	Ensure submissions are timely, comlete, and accurate upon submission to regulators. Intregrate regulatory reports into the Monitoring Program; ensure reports are used to measure compliance and aid in performance improvement. Ensure reports are usable and accurate.	Regulatory Compliance	Plan Partners PPGs
2	Expand the Compliance Performance Monitoring Program to include additional plan functions and LOBs based on risk/priority.	October (2019)	December (2022)	Monitoring activities, modeled after the regulator audit processes, are in place to detect, correct, and prevent noncompliance for select high priority plan functions. Expansion of the monitoring program is determined by risk, prioritizing regulatory audit findings, notices of noncompliance, and self-disclosures. At minimum, the monitoring program will encompass all lines of business for the Utilization Management, Care Management, Appeals & Grievances and Claims functional areas.	Allows for clear, ongoing non-compliance detection, correction, and prevention opportunities. Visibility of risks and potential to reduce risk of audit findings. Improved member experience.	Regulatory Audits & Monitoring	N/A
3	Continuation of population letter repository with all approved member facing materials and training program for gatekeepers identified for Business Units. Implement Phase II of respository to house required provider materials/forms, and Plan Partner member communications.	12/1/2021	9/30/2022	The repository houses all approved (by regulators) marketing and member materials in a central location. This resource will be made available to Business Units that utilize materials to ensure only approved versions are used. - Ongoinng review the letter inventory to ensure outdated letters are revised accordingly - All revised materials to be submitted via Podio - The Unit established a 2 year life cycle and expiration dates are identified in repository - Initiate training sessions to socialize impacted Business Units to new centralize repository - Write desktop procedures for uploading and monitoring materials	Increased compliance with member facing materials that will help further reduce audit findings in the future.	Material Review	NA
4	Collaborate with the Product Teams, for al LOBs, to enhance the Podio platform website update section and to ensure member websites are populated with accurate, relevent and timely content. Incorporate a routine review process and expiration date of website content to support these efforts.	1/1/2022	9/30/2022	Review current process in Podio: - Conduct gap analysis for Podio request forming - Collaborate with Marketing and Product Team to coordinate Workgroup meetings to include content owners and decision makers to identify gaps in processes and implement steps to mitigate risks - Develop workplan to include staff accountability, timelines, delieverables, etc.	Member websites contain relevant, up to date and compliant content to ensure intended audience has accurate information.	Material Review	NA

5	Improve Policy Management Program	10/1/2021	12/31/2022	Improve enterprise-wide Policy Management Program: • Review and revise Policy Management Workflow. • Implement and socialize new workflow to internal and external stakeholders. • Update P&P Glossary.	In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to an ensure that policies and procedures (P&Ps) are created and updated to accurately reflect regulatory requirements and functional area processes. These documents communicate a company's adherence to regulatory requirements, help maintain standards, set expectations, and minimize potential risks and liabilities.	Regulatory Analysis and Communication	Plan Partners
6	Enhance enterprise-wide Regulatory Change Management (RCM) Program	10/1/2021	12/31/2022	Enhance the the enterprise-wide regulatory change management program, including but not limited to: • Develop and launch Point of Contact (POC) Training Program. • Implement new SharePoint site.	In order to ensure that L.A. Care has a comprehensive and holistic regulatory change management program, it is essential to to have an effective enterprise-wide regulatory change management program. Ensuring the proper implementation of new or updated regulatory requirements, ensures improved performance during regulatory audits and preventing the need for correction.	Regulatory Analysis and Communication	N/A
7	Continue development of enterprise-wide inventory of regulatory requirements and identify technological application(s) to house requirements.	1/1/2022	12/31/2022	To support developement of this inventory, the following activities will be completed: • Implement technological solution for inventory of regulations and potential capabilities to connect with monitoring dashboard. • Continue compilation of a crosswalk of regulations to responsible parties/stakeholders, P&Ps, and key reporting metrics for subsections tp support Monitoring Program and identify any potential gaps.	In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to have a comprehensive inventory inclusive of all regulations and contractual requirements. This will also be essential to monitoring contractual performance requirements and support effective regulatory change and policy management.	Regulatory Analysis and Communication	N/A
8	Implement enhancements to the 2022 Annual Risk Assessment to support the outcome of establishing a stronger foundation for future risk assessment and internal control environment activities.	10/1/2021	12/31/2022	* Establish a process to catalog risk from key stakeholders and identify current control state and identify desired control state * Build Management Action Plans (MAP) to support remediation efforts and allow Complaince to monitor progress *Prioritize risk to formulate a meaningful and actionable Annual Risk Assessment *Integrate the Annual Risk Assessment into the 2022 Internal Work Plan	For Risk Management to perform an effective annual risk assessment to identify, rank, and calibrate the risks faced by L.A. Care, inclusive of evaluating existing controls and procedure in a internal audit plan tailored to L.A. Care's unique risk profile.	Risk Management/ Business Continuity	N/A
9	Automate Privacy Impact Assessment	January 2022	December 2022	Automate Privacy Impact Assessment in SharePoint and develop micro training to staff on new process	Detect privacy risks and reduce them to acceptable levels in systems, processes, and applications.	Compliance/ Privacy Unit	N/A

10	Align 3rd Party Risk Management	January 2022	December 2022	Work with Legal and InfoSec to align third party risk management activities to detect and address HIPAA risks during contracting phase.	Align processes to industry standards to minimize risks.	Compliance/ Privacy Unit	N/A
11	Develop Tracking Mechanism to Automate Privacy Activities	January 2022	December 2022	Develop tracking mechanism to automate privacy activities to evidence program performance and detect risk areas.	Monitor program effectiveness to ensure continuous improvements.	Compliance/ Privacy Unit	N/A

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. COM 101.0222**

Committee: Compliance and Quality **Chairperson:** Stephanie Booth, MD

Issue: Approve CY2022 Internal Audit Plan

☐ **New Contract** ☐ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Background: The Internal Audit Plan summarizes the plan projects and activities as well as the audit schedule for 2022.

Member Impact: None

Budget Impact: None.

Motion: To approve the CY 2022 Internal Audit Plan, as submitted.

Audit and Compliance Update

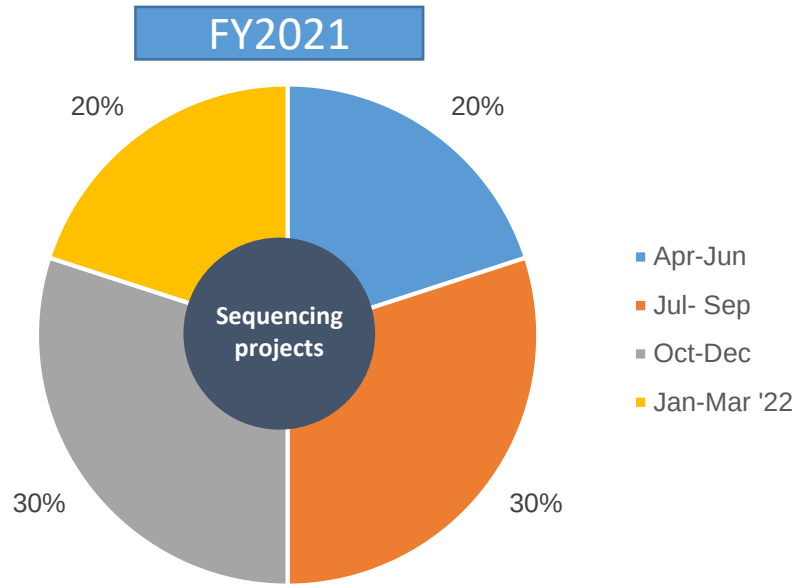
L.A. Care HEALTH PLAN
For All of L.A.

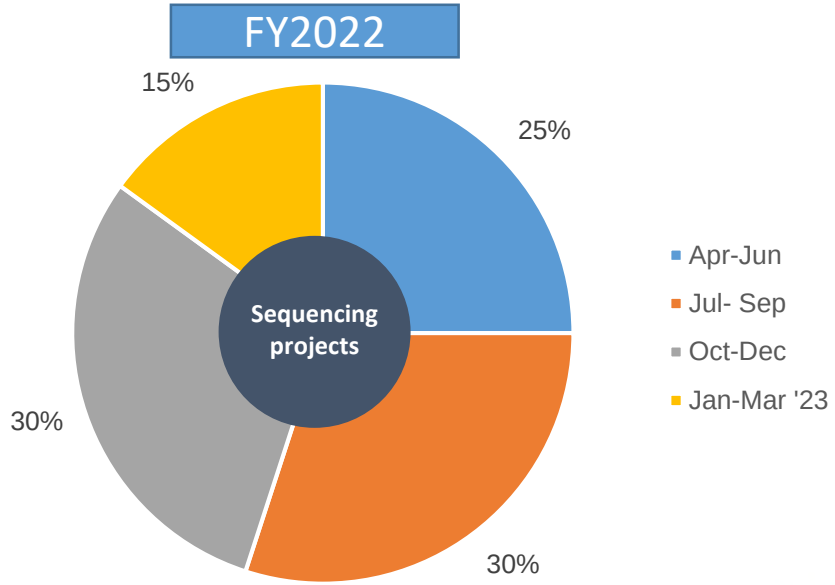
FY 22 Internal Audit Plan

Executive summary

- The FY21 Internal Audit Plan consisted of 12 projects - 3 proposed projects, 2 contingent projects, in addition to annual activities such as testing 5 projects related to Corrective Action Plan follow-ups, Annual Risk Management Assessment, Annual IA Planning and support for the Health Industry Collaboration Effort, Inc. (HICE).

- The FY22 Internal Audit Plan has been developed based on the recent Risk Assessment and will have 16 projects with similar coverage and ongoing projects like HICE and annual Risk Assessment.
- Projects will be delivered with a mix of RGP and internal resources.



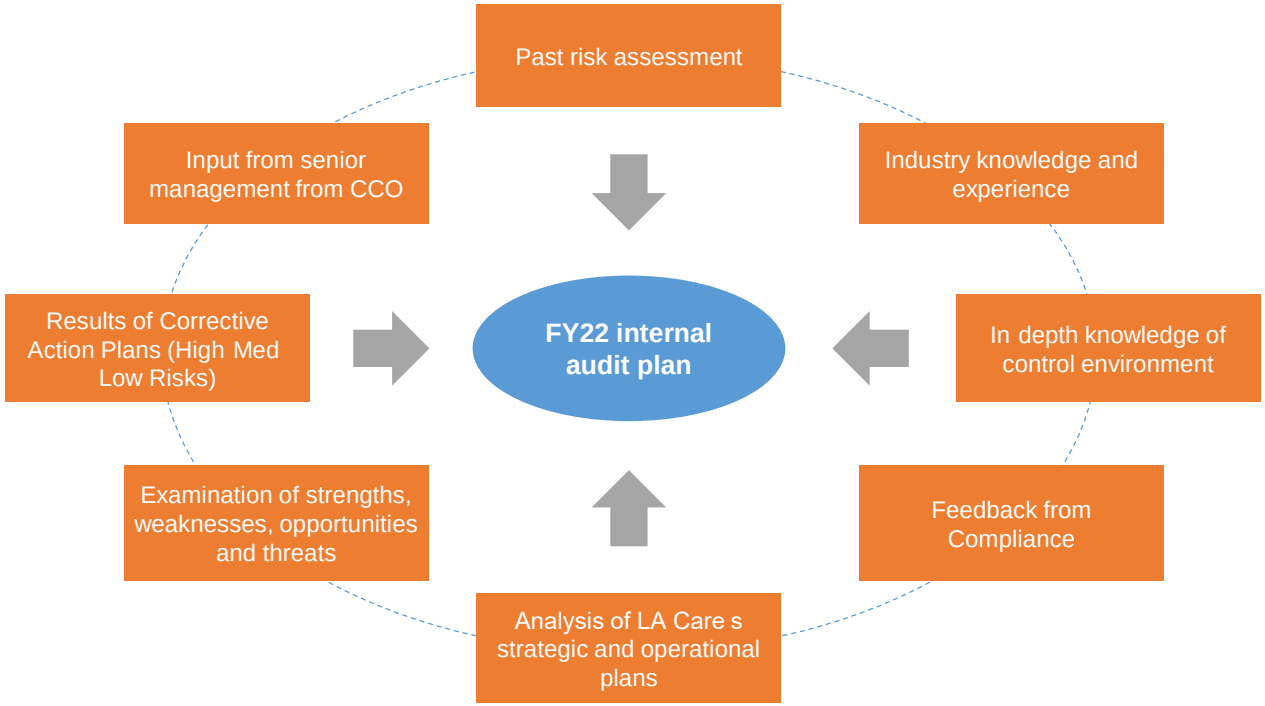


Internal audit planning process

LA Care's Internal Audit Plan is driven by the information gathered through the Compliance and IT Security

Recognizing the importance of being fully operational and effective the projects which make up the Internal Audit Plan were identified and prioritized based on a number of key inputs.

Key Inputs to the development of the Internal Audit Plan:



Current Internal Audit Plan (IAP)
(12 Activities Timeline)

Planned · Completed · Removed · Started · Moved to '22

Area of Focus	Apr Jun	Jul Sep	Oct Dec	Jan Mar 2022
Information Technology	Health Industry Collaborative Effort	▪ Proposed: Asset Inventory → Ongoing support	Ongoing support	Proposed: Portal Assessment Contingent: System Configuration Assessment
Regulatory & Compliance	Proposed: CMC Sales and Marketing review	Contingent: Core 2.1 and Core 3.2 data validation		
Corrective Action Plan (CAP) Follow-up- High Risk	DHCS Audit- Annual Network Certification	Provider terminations	Proposed: DMHC Audit Contingent: RA Billing Issue	
Other			Annual Risk Assessment Internal Audit Planning FY2022	
Total Projects	**3**	**2**	**5**	**2**

Current IAP Details

Moved | Planning | Completed | Removed | Started

Area of focus	#	Audit name	Brief description	Proposed / Contingency	Estimated Timeframe
Information Technology	1	Asset Inventory	Assess the process of how IT assets are managed by LA Care's ITOI to decrease IT managed assets.		Jul-Sep 2021
	2	Portal Assessment	Assess all portals that process ePHI to ensure confidentiality, integrity, and availability of the ePH process is not compromised	**Planning started in Q1 2022**	Jan-Mar 2022
	3	System Configuration Assessment	Assess effectiveness of the current defined and approved system configuration process to ensure technologies to be deployed and after go-live are properly configured and meet the LA Care security requirements.	**Contingent Project moved to 2022**	Jan-Mar 2022
	4	Health Industry Collaboration Effort, Inc. (HICE)	LA Care conducts IT audits of their PPG's. This is to help improve the IT compliance of our FDR		All 2021
Regulatory & Compliance	5	CMC Sales and Marketing	Review Sales and Marketing policies and procedures against the CMS and California Guidelines.		Mar-Apr 2021
	6	Core 2.1 and Core 3.2 Data Validation	Assess current data validation process for Core 2.1 and Core 3.2	**Replaced project with another audit project**	Jul-Sep 202
Corrective Action Plan (CAP) Follow-up	7	DHCS Audit	The assessment will review the closed documents for sufficiency if reassessed by CMS, DMHC or internally by Compliance		Apr-Jun 2021
	8	Provider Termination		**Proposed project moved to 2022**	Jul-Sep 2021
	9	RA Billing Issue		**Contingent project moved to 2022**	Oct-Dec 2021
	10	DMHC Audit			Oct-Dec 2021
Other	11	Annual Risk Assessment	This will process will help inform the current risks of LA Care for the annual plans for Compliance and Internal Audit		Oct-Dec 2021
	12	Internal Audit Planning FY2022	Creating a draft FY2022 Internal Audit plan for resources and communications of support		Oct-Dec 2021

IA Plan for Calendar 2022

L.A. Care HEALTH PLAN®

For All of L.A.

Proposed IAP
(16 Total Activities Timeline)

Contingent · Proposed · Started

Area of Focus	Jan Mar	Apr Jun	Jul Sep	Oct Dec	Jan Mar 2023
Information Technology	Proposed: Portal Assessment Health Industry Collaborative Effort →	Proposed: IT Project Management: System Implementation	Contingent: System Configuration Assessment (From 2021)		Proposed: Data Governance
Regulatory & Compliance	Proposed: Emergency Claims Review to include A&G	Proposed: Appeals and Grievances	Proposed: Delegated Oversight Monitoring	Contingent: Pharmacy Transition	
Corrective Action Plan (CAP) Follow-up-High Risk		Proposed: Sales and Marketing Follow-up (Regulatory audit 2020 and IA 2021)	Proposed: DHCS Findings Contingent: DMHC	Contingent: RA Billing Issue (From 2021)	Proposed: Provider terminations (From 2021)
Other				Annual Risk Assessment Internal Audit Planning FY2023	
Total Projects	**3**	**3**	**4**	**4**	**2**

Started Proposed Contingent

Proposed IAP details

Area of focus	#	Audit name	Brief description	Proposed / Contingent	Estimated Timeframe
Information Technology	1	IT Project Management: System / Implementation	Assess the IT governance process for gathering requirements / UAT / Go-No-Go decisioning to reduce the risk of errors in system implementations.		Apr-Jun 2022
	2	System Configuration Assessment	Assess effectiveness of the current defined and approved system configuration process to ensure technologies to be deployed and after go-live are properly configured and meet the L.A. Care security requirements.		Jul-Sept 2022
	3	Portal Assessment	Assess all portals that process ePHI to ensure confidentiality, integrity, and availability of the ePH process is not compromised (From 2021)		Jan-Mar 2022
	4	Data Governance	Assess the Data Governance controls and processes per L.A. Care policies and procedures against leading practices and CMS requirements		Jan-Mar 2023
	5	Health Industry Collaboration Effort, Inc. (HICE)	LA Care conducts IT audits of their PPG's. This is to help improve the IT compliance of our FDR		All 2022
Regulatory & Compliance	6	Emergency Claims Review to include A&G	Conduct a full-scope internal audit of the Emergency Services Claims and Appeals & Grievances processes and escalation processes.		Jan-Mar 2022
	7	Appeals and Grievances	Assess the processes for reviewing and expediting grievances, the current tracking system and escalation processes		Apr-Jun 2022
	8	Delegated Oversight Monitoring	Assess the Delegated Oversight monitoring procedures and issue tracking / escalation		Jul-Sept 2022
	9	Pharmacy Transition	Assess the transition procedures and coordination / communication with the members to assess if any negative issues to members,.		Oct-Dec 2022
Corrective Action Plan (CAP) Follow-up	10	Sales and Marketing	The assessment will review the closed documents for sufficiency if reassessed by CMS, DMHC or internally by Compliance (Some from 2021)		Apr-Jun 2022
	11	DHCS			Jul-Sep 2022
	12	DMHC			Jul-Sep 2022
	13	RA Billing Issue			Oct-Dec 2022
	14	Provider Terminations			Jan-Mar 2023
Other	15	Annual Risk Assessment	This will process will help inform the current risks of LA Care for the annual plans for Compliance and Internal Audit		Oct-Dec 2021
	16	Internal Audit Planning FY2023	Creating a draft FY2022 Internal Audit plan for resources and communications of support		Oct-Dec 2021

January 25, 2022

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

SUBJECT: CEO Report – February 2022

While we somehow already find ourselves a month into 2022, I would still like to wish you all a Happy New Year. I hope the holiday season was a restful one and everyone was able to stay safe and healthy as we continue to navigate the COVID-19 pandemic.

Unfortunately, we began 2022 amidst the Omicron surge, the latest challenging chapter in the pandemic. While I am glad to see reports of milder infections and fewer hospitalizations among those who are vaccinated, we know that vaccination rates among Medi-Cal members continue to lag significantly behind those of the general population. With L.A. Care members among those suffering the worst COVID-19 outcomes, our work continues to increase vaccination rates among our members and their communities. We continue to take a multipronged approach that includes vaccine clinics and many collaborations with trusted community partners.

Despite the unfinished work we still have in the fight against COVID-19, a positive new year development here at L.A. Care was the smooth implementation of Medi-Cal Rx, the state's prescription drug carve-out program for Medi-Cal, and components of CalAIM, the state's Medi-Cal waiver. On January 1 our members were able to fill thousands of prescriptions without major incident and we had successfully brought on our vendors for the Enhanced Care Management (ECM) and Community Supports (CS) programs. I am incredibly proud of the hard work so many of our staff put in to making this possible. It was truly a team effort and the results were reflective of the level of commitment and preparation everyone brought to these projects. There is much work ahead and I am confident that our team will continue to rise to the occasion.

Finally, I am pleased to report that as of the beginning of January, L.A. Care's membership had surpassed 2.5 million members.

Following is a snapshot of our progress on some of our community- and provider-focused work.

	Since last CEO report (11/22/21)	**As of 1/25/22**
Elevating the Safety Net Physicians hired under Physician Recruitment Program*	-3	134
Elevating the Safety Net Active grants for medical school loan repayment**	-2	92
Elevating the Safety Net Grants for medical school scholarships	8	40

L.A. Care's Housing Initiatives*** Households with housing secured	5	329
IHSS+ Home Care Training**** IHSS worker graduates from CCA program	n/a	4,172

*The number of physicians fluctuates as physicians are hired and/or leave clinics.

**The number of active grants for loan repayment may decrease due to physicians completing their service commitment, paying off debt, or leaving prior to completing their service commitment.

***As of July 1, two similar housing initiatives have been combined (Housing for Health and Housing for Healthy California) for updates in this report.

****The reporting process for the IHSS training program has been updated for accuracy and therefore the graduation count may vary from previous reports.

Below please find organizational updates for December and January:

L.A. Care Launches Health Equity Department

As part of its ongoing commitment to advancing health equity for its members and their communities, L.A. Care has launched a Health Equity Department. Marina Acosta, Manager of Health Equity, will supervise the development of the new department under the leadership of James Kyle, MD, L.A. Care Chief of Equity and Quality Medical Director. The creation and staffing of the new department will allow L.A. Care to expand its health equity activities. Upcoming initiatives include a COVID-19 vaccine project focused on the Black/African American populations in South Los Angeles and the Antelope Valley as well as providing cultural humility training to a wider group of L.A. Care management.

L.A. Care and the Los Angeles Rams Partner to Hold COVID-19 Vaccination Events in Under Vaccinated Communities

L.A. Care Health Plan has committed $75,000 to sponsor 15 vaccine clinics hosted by the Los Angeles Rams at Los Angeles Unified School District (LAUSD) middle schools in under vaccinated communities. The goal of this collaboration is to provide access to the COVID-19 vaccine and education about its safety and effectiveness as well as to dispel vaccine myths and misinformation for L.A. Care members, their families, and communities. In addition to mobile vaccine clinics, each event will include a health and wellness assembly, football themed activity stations, and a "Fuel-Up" table with healthy snacks. The partnership also includes an overhaul of the co-ed Beyond the Bell Flag Football program at 120 LAUSD middle schools, including new equipment and uniforms.

L.A. Care Hosts Blood Drive to Address Severe Shortage

In 2021, the U.S. saw a 34 percent drop in new blood donors from the previous year as the pandemic forced the cancellation of many blood drives. The result was the lowest blood supply in more than a decade, according to the Red Cross. In response to this severe shortage, L.A. Care held a blood drive in December, its tenth since the pandemic began. Blood donations are critical for accident victims, planned and unplanned surgeries, and for those receiving treatment for leukemia, cancer, or sickle cell disease.

L.A. Care Teams with Trusted Community Partners on COVID-19 Vaccination Clinics

As part of its continued effort to increase vaccination rates among Medi-Cal members, which lag significantly behind vaccination rates overall, L.A. Care hosted ten vaccine clinics throughout January and plans to host at least two more in February. L.A. Care is working with trusted community partners such as schools, colleges, and faith-based organization to put on these clinics, which are targeting Los Angeles County communities where vaccine rates are lower than the general population and where vaccine hesitancy persists. The state accepted L.A. Care's vaccination response plan in September and these clinics are part of that multipronged approach to increasing COVID-19 vaccinations in Los Angeles County.

January 14, 2022

TO: Board of Governors

FROM : John Baackes, CEO

SUBJECT: 1st Quarter FY 2021/22 Vision 2024 Progress Report

This report summarizes the progress made on the activities outlined in Vision 2024, L.A. Care's strategic plan. This is the first quarterly report for the 2021/22 fiscal year, which represents the first year of our three-year plan. L.A. Care started our first quarter in this new strategic plan amid the continuing changes from the pandemic and advancing readiness for multiple new programs from CalAIM.

L.A. Care's notable first quarter activities include:

- L.A. Care launched our new Health Equity department to increase our commitment to equity for our members.
- Open Enrollment efforts began for L.A. Care Covered, our product on the California Exchange.
- Continued preparations for CalAIM, across multiple areas of L.A. Care
- Completed our Employee Engagement Survey and developed action plans to support employee retention and address areas for improvement.

High Performing Plan

Achieve operational excellence by improving health plan functionality.

Build out information technology systems that support improved health plan functionality.	
Tactics	**Update**
Improve customer service through the Voice of the Customer (VOICE) initiative, our customer service information technology system.	Voice of the Customer (VOICE) continues to work on the Call Flow project which includes features such as courtesy call back and post-call surveys. The project is currently in the business requirements phase and is scheduled to be deployed by end of FY 2021/22. Work continued on the enhanced provider assignment/change tool with deployment scheduled for the 3rd quarter of FY 2021/22.
Improve efficiency and effectiveness of financial management functions with the implementation of the additional phases of the SAP system, our Enterprise Resource Platform (ERP).	The Enterprise Resource Planning (ERP) Platform implementation went live for the Electronic Bank Statement reconciliation automation. This process completes the bank reconciliation automation process that started with Billing and Disbursement projects. We are finalizing the business blueprints and designs for two SAP key projects implemented in parallel: • SAP ERP with Fixed Assets, Account Payable, Purchase Order and Project Cost will replace Solomon, L.A. Care 's current accounting system. • SAP Revenue Automation will automate the revenue recognition and retro adjustments for Medi-Cal and Cal MediConnect products for more than two million members. This complex process is currently being performed manually by Medical Payment System & Services. SAP ERP and Revenue automation projects are scheduled to go live at the end of May 2022.
Complete the implementation of SyntraNet to support operational improvements across the enterprise, with a particular emphasis on appeals and grievances.	Ongoing improvements have been made to the Utilization Management (UM) module of SyntraNet to streamline system and departmental workflows. UM is anticipating several system updates in Q2 to facilitate faster authorization processing. The Care Catalyst Team will be updating the project plan for the Grievance & Appeals module during Q2.

Build out information technology systems that support improved health plan functionality.	
Tactics	**Update**
Modernize provider data management by defining and creating a roadmap for achieving our target state for our provider data ecosystem.	The Provider Roadmap initiative is a multi-year program focused on improving L.A. Care's provider data quality and management, including enhancements to data intake, standardization, validation, storage, and reporting processes. This initiative will: • prioritize the use of the standardized provider file (SPF) to receive provider data directly from our PPG partners; • leverage the validated provider data available through the partnership with the Symphony Provider Directory Utility; • address some known infrastructure challenges that have historically limited our efficient use of available data; • employ the newly established data governance framework to ensure better data quality; and • enable the network affiliations and hierarchies to properly identify and manage all providers available to a member within a closed sub-network.
Refine and implement our three-year technology roadmap and ensure that the reference architecture serves as a blueprint that evolves with L.A. Care's needs.	The Technology Roadmap continues to evolve and is being refined. With the completions of the first phase of UM and CalAIM, the reference architecture will have the opportunity to exploit more modern technology services.
Develop real-time interoperability capabilities to share data with providers and members.	Work is underway to launch a data connection (Application Program Interface or API) for members to access their health information maintained by L.A. Care. Expected to be available by June 2022, the data connection API will enable third party applications (typically on smart phones) to access member data with member consent.

Support and sustain a diverse and skilled workforce and plan for future needs.	
Tactics	**Update**
Conduct succession planning, particularly at the leadership level.	We are working with members of Senior Leadership to develop strategies to ensure succession within the organization.

Support and sustain a diverse and skilled workforce and plan for future needs.	
Tactics	**Update**
Maintain a diverse and inclusive workforce, validated by data analysis, to model L.A. Care's commitment to Diversity, Equity, and Inclusion.	L.A. Care continues to monitor and enhance its diversity dashboard, including monitoring ethnicity/race and gender by employee category (i.e. staff, supervisory, management, Director, Sr. Director, Officer).
Support a culture of accountability that encourages transparency.	L.A. Care is developing remote educational classes for management focused on ensuring proper performance assessment/management in the remote environment.
Improve managed care and Management Services Organization (MSO) acumen among staff.	We are assessing the knowledge gaps for staff and will develop a plan to target our training more specifically to address these needs.
Promote retention of staff in an evolving work environment.	L.A. Care has completed our Employee Engagement Survey and we are currently working on action plans. We actively support employees through our Employee Recognition Program and Employee Resource Groups. We have also established a Return to Office strategy, focused on remote work and employee retention, which will be shared with staff in January.

Ensure long-term financial sustainability.	
Tactics	**Update**
Implement recommendations from the administrative expense benchmarking study and update the administrative expense target in the revised forecasts.	L.A. Care is assessing the recommendations from the benchmarking study and will implement appropriate changes to optimize staffing to meet business demands in the future.

Ensure long-term financial sustainability.	
Tactics	**Update**

Develop risk arrangements for Enhanced Care Management (ECM) and the Dual Eligible Special Needs Plan (D-SNP).	Network Enhanced Care Management (ECM) & Community Supports (CS) updates:
	• Direct Network contracts: 38 contracts for ECM and 19 for CS with an effective date of January 1, 2022.
	• Ancillary contracts: three contracts for ECM and 10 contracts for CS with an effective date of January 1, 2022.
	• L.A. County Contracts
	  ○ Department of Health Services (DHS): ECM & CS contracts fully executed effective January 1, 2022
	  ○ Department of Mental Health: eight contracts for ECM effective January 7, 2022 and 32 Facilities pending an effective date of April 1, 2022
	  ○ Department of Public Health: ECM and CS proposed effective date July 1, 2022 pending certification process
	
	D-SNP amendments are out to PPGs, hospitals, and ancillary providers. We expect to start receiving executed documents within the beginning of 2022. DHS D-SNP (hospital service agreement/fee-for-service) amendments are pending signature by County Counsel and the DHS Director.

Mature L.A. Care's family of product lines, taking an "all products" approach whenever possible.	
Tactics	**Update**
Launch a D-SNP to serve the dually-eligible Medicare and Medi-Cal population and transition members from Cal MediConnect (CMC) to the D-SNP.	Centers for Medicare & Medicaid Services (CMS) Notice of Intent to Apply (NOIA) submitted for the L.A. Care Medicare Advantage Program. D-SNP Model of Care Provider contracting efforts and Plan Name selection are underway. Monthly Department of Health Care Services Cal Medi-Connect to D-SNP Enrollment Transition Workgroups continue. Operational processes to support Exclusively Aligned Enrollment (EAE) to be developed by the state in partnership with stakeholders. Meetings begin January 2022.

Mature L.A. Care's family of product lines, taking an "all products" approach whenever possible.	
Tactics	**Update**
Increase membership across all products by implementing member recruitment and retention strategies.	• Open Enrollment Period for L.A. Care Covered commenced on 10/01/21. We are currently running ads across most media channels. • D-SNP product research for brand and product naming was conducted. Initial marketing strategic planning has commenced based on research results. • Advertising strategic planning is underway for our Medi-Cal campaign, CMC/D-SNP campaign, Community Resources Centers (CRCs) campaign, Plan Partner campaign, and our corporate "Brand" campaign. Campaigns are set to launch this spring. • Touch point reform & member journey for all lines of business, designed to streamline and improve member interactions, initiated cataloging all existing member communications/engagements across the organization. • Development and expansion of sales distribution channels across all lines of business including preparing for the D-SNP launch. Critical sales channels including provider group and PCP engagement, community marketing through targeted community-based organizations and or CRCs, and expansion of direct broker general agencies and high-producing agents. • Initiated planning for the execution of an enhanced "newly dual eligible" lead outreach program in support of Cal MediConnect and the transition to D-SNP. • Completed requirements for a new broker self-service portal which will elevate agent support and engagement.
Engage in a provider network strategy that meets distinct business and competitive needs of all products and ensures that members receive high-value care.	Our network strategy remains focused on the fundamental elements of supporting our contracted physicians as they continue to care for our growing Direct Network membership which increased 9% to nearly 30,000 members in Q1 from the previous quarter. The provider network strategy included continued expansion of the specialty network throughout L.A. County (current Network Adequacy is at 98% using the Department of Health Care Services core specialty types, which has increased from the previous quarter), giving us the opportunity to open additional primary care provider sites/panels for more member access and choice, and partnering and contracting with premier organizations for access to care. Additionally, we continue to evaluate opportunities to transition PPG shared risk business to dual risk where it aligns with our capitated hospital partners as appropriate. We leverage our

Mature L.A. Care's family of product lines, taking an "all products" approach whenever possible.	
Tactics	**Update**
	own account managers to assist, inform, and educate our network and their staff to continually enhance the direct network experience.

High Quality Network

Support a robust provider network that offers access to high-quality, cost-efficient care.

Mature and grow our Direct Network.	
Tactics	**Update**
Insource delegation functions that are currently outsourced, as appropriate and cost effective.	OptumHealth (Optum) continues to perform select Utilization Management (UM) and Care Management (CM) services for the L.A. Care Direct Network (DN) members. To ensure a transition that is seamless for L.A. Care's members and providers, L.A. Care has undertaken a comprehensive readiness plan to insource these services, by taking a holistic approach to ensure that the plan will be able to meet or exceed all compliance and quality standards to serve the DN members, and partner with DN providers.
Improve the operations of all L.A. Care functions necessary to support and scale up the Direct Network.	Continued efforts for operational improvements with the support of the Direct Network Administration Steering Committee include improving the Provider Experience on the Provider Portal. Improvements include: more reporting accessibility, improving the workflows of the provider load process with the adoption of enhanced tools and resources, partnering with the Learning and Development team for future online Learning Management System training delivery, and continued focus on supporting overall provider data management. Additional functional enhancements will be deployed for our online authorization tool. We continue to gather feedback from both internal and external stakeholders to enhance the innovation, technology, online tools, and overall experience in the Direct Network for both providers and members. We plan to implement more tools and features that make working with the provider community and members a more seamless experience.
Strategically address gaps in the Direct Network to meet all member needs countywide.	L.A. Care continues to improve network adequacy by utilizing targeted provider recruitment data, analytics, and dashboards to make strategic network decisions. The specialty network has increased by 8% during Q1 from the previous quarter, and the team was able to convert a large number of high volume of temporary contract arrangements to fully credentialed contracts. The Provider Network team has grown the primary care network by 4% during Q1 from the previous quarter. The team continues to recruit multispecialty offices, PCPs, and specialists with ongoing targeted recruitment tactics. In addition to the efforts above, to meet CalAIM member and network needs, the team has successfully fully contracted 38 Enhanced Care Management (ECM) and 19 Community Support providers for a January 1, 2022 effective date.

Mature and grow our Direct Network.	
Tactics	**Update**
Increase access to virtual care by implementing L.A. Care's Virtual Specialty Care Program (VSCP).	• In December 2021, the Virtual Care project team began outreach to seven high volume Direct Network practices and received favorable response from four of the seven practices. Three of them asked for more time to consider. We will continue the outreach efforts to other high volume practices each quarter. • The project launch date has been adjusted to March 2022 to accommodate a Children's Hospital Los Angeles (CHLA) contract change and recent impact from the COVID-19 Omicron surge.

Improve our quality across products and providers.	
Tactics	**Update**
Achieve quality scores for the Direct Network that are commensurate with the median IPA network scores.	L.A. Care's Quality Improvement team has developed a Direct Network (DN) Incentive program that is modeled on the physician and clinic Pay for Performance (P4P) program and increases the funding DN providers may receive for excellent clinical care and member experience. Also, the DN is a "group" within the Medi-Cal Value Initiative for IPA Performance (VIIP) program and will receive a portion of that pool equal in proportion to their ranked performance in the DN P4P program. Additionally, a DN specific award was created for the annual Provider Recognition Awards.
Exceed the DHCS Minimum Performance Level for all measures for Medi-Cal, achieve a four-star quality rating for L.A. Care Covered, and build the infrastructure to achieve a four-star quality rating for our D-SNP.	For all lines of business, our lowest scores and biggest risk is Member Experience, driven by Access and Provider Interactions. Quality Improvement (QI) will continue to champion current efforts and an Enterprise Experience team and program that can use advanced user experience and customer experience methods to improve. Product specific efforts include: • Medi-Cal: we have developed a three-year plan to surpass Minimum Performance Level on up to 17 of the total Managed Care Accountability Set measures. Three remain at significant risk and goals and interventions are in place to achieve success.

Improve our quality across products and providers.	
Tactics	**Update**
	• LACC: we are active partners with Covered California as they develop their next three year Quality Transformation Initiative. We participate with HealthNet and Molina on a Hospital Quality Collaborative with success already noted through the first round of meetings. • CMC/D-SNP: the Stars Workgroup launched in Q1 2021 with significant progress in establishing cross-functional collaboration among L.A. Care operational teams. A new team is dedicated to Stars performance. Our HEDIS vendor has a module by which we will track measures available over the next three years (Measure Year (MY) 2020 through MY2024) by provider group level performance, medication adherence, and gap in care closure. Another web-based platform shared with network providers is facilitating data capture to close quality and risk adjustment gaps. The Master Stars Roadmap is in development. A Stars Steering committee will start in 2022.
Improve clinical data integration and data governance, starting with race, ethnicity, language, sexual orientation, and gender identity data, in order to achieve the NCQA Health Equity Distinction.	We have gathered the initial requirements for the clinical data integration and governance program. We will be completing estimates and aligning resources for the race, ethnicity, language, sexual orientation, and gender identity programs early February.
Improve clinical performance for children's care.	Multiple efforts were focused on children's care. Mailers were sent to medical providers with information on clinical recommendations and resources. Parents of children due for well-care visits and immunizations received automated reminder calls. Parents of newborns and newly enrolled babies (0-6 months) were sent an educational brochure describing the recommended well-care visits and immunizations to be completed by age two.

Invest in providers and practices serving our members and the L.A. County safety net.	
Tactics	**Update**
Assist our providers in adopting and using Health Information Technology (HIT) resources.	The 15 Transform L.A. practices are reporting nine clinical quality measures from their electronic health record system. The Health Information Exchange team also provides Admit, Discharge, and Transfer (ADT) reports in near real time to 40+ practices.
Provide practice coaching to support patient-centered care.	Transform L.A. has increased the number of Direct Network practices to 15 (28 sites) with 99 providers, 20% of Direct Network members, and 12% of L.A. Care's total members. Seven practices are reporting improvement in Controlling High Blood Pressure and Diabetes A1c Poor Control. The Help Me Grow initiative continues to progress. The L.A. program launched the first enrolled practice in their three-year pilot to increase developmental milestone screenings in L.A. Care members aged 0-5 years old.
Implement innovative programs to train, recruit, and retain highly qualified providers through the Elevating the Safety Net initiative.	• Health Career Internship Program – After hosting 35 interns in the summer of 2021, Health Career Connection (HCC) initiated preparations to host the second cohort of 31 interns in 2022. • Residency Support Program (RSP) – On November 4, 2021, L.A. Care's Board of Governors approved a $3.23 million investment to fund residency programs at AltaMed, Charles R. Drew University of Medicine and Science (CDU), UCLA, and White Memorial under a third cycle of funding. The approved funds will support salaries and benefits for 25 residents across the four institutions starting in academic year 2022-23 through 2024-25. • Medical School Scholarships – Two new grants were approved in December 2021 to support eight new medical students (four at CDU and four at UCLA) who will embark on a journey to become practicing physicians with a full four-year tuition scholarship starting in 2022. With this newest investment, L.A. Care commits to supporting five cohorts and a total of 40 medical students (twenty at CDU and twenty at UCLA). • Provider Recruitment Program (PRP) – We continue to grow the PRP program, with 134 providers hired totaling more than $18.3 million in investment. There are currently 20 vacancies for a total of 154 grants executed.

Invest in providers and practices serving our members and the L.A. County safety net.	
Tactics	**Update**
	• Provider Loan Repayment Program (PLRP) – We have 92 active physician awards. With the newest investment of $7.96 million, bringing our total investment to $25.96 million, between 30-60 physicians who commit to practicing in our safety for at least three years will receive an award to pay off their educational debt starting in 2022. • Elevating Community Health – For the CHW program, on October 26, 2021, the third cohort of CHWs completed the fourth of six continuing education sessions covering Substance Use Disorders. In the Center for Caregiver Advancement's IHSS training program, 4,172 IHSS workers have graduated since the beginning of the program (note that the reporting process for the IHSS training program has been updated for accuracy, so the graduation count may vary from previous reports). • National Medical Fellowship (NMF) – During the fourth quarter of 2021, L.A. Care reviewed the opportunity to fund a fifth cohort of seven fellows in 2022. L.A. Care has supported four cohorts and a total of 28 fellows since 2018. • Keck Graduate Institute (KGI) Master of Science in Community Medicine (MSCM) – Twenty-two students (part of the charter class), who have received a full-tuition scholarship from L.A. Care, continued their participation in KGIs new two-year online MSCM program this quarter. Upon completing the MSCM program, which will prepare students to work in underserved and underrepresented communities, students will also have the option to pursue additional training in medicine at KGI.
Utilize the Community Health Investment Fund (CHIF) to leverage opportunities for providers to increase quality and access to care.	At its November 2021 meeting, the Board of Governors approved the Community Health Investment Fund's (CHIF) priorities for FY 2021/22. This included an allocation of $10 million to support safety-net providers to improve medical and dental care access, increase overall clinical quality, and address racial health disparities and systemic racism. Additionally, safety-net patients will be supported through programs that address social determinants of health such as access to food, housing, and income security.

Member Centric Care

Provide services and care that meet the broad health and social needs of our members.

Operate all components of California Advancing and Innovating Medi-Cal (CalAIM) as they are launched.	
Tactics	**Update**
Maximize care for L.A. Care members, within funding constraints, through successful implementation of Enhanced Care Management (ECM) and Community Supports (CS) for specified populations of focus.	Enhanced Care Management (ECM): In partnership with the other L.A.-area Medi-Cal plans, L.A. Care's work with future ECM providers focused on operational readiness to meet the needs of ECM members and provide required services. Support was offered through a variety of trainings and 1:1 work with ECM providers to close outstanding gaps. L.A. Care's provider teams executed contracts to build out the ECM network with sufficient capacity for both newly-eligible members and those grandfathering from Health Homes and Whole Person Care. Community Supports (formerly In Lieu of Services): In collaboration with multiple internal and external stakeholders, L.A. Care prepared to launch Community Supports (CS) services as part of the CalAIM initiative, set to launch on January 1, 2022. • Homeless & Housing Support Services (HHSS) – this includes Housing Navigation and Tenancy Services • Recuperative Care • Medically Tailored Meals We plan to grandfather approximately 7,000 members from the Health Homes Program and/or Whole Person Care to HHSS and/or Recuperative Care. Additionally, one of our biggest operational priorities has been the enhancements and implementation of the SyntraNet platform that will support operational functionalities for our newly contracted providers as they manage the care of our CS members.
Ensure CalAIM Population Health Management (PHM) requirements are met.	Several efforts are underway for CalAIM's Population Health Management (PHM) requirements. We completed a crosswalk of NCQA and CalAIM Population Health Management (PHM) requirements. There was planning for a meeting in early 2022 with stakeholders on member facing assessments – intent to coordinate member touch and assessment data points. Additionally, we are developing a business case for CalAIM Information Technology (IT) requirements.

Operate all components of California Advancing and Innovating Medi-Cal (CalAIM) as they are launched.	
Tactics	**Update**
Monitor and establish infrastructure for longer-term CalAIM initiatives.	An internal cross-functional team meets regularly to discuss CalAIM readiness and implementation efforts and impact to the organization. We prepared for additional initiatives that launched on January 1, 2022, which include the Major Organ Transplant carve-in, Mandatory Managed Care enrollment transition, and the Multipurpose Senior Services Program carve-out. These initiatives are being monitored. Longer term initiative readiness, including various behavioral health changes, long term care carve-in, and full integration plan pilots are in progress.

Establish and implement a strategy for a high-touch care management approach.	
Tactics	**Update**
Maximize use of care managers and community health workers within our care management model.	The care management program provides member directed support to high and complex risk members that need additional support in coordinating care. Our team is interdisciplinary which allows members to receive the best wraparound care including management of referrals for physical, social, and emotional health. Care coordinators are our first line of entry into the program and they provide outreach services and important scheduling as well as support to our care managers. Community health workers are now integrated into our program providing touchpoints with our members in the community. Care managers provide all oversight and support to members helping them to reach their care goals.
Increase use of field-based care management in the community.	Our community health workers have provided our team and members with touch points in the community. The benefit is significant as they provide a direct contact with members where they are in the community. During the COVID pandemic, our ability to safely send the community health workers out into the field has been a challenge and we have worked to ensure their safety as well as the safety of our members. Community health workers are a significant benefit to Care Managers as they can assist members directly with challenges such as activities in the home.
Expand upon our progress with palliative care and add other end-of-life services.	Palliative care provides an additional layer of support to members with serious illness. Our program is expanding and we have been able to enroll more members for these home-based supportive services. We are reaching out to community partners and increasing our reach to long term care facilities, as well as working with local providers to enroll members during transitions of care.

Ensure that the services we provide to members promote equity and are free of implicit and explicit bias.	
Tactics	**Update**
Leverage external partnerships, grantmaking, and sponsorships to implement programs that address the root causes of inequity, including racism and poverty.	The Member Health Equity Council is establishing goals and metrics for FY 2021/22. Metrics address upstream and downstream components of equity including: (1) hearing from members; (2) focus on social determinants of health; (3) collaborating with community partners; (4) systemic change; and (5) equitable health. A number of planned investments from Community Health Investment Fund (CHIF) to address disparities are planned for this fiscal year.
Identify and reduce health disparities among our members by implementing targeted quality improvement programs.	L.A. Care focused on disparities in diabetes, hypertension, prenatal care: • The Diabetes Disparities Performance Improvement Project launched in November. The Health Education team conducts outreach calls to members to offer various diabetes tools and resources. • The intervention to improve blood pressure began early December. The project is focused on working with clinics in a region with poor rates of blood pressure control. L.A. Care calls clinics to help identify members so they can make appointments for those that are missing a blood pressure reading. The project also encourages the use of telehealth, when appropriate. • L.A. Care also engaged in a number of outside collaborations to address prenatal/postpartum disparities. L.A. Care is also been working to address disparities in COVID-19 vaccination rates.
Implement initiatives to promote diversity among providers, vendors, and purchased services.	• Revamped Procurement webpages on lacare.org to include new Vendor Diversity page and certification resources. • Promoted Small Business Day event. • L.A. Care was a key speaker at OneLA sponsored by Chamber of Commerce Event.
Offer providers Diversity, Equity, and Inclusion resources to promote bias-free care.	• Built Language Master Data process using latest Data Analytics technologies. • Reconciling the race/ethnicity/language data with the Provider Data Management system.

Health Leader

Serve as a national leader in promoting equitable healthcare to our members and the community and act as a catalyst for community change.

Drive improvements to the Affordable Care Act by serving as a model of a successful public option.	
Tactics	**Update**
Play a leading role in advocating for a public option at the state and national levels.	L.A. Care continues to serve as an example of a public option. Covered California Open Enrollment began during this reporting period and L.A. Care Covered offered the most affordable rates across all metal levels in Los Angeles County. L.A. Care continues to advocate for a public option through the media and the legislative arena.
Provide expertise and assistance to other public plans interested in participating in state exchanges.	L.A. Care provided guidance to a plan considering joining the state exchange. More details will be provided in future progress reports should the guidance come to fruition.

Optimize members' use of Community Resource Centers and expand our member and community offerings.	
Tactics	**Update**
Increase the number of Community Resource Centers to 14, in partnership with Blue Shield of California Promise Health Plan, and increase number of annual visits to 50,000 across all centers by Q4 2022 and 60,000 by Q4 2023.	Wilmington Community Resource Center (CRC) opened to the public and the El Monte CRC was completed. The lease was executed for a new CRC on the Westside. Construction continues on CRCs in Inglewood, Long Beach, and Norwalk. Lease negotiations are in progress for sites in South L.A., Lincoln Heights, and Sylmar.
Partner with community-based organizations to offer a range of services onsite.	Partnership formation was delayed due to reduced CRC operations during the pandemic.

Drive change to advance health and social services for our members and the community.	
Tactics	**Update**
Identify and prioritize actions, interventions, and programs to promote equity and social justice.	L.A. Care launched a new Health Equity department. This is a part of our continuing commitment to advancing health equity for our members and their communities. Internal equity updates, strategizing, and prioritizing occurred at a staff Equity Summit in November. In November, L.A. Care hosted a screening of the documentary, Black Men in White Coats, followed by a moderated discussion panel with experts in the field.
Support regional Health Information Exchanges (HIE).	L.A. Care is committed to strengthening the regional Health Information Exchanges (HIE) by directly engaging with the them on strategic and regulatory requirements. This is accomplished by delivering a network priority list to the HIEs that would help them achieve the maximum market penetration and improve community access to member data. L.A. Care is in the process of establishing a digital exchange with the HIEs using the latest Fast Healthcare Interoperability Resources (FHIR) format, in compliance with federal and state regulatory requirements. L.A. Care maintains close communication with the exchanges through bi-weekly operations meetings and we use this regular cadence to: • optimize the workflows to support clinical pharmacy initiatives, case management, utilization management, HEDIS measures, and behavioral health; and • develop and coordinate community based care workflows with the clinical partners such as Federally Qualified Health Centers, Independent Practice Associations, and Managed Services Organizations, to benefit at-risk populations and improve patient outcomes.
Create a deliberate and tailored strategy to address homelessness among our members.	L.A. Care prepared to launch a new Community Supports program called Homeless and Housing Support Services (HHSS) (as referenced in the CalAIM update), on January 1, 2022. • This program will provide both Housing Navigation and Tenancy Services to help high-need L.A. Care members experiencing homelessness get help finding and applying for housing as well as maintaining that housing once they move in. • Members in the program will get help from a Housing Navigator with a 1 to 30 maximum case ratio. • This program does not pay for rent or other ongoing room and board costs; instead, L.A. Care and our contracted providers will need to coordinate with government agencies to apply for housing subsidies.s

November 2021
Grants & Sponsorships Report
January 2022 Board of Governors Meeting

#	Organization Name	Project Description	Grant/ Sponsorship Aproval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cummulative Total
1	**United Friends of the Children**	Annual fundraising gala	11/1/2021	Sponsorship	$ -	$ 5,000	$ 5,000
2	**Central American Resource Center-CARECEN**	Annual awards dinner	11/1/2021	Sponsorship	$ -	$ 5,000	$ 5,000
3	**TransLatina Coalition**	Annual fashion show	11/1/2021	Sponsorship	$ -	$ 10,000	$ 10,000
4	**Los Angeles Department of Public Health**	Nurse's appreciation event	11/4/2021	Sponsorship	$ -	$ 12,500	$ 12,500
5	**Los Angeles Rams Foundation**	LAUSD vaccination blitz	11/5/2021	Sponsorship	$ -	$ 75,000	$ 75,000
6	**Center of Hope**	Thanksgiving food distribution	11/18/2021	Sponsorship	$ -	$ 5,000	$ 5,000
7	**March Of Dimes**	Maternal health workshops	11/19/2021	Sponsorship	$ -	$ 5,000	$ 5,000
8	**Get Out the Shot**	COVID-19 vaccination clinic events	11/19/2021	Sponsorship	$ -	$ 15,000	$ 15,000
9	**Health Career Connection**	Annual conference	11/19/2021	Sponsorship	$ -	$ 5,000	$ 5,000
10	**The Garage Board Shop**	Thanksgiving food distribution	11/23/2021	Sponsorship	$ -	$ 5,000	$ 5,000
13	**DMTL Family**	Annual fundraising gala	11/30/2021	Sponsorship	$ -	$ 5,000	$ 5,000
			Total of sponsorships approved in November 2021		**$ -**	**$ 147,500**	

* There were no grants approved in November.

December 2021
Grants & Sponsorships Report
February 2022 Board of Governors Meeting

#	Organization Name	Project Description	Grant/ Sponsorship Aproval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cummulative Total
1	**California Association of Public Hospitals and Health Systems**	Annual Conference	12/10/2021	Sponsorship	$ -	$ 5,000	$ 5,000
2	**California Black Womens Collective**	Annual Statewide Conference	12/28/2021	Sponsorship	$ -	$ 10,000	$ 10,000
3	**Meet Each Need with Dignity**	MEND Day and COVID-19 Vaccination Events	12/28/2021	Sponsorship	$ -	$ 6,000	$ 6,000
4	**Unite LA**	L.A. Cash for College (CFC)	12/21/2021	Sponsorship	$ -	$ 1,000	$ 1,000
				Total of sponsorships approved in December 2021	**$ -**	**$ 22,000**	

* There were no grants approved in December.

Chief Medical Officer Report

February 2022

COVID-19 Update

After a gradual increase in cases since October 2021, there has been a sharp increase in COVID-19 cases worldwide driven by the emergence of the highly infectious Omicron variant in late November, setting new highs with nearly 18 million cases reported in a single week in mid-January. The increase in hospitalizations and deaths has so far been more modest, recognizing the reality that these outcomes typically lag case identification by two to three weeks. The World Health Organization now reports nearly 325 million cases and over 5.5 million deaths globally.

In the United States, the CDC is reporting that the Omicron variant may account for as much as 95% of all cases, and that the more than 700,000 new cases reported on January 5, 2022 are more than double the amount reported during the January peak in 2021. While community transmission levels remain high across the country, there are now signs that the number of cases and hospitalizations are beginning to decline in some parts of the country. Public Health experts are warning that we have a few tough weeks ahead of us and the emphasis remains on increasing vaccination levels and booster dose uptake, use of better masks, and ongoing risk mitigation such as reducing exposure by limiting non-essential gatherings and travel, and moving meetings and gatherings outdoors whenever possible.

While it appears the Omicron variant is highly contagious, emerging data continues to suggest that it causes less severe illness in adults, possibly due to what at least one study has shown to be its predilection for the upper respiratory track as opposed to the lungs. Los Angeles County case numbers have leveled off with some recent decline after reaching new daily highs topping 45,000 per day and have now surpassed over 2 million cases since the beginning of the pandemic. Hospitalizations due to COVID are now showing some modest decline and deaths remain below the levels experienced one year ago.

Still, our healthcare delivery system is being stretched to its limits due primarily to the sheer volume of cases coupled with high infection rates among health care workers. In a January 10, 2022 press release, Dr. Ferrer states that "there are many effective strategies available for reducing transmission risks over the next few weeks. At the top of the list is avoiding hazardous activities where people are unmasked and in close contact with others." The risk of serious illness, hospitalization and death for those that remain unvaccinated remains many times higher than for those that are vaccinated, and even more protection results for those that are fully vaccinated and boosted. In the LAC DPH Press Release on January 11, 2022, Public Health notes a 9 times higher risk of hospitalization for the unvaccinated, and a 38 times higher risk when compared to those that have been fully vaccinated and boosted, as well as a 22-fold greater risk of death for the unvaccinated. Getting vaccinated and boosted as soon as eligible continues to be a high priority, particularly among our members and throughout low income communities of color.

COVID Vaccine and Incentive Update

By early January 2022, more than 1.2 million (65%*) of L.A. Care members 12+ have received at least one dose of COVID-19 vaccine. This compares with an overall L.A. County rate of 89% and 87% for California. Since November

1, 2021, when the State launched its COVID vaccine incentive program, nearly 60,000 L.A. Care members have been vaccinated and more than 50% of these members have received the $50 gift card incentive. Ongoing efforts to increase immunization rates among our members continue, including planned vaccination events with the Los Angeles County Department of Public Health.

*The number of L.A. Care members reported is likely underreported due to a reporting delay by the State.

CalAIM Update

Health Homes and Whole Person Care (WPC) Transition to Enhanced Care Management (ECM) and Community Support (CS) Services

Within a few short, but consequential years, the Health Homes Program has grown to serve over 20,000 members via our network of 34 Community Based Care Management Entities (CB-CMEs). Many of these members will continue to receive services through the expanded network of Enhanced Care Management (ECM) providers are now contracted with. Program evaluation data for 6-month and 12-month cohort outcomes were presented to the Quality Improvement (QI) committee and work continues on the qualitative program evaluation soliciting member feedback. In addition to launching the ECM benefit effective January 1, 2022, L.A. Care will also be offering four Community Support services including Recuperative Care, Medically Tailored Meals, and Homeless and Housing Support Services. Additional CS services will be rolled out over the next two years.

Medi-Cal Rx

The long anticipated launch of Medi-Cal Rx in which the State has taken over the responsibility to administer the outpatient pharmacy benefit for all Medi-Cal Managed Care beneficiaries statewide went live on January 1, 2022. The good news is that the transition is going relatively well with few issues impacting member access. Our Chief Pharmacy Officer, Yana Paulson and her team have been on regular calls with DHCS and Magellan, the State's contracted Pharmacy Benefit Manager (PBM) to communicate and resolve issues that have been identified. There have been some issues with verifying member eligibility and timely access to Magellan's clinical liaisons to trouble shoot member access issues. Access times have improved as well as training for L.A. Care staff to access Magellan's system to determine the status of medication orders.

I am also pleased to report that Yana has been offered one of the four positions on the State's Medi-Cal Contract Drug Advisory Committee (MCDAC) reserved for Medi-Cal Managed Care representatives. With the implementation of Medi-Cal Rx, DHCS increased the committee membership to 10, comprised of physicians, pharmacists, representatives from schools of Pharmacy and one to two Medi-Cal beneficiaries. This committee makes recommendations to the State and its contracted PBM regarding the addition and deletion of medications from the State's contract drug list.

Measurement Year (MY) 2020 Incentive Payments

Since 2011, L.A. Care has offered value based incentive payments to our Plan Partners, Provider Groups and network physicians and Clinics. L.A. Care has completed its assessment of MY 2020 performance measurement for our Medi-Cal and Covered California products. Payments totaling more than $44 million have gone out to our Plan Partners, over 50 Provider Groups, and to 900+ physicians and Clinics. An additional $400,000 in incentive payments will go out to CMC Provider Groups and $300,000 in incentive payments to Direct Network physicians this month. A more complete summary of MY 2020 performance and incentive payments will be presented later this year."

L.A. Care Provider Continuing Education (PCE) Program

In lieu of in-person, face-to-face Continuing Medical Education (CME) and Continuing Education (CE) activities, L.A. Care Health Plan's Provider Continuing Education (PCE) Program pivoted to offering online courses and webinars due to COVID-19. These activities are offered free of charge to L.A. Care providers and their staff, L.A. Care staff, and other healthcare professionals, and managed by our accredited CME and CE programs for physicians, nurses and licensed behavioral health professionals.

Summary of CME and CE Activities for Fiscal Year 2020-2021

During fiscal year 2020-2021 (October 1, 2020 to September 30, 2021), L.A. Care Health Plan's Provider Continuing Education (PCE) Program offered fifteen online courses as directly provided CME/CE activities and seven jointly provided CME/CE activities with other healthcare organizations. Topics included postpartum depression and maternal well-being, asthma, diabetes, telehealth, pain, LGBTQ disparities and suicide prevention, implicit bias training, and substance use disorder along with many other timely topics relevant to the needs of our members and providers.

For FY 2020-2021, the L.A. Care PCE Program and its CME/CE activities provided a **total of 30 CME credits,** and **35 CE credits** were offered to NPs, RNs, LCSWs, LMFTs, LPCCs, LEPs and other healthcare professionals. Planned offerings for 2022 include Cognitive Behavioral Therapy for Chronic Pain, Hypertension and Stroke Prevention, Pulmonary Hypertension and a Children's Health Conference in collaboration with First 5 LA.

Quality Improvement

The QI Department works cross-functionally internally, collaboratively with our Plan Partners and contracted groups, and more directly with our members and network providers as we work to improve outcomes. In Q4 2021, L.A. Care launched a new Health Equity department. This is a part of the health plan's continuing commitment to advancing health equity for its members and their communities. QI contributed the Population Health Quality of Care Index to the Enterprise Goals which include measures such as Controlling Blood pressure with efforts under way with QI, Case Management, Pharmacy, Product teams, the Consumer Equity Council and the American Heart Association. A goal on improving prenatal care visits has multiple prongs, starting with an updated identification report with data from claims, encounters, health information exchange (HIE) admissions, discharges and transfer (ADT) data and membership files, efforts nationwide on better incorporating Doula and Midwife services, better integration with the Los Angeles County Department of Public Health (LAC DPH) programs and First 5 LA. Efforts for improving Development Screening and children's care include a new grant improving office completion of screening and services with First 5 LA – "Help Me Grow" and a new campaign to encourage offices to properly code for developmental screening. A new Stars improvement program is underway facilitated by QI and with a workgroup and soon a Steering committee population by all operational areas of the organization, with a main focus on customer/member/user experience for staff, members, providers and anyone in the LA Care network.

Expanding on communications methods, LA Care will start texting campaigns in Q1 2022 and continues to upgrade our My Health In Motion portal for member self-assessment and education. QI also sponsors multiple data improvement efforts for Race, ethnicity, Sexual orientation and gender identity among others improving electronic data exchanges wherever possible for real-time care coordination or for HEDIS data capture. The Provider focused QI webpages have been updated (Phase 1 of 3) with the title "Elevating Clinical Quality" and include better organized supports for Equity, Pay For Performance, Clinical Quality and Coding and Customer Experience. Transform LA remains a major contributor to practice optimization and will soon utilize more staff across QI and beyond.

Practice Transformation

Recruitment and training continues for the First 5 funded Developmental Screening grant and L.A. Care's Transform L.A. Program. Community and member classes are scheduled to begin in January 2022 and will be offered virtually and on a limited basis initially in person at our Community Resource Centers (CRCs) when we are able to resume in person classes. The first Continuing Medical Education (CME) event is scheduled for May 19, 2022, and will be virtual. There will be three topics: Developmental Behavioral Pediatrics, ACEs Aware and Early Periodic Screening and Diagnosis.

The team has enrolled the two practices, Kids & Teens and Asian-Pacific Health Care Venture, to participate in the ten clinic pilot program.

Medicare and Commercial/Marketplace Exhange Stars and Quality Strategy

- Quality Stars Steering Committee charter to be reviewed by the Stars Workgroup in the December meeting. Goal is to launch the Steering Committee Q1 of 2022 with meetings occurring on a quarterly basis.
- As member experience domain scores are increasingly taking center stage in their overall contribution to quality/stars ratings, the Workgroup learned about an approach a large Medicare Advantage plan uses to improve member experience. That plan has implemented what they call a "Member Listening Post". The initiative was straightforward and just like the name, was about listening to members' feedback on why they were satisfied or dissatisfied with aspects of services provided by plan or provider. Prior to concluding member call/contact, at most two key questions related to the business unit (Pharmacy, Care Management, Customer Solutions Center, etc.) are posed to the member and responses captured in a database. The presentation emphasized keeping this simple and making sure that we have a workflow in place to ensure review and follow up. Efforts are underway to implement a program similar to this within L.A. Care.
- Related to the above, member facing departments such as Care Management, CSC, and Pharmacy welcomed the opportunity to participate in customer service training sessions presented by Sullivan-Luallin (S-L), our contracted member experience training vendor.
- On the measuring and reporting side of the equation, L.A. Care's Quality Performance Management (QPM) team has been engaged with our contracted vendor, Cognizant, to ensure that their STARServ features and functionality are prepared to support the conversion of our current Cal MediConnect (CMC) product to a D-SNP in 2023. The needs include: tracking and monitoring STAR Ratings at the plan level, group level, and provider level along with detailed actionable reporting that will enable the team to measure and report performance to drive improvement over time.

Inpatient Workgroup:
L.A. Care is participating in an effort to measure and improve the quality of care in hospitals throughout the State. In collaboration with Covered California, the California Hospital Collaborative, and other health plans (HealthNet and Molina), L.A. Care is developing a hospital scorecard to measure and report how hospitals are doing on key performance metrics. The metrics include hospital acquired infections, first time low-risk c-section rates, patient experience and re-admission rates. These scorecards will be used to inform collaborative discussions with hospitals to improve outcomes over time.

Population Health Management (PHM)

- The 2021 PHM Program Description was approved at the October PHM Cross-Functional Team and is with Accreditation for final review. The 2022 PHM Program Description will be developed in Quarter one of 2022 and will integrate in CalAIM requirements and the new Social Determinants of Health NCQA requirements.
- The PHM team submitted all documents for the baseline evidence for the NCQA PHM requirements for initial review of the 2023 Audit process and is addressing feedback from the consultants as it is received and applicable to 2021 reports and documents.
- The PHM team is updating appropriate documents (PHM Program Description, Population Assessment, Impact Evaluation and Segmentation Table) with NCQA PHM 2022 standards on which the NCQA Survey will be conducted in 2023.
- The PHM team submitted the 2022 PHM Index for inclusion in L.A. Care's Enterprise Goals for 2022.
- APL 21-009 is requesting providers to submit Social Determinants of Health (SDoH) Z-codes to L.A. Care. PHM and Health Equity teams are working together to develop a plan to educate providers on submitting and using SDoH data.
- The PHM CalAIM requirements were introduced to the PHM Cross Functional Team and the PHM team will be starting CalAIM workgroups in Quarter 1, 2022 for the Initial Risk Assessment and Data Requirements.

- Currently developing a cross-walk for the DHCS and NCQA requirements and interventions to align wherever possible.
- L.A. Care is awaiting details (expected in December 2021) regarding DHCS plans to contract with a vendor to provide a PHM Service platform, and in discussion with Local Health Plans of California (LHPC) regarding impact to plans. The platform is expected to provide risk stratification at the DHCS level and utilize member level SDOH data collected through the platform, at enrollment, at providers' offices and through assessments to determine individual risk. More details on how this impacts health plans with data platforms who are already pulling data for the population, segmentation and stratification of members will be available soon. PHM will work with I.T. on system requirements and needs.

Initial Health Assessment (IHA)

- Work continues to revise reports, enhance training and create a coordinated monitoring program with Facility Site Review (FSR), Enterprise Performance Optimization (EPO), and the internal audit team to improve the IHA monitoring process. The IHA requirement was placed on hold during the public health emergency, however that hold was lifted in October 2021, and all IHAs will need to be completed, so work to get L.A. Care's monitoring process in place continues. We are encouraging providers to complete IHA encounters through virtual health methods as much as possible.
- APL 20-004 ended the monitoring hold on the IHAs due to the public health emergency. The IHA workgroup and Direct Network Steering Committee are working together to notify providers to address the backlog of incomplete IHAs. DHCS has allowed the timeframe and priority to come from the plan.

Facility Site Review (FSR)

- Effective July 1, 2021, all MCPs are to begin resumption of activities and return to standard program operations, policies and procedures in place prior to the COVID-19 public health emergency, with full resumption of these activities within six months by January 1, 2022. Virtual FSR, Medical Record Review (MRR) and Corrective Action Plan (CAP) verification will be accepted during this six-month period. Two FSR nurses have volunteered to resume onsite visits prior to January 1, 2022 to address the backlog.

Behavioral Health

L.A. Care is partnering with L.A. County Mental Health to implement the Governor's Child and Youth Behavioral Health initiative, a $4 billion statewide plan to enhance the delivery of mental health and substance abuse services in schools and other settings. L.A. Care serves on the Statewide workgroup for this initiative. Two particular areas of focus are 1) ongoing countywide assessment of school readiness to address behavioral health, and 2) the countywide Community Schools Initiative which brings mental health and public health resources to underserved high schools in 15 L.A. County school districts. L.A. Care is now convening monthly workgroup meetings with its plan partners and Health Net to develop plans for Year 1 of this project (2022).

Pharmacy Update

1. Integrate pharmacy review into the UM process of Physician Administered Drugs (PADs), which would include the following (this is especially needed for the direct network):

    a. Maintain formulary coverage criteria (Navitus will help us with this).
    b. Develop a workflow where UM would route coverage review through Pharmacy clinical review and coverage decisions.
    c. Develop drug contracting and rebates for PADs to improve cost effectiveness.

2. Develop a more robust STARs quality program for the upcoming D-SNP and continuing LACC lines of business.

3. Expand the CRMS (California Right Meds Collaborative) program to more pharmacies. This will improve member experience, especially after Medi-Cal Rx is implemented, which will significantly decrease the leverage we have over member experience at the pharmacies. Just as a reminder, the CRMS is an effort to establish a network of pharmacies in the community that provide high-impact Comprehensive Medication Management (CMM), which is similar to Medicare's Medication Therapy Management (MTM), to achieve members' therapeutic goals in alignment with quality metrics such as HEDIS or STARS.

Comprehensive Medication Management (CMM) via California Right Meds Collaborative (CRMC):

- Program Expansion: After conducting site visits/evaluations, the CRMC program will add 7 additional pharmacies into the next cohort of CRMC participating pharmacies.
- As of December 20, 2021, we have 253 members engaged in the program. Among the 253 members, 118 members are within the Antelope Valley and South LA region.
- COVID-19 Vaccine Incentive Program: The CRMC pharmacies, located throughout L.A. County, are working with L.A. Care Health Plan to increase COVID-19 vaccination rates among members. The pharmacies will outreach directly to L.A. Care members who fill their prescriptions there as well as those who live in the surrounding communities who have not been vaccinated. They will directly provide education, address vaccine hesitancy, and offer vaccination to members.
    - Ford Elementary School: Two of our clinical pharmacists held two workshops (in English and Spanish) for parents of students attending Ford Elementary (the second largest elementary in LAUSD, with a large immigrant population and first dual immersion language program) to provide health education on the COVID-19 vaccine.

Clinical Pharmacy Pilot Program (Ambulatory Care):

- In this program, an ambulatory care pharmacist is dispatched into partnering federally qualified health center clinics to provide clinical services in managing diabetes, hypertension, and hyperlipidemia. As of December 20, 2021, 190 members have enrolled in the program.
    - Wilmington Community Clinic: 82 members have been actively seen by the pharmacist; average A1c reduction of 3.47% among high-risk members.
    - APLA Health: 47 members have been actively seen by the pharmacist; average A1c reduction of 3.08% among high-risk members.
    - Watts Healthcare Corporation: 61 members have been actively seen by the pharmacist; average A1c reduction of 2.84% among high-risk members.

Transitions of Care Program (TCP):

- As of December 15, 2021, there are 66 completed cases in which the pharmacist has completed medication reconciliation and provider clinical notice. If eligible, members will also be referred to the CRMC program for continued chronic disease state management (see above). Thus far, three TCP members have been identified as eligible for CRMC, and one TCP member has been enrolled into the CRMC program.

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – November 11, 2020

1055 W. 7th Street, Los Angeles, CA 90017

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Senior Staff
Russell Mahler, *RCAC 1 Chair ****	Eduardo Kogan, *Interpreter*	Hilda Pérez, *Member, Board of Governors ****
Estela Lara, *RCAC 2 Chair ****	Ruth Nuno, *Interpreter*	Layla Delgado, *Advocate, Board of Governors ****
Cynthia Conteas-Wood, *RCAC 3 Chair, ECAC Vice-Chair ****	Elizabeth Brambila, *Interpreter*	John Baackes, *Chief Executive Office, L.A. Care ****
Silvia Poz, *RCAC 4 Chair ****	Isaac Ibarlucea, *Interpreter*	Richard Seidman, *MD, MPH, Chief Medical Officer, L.A. Care ****
Maria Sanchez, *RCAC 5 Chair ****	Lillian Thompson, *Interpreter*	James Kyle, *MD, M.Div., Director of Quality, L.A. Care ****
Andria McFerson, *RCAC 6 Chair ****	Stephanie Webb, *Interpreter*	Marina Acosta, *Program Director of Health Equity, Health Services*
Fátima Vázquez, *RCAC 7 Chair, ECAC Chair ****		Idalia De La Torre*, Field Specialist Supervisor, CO&E ****
Ana Romo, *RCAC 8 Chair ****		Auleria Eakins, *Manager, CO&E ****
Tonya Byrd, *RCAC 9 Chair ****		Joseph Gonzales*, Unified Communication Mobility Engineer I, IT Operations & Infrastructure****
Damares O Hernández de Cordero, *RCAC 10 Chair ****		Hilda Herrera*, Community Outreach Liaison CO&E ****
Maria Angel Refugio, *RCAC 11 Chair ****		Linda Merkens, *Senior Manager, Board Services ****
Lluvia Salazar, *At-Large Member ****		Frank Meza, *Community Outreach Field Specialist, CO&E ****
Deaka McClain, *At Large Member ****		Candace Nafissi, *Communications and Community Relations Specialist III, Communications Department ****
		Jose Ricardo Rivas*, Community Outreach Field Specialist, CO&E****
		Victor Rodriquez, *Board Specialist, Board Services ****
		Farid Seyed, *Lead Unified Communication Mobility Engineer, IT Operations & Infrastructure ****
** Excused Absent ** Absent*		*Martin Vicente, Community Outreach Field Specialist, CO&E****
**** Via teleconference*		

California Governor Newsom issued Executive Order No. N-29-20, which among other provisions amends the Ralph M. Brown Act. Members of the public can hear and observe this meeting via teleconference and videoconference, and can share their comments via voicemail, email, or text.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Idalia De La Torre, *Field Specialist Supervisor, CO&E*, read the Zoom Webinar Meeting Tips Sheet that was mailed out to members before the meeting (*a copy of the document can be obtained from CO&E.*). *(Fatima Vazquez, ECAC Chair, was not able to call the meeting to order due to technical difficulties.)* Cynthia Conteas-Wood, *RCAC 3 Chair*, called the meeting to order at 10:06 a.m. She stated that the California Governor issued Executive Order N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Accordingly, members of the public should now listen to this meeting via teleconference or videoconference using the information listed on the agenda. Members of the Executive Community Advisory Committee or staff may also participate in this meeting via teleconference. The public is encouraged to submit public comments or comments on Agenda items in writing by email to COEpubliccomments@lacare.org or by sending a text or voicemail to (213) 545-4649. The text, voicemail, or email must indicate if they wish to be identified or remain anonymous, and must also include the name of the item to which the comment relates. If the sender does not indicate an Agenda item for their comment, the comment(s) will be read for up to 3 minutes at item VI Public Comment on the Agenda. Comments received by voicemail, email, or text by 10:00 a.m. on October 14, 2020 will be provided in writing to the members of the Executive Community Advisory Committee at the meeting. Once the meeting has started, emails and texts for public comments should be submitted before the item is called by the meeting Chair. Public comment must be submitted at any time prior to the time the Chair starts consideration of the item. The Chair will ask for public comment and will announce the item. The Chair will announce when public comment period is over for each item. Public Comments will be read for up to 3 minutes at the meeting. All votes in a teleconference meeting shall be conducted by roll call. Individuals with a disability needing reasonable modification or accommodation pursuant to the Americans with Disabilities Act, please contact the Community Outreach & Engagement staff prior to the meeting for assistance by text (213) 545-4649 or by email to COEpubliccomments@lacare.org. She advised that if members have any issues obtaining L.A. Care services they can call member services at 888-839-9909. She announced that it will take time for interpretation in English and Spanish. Committee Members will speak and vote by roll call. Everyone may not be able to speak on every agenda item. Members were asked to submit questions and comments to their Specialist.	

APPROVE MEETING AGENDA	*(Member Vazquez joined the meeting.)* *(The meeting recording was paused during this agenda item due to a technical error.)* **The Agenda for today's meeting was approved.**	**Approved by roll call. 12 AYES (Byrd, Conteas-Wood, Hernandez de Cordero, McClain, Poz, Refugio, Romo, Sanchez, and Vazquez)** **1 Abstention McFerson**
APPROVE MEETING MINUTES	Andria McFerson, *RCAC 6 Chair*, stated that she was shut out of the meeting and was not able to hear any questions about the agenda. She asked that time be allotted to review the agenda and the meeting minutes. She requested that staff mail her a paper copy. She stated that people are having problems with their computers and can't see the information. Ms. Vazquez responded that the committee will take her comments into consideration, and at this time the committee will review and approve the minutes. **The October 9, 2020 meeting minutes were approved as submitted.**	**Approved by roll call. 12 AYES (Byrd, Conteas-Wood, Hernandez de Cordero, McClain, Poz, Refugio, Romo, Sanchez, and Vazquez)** **1 Nay McFerson**
STANDING ITEMS		
UPDATE FROM CHIEF MEDICAL OFFICER	Richard Seidman, *MD, MPH, Chief Medical Officer*, gave a COVID-19 update: He noted that the pandemic is now worse than at any other time this year. He stated that people are better prepared, more aware and knowledgeable about the pandemic. There are a reported 50 million cases and 1.2 million deaths worldwide. In the last week 10% of all cases were reported, adding 3.6 million new cases. The European region has reported more than half of all cases and nearly half of all deaths. He advised this is a reminder of how cautious we need to be. He noted that the U.S. leads France, Italy, and the UK in the number of cases. The U.S. is currently at 10 million reported cases and last week passed 200,000 cases reported in one day. This is 140,000 more cases reported and a 69% increase over the daily number of cases over the last two weeks. There are about 180,000 deaths reported. L.A. County has reported 325,000 total cases, 2,500 of those cases were reported yesterday. Dr. Seidman stated that the county is not at the same level as the peak in the summer, and	

	the peak that we will experience this month is expected to be higher than it was in the summer. There are about 7,200 total deaths in the county, with 25 reported yesterday. He stated that there was an increase in the rate of transmission of the virus. At the moment there is 3% infection rate county-wide. The percentage of people testing positive is going up. Hospitalizations have also increased by 10% over a 3-day average. There are 900 hospitalized patients in the county and more than 60,000 hospitalizations in the US. The summer surge peaked at 2,200 patients daily. He noted that it is not currently that high and hopes the country can get back to that level. There has not yet been a significant increase in deaths in the U.S. L.A. Care data shows 40,000 cases in its membership, which is less than 20% of cases in the county. L.A. Care has identified 1,300 member deaths. Statewide, more counties are moving backwards than moving forward. He noted that California is nonetheless in better shape than the rest of the country. He stressed that people continue to be cautious. He reminded the committee members to continue to use masks, socially distance and disinfect surfaces. He stated that Pfizer is the first vaccine manufacturer to report that it's vaccine might be up to 90% effective with no known serious side effects. It is not yet licensed for emergency use and is being sent to the FDA for approval in two weeks. When approved there may be 10-20 million doses available before the end of the calendar year. There will be prioritizations made in the distribution of the vaccine. Health care workers and first responders will be the first to receive the vaccine, followed by other essential workers and others who are at increased risk of infection. He advised that people should regularly wash the reusable masks. If masks don't cover the nose and mouth they will not be effective. He recommended using cloth masks which can be cleaned and reused. Paper masks can't be washed. Disposable masks that are dirty should be replaced. He advised against placing masks on tables when dining out. He announced that L.A Care has launched a new campaign targeting young adults and essential workers. L.A. Care is trying inform them of the risks and advise them that they should be taking precautions during the COVID-19 pandemic. L.A. Care is monitoring members who had COVID-19 and make sure they are no longer showing symptoms. L.A. Care continues to support members who experience homelessness and are at risk of homelessness, along with participating in food distribution programs. L.A. Care will launch a very active flu campaign this season. He asked that committee members and public to encourage their friends to get a flu shot. He asked everyone to be safe during holiday gatherings. He reminded the committee to continue to social distance, wash hands, and wear masks.	

	Tonya Byrd, *RCAC 9 Chair*, thanked Dr. Seidman for his report. She asked him if the vaccination will be free to all Americans. Dr. Seidman responded that the vaccine will be free for all L.A. Care members. The US government has pre-purchased several hundred million doses. Pfizer received an order for several hundred million doses. He has heard that it will be free for all Americans, but does know the facts as of right now. He hopes national policy will make it free for everyone who is willing. Ms. McFerson thanked Dr. Seidman for his report. She noted that today is Native American Heritage Day and Veterans Day. She hopes everyone has a safe holiday gathering. She asked Dr. Seidman if the statistics he provided were for LA County or the country. She would like to know which people are more likely to be infected. Dr. Seidman responded that there are at least 3.6 million cases worldwide in the past week. In terms of testing, the positivity rate in Los Angeles county is 4.4%. In the California Blueprint for a Healthier Economy, an equity metric was added. The guidelines require that more be invested in research, testing, contact tracing, and quarantining. The state is using the California Healthy Places Index which is an index of metrics that was designed to predict health longevity. One of the strongest drivers of longevity is socio-economic status. The index is provided at a zip code level and is divided into four sections. The lowest quartile identifies those communities in the county with the lowest life expectancy due to socio-economic status. The county is allocating resources to the hardest hit communities to expand capacity for testing. LA County is reaching out to community based organizations with a message about precautionary safety measures. Hilda Perez, *Member Representative, Board of Governors*, stated that masks, social distancing, and washing hands are very useful tools to prevent infection. She advocated that members do all they can. She noted that there are those who do not agree, but she recommended that people continue to follow the safety guidelines. She stated that once people get the vaccine they may still not be able to go back to normal. She noted that there are households with multiple families, and encouraged dialing 211 to get help obtaining necessary resources. She asked Dr. Seidman if he has any resources members can use to get help in getting through the pandemic. Dr. Seidman responded that 211 is good number to call in case members need help obtaining resources. He will focus his response on isolation and quarantine support. It would be difficult for anyone who is diagnosed or recommended to quarantine or isolate who is living with other people to completely isolate. He will look into organizations that may provide temporary shelter. He recommended that people begin with dialing 211. Estela Lara, *RCAC 2 Chair*, asked Dr. Seidman if people who are asymptomatic should also get the vaccine. Dr. Seidman responded that the first who will get the vaccine will be health care workers, essential workers, those with high risk, and then those who are not high risk	

	regardless of symptoms. The vaccine will be recommended for everyone except those who have health conditions that may not allow them to get the vaccine. No research has been done on whether people that have been infected will need to be vaccinated. Ms. Conteas-Wood thanked Dr. Seidman for his report. She noted that celebrations should be done safely and recommended that people hold virtual holiday gatherings. Decreasing exposure decreases infection. She advised the committee members about Operation Room Key for people who are homeless in Los Angeles. She does not know the criteria, but services can be accessed by dialing 211. Dr. Seidman asked staff to forward any questions that he is not able to answer so he can answer them at a later time. Layla Gonzalez, *Member Advocate, Board of Governors*, thanked Dr. Seidman and L.A. Care for the outreach campaign to young adults. She asked if there is any way that care givers can get a vaccine, because they take care of the most vulnerable. She noted that most care givers are women. She stressed that they also need to be reminded about breast cancer screenings and flu shots. She also noted that members are now able to conduct virtual appointments with their doctors. She also stated that she is really happy about the availability of telehealth at the family resource centers and noted that it is very important to provide this service to the community. Dr. Seidman thanked Ms. Gonzalez for her suggestions. He stated that telehealth is not yet available at all family resource centers, but hopes that this service will be available at all locations in the near future. PUBLIC COMMENT Submitted by Gladys Alvarez, *RCAC 11 Vice Chair*, on November 11, 2020: ***Hello my name is Gladys Alvarez, many of the essential workers are undocumented would they have access to the vaccine as well?*** ***Also, we are seeing another outbreak of the virus. What measures is the county beginning to take because at least in the area I live in Pomona, there are still meetings and parties with more than 20 people?***	
BOARD MEMBER REPORT	Ms. Perez presented the Board Member Report *(A copy of the report can be obtained from CO&E).* • She gave their condolences to anyone that has lost a loved one to COVID-19. They also urged everyone, including providers to please wear gloves and masks. • The Board of Governors met on November 5. • John Baackes, CEO, announced the appointment of Acacia Reed as Chief Operating Officer of L.A. Care Health Plan. Ms. Reed has been with L.A. Care for about four years. She served as Deputy Chief Operating Officer and was asked to assume the role of Interim Chief Operating Officer at the beginning of August.	

	- He thanked Supervisor Ridley-Thomas for his support and noted that it was his last Board meeting. - He stated that L.A. Care is also focused on the impact of COVID-19 on members in ways other than access to health care. L.A. Care has participated in over 24 food pantries either in the community or at the Community Resource Centers in cooperation with agencies that are normally doing food distribution. - A copy of motions approved by the Board can be obtained from CO&E staff. - Dr. Seidman presented the CMO report that will be shared with the committee after this report. - Cherie Compartore, *Senior Director, Government Affairs,* reported that California, Maine, Maryland, and Minnesota filed another lawsuit regarding Deferred Action for Childhood Arrivals (DACA), stating that the federal administration is ignoring the law and Supreme Court ruling by curtailing eligibility for the DACA program. Earlier this year the court that President Trump acted illegally in 2017 by repealing the DACA program, because there was no stated rational basis and no consideration on the impact it would have on the 700,000 immigrants nationwide who relied on the program. Government Affairs will continue to report on progress of the lawsuit. Ms. Perez thanked L.A. Care for listening to member's concerns. They understand that L.A. Care is a health plan and is doing more than it needs to during a pandemic. Communities were hungry, uninformed, and needed resources. L.A. Care's efforts have helped address these issues in the communities. She noted that RCAC members have been working to spread these resources throughout the community. She thanked the North Star Alliance for all their help with logistics during events held by L.A. Care. Ana Romo, *RCAC 8 Chair*, thanked the interpreters who attend these events. It is very important for communication. She noted that many participants are Latino and they are able to get the help they need with the interpreters. Without them Spanish speaking members would not be able to participate in these meetings. Ms. McFerson demonstrated the proper way to use a mask or facial covering. She asked that members file a motion asking L.A. Care to give out more information in regard to masks and sanitary products that can help members stay safe during the pandemic. Ms. Vazquez responded that the Chairs must first get feedback in regards to the motion from their RCAC members and it also must be placed on the agenda. She noted that all members would have to be in agreement to vote on a motion. Ms. McFerson called point of order and asked if anyone on the committee would like to second her motion. Ms. Vazquez responded that she must follow proper protocol when submitting a motion. Ms. McFerson stated that it does apply right now, because the RCACs are not meeting. She asked that there be a roll call vote.	

	Auleria Eakins, *Manager, CO&E*, asked Ms. McFerson to clarify her request. Ms. McFerson asked that members and the public be given more information about where they can obtain resources such as masks, anti-bacterial creams, and hand sanitizers. She would like this information to be given out in the form of a recording or phone call. Ms. Eakins responded that she is not certain that that is something that L.A. Care can take on; it may be out of its business realm. Ms. McFerson stated that it is a particular motion and it adheres to the Chair and the Chairs that represent the community. Ms. Vazquez thanked Ms. McFerson for her comments. Ms. McFerson responded that she made a motion not a comment. Ms. Eakins stated that someone can second the motion if they wish. Lluvia Salazar, *At-Large Member*, stated that she has been asking Francisco Oaxaca, *Chief Communications and Community Relations*, for these resources. She noted that there are other organizations that are providing these resources and she believes L.A. Care can also do this. Deaka McClain, *At-Large member*, asked "When will the motion reach the Board?" Ms. McFerson responded they will receive the motion in January 2021. Ms. Vazquez stated that it is important that ECAC members know what they are voting for. She would like the motion to first be placed on the agenda so that the public is aware that a motion will be voted on. Ms. McFerson would like people who are at risk to know where they can obtain masks and anti-bacterial cream. Ms. Eakins stated that these topics are placed on the agenda before they are voted on so that the public is aware. Ms. De La Torre clarified that the Chair recommended that the motion be placed on the agenda for the following month and then can be taken to the full Board in January. Ms. McFerson noted that this is an emergency and people are dying. She noted that her area is impacted by COVID-19.	
L.A. CARE'S EQUITY COUNCIL STEERING COMMITTEE UPDATE James Kyle, *MD, M.Div.*	James Kyle*, MD, M.Div.*, *Medical Director, Quality, Quality Improvement,* gave an update about L.A. Care's Equity Council Steering Committee. The committee has been authoring statements that they felt the organization should take a stand on in the public sector. One issue is that the Postal Service was being undermined by the federal administration. (*Dr. Kyle temporarily experienced technical difficulties with communication.*) L.A. Care has also created an Alliance with the L.A. County Commission of Human Relations and is partnering on L.A. Against Hate week, which will be held November 30	

	through December 6. More information can be found on L.A. Care's website. L.A. Care believes it should take a stand against hate and hate crimes. The Consumer Equity Council now has 10 members and will have an inaugural meeting after Thanksgiving. He looks forward to the meeting, which will focus on being more respectful of other cultures. Ms. McFerson thanked Dr. Kyle for his report. She asked if staff can be trained to be more empathic toward people of other demographics. Dr. Kyle responded that its purpose is to bring more awareness to everyone in the community. L.A. Against Hate will focus on hate crimes. The program is still in the early stages. He noted that Los Angeles County Commission of Human Relations is leading the way. He advised the committee that he does not know who is on the Consumer Equity Committee, and he looks forward to working with them. He referred Ms. McFerson to staff for more information on the participants. Ms. Perez thanked Dr. Kyle for taking the time to speak to members. She noted that members are very dependent on the information that is provided by Senior L.A. Care Staff. She stressed the importance of L.A. Care listening to members during the pandemic. She thanked L.A. Care for taking member concerns into consideration. She appreciates all RCAC members and ECAC members who are helping address disparities. She thanked L.A. Care helping members during a time of need. Dr. Kyle stated that the Equity Steering Committee will be monitoring the vaccine distribution very closely. *(Dr. Kyle lost connection to the meeting.)*	
UPDATE FROM APPEALS & GRIVANCES DEPARTMENT	Due to LisaMarie Golden, *Director, Customer Solution Center Appeals and Grievances, CSC Appeals & Grievance,* experienced technical difficulties and was not able to present this agenda item, which will be discussed at a future ECAC meeting.	
COMMUNICATION AND COMMUNITY RELATIONS DEPARTMENT Auleria Eakins, Ed*D*	Ms. Eakins provided Communications and Community Relations updates (*a copy of the written report can be obtained from CO&E.*): **Request for Food Pantry distribution events to be accessible via walk-up** L.A. Care does not currently have the capacity to safely host both walk up and drive up events, as both options require a lot of manpower. L.A. Care understands the concern about offering a walk-up option for the food pantry events. The CRC management team has to make difficult decisions to keep our members and community safe during the COVID-19 pandemic, and must consider traffic management. Whenever operationally possible, L.A. Care will implement a walk-up option for those that cannot be served by the drive through. L.A. Care offers information about resources available for walk-up options. It is challenging to present both options at the same event, and she emphasized that the	

management team considers the logistics and safety concerns in planning the events and determines the safest way to implement the programs.

Response for additional Advertising for L.A. Care sponsored Events
Each month ECAC members are notified about L.A. Care events in the following ways:

- Flyers for any upcoming events are included in your monthly ECAC packet
- Events are shared through the Community Relations and Communications monthly update
- Events are listed on the L.A. Care website
- Depending on where the event is located, staff is working alongside local elected officials and other community based organizations to share the events.

Update on the CRCs
Pictures of Flu shot clinic at Pomona
If members or the public would like to see photos from the flu shot events L.A. Care has held, please click on the link included on the agenda:
https://lacare.photoshelter.com/galleries/C0000RTmnqIQsfKE/G0000BHv0ol9AJHQ/100920-Flu-Clinic-Pomona
Past Flu Shot Clinics
To date, L.A. Care has held seven successful drive-thru flu shot clinics where over 2,000 members of the community have received a flu vaccine. The turnout for each clinic has far exceeded levels of participation in prior years.

Upcoming Flu Shot Clinics
There are two upcoming flu shot clinics occurring at Inglewood and Lynwood. Flyers have been shared with all ECAC members and have been included in this month's and last month's agenda packets.

FRC Inglewood	November 17	10:00 a.m.-2:00 p.m.	Weingart YMCA Wellness & Aquatic Center - 9900 S Vermont Ave, Los Angeles, CA 90044
CRC Lynwood	November 14	10:00 a.m.-2:00 p.m.	Community Resource Center, Lynwood - 3200 E Imperial Hwy, Lynwood, CA 90262

Communications Update
As a part of our commitment to keep you informed of issues that are important to L.A. Care, we have mailed three recent CEO statements:

	• L.A. Care Awards $1 Million to Organizations Serving Marginalized Communities during COVID-19 Pandemic • The New Equity and Resilience Initiative will address systemic racism • CEO Statement on the Executive Order on combating race and sex stereotyping • CEO Statement on Trump Administration Executive Order on American First Health Care Plan **L.A. Care's First Facebook Live Update** On September 11 at 10 a.m., L.A. Care hosted its first Facebook Live featuring actor and singer, Juan Pablo Di Pace. Juan Pablo interviewed Dr. Flores Uribe from Los Angeles County Department of Health Services (DHS). The topic of the interview was COVID 19 testing in Los Angeles County. The first 30 minutes of the interview was conducted in English, followed by a 30-minute interview in Spanish. In the comment section of the Facebook Live, DHS representatives answered questions live from the public in both English and Spanish. Juan Pablo was honored as a Healthcare Hero by Supervisor Hilda Solis on October 14, and received a Los Angeles County scroll for his collaboration with L.A. Care and the DHS. Posts about the Facebook Live event were the most popular organic (non-paid) posts for the third quarter, according to L.A. Care social media analytics. The next Facebook Live is being planned with DHS regarding the importance of getting a flu vaccination. The COVID-19 pandemic has permanently impacted the way healthcare organizations disseminate pertinent health information and policies to the public for reasons that include safety and efficiency. L.A. Care over the past seven months has increased its digital footprint by hosting numerous live interviews and digital social media engagements for members and stakeholders. Digital engagement will be more prevalent for healthcare organizations as we precariously enter the post-pandemic era. L.A. Care is looking forward to conducting more Facebook Live interviews in the future. Analytics for the September 11 Facebook Live: • 10,313 People Reached • 3,900 views • 80 comments • 12 shares Ms. Eakins acknowledged Ms. Tanya Byrd, Ms. Deaka McClain and Ms. Andria McFerson for advocating the importance of utilizing consumer members voice in understanding the health equity from the lens of members. Ms. Eakins provided members with follow-up	

	information on the selection process of Health Equity Council members. Ms. Eakins stated that using the definition, a sample of members fitting into the diversity categories were chosen. Another factor for the selection was that the consumer member could not currently hold a leadership position within L.A. Care advisory committees and be willing to share feedback on health access, equity and programs related to diverse populations. Ms. McClain thanked Ms. Eakins for the acknowledgement. She stated that it was a team effort between her, Ms. Byrd, and Ms. McFerson. Ms. McClain reminded the committee about Ms. McFerson's suggestion to do something for Black history month. She noted that it is months away and they have enough time to do something to commemorate Black History. Ms. Eakins thanked Ms. McClain for her commitment and noted it is something that they can work on. Ms. McFerson asked if flyers were distributed to only RCAC members or were they also given to the public. Ms. Eakins responded that the Marketing department has an approach to disseminating information throughout LA County. She advised Ms. McFerson that her concerns in regards to the Consumer Equity Council are being looked into. Ms. Perez displayed flyers about vaccine events that L.A. Care is sponsoring. She thanked Ms. Eakins for her response in regards to member participation on the Equity Steering Committee. She said it is important that member voices are heard.	
UPDATE FROM CHIEF EXECUTIVE OFFICER	John Baackes, *Chief Executive Officer*, gave the following updates: He stated that L.A. Care will be reporting a financial loss for the fiscal year that ended on September 30 of around $75 million. He also anticipates the effects of the recession will continue, and L.A. Care adopted a budget for the new fiscal year that shows a $170 million loss, although staff will try to do better than that. He wants ECAC members to know that L.A. Care will continue to operate as a health plan and meet all obligations, as it has financial reserves that were built up over the years. The pandemic and recession are severely affecting L.A. Care's financial performance, and it will continue to serve the members. COVID 19 cases peaked through July. People of color and low income individuals are among those most vulnerable to infection. These people are L.A. Care's membership: about 44 percent are Latino and are getting infected and dying at 3.5 times the normal rate. African Americans are at risk more than two times the overall rate of infection. The rate of hospitalization for COVID-19 patients who are a person of color is higher than the overall hospitalization rate. These factors contributed to the financial loss. California's state revenue is lower, and a retroactive reduction to funding and benefits was included in the state budget. The rate reduction amounts to 1.5% of all revenue for Medi-Cal from July	

	2019 to December 2020. Those two major factors led L.A. Care to a financial loss for the 2019-20 fiscal year. The Medi-Cal rates for calendar year 2021 have not been released. L.A. Care will do everything possible to provide members with the best services possible. The reserves that were built up during the good years will help ensure that services are not diminished. The goal is to get L.A. Care to a positive bottom line for the fiscal year budget beginning in October 2021, almost a year away. L.A. Care is trimming administrative costs, and preserving a steady reimbursement rate for providers is the number one objective. He noted that it looks like Mr. Biden is the President-elect. Based on this, there may be more favorable federal policies in funding social and health care services. This will be helpful to L.A. Care. The Trump administration was attempting to lower or limit funding for food stamps and other social services. L.A. Care is hoping for a Democrat-led Senate so that a new stimulus bill is passed. As of right now there is no cut in benefits by the federal government. *(Technical difficulties were experienced for the meeting recording.)* The Republican Attorneys General from 18 states sued the federal government about the constitutionality of the Affordable Care Act due to congress removing the tax penalty on the individual mandate. The federal administration withdrew from the lawsuit when California's attorney general joined against the lawsuit with a coalition of 18 other states' Attorneys General. The case is called California vs. Texas. Based on questions and comments, it appears as if the Supreme Court may consider just the individual mandate as constitutional or not and leave the rest of the ACA in place. If the Democrats take the Senate they could impose the mandate at a minimum level, and the case would go away. The annual process for re-determination of eligibility for Medi-Cal has been extended until January 24, 2021, due to the public health emergency. L.A. Care thinks that it will be extended again due to the recent increase in COVID 19 cases. Information will be sent to members if this happens. Eligibility for some beneficiaries will be automatically re-determined and some members will have to fill out paperwork. L.A. Care will do everything it can to support and assist members. Russell Mahler, *RCAC 1 Chair*, asked if vaccines will be mandatory. Mr. Baackes responded that he has not heard that the COVID 19 vaccine will be mandatory. He stated that members will not have to pay for the vaccine no matter where the member gets the vaccine. The first people to get it will be frontline workers and first responders. Ms. McFerson asked Ms. Vazquez what is the role of staff in the meeting and asked Mr. Baackes to remind staff that they can't intervene during the meeting. Ms. Vazquez	

	responded that she is working in collaboration with CO&E to run the meeting efficiently. She stated that the proper protocol is to finish all the items on the agenda.	
FUTURE AGENDA ITEMS		
	Ms. McFerson said she would like to file a motion so that she is able to select who is on the Consumer Equity Task Force. She would also like to have a parliamentarian present so they can explain to her what rights she has at public meetings. Ms. Romo would like an update in regards to the Health Promoters program. Ms. Salazar would like to add the motion suggested by Ms. McFerson. She said it is an emergency and this is badly needed. She has suffered a personal loss from COVID-19 and this is very important. She stressed the need for these resources.	
PUBLIC COMMENT	Submitted by Gladys Alvarez, RCAC 11 Vice Chair, on November 11, 2020 *(This comment was read earlier on page 6 and again at this item at the meeting.)*: *Hello my name is Gladys Alvarez, many of the essential workers are undocumented would they have access to the vaccine as well?* *Also, we are seeing another outbreak of the virus. What measures is the county beginning to take because at least in the area I live in Pomona, there are still meetings and parties with more than 20 people?* Submitted by Carolyn Navarro on November 8, 2020 at 8:34 a.m.: *Public comment for advisory committee meeting 11-11-2020 OR 11-19-2020 compliance meeting LA Care posted grievance emails I wrote to them and Department of Managed Care, everything I said is true but I did not request /or authorize these grievance emails be posted publicly in LA Cares Board packet referencing the 9-3-2020 "regular" meeting, these emails contain sensitive and HIPAA protected subject matter related to my child's exploited "healthcare", only emails obviously sent to board services or their text number have my consent to be posted publically and you have violated my privacy posting anything else, I also note and saved copies showing my email wording was altered with "I" repeatedly, this 11-11-2020 meeting is not listed online , if I have the wrong date please put my comment aligned with the correct date or read them at the 11-19-2020 compliance meeting, read them at both!* Submitted by Carolyn Navarro on November 8, 2020 at 1:00 p.m.: *Public comment for 11-11 and 11-19 committee meeting, why was my emailed grievances posted in the minute of LA Care 9-3 meeting with "I" replacing "LA*	

	Care" in the transcript of my email that I didn't consent to have posted publicly? What business do you have changing what I wrote!? Submitted by Carolyn Navarro on November 9, 2020 at 3:09 a.m. *Public comment for 11-11 and 11-19, to anyone else following these meetings, their reading out comments for us is unnecessary and I have proof (saved copies) my words have been changed and edited, please demand the public be able to comment live by phone or zoom, they are using the pandemic as an avenue to read our comments in advance and control them when we have the right to make comments they have no prior knowledge of!* Submitted by Rachael Rose Luckey, RCAC 4 Vice Chair, on November 11, 2020: *The determination by the Chair to postpone Ms. McFerson's motion was out of order per Robert's Rules. To be in order, there would have had to be a motion to postpone with a second, discussion and then a vote. That did not happen. The Chair is outside of her authority to postpone any vote on a duly moved and seconded motion.* *In the absence of a motion to postpone, Ms. McFerson's motion is technically still on the floor and MUST be properly addressed by the Chair before adjourning otherwise she is in violation of Robert's Rules.* *I suggest the Chair bone up on her Robert's Rules before convening any future meetings because, and with all due respect, she is clearly, is deficient.* Ms. McFerson has spoken to people in her community and they would like to know why people of color are being affected more during the pandemic. Ms. Byrd asked the committee if they can have a moment of silence for Ms. Salazar's family's loss. *(The committee held a moment of silence for people who have lost a friend or loved one during the pandemic.)*	
ADJOURNMENT	The meeting was adjourned at 1:04 p.m.	

RESPECTFULLY SUBMITTED BY:
Victor Rodriguez, *Board Specialist II, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY
Fatima Vasquez (due to public health orders the document will be signed when it is possible)
Fatima Vasquez, *ECAC Chair*

Date 12/9/2020

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – December 9, 2020

1055 W. 7th Street, Los Angeles, CA 90017

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Senior Staff
Russell Mahler, *RCAC 1 Chair ****	Eduardo Kogan, *Interpreter ****	Hilda Pérez, *Member, Board of Governors ****
Estela Lara, *RCAC 2 Chair ****	Ruth Nuno, *Interpreter ****	Layla Delgado, *Advocate, Board of Governors ****
Cynthia Conteas-Wood, *RCAC 3 Chair, ECAC Vice-Chair ****	Elizabeth Brambila, *Interpreter ****	John Baackes, *Chief Executive Office, L.A. Care ****
Silvia Poz, *RCAC 4 Chair ****	Isaac Ibarlucea, *Interpreter ****	Richard Seidman, *MD, MPH, Chief Medical Officer, L.A. Care ****
Maria Sanchez, *RCAC 5 Chair ****	Lillian Thompson, *Interpreter ****	Kristina Chung, *Community Outreach Field Specialist, CO&E ****
Andria McFerson, *RCAC 6 Chair ****	Marina Armas, *Interpreter ****	Idalia De La Torre, *Field Specialist Supervisor, CO&E ****
Fátima Vázquez, *RCAC 7 Chair, ECAC Chair ****		Auleria Eakins, *Manager, CO&E ****
Ana Romo, *RCAC 8 Chair ****		Joseph Gonzales, *Unified Communication Mobility Engineer I, IT Operations & Infrastructure****
Tonya Byrd, *RCAC 9 Chair ****		LisaMarie Golden, *Director Customer Solution Center, Appeals & Grievances ****
Damares O Hernández de Cordero, *RCAC 10 Chair ****		Hilda Herrera, *Community Outreach Liaison CO&E ****
Maria Angel Refugio, *RCAC 11 Chair ****		Dania Jacobo-Pena, *Department Assistant, CO&E ****
Lluvia Salazar, *At-Large Member ****		Frank Meza, *Community Outreach Field Specialist, CO&E ****
Deaka McClain, *At Large Member ****		Nicole Moussa, *Manager, Technical Information, Pharmacy & Formulary ****
		Candace Nafissi, *Communications and Community Relations Specialist III, Communications Department ****
** Excused Absent ** Absent*		Jose Ricardo Rivas, *Community Outreach Field Specialist, CO&E ****
**** Via teleconference*		Victor Rodriquez, *Board Specialist, Board Services ****
		Farid Seyed, *Lead Unified Communication Mobility Engineer, IT Operations & Infrastructure ****
		Prity Thanki, *Local Government Advisor, Government Affairs ****
		Angelica Vazquez, *Business Analyst I, Appeals and Grievances ****
		Martin Vicente, *Community Outreach Field Specialist, CO&E ****
		Manuel Vizcarra, *Community Representative, Community Resource Centers ****

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Fatima Vazquez, ECAC Chair, called the meeting to order at 10:00 a.m. She read out the instructions on today's meeting agenda. California Governor issued Executive Order N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Accordingly, members of the public should now listen to this meeting via teleconference as follows: <u>Teleconference Call –In information/Site</u> Call-in number: 1-415-655-0002 Participants Access Code: 146 215 9152 (English) Call-in number: 1-415-655-0002 Participants Access Code: 146 754 9694 (Spanish) Members of the Executive Community Advisory Committee or staff may also participate in this meeting via teleconference. The public is encouraged to submit public comments or comments on Agenda items in writing by email to COEpubliccomments@lacare.org or by sending a text or voicemail to (323) 541-7900. The text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates. If you do not indicate an Agenda item for your comment, your comment(s) will be read for up to 3 minutes at item VII Public Comment on the Agenda. Comments received by voicemail, email, or text by 10:00 a.m. on December 9, 2020 will be provided in writing to the members of the Executive Community Advisory Committee at the meeting. Once the meeting has started, emails and texts for public comments should be submitted before the item is called by the meeting Chair. If you wish to submit public comment on an item, you must submit it at any time prior to the time the Chair starts consideration of the item. The Chair will ask for public comment and will announce the item. The Chair will announce when public comment period is over. Public Comments will be read for up to 3 minutes at the meeting. All votes in a teleconference meeting shall be conducted by roll call. If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act please contact the Community Outreach & Engagement staff prior to the meeting for assistance by text (323) 541-7900 or by email to COEpubliccomments@lacare.org.	

APPROVE MEETING AGENDA	Andria McFerson, *RCAC 6 Chair*, stated that the agenda is not condensed enough. It does not provide a fair opportunity to the people that it affects to relate to the presentations. She stated that the presentations must be condensed and spread out over multiple meetings to give the chairs enough time to speak on every agenda item. She recommended that the public also be allowed to participate in the meetings. She asked the chair that condensing the agenda should be considered for future ECAC meetings. **The Agenda for today's meeting was approved.**	**Approved by roll call. 12 AYES (Byrd, Conteas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, Poz, Refugio, Romo, Salazar, Sanchez, and Vazquez)** **1 Abstention McFerson**
APPROVE MEETING MINUTES	Hilda Perez, *Member Representative, Board of Governors*, stated that on page 5 her comment should be amended with the following text: "…stated that once people get the COVID-19 vaccine they may still not be able to go back to normal. She noted that there are households with multiple families with multiple members living in small apartments that can't isolate themselves in case they test positive for COVID-19…" Estela Lara, *RCAC 2 Chair,* stated that her name should be noted down as approving the agenda and the meeting minutes. Ms. McFerson stated that she will abstain, because she did not receive the paper copy she requested. Lluvia Salazar, *At-Large Member*, stated that everything they say should be written down and there are many comments missing from the meeting minutes. **The November 11, 2020 meeting minutes were approved with the changes noted above.**	**Approved by roll call. 12 AYES (Byrd, Conteas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, Poz, Refugio, Romo, Salazar, Sanchez, and Vazquez)** **1 Abstention McFerson**
STANDING ITEMS		
UPDATE FROM CHIEF EXECUTIVE OFFICER John Baackes	John Baackes, *Chief Executive Officer*, gave the following updates: He noted that there has been a surge in COVID-19 infections in the county and the state. He stated that Richard Seidman, *MD, MPH, Chief Medical Officer*, will speak about the subject in greater detail later in the meeting. He advised that right now is not the time to stop following safety precautions. He will continue to reinforce the message of masking, social distancing, hand sanitation and getting the flu vaccine so that people avoid transmission of the virus. L.A. Care held its 9th flu clinic this past Saturday in the Inglewood area. Over	

	2,500 flu shots have been administered at the events. The reason for the events is to help prevent the flu and prevent and influx of hospitalizations and competition for hospital resources with COVID-19 patients. He urged everyone to continue following safety guidelines. He noted that Inglewood Community Resource Center (CRC) parking is small so it was held at the Weingart YMCA in Los Angeles. L.A. Care received cooperation from pharmacies and pharmacy interns to make sure the program went well. Ms. Perez and Eduardo Kogan, *Spanish Language Interpreter*, volunteered at the event. He applauded them for their efforts. The Metro CRC had a community-focused opening on December 4. L.A. Care held another walk up and drive-thru food pantry. All 400 food boxes were distributed to 400 families within 43 minutes. Many people in line did not receive food. He recognized that it will be a common theme while a COVID-19 vaccine is being developed and people get back to work. L.A. Care is looking to hold more flu vaccine clinics. This sets L.A. Care apart from other health plans serving Medi-Cal beneficiaries. He stated that L.A. Care is able to do more thanks to RCAC members, Health Promoters and the interpreter's participation at the events. L.A. Care's enrollment has increased to its highest levels due to the pandemic. He noted that as more people become eligible for Medi-Cal more people will select L.A. Care as their health plan. L.A. Care is now serving 1,153,000 Medi-Cal beneficiaries in L.A. County, roughly 21% of the county population. It's the highest enrollment L.A. Care has ever had. Another statistic that stands out is L.A. Care's enrollment increase compared to Health Net. L.A. Care has added 182,000 members and Health Net has added 82,000 members. This helps prove that L.A. Care's brand that stands for quality and good service. He encouraged ECAC members to spread the word about the assistance and services available to low income people. L.A. Care is looking forward to the change in administration in Washington. He feels President-Elect Joe Biden and his appointees will benefit L.A. Care. He noted that the appointment of Xavier Becerra as the head of Health of Human Services will positively impact L.A. Care's future. He was a congressman for 24 years and represented parts of downtown Los Angeles and the Korea Town area. We will have someone at the top in the administration that knows Los Angeles and L.A. Care. L.A. Care is focusing on the state of the State in economy. We still do not have the Medi-Cal rates for next year, but are confident that we will be able to manage. He reminded everyone that re-determination process has been in suspense since March. He does see it being enforced for the foreseeable future. L.A. Care will do as much communication as possible to ensure members are up to date. He advised that everyone stay alert.	

	PUBLIC COMMENT *Elizabeth Cooper, RCAC 2 Member:* *Good morning Madam Chairman, Members of ECAC, Board of Governors Consumer Member, and the Chief Executive Officer Mr. John Baackes. I'm Elizabeth Cooper, RCAC 2 Member and on behalf of Johnathan Cooper, L.A. Care member. I would like to make a public comment on the two aforementioned names for your consideration to address it to the ECAC Members, Chairperson, Board of Governors Consumer Member, and Mr. John Baackes, regarding Executive order N2520 and N2920 on this urgency matter. We would like ECAC to consider to have a conference for all the RCAC members on the Covid-19 and how it affects the members and all the people they are representing and their families. Since the CO&E department had previous conferences that helped members, it would be helpful if L.A. Care can use the CO&E budget to have a ZOOM or Telephonic option for the members to participate on Cultural and Sensitive matters since the Virus has impacted the communities of color in a very big way. To the RCAC Chairs and to the CO&E department under Auleria Eakins, input will be vital.* *It is my hope and prayer to do outreach and provide input to connect with the staff and the RCAC Chairs to support this effort. Your comments and considerations of my comments on behalf of myself and Johnathan Cooper and hopefully so many other RCAC Members will be considered by the decision makers. Thank you and have a safe Holiday and God bless each and every one of you.* Mr. Baackes responded that L.A. Care will take Ms. Cooper's suggestion under advisement and try to figure out a way to add value to member's preparedness for COVID-19. Ms. Perez thanked Mr. Baackes for being at the flu clinic this past Saturday. Seeing the CEO present and getting the vaccine means a lot to people who believe in myths and realities about the flu vaccine in their communities. She thanked the staff responsible for social media posts. She noted that L.A. Care's social media pages are promoting the Covered California open enrollment period. Ms. Perez advised members that L.A. Care is having a town hall meeting today in regards to Covered California. She asked that ECAC members spread the word so that people that need assistance can join the town hall meeting. Mr. Baackes stated that Communications staff has been working on its social	

	media platform and thanked them for their assistance. He stated that he gets his flu shot every year. Ms. Lara thanked Mr. Baackes for all his updates. She stated that she is grateful for taking time to speak to ECAC members. She stated that Xavier Becerra was her congressman when she lived in Los Angeles and will definitely reach out to his office to congratulate him and remind that L.A. Care is an important health plan. She noted that he is very open to feedback. She will also be speaking to him about budget allocations that L.A. Care receives more funding. Russel Mahler, *RCAC 1 Member*, stated that he agrees with Ms. Cooper about the need for RCAC members need for involvement. He is fearful that RCAC members aren't getting all the information they need. He would like for them to be a part of the COVID-19 discussions. Mr. Baackes stated L.A. Care will be taking Ms. Copper's suggestion under advisement and figure out a methodology. L.A. Care has had town hall meetings that have hosted about 1,000 people. He asked Idalia De La Torre, *Field Specialist Supervisor, CO&E*, to take down member suggestions. Ms. McFerson thanked Mr. Baackes for attending ECAC and providing this information. She wished him a happy holiday. She stated that she really enjoyed volunteering at the L.A. Care events this past Friday and Saturday. She thinks it is very beneficial to people who have been affected by the coronavirus. She stated she appreciates that he is looking at hosting more flu vaccine and food distribution events. She stated that the Health Promoters would like more opportunities to volunteer at the events. This will allow L.A. Care staff to take time off. Mr. Baackes responded that it's going to be a long haul before enough people are vaccinated and it's safe to resume going back to normal pre-COVID. He stated that it is apparent that after Friday's event that there will be a need to continue to hold food drives and flu clinics. L.A. Care will look at ways to continue to hold events and create volunteer opportunities. Mr. Baackes stated that with the help of the staff, Health Promoters, and interpreters L.A. Care can have more events. Ms. McFerson asked Ms. Baackes if presentations and communication can be made more understandable and simplified. Mr. Baackes responded that it's a good observation and will take this into consideration for the future.	
BOARD MEMBER REPORT	Hilda Perez, *Member Advocate, Board of Governors*, and Layla Gonzalez, presented the Board Member Report *(A copy of the report can be obtained from CO&E).* • We send our condolences to anyone that has lost a loved one to COVID-19. I also urge everyone, including providers to please wear gloves and masks. • The Board of Governors met on December 3. • A list of approved motions can be obtained from CO&E.	

- Mr. Baackes gave the Chief Executive Officer updates shared earlier in this meeting.
- Chad Roswick – *Sr. Director II, Enterprise Shared Services* and Michael Devine – *Director, Special Investigations Unit* (SIU) provided information about L.A. Care's SIU and Payment Integrity. The SIU is responsible for the detection, investigation, and prevention of healthcare fraud and abuse. Payment Integrity staff ensure claim transactions are paid correctly by the responsible party, for eligible members, per the contract, not in error or duplicate, and free of waste. These departments help protect members, providers and L.A. Care from fraud, waste and abuse.
- Dr. James Kyles gave an update on the Equity Council Steering Committee. He reported that the committee has been meeting weekly since July after the announcement of the committee.
    - Activities include:
        - Ongoing learning on subject of equity and social justice
        - Engage in implicit bias tests, book and article reviews
        - Authored a number of statements that impact equity i.e. USPS and Executive Order on Diversity and Inclusion trainings
        - Establish a partnership with L.A. County Commission of Human Relations
        - Empower L.A. Care's internal Councils (Member, Network & Vendor, and L.A. Care Team) to set and prioritize goals and metrics to measure their change efforts
- Richard Seidman, *MD, MPH, Chief Medical Officer*, presented the CMO report that will be shared with the committee after this report.
- There were two events Friday and Saturday which underscore the added value L.A. Care provides to its members. On Friday, L.A. Care hosted another walk up and drive thru food pantry at the newest Community Resource Center in Metro L.A at the corner of Pico and Western in Koreatown. This was done in conjunction with One Love Ministry who L.A. Care has partnered with in more than two dozen food pantry events that LA Care has sponsored since the beginning of the pandemic.

Ms. Gonzalez stated that the people that attend the California Long Term Care Education Center, Home Care Providers that are being funded by L.A. Care, thanked L.A. Care for helping get equipped with the skills necessary to care for seniors and people with disabilities.

Ms. perez stated that she thanks Ms. Cooper's suggestions for holding RCAC member meetings. She hopes that the meetings can be interactive and are not only one-way communication.

Ms. Perez reported the following:

- At Friday's event, which coincided with the community celebration of the opening of the Metro Community Resource Center, 400 boxes of food were distributed in 43

	minutes. Sadly, people were still waiting in line when food ran out. That has been the story at every food panty event LA Care has hosted or sponsored. Carol Thornton, Blue Shield Promise *Director of Communications*, and Mabel Ponce, *Senior Manager, CRC, FRC HQ Administrator*, and Mr. Baackes were at this event. On Saturday, L.A. Care hosted another flu vaccine event. This was the work of the Inglewood FRC. Due to the size of the parking area at the Inglewood FRC, the event was held at the Weingart YMCA at the corner of Century and Vermont in Inglewood, not far from FRC. Mr. Baackes was there and got a flu shot. Ms. Ponce was there and was explaining the cooperation between disparate entities that helped organize the event. It was the 9th flu vaccine event. Cross-functionally, CRCs have been working together with many departments to provide over 2,400 vaccines to the community. In addition to L.A. Care's efforts, L.A. Care's Pharmacy department led by Yana Paulson, *Chief Pharmacy Officer*, with the aid of Alex Kang, *Director, Clinical Pharmacy*, and Hanna Sung, *Manager, Ambulatory Care Advanced Practice Pharmacy, Pharmacy & Formulary*, with full support from Dr. Seidman, has managed the participation of contracted pharmacies (the partnership has been outstanding). • One last key element was the workforce development support provided to pharmacy school students, and like yesterday, each of the flu vaccine events allowed pharmacy school students to develop their skills further in support of our communities. Over the course of this season's flu clinics, in total, there were 53 pharmacy students volunteer from USC's School of Pharmacy. We were able to garner the help of USC through our partnership with the California Right Meds Collaborative pharmacy program, a value-based payment program that engages community pharmacists and connects high-risk L.A. Care patients with clinical pharmacy services. All of our pharmacy vendors this year are participants in this program. The flu clinics were a great way to get everyone, including students, involved and serving our community. Among other topics and interviews with radio and TV stations, L.A. Care has also launched live interviews with health care professionals from the LA County Department of Health Services in English and Spanish on its social media platforms, discussing myths and facts, questions and answers about the flu vaccine. • At the 2020 Southern California State of Reform Virtual Health Policy Conference, Mr. Baackes and Dr. Kyle participated on panels that address health equity and disparities. Joining Baackes for the afternoon keynote were Kristen Cerf, *President and CEO of Blue Shield of California Promise Health Plan*, and Elaine Batchlor, *MD, MPH, CEO of Martin Luther King, Jr. Community Hospital*. Joining Dr. Kyle for the morning panel were California Assemblyman Rob Bonta, *Member of the Assembly Health Committee*, and Deborah Prothrow-Stith, *Dean of the College of Medicine, Charles R. Drew University of Medicine and Science*. This virtual conference pulled together practitioners, thought leaders, and policy makers – each working to improve our health care system in their	

	own way. The event also featured thought leaders from across the state, which means it was a uniquely California conversation. Ms. McFerson stated that Ms. Perez provided very detrimental information. She thanked Ms. Perez for taking the time to speak to ECAC. She asked Ms. Perez if she can provide more information about BOG Motion 103.1220 and how it impacts members. She would like to know how the motion is relevant to ECAC member. Ms. Perez responded that she will followed up with a proper response. Ms. Perez asked Ms. De La Torre if members can get a list of Board approved motions through their Field Specialist. Ms. Idalia responded that the information can be obtained from their Field Specialist. Ms. McFerson would like to know who can explain how Board approved motions are relevant to ECAC so that they can make proper decisions. Auleria Eakins, *Senior Manager, CO&E*, responded that she will work with Board Services to respond to her question.	
UPDATE FROM CHIEF MEDICAL OFFICER Richard Seidman, *MD, MPH*	Richard Seidman, *MD, MPH, Chief Medical Officer*, gave the following COVID-19 update: On global level there are now over 65 million cases and over 1.5 million deaths. In the past several weeks we have added 4 million cases each week. The increase in cases in L.A. County has lagged compared to the rest of the U.S. and the world. The Americas are contributing half of all new cases on a weekly bases and about one third of all deaths. The five countries with the highest number of cases are the U.S., Brazil, India, Russia, and Italy. In the U.S. there are now over 15 million cases, 220,000 cases in the past day. It is an increase in the rate of cases. We are starting to see the case increase due to the holiday break. We are approaching 300,000 deaths nationwide and hospitalizations are also increasing. In L.A. County we are at 660,000 cases. In the summer we were at 1000 new cases in a day. In the last several days there has been a steep increase in cases and hospitalizations. The Governor of California and Health Officer, imposed curfews and more restrictive Stay at Home Orders. For the next three weeks all private and public gatherings are not permitted. Many businesses were shut down, including outdoor dining. ICU capacity and hospital beds will run out as hospitalizations increase. The Stay at Home order is hard for everyone including L.A. Care members. L.A. Care will do everything it can including flu clinics and food drives to help the community at large. We have placed many programs in place since the beginning of the pandemic to help members. The Care Management department created a new program to follow up with members that were hospitalized due to COVID-19 to make sure they don't have any medical complications and or social needs that are not being met. Currently there are 45,000 L.A. Care members diagnosed and over 1,700 deaths. The Pfeizer COVID-19 vaccine has been approved in the United Kingdom. The FDA intends to hold a meeting tomorrow to vote on the emergency authorization of the COVID-19 vaccine. Moderna, Inc. has also applied for FDA approval. A meeting will be	

	held on December 17. Los Angeles does anticipate the distribution of 80,000 doses to the first tier recipients. We expect 2-3 shipments before the end of the year followed by more shipments in January 2021. Health Care workers such as doctors and first responders. He stated that Home Care workers are also high on the list. As more vaccines become available people in lower tiers will have the opportunity to get the vaccine. There are still more questions than answers as to who gets the vaccine and when. He will provide more information as it becomes available. He is hopeful that by this time next year the pandemic will be in our rear view mirror. Ms. Gonzalez thanked Dr. Seidman for attending ECAC and quelling fears about the COVID-19 vaccine. She thinks that it will be encouraging for people to see someone getting the COVID-19 vaccine and hearing positive testimonies. She stated that it might help quell people's fears. Dr. Seidman thanked Ms. Gonzalez for her suggestions. He noted that former Presidents Obama and Clinton will be getting the CVODI-19 vaccine on camera to help encourage the public. Mr. Baackes leads the list of influencers getting the flu vaccine. There are celebrities and physicians will be advocating for the COVID-19 vaccine. Bottom line we need black and brown physicians to help influence their own communities. At the end of the day people are more influenced when it is someone that looks like them in their community. He thanked members for being positive influencers in their communities. Ms. McFerson thanked Dr. Seidman for his report and asked if the information can be broken down into simpler terms so that more people can understand. She stated that she and her grandmother have trouble understanding all the terms. She stated that people don't want to get the COVID-19 vaccine due to the major concerns of the overall treatment in the health care field. She stated that some patients are being misdiagnosed, underdiagnosed, and over diagnosed. She feels that there should be an ad hoc so that members can discuss ways that they can positively influence the public to get the COVID-19 vaccine. Dr. Seidman thanked Ms. McFerson for her suggestion and stated that L.A. Care will do its best. Ms. Perez thanked Dr. Seidman for coming to ECAC and keeping members informed and for attending the flu clinics. She noted that there are many people with questions about the COVID-19 vaccine in her community. She asked Dr. Seidman if there will be a question and answer session in regards to the COVID-19 for RCAC members. He stated that L.A. Care will attempt to provide as much communication about the vaccine as possible. Dr. Seidman recommended that everyone search "New York Times Vaccine Tracker" online or click on the following link: https://www.nytimes.com/interactive/2020/science/coronavirus-vaccine-tracker.html so they can keep track of vaccine approval. *(He displayed how the vaccines work on his screen.)*	

	Ms. Salazar thanked Dr. Seidman for explaining how the vaccine works. She stated that people believe they will be infected with the virus if they get the vaccine. Dr. Seidman responded that he understands there are many different myths and concerns about vaccines. He noted that there are some vaccines that do make people feel sick and cause mild cases of the flu. He reminded ECAC about the video that L.A. Care created about myths about the flu vaccine. Cynthia Conteas-Wood, *RCAC 3 Chair*, stated that Ms. Gonzalez made a good suggestion. She agrees that hearing positive feedback about the vaccine will encourage people to be receptive of the vaccine. She noted that people in England have begun to receive the COVID-19 vaccine.	
GOVERNMENT AFFAIRS UPDATE	PUBLIC COMMENT ***Rachael Rose Luckey, RCAC 4 Vice-Chair:*** ***having public comment at the beginning of an agenda item is ridiculous. How in the world am I supposed to know what comments or questions to make until I have heard a report? I propose that ECAC open public comment at the end of each report. In this way, community members can actually take part in the conversation instead of being relegated to giving public comment on a report they have not even heard yet.*** Prity Thanki, *Local Government Advisor II, Government Affairs,* provided the Government Affairs Report (*A copy of the written report can be obtained from CO&E.*). <u>Medi-Cal Update</u> Two important changes are taking place in Medi-Cal this month: • Medi-Cal income eligibility limit is increasing to 138% of the federal poverty level. This means that the income eligibility limit will increase to $1,468 for one person and $1,983 for a couple, and will increase each year in April. The current limit is $1,294 for one person and $1,747 for a couple. People who are currently receiving Medi-Cal with a share of cost may now be eligible for free Medi-Cal. • California will stop flipping Medi-Cal recipients between free and share of cost Medi-Cal based on who is paying the Medicare Part B premium. This problem has existed for some time and can cause significant disruptions, including disenrollment from managed care and unaffordable health care costs during the months when a recipient is on share of cost Medi-Cal. The new rule will allow DPSS to deduct the same amount as the Part B premium regardless of whether the recipient is currently paying it or the state is paying it as a benefit of free Medi-Cal.	

Individuals who are applying for the first time must still pay the premium themselves for the state to subtract the payment as an income disregard. However, once a person is eligible for Medi-Cal, the person will continue to be eligible for free Medi-Cal.

These changes are expected to benefit tens of thousands of California residents and about 11,000 people in Los Angeles County, so it may take some time to re-determine eligibility based on these rules. All changes should be retroactive to December 1, 2020 if the person is found eligible. For more information about these changes please contact your local DPSS office or visit https://dpss.lacounty.gov/en/health.html.

Deferred Action on Childhood Arrivals (DACA) IS RESTORED

In November, a federal judge invalidated restrictions on the DACA program that protected over 640,000 young undocumented immigrants from being deported. There are about 200,000 DACA recipients in California. In July, the Secretary of Homeland Security Chad Wolf issued a memo saying that new DACA applications wouldn't be accepted and that renewals would be limited to one year, not two. The restrictions came after the Supreme Court blocked the Trump Administration from ending the program. The federal judge argued that Wolf was unlawfully appointed as acting secretary because he didn't follow the rules of succession. For that reason, Wolf's memo is invalid. While the Department of Homeland Security denounced the ruling and said they will explore other options to review DACA, the decision is considered a victory by immigration rights advocates and DACA recipients. This is a temporary win and L.A. Care Health Plan remains hopeful that all the DACA restrictions will be rejected by President Elect Biden when he assumes office in January. Government Affairs will continue to monitor and engage on this issue and provide updates.

CALFresh Benefit Update

Recently, the California Court of Appeal ruled that the Department of Social Services must replace CalFresh benefits ("food stamps" or "SNAP") when they are electronically stolen from recipients. The Court of Appeal decision reverses a trial court ruling that said the state is not responsible for replacing stolen benefits. This ruling is an important step for Californians who rely on CalFresh benefits to prevent hunger. The point of food assistance is to make sure people can eat. With California and the country both experiencing record levels of hunger, it's vitally important for government to safeguard necessary food assistance for eligible recipients. For more information on CalFresh, please visit https://dpss.lacounty.gov/en/food/calfresh.html.

L.A. County Board of Supervisors Update

State Senator Holly Mitchell will be the next Second District supervisor on the Los Angeles County Board of Supervisors. With her victory, the L.A. County Board of Supervisors, will be an all-female board for the first time in history. Holly Mitchell came to politics in 2010

	after leading a large L.A. child and family care organization, and she is known among her peers in the Legislature as an astute anti-poverty policymaker. She is a mother of an adult son and had her big break in the Senate five years ago when she stood up to argue that the budget failed to appropriately serve poor Californians. L.A. Care has worked very closely with Senator Holly Mitchell in the past and many of our RCAC members have had the pleasure of speaking to her as part of L.A. Care's local office and Sacramento Advocacy visits.	

UPDATE FROM APPEALS & GRIVANCES DEPARTMENT
 	
Angelica Vargas
	Angelica Vargas, *Business Analyst I, CSC Appeals & Grievance,* presented information about Appeals and Grievance Department (*A copy of the presentation can be obtained from CO&E.*).
	
	L.A. Care members have the right to file an Appeal and/or Grievance when dissatisfied with services, care and/or coverage. Appeals & Grievances are investigated by LA Care. Appeals and Grievances are important, because members have the opportunity to share their experience, they enable us to learn about Member perceptions of L.A. Care, and we find opportunities to improve services for members.
	
	Members can file an Appeal or Grievance in the following ways:
	• Write, visit or call L.A. Care at: L.A. Care Health Plan Customer Solution Center 1055 West 7th Street Los Angeles, CA 90017, (888) 839-9909, (213) 438-5748 (fax)
	• L.A. Care can help you fill out the grievance form over the phone or in person.
	• You can file an appeal via your online portal
	
	A Member, a treating provider acting on the Member's behalf, or a Member's authorized representative. If members chose to have an authorized representative act on their behalf, you will need to submit an Authorization Representative Document/ Appointment of Representative.
	
	Medi-Cal
	Quantitative Analysis
	• 4% increase in grievance volume from Quarter (Q)1 to Q2
	• 30% of Medi-Cal grievances related to Access to Care issues
	  • 27% - Access to Providers
	  • 9% - Delay in Authorization
	  • 6% - Delay in Pick up time
	Approximately 42% of all Access to Care issues are resolved at the time of the call
	Qualitative Analysis
	The two primary reasons for Delay in Authorization were:
	• Primary Care Physician
	• L.A Care Health Plan
	Grievances related to Delay in Authorization decreased by 56% from Q1 to Q2.	

Cal-MediConnect

Quantitative Analysis

- 21% increase in grievance volume from Q1 to Q2
- 89% increase in grievance rate/1000 from Q1 to Q2
- 269% increase in Pharmacy Access to Care related grievances during Q2
    - 58% resolved at the time of the call

Approximately 37% of all Access to Care issues are resolved at the time of the call

Qualitative Analysis

The two primary reasons for Pharmacy Access to Care issues are:

- Unable to fill Rx or inadequate supply
- Access to Pharmacy and/or medication

A preliminary review of the grievances resolved at the time of the call have identified CVS Pharmacies as a possible trend. Members are reporting CVS pharmacy does not have medication on hand and/or or allegedly advising the member the medication is not covered and to pay out of pocket.

L.A. Care Covered

Quantitative Analysis

- 25% increase in grievance volume during Q2
- 17% increase in grievance rate/1000 during Q2
- 48% increase in grievances related to Billing and Financial matters
    - 37% - Billing disputes discrepancies
        - 38% resolved at the time of the call
    - 24% - Premium related grievances

Approximately 30% of all issues are resolved at the time of the call.

Qualitative Analysis

The two primary reasons for Billing and Financial issues are:

- Billing discrepancies or disputes
- Premium disputes

A preliminary review of grievances related to Billing and Financial matters identified 38% of the issues were resolved at the time of the call through the following actions:

- Member Education to advise the notice they received is not a bill but a notice to advise the member the provider has billed the Health Plan or to request the member's health plan information
- Provider education regarding the member's benefit plan and Claim address with a request to cease all notices to the member

	Next Steps • Participate in the Member Experience workgroup to drive improvement across key measures to decrease pharmacy appeals and grievances • Enhance grievance resolution categories to support data analytics. Currently, an option to document the resolution is "Completed". Further analysis of the outcomes associate with this resolution will need to be vetted in the development of new resolution code structure • Enhance appeal categories to support reason for overturn • Complete assessment of opportunities to educate members regarding their responsibilities to ensure appropriate benefit card is provided to servicing provider Ms. Gonzalez thanked Ms. Vargas for her presentation and providing this data to the committee. She stated that she is grateful for the transparency. She noticed that L.A. Care is putting much effort in making improvements. She hopes in the future these issues are resolved to the member's satisfaction. Ms. Vargas thanked Ms. Gonzalez for her comments. Ms. Perez thanked Ms. Vargas for her presentation and stated that she does not feel that the presentation is not community friendly. She suggested giving examples, adding a comic, or something that can help members relate to it. Ms. Vargas responded that she will connect Ms. Perez offline to get some suggestions. Ms. McFerson thanked Ms. Vargas for her presentation, but suggested that it was not broken down in laymen terms. She would like the information simplified for people who have disabilities. She asked the information be easier to understand. She noted that the presentation was very important, but her grandmother will not be able to understand. Ms. Vargas thanked Ms. Andria for her suggestions. She advised she can work with her or Ms. Perez to make the presentation more meaningful.	
COMMUNICATION AND COMMUNITY RELATIONS DEPARTMENT Auleria Eakins, Ed*D*	Auleria Eakins, EdD, Manager, CO&E, gave the following Communications and Community Relations Update (*a copy of the written report can be obtained from CO&E.*): <u>CRC Events</u> CRCs are finalizing dates for holiday member and community appreciation events. The Centers will be organizing activities following COVID-19 guidelines to share a $25 gift card to Ralphs/Food 4 Less. Please follow L.A. Care's Facebook or contact your local center for additional information. Please follow CRC and events on L.A. Care's Facebook, Instagram L.A. Care can be found on Facebook, Instagram and Twitter @lacarehealth. https://www.facebook.com/LACareHealth/ https://twitter.com/LACareHealth	

https://www.instagram.com/lacarehealth/

LA vs Hate - United Against Hate week

L.A. Care has joined the LA vs Hate coalition for its inaugural United Against Hate Week (UHAW) Campaign. LA vs Hate is run by L.A. County Human Relations Commission, uses art to get its message out. LA vs Hate was started to help people understand hate acts (which are not always crimes), and to lead a push for people to report hate acts to 2-1-1. The UAHW campaign is November 30 – December 6. Mr. Baackes will be one of the speakers in a kick off press conference on November 30, 2020 at 1 pm.

Health Promoters Update

The Health Promoters Program supported all of the Resource Center Flu Shot Clinic events in October and November. Health Promoters plan to participating in the remaining event scheduled for Friday, December 4th at the Metro CRC Community Grand Opening/Food Drive. The Health Promoters continue to connect the L.A. County community to vital resources including food banks and financial assistance on a weekly basis. At the moment there are no logged public-facing sponsored events to report for December or January, so nothing is included on sponsored events.

Communications Update

L.A. Care hosted a Facebook Live interview with L.A. County Department of Health Services, answering frequently asked questions about flu vaccinations, and how to stay safe to avoid a flu and COVID-19 "twindemic," so as to not overburden our hospitals.
The Q&A was broadcast on December 1. Spanish and American Sign Language (ASL) was broadcast at 12:00 p.m., and English and ASL at 1:00 p.m. She asked that everyone please tune to L.A. Care's Facebook Page for these Live broadcasts. Early in November RCAC members were sent the L.A. Care CEO statement on legal challenges to the Public Charge rule. L.A. Care continues to monitor the progress of these legal challenges and will keep RCAC members updated on developments.

Ms. Eakins stated that staff is working really hard to address member concerns regarding Black History Month and ethnic celebrations. She is working on ways to celebrate African Americans contribution to health. Staff will request input as needed.

Ms. De La Torre advised members that staff is working on training for January 2021 to review how to properly place motions, communicate and work together in virtual meetings. CO&E has asked Tanisia Johnson*, Supervisor, Health Promoters Program,* to attend ECAC meeting to provide an update on the Health Promoters program during the first quarter of the year.

In response to Ms. Eakins report BOG member Perez thanked CO&E for all of their efforts and for providing resources and connecting with members. She encouraged RCAC

	members to reach out to their Field Specialist so they can request information and express their concerns. She agrees with Ms. Cooper's request that there be an interactive meeting between members and L.A. Care staff to address COVID-19. This will allow more questions to be answered during one meeting. At the last Board meeting, she requested that James Kyle, *MD, M.Div.*, *Medical Director, Quality, Diversity, Equity and Inclusion, Quality Improvement,* provide an update to ECAC on the Equity Council Steering Committee. She stated that members would still like to be involved. Ms. Perez request that any information shared on social media platforms be shared with all members, because not everyone has a social media profile or has internet access.	
NEW BUSINESS		
	PUBLIC COMMENT *Fresia Paz, RCAC 10 Vice-Chair:* *Happy Holidays to Everyone, my name is Fresia Paz, RCAC 10 Vice-Chair. Thank you LA Care for sending a face mask that has room for a filter to all of the RCAC members. My sister and I received ours on Saturday December 05 2020. I am happy that my comments on May 07 2020 at the BOG and on June 24 2020 at a RCAC 10 teleconference meeting was considered. I am aware that the Family Resource Center in East Los Angeles is opened 3 times a week. I hope that this center can participate in a food distribution for the community in the future. Maybe it can also help the RCAC members in getting a care package supply to them also previously suggested.* *A Care Package could be:* • *a face mask* • *gloves* • *cloth groceries bags - 2 count* • *hand sanitizer small to large bottle* • *notebook and pen, pencil to write down information* • *la care book bag* • *current phone numbers and address to access help, if someone does not have access to a computer* • *a calendar of future events from LA Care, if someone does not have access to computer* *more other things can be added to add the RCAC members during this time, etc. Thank you for your time and Be safe and Well*	

	Ms. Vazquez asked Ms. McFerson to present her motion. ***I Andria McFerson, RCAC 6 member and Chair, would like to make a motion and recommendation to ECAC for L.A. Care to consider providing a care package that contains 5 face masks, 5 sets of gloves, and 1 bottle of hand sanitizer at all the Community Resource Centers (CRCs) that would be available to the public. For L.A. Care members who cannot attend the CRCs, L.A. Care can consider mailing the same care package to all L.A. Care members.*** Mr. Mahler stated that he agrees with Ms. McFerson. He thinks it is a good idea to send this care package to all ECAC members and the rest of the community. He suggested that the elderly be taken into consideration. Ms. McFerson stated that she would like to discuss BOG Motion 103.1220. She would like to know if Toney Health Care Consulting can make a phone call to all members advising about the care package. The package can be mailed to members who can't go in to a CRC. Ms. Conteas-Wood asked for clarification. She would like to know if the package would be made available to the CRC or L.A. Care members. Ms. McFerson responded that the package would be for all L.A. Care members and can be picked up at a CRC similar to L.A. Care food drives. Ms. Conteas-Wood asked if people who can't pick their care package at a CRC can have one mailed to them arbitrarily. She would like to know if they will be tracked using a list or will there be some way to flag them. Ms. McFerson responded that having a registration like at other L.A. Care events so that members can provide their information is a possibility. She noted that CRCs can gather member information and distribute the packages. Ms. Conteas-Wood stated that she would like to know what the cost would be per member with shipping and the total cost of the project. She thinks it would be interesting to know the numbers would be. Ms. McFerson responded that there are different companies and community-based organizations that are providing these items to the public. Deaka McClain, *At-Large Member*, asked Ms. McFerson to look into the financing of this project. Ms. McClain noted that Mr. Baackes stated that L.A. Care will operating on a deficit budget. She stated that CRCs may not be able to distribute over 2 million packages to members.	

	Ms. McFerson responded that there are millions of dollars that are allotted to different organizations. She stated that people who don't have L.A. Care will also need these items. Lluvia Salazar, *At-Large Member*, asked if the packages can be distributed in the same way the food is distributed at food drives. She stated that it would be on a first come first serve basis and there would have to be a limited supply, because the number they are speaking of is a very high number. She noted that not everyone will be able to get a package and noted the need for accommodations for seniors and people with disabilities. Tanya Byrd, *RCAC 9 Chair*, stated that she lives in Long Beach and the closest CRC to her is Lynwood. She noted that there are members as well as RCAC members that can't attend events at CRCs. She agrees with Ms. McFerson on the need to mail these items to people who can't make it to a CRC. Ms. Eakins asked if the suggested that the motion be left as is the. She stated that as written, the motion is inclusive of seniors and people with disabilities. Ms. McFerson asked Mr. Mahler if there is anything else he would like to add to the motion. Mr. Mahler responded that he does not anything to add, but he does believe it is important to include seniors and people with disabilities into the motion. Ms. McClain responded that it has been mentioned that L.A. Care staff is working from home and have not been able to mail agendas or minutes. She thinks they may have to think of something else. Ms. De La Torre asked Ms. Vazquez if she would like to move forward with the vote or table until the next meeting. Ms. McClain stated that it should be table for the next meeting. Ms. McFerson responded that everything was discussed. Ms. McClain stated that the motion needs to modified. She does not feel mailing these packages is possible. Ms. Salazar stated that it should be on a first come and first serve basis. She thinks that mailing the packages will take too long. *(Ms. Conteas-Wood left the meeting.)*	**Approved by roll call. 8 AYES (Byrd, Lara, Mahler, McClain, McFerson, Refugio, Salazar, Sanchez)** **1 Abstention Vazquez**
FUTURE AGENDA ITEMS		
	Ms. McFerson stated that she would like the committee to discuss what will be done to celebrate Black History month. She suggested forming an ad hoc to discuss arrangements for February 2021. She would also like to form an ad hoc to discuss ways to incentivize	

	L.A. Care members getting the COVID-19 vaccine. She noted that Dr. Seidman spoke about that and the need to get members involved.	
PUBLIC COMMENT	*<u>Elizabeth Cooper, RCAC 2 Member:</u>* *My name is Elizabeth Cooper, RCAC 2 Member, first I would like to say to all the members who have friends and relatives in the state of Georgia, pray for Georgians, for the Truth and Rhetoric Candidates so that the great State of Georgia's votes will impact decisions made in the Senate.* *Also because this is necessary to speak on Governor Newson our Chief Executive Officer will maybe make an appointment to fill the spot of senator Harrys who will be the vice president, it is important for members to keep legislative issues keep aware that our health care is dependable on who is appointed.* *I hope our members will inquire and look at the candidates and look at some of the appointments and give your comments to Governor Newson about some of the appointments hopefully the person is diverse, the person is diverse, and keep your eyes on the price, members, is not just about la care what happens to la care and how their decisions health care are made.* *<u>Rachael Rose Luckey, RCAC 4 Vice-Chair:</u>* *My name is Rachael Rose Luckey, Vice Chair of RCAC 4. In May of 2020, the City of Los Angeles's Department of Neighborhood Empowerment issued what they called the Virtual Governance Protocols for holding meetings on-line with Zoom for the city's 99 Neighborhood Councils.* *These protocols are in depth and comprehensive right down to what settings should be used in setting up Zoom calls. Almost all of the 99 Neighborhood Councils have been holding meetings for months now. Even for RCAC folks who do not have access to the internet, they can dial in on their phones.* *In September I sent members of CO&E staff a copy of these protocols which can be used as a detailed template by LA Care for holding RCAC meetings.* *LA Care now has in its hands **<u>ALL</u>** they need to set up Zoom meetings that are Brown Act compliant as well as language justice compliant. If the city of Los Angeles can do it for 99 Neighborhood Councils, LA Care can get this set up for 11 RCACs.*	

	This is not rocket surgery folks. I gave you all the template, all you have to do is use it!!! *<u>Rachel Rose Luckey, RCAC 4 Chair:</u>* *My name is Rachael Rose Luckey, Vice Chair of RCAC 4, per Robert's Rules of Order, the Chair has the authority take agenda items out of order at their discretion. If the chair would like to take public comment after reports starting right now, she has that ability.* *Either way, I would like to see a motion on next month's ECAC agenda for placing public comment after reports on future agendas.* *<u>Rachael Rose Luckey, RCAC 4 Chair:</u>* *My name is Rachael Rose Luckey, Vice Chair of RCAC 4* *This is absolutely beyond acceptable that I email in public comments ahead of an item being called but staff does not seem to be getting them until after the item is called and public comment is closed. This system is not working! It is a failure.* *Enact the City of Los Angeles' Virtual Governance Protocols for Neighborhood Councils so these kinds of things do not happen in the future.* *What you won't hear in the words being read that are not in my own voice, the utter frustration that you would hear if I were able to actually speak directly in my own voice. The Virtual protocols allow for this to happen.* *Again, this is utterly unacceptable!* *<u>Manny Vizcarra, Pomona CRC</u>* *Good afternoon I would like to share on behalf of the Community Resource Centers and Family Resource Centers that we are open for limited services and are ready to help community members with any resources or member service inquires. We are also offering programming online via YouTube so that all of you can stay active at home.* *Specifically, the Pomona CRC now has a food pantry on site where members can pick up boxes of food as needed by making an appointment.*	

	Thank you for your time and I miss seeing you all.	
ADJOURNMENT	The meeting was adjourned at 1:04 p.m.	

RESPECTFULLY SUBMITTED BY:
Victor Rodriguez, *Board Specialist II, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY
Fatima Vasquez (due to public health orders the document will be signed when it is possible)
Fatima Vasquez, *ECAC Chair*
Date 1/13/2021

2022-23 State Budget Proposal
L.A. Care Government Affairs Department
January 14, 2022

On January 10, Governor Newsom released his 2022-2023 Proposed State Budget. The overall $286.4 billion budget proposal includes $213.1 billion in General Fund spending along with $45.7 billion surplus. The Governor's budget reflects a 9.1% increase in overall spending from the current fiscal year, and includes a $34.6 billion budget reserve.

The pandemic continues to influence the state budget. The Governor is requesting the Legislature take action now to approve $1.4 billion to respond to immediate needs of the state's COVID-19 pandemic response in the current budget year. Additionally, the Governor is asking that the Legislature allocate an additional $1.3 billion for COVID-19 pandemic response for the 2022-2023 fiscal year.

Additional themes included in FY 2022-2023 proposed budget include issues surrounding climate control, homelessness, fire, education, Medi-Cal expansion, and the state's public health infrastructure.

This following includes highlights from Governor Newsom's Proposed Budget for 2022-23, specifically the Health and Human Services proposals impacting L.A. Care's operational interests.

- <u>CalAIM</u>
  The Budget includes ongoing funding for CalAIM, specifically $2.8 billion in 2022-23 and $2.4 billion in 2023-24. Specific to PATH funding, the Budget maintains the previous allocation of $1.8 billion.

  - PATH Funding. The Budget adds another $50 million in FY 2022-23 to PATH to support capacity building, technical assistance, collaboration and planning by county and correction entities. The Administration intend to propose additional policy changes in forthcoming trailer bills, specifically regarding suspension of Medi-Cal benefits when an individual is incarcerated.
  - Skilled Nursing Facility Payment Reform (AB 1629). As of January 1, 2023, long-term care services are expected to be fully carved-in to managed care. This carve-in corresponds with the Skilled Nursing Facility Payment Reform as required by AB 1629 and requires DHCS to implement facility specific skilled nursing facility payment reform which will include a quality and accountability supplemental payment program. The financial mechanism for implementing this new payment program into the manage care delivery system is unknown at this time.

- Foster Care. The Administration intends to continue the Foster Care Model of Care workgroup and work with stakeholders to explore a new model of care for this population this year.

➢ Medi-Cal Caseload Estimates

The 2022-23 projected average monthly caseload is 14.2 million, with caseload expecting to peak 15.2 million in July 2022. The Medi-Cal caseload is projected to grow through the current fiscal year assuming the federal PHE remains in place and there are continued restrictions on beneficiary disenrollment. The budget assumes most of the caseload growth will be in the ACA Optional Expansion population. The Governor's budget assumes ending 2021-22 fiscal year with an 8.3% caseload increase from earlier projections. In addition, the budget assumes a caseload decrease by 3% from 2021-22 to 2022-23.

➢ Expansion of Medi-Cal Coverage

Effective no sooner than January 1, 2024, Medi-Cal will be expanded to provide full scope coverage to adults 26 through 50 years of age, regardless of immigration status (estimated eligible statewide: 700,000). California currently provides full-scope Medi-Cal coverage to those under age 26, regardless of immigration status. As a reminder, the state will begin providing full-scope Medi-Cal coverage to those over age 50, regardless of immigration status (estimated eligible statewide: 200,000) as passed in the 2021-22 state budget. It is possible that state legislation could be introduced that would have the undocumented Medi-Cal coverage for those between 26 and 50 years of age begin sooner than 01/01/24, but unknown at this time.

➢ Equity and Practice Transformation Payments

The budget proposes $400 million in one-time funding for equity and practice transformation payments to qualifying Medi-Cal providers in order to close critical health equity gaps; preventive care, maternity, and behavioral health care measures, and gaps in care as a result of the pandemic. There are early indications it could include application grant process, similar to the previous behavioral health grants. More information is needed on this budget proposal on the process of applying for the grants.

➢ Medi-Cal – Cognitive Health Assessments

The budget proposal contains funding for the annual cognitive health assessment as a Medi-Cal benefit for beneficiaries who are 65 years of age or older, if they are ineligible for such service under Medicare. The Budget includes $341,000 to implement this new benefit, effective July 1, 2022. This benefit was passed into law last year, with a no sooner date of implementation of January 1, 2022. The budget proposal appears to revise the implementation date to July 1, 2022.

➢ Office of Healthcare Affordability

The budget proposal reappropriates funding that was included in the 2021-22 Budget Act for the same purpose to establish an Office of Healthcare Affordability within the Department of Health Care Access and Information. The Office will promote health care workforce stability and innovation, report on the quality of care and equity in services on the entire health care system, advance payment models that reward high-quality, cost-efficient care.

- Proposition 56
  The proposal also maintains full funding for the Proposition 56 (tobacco tax) supplemental payments, including a $176 million General Fund backfill of the payment program due to the declining revenues from cigarette taxes.

- MCO Tax
  The budget assumes the current Managed Care Organization Tax will not be renewed and expires on December 31, 2022. Will need to confirm with DHCS and the Administration on the details of this assumption.

- Elimination of Medi-Cal Premiums
  Effective July 1, 2022, the budget proposes to eliminate Medi-Cal premiums for approximately 500,000 Medi-Cal enrollees who pay monthly premiums for coverage. This policy change estimates the cost of reducing premiums to zero for the Optional Targeted Low Income Children Program (OTLICP), all State Children's Health Insurance Programs (CHIP), and the 250% Working Disabled Program.

- Behavioral Health Services and Supports
  The budget proposal contains funding for new and existing behavioral health benefits.

  - Children and Youth Behavioral Health Initiative. The budget includes funding to implement elements of the CYBHI:
    - $87 million to implement Dyadic Services effective 01/01/23.
    - $429 million for evidence-based behavioral health practices.
    - $450 million for school behavioral health partnerships and capacity.
    - $230 million for the Behavioral Health Services and Supports Platform and related e-Consult service and provider training.
  - Mobile Crisis Services. The Budget proposes $108 million to add qualifying 24/7 community-based mobile crisis intervention services as a mandatory Medi-Cal benefit as soon as 01/01/23. The benefit will be implemented through county behavioral health delivery systems by multidisciplinary mobile crisis teams in the community.
  - Behavioral Health Bridge Housing. The budget includes $1.5 billion ($1 billion in FY 2022-23 and $500 million in FY 2023-24), to address the immediate housing and treatment needs of people experiencing unsheltered homelessness with serious behavioral health conditions. The funding will be used to purchase and install tiny homes, as well as providing time-limited operational supports in various bridge housing settings.

- Medi-Cal: Telephone/Audio-Only Parity
  As part of the 2021-22 budget, DHCS began paying parity for services provided via telephone/audio-only during the PHE when the services meets all the requirements of a face-to-face visit. DHCS indicated payment parity for telephone/audio-only services would continue, including clinics, after the PHE. Although there is no new funding in the budget for telehealth, the budget proposal mentions the Administration intends to release a telehealth proposal that will continue to allow Medi-Cal covered benefits and services to be provided via telehealth across delivery systems when clinically appropriate. The budget is silent on the applicability or inclusion of clinics, but based on last year's budget proposal, DHCS (at that time) intended that

clinics will be included (will need to confirm clinic applicability). Requires federal approval. No implementation date provided.

- Home and Community-Based Alternatives (HCBA) Waiver
  The Budget proposes $304 million to implement the HCBA waiver for a new 5-year term from January 1, 2022 to December 31, 2026. Some key components in the waiver include:
  - Expand the Community Transition Service, making it available to participants living in the community who require essential goods and/or services to make their community-based residence safe and to keep them out of an institution.
  - Add Assistive Technology and Paramedical Services as a new service.
  - Add Pediatric Day Health Centers (PDHCs) licensed to operate a Transitional Health Care Needs Optional Service Unit.
  - Increase the rate paid to Personal Care Agencies that provide Waiver Personal Care Services, in compliance with increases to the statewide minimum wage.

- Federally Qualified Health Centers Alternative Payment Methodology Project
  DHCS will propose trailer bill language to update existing law that authorizes the implementation of an Alternative Payment Model (APM) reimbursement methodology for FQHCs to incentivize delivery system and practice transformation at FQHCs through flexibilities available by moving away from a volume-based reimbursement methodology.

- Covered California - $1 Premium Subsidy Program
  The budget proposes to continue funding the $1 per month premium required for the cost of providing abortion services, for which federal funding is prohibited. The ACA prohibited the use of federal funds to pay for coverage of abortion services by Qualified Health Plans in exchanges, including Covered California. The ACA required health plans to charge and collect at least $1 per month for coverage of such abortion services. As a result, Covered California enrollees that would receive federal or state subsidies that would combine to reduce premium costs to zero, instead have to arrange to pay one dollar per month. The budget proposal would use state-only funds to provide the $1 per month premium subsidy program.

- Dental Managed Care
  The budget proposes to extend dental managed care contracts (include Los Angeles County) and procure new contracts no sooner than January 1, 2024. While L.A. Care does not administer the Medi-Cal dental benefit, Government Affairs will obtain more information on the details surrounding this proposal and potential impact/opportunities.

- Health Care Workforce
  The Budget proposes $1.7 billion in funding over three years in Care Economy Workforce investment including funding to recruit and train 25,000 new community health workers as well as additional psychiatric providers. Funding that is relevant to Medi-Cal includes:
  - Community Health Workers: $350 million to recruit, train, and certify 25,000 new community health workers by 2025, with specialty certifications in areas that include climate health, homelessness, and dementia.

- Comprehensive Nursing Initiative: $270 million to increase the number of registered nurses, licensed vocational nurses, certified nursing assistants certified nurse midwives, certified medical assistants, family nurse practitioners, and other health professions.
- English Language Learners Health Careers: $130 million to support healthcare-focused vocational pathways for English language learners.
- Healthcare Workforce Advancement Fund: $90 million to support job entry and career advancement for entry-level and other workers in health and human service settings, with $40 million intended for social worker training.
- Multilingual Health Initiatives: $60 million to expand scholarships and loan repayment programs in healthcare and social work for multilingual applicants.
- Opioid Treatment: $26 million to train providers to build out the substance use disorder workforce with a focus on opioid treatment. Funding will be used to increase the number of licensed clinicians, including providers focused on addiction.
- Workforce Council for Healthcare Training: $3 million to research healthcare shortages and support research on best practices and strategies to build a diverse, culturally competent workforce to build the health care workforce

➢ <u>County Medi-Cal Redeterminations</u>
The budget contains $73 million in total funds in both 2021-22 and 2022-23 to assist counties with the expected backlog of redeterminations that will need to be conducted when the pandemic is over. As a reminder, most Medi-Cal beneficiaries do not have to go through the annual redetermination process during the pandemic.

➢ <u>Insulin Cost Reduction</u>
The Budget acknowledged the high cost of insulin and the Administration's commitment to ensuring the availability of insulin to all Californians. The Governor indicates that Cal Rx program will be an avenue for California to contract and manufacture its own insulin at a reduced cost. No further details are available at this time.

California's Constitution requires the Governor to submit his proposed budget each year to the Legislature by January 10. After the Governor has submitted the budget proposal to the Legislature, each house introduces the budget proposal as a budget bill. The Legislative Analyst's Office prepares an analysis of the Governor's proposed budget which becomes the starting point for negotiations and revisions. Subcommittee hearings begin in February or early March and continue for several months. During that timeframe, L.A. Care and our trade associations communicate with legislators, regulators, and the Administration on budget issues of importance and impact. In mid-May, the Governor will release changes to the January proposed budget called the "May Revise." It is important to note, that the state budget proposal does not consider the impact on the state's economy as a result of expected federal interest rate increases as well as potential pandemic changes in the future. As a result, the adjustment to the revised state budget proposal released in May could look different than what the Governor is currently proposing.

The budget committees in the Assembly and Senate develop their versions of the budget. The differences are worked out in a joint Budget Conference Committee. After its review, the Conference Committee votes on the proposed version. A report on the budget is submitted to both houses. The bill must be adopted by each house before it can be sent to the Governor. The State

Constitution says that the Budget Bill must be passed by the Legislature no later than June 15th to the Governor for his consideration for enactment by July 1 of each year.

However, it is important to point out that only the main budget bill is required to be passed by June 15 and sent to the Governor. There can be "budget trailer bills" which also can contain many budget provisions and details – and there is no deadline for the budget trailer bills. So this adds a level of complexity and uncertainty to the budget process.

Government Affairs will continue to provide key updates throughout the budget process.

In the meantime, please contact me if you have any questions.

Cherie

References:
https://www.ebudget.ca.gov/2022-23/pdf/BudgetSummary/HealthandHumanServices.pdf

https://www.dhcs.ca.gov/Documents/Budget_Highlights/DHCS-FY-2022-23-GB-Highlights.pdf

If you have any questions, please contact Cherie Compartore.

BOARD OF GOVERNORS
Executive Committee
Meeting Minutes – November 15, 2021
1055 West 7th Street, Los Angeles, CA 90017

Members
Hector De La Torre, *Chairperson*
Al Ballesteros, *Vice Chairperson*
Ilan Shapiro MD, MBA, FAAP, FACHE, *Treasurer*
Stephanie Booth, MD, *Secretary*
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Marie Montgomery, *Chief Financial Officer*
Francisco Oaxaca, *Chief of Communications & Community Relations*
Noah Paley, *Chief of Staff*
Acacia Reed, *Chief Operating Officer*
Richard Seidman, MD, MPH, *Chief Medical Officer*

State and local officials continue to impose or recommend measures to promote social distancing to reduce transmission of the COVID 19 virus. It is prudent to use caution in protecting the health of the public, L.A. Care's employees and its members where adequate virtual means exist to permit the meeting to occur by teleconference/videoconference with the public being afforded the ability to comment in real time. The Board of Governors and all legislative bodies of the L.A. Care Health Plan, and the Board of Directors and all legislative bodies of the Joint Powers Authority will continue to meet virtually and the Boards will review that decision on an on-going basis as provided in the Brown Act. Members of the public had the opportunity to listen to the meeting via teleconference, and share their comments via voicemail, email, or text.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Hector De La Torre, *Chairperson,* called to order the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee meetings at 2:10 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings. • For those who provided public comment for this meeting by voice message or in writing, we are really glad that you provided input today. The Committee will hear your comments and we also have to finish the business on our Agenda today. • If you have access to the internet, the materials for today's meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know. • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• The Chairperson will invite public comment before the Committee starts to discuss the item. If the comment is not on a specific agenda item, it will be read at the general Public Comment item 2 on today's agenda.	
APPROVE MEETING AGENDA	The Agenda for today's meeting was approved.	**Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, De La Torre and Shapiro).**
PUBLIC COMMENTS	There were no public comments.	
APPROVE MEETING MINUTES	*Member Perez joined the meeting.* The minutes of the October 25, 2021 meeting were approved as submitted.	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro).**
CHAIRPERSON'S REPORT	Public Comment (*This comment was submitted for the CEO Report but was read at the Chairperson's report, and staff apologizes for the inadvertent mistake.)* Received via text Nov 15, 8:46 am, from Carolyn Rogers Navarro *For years LA Care enabled house of horrors doctors and medical centers and retaliated against and intimidated enrollees who reported abusive "medical providers"! They still do so! It is impossible that LA Care had no idea people were being harmed by Synermed blocking access to doctors and denying due process and that people were butchered or died. LA Care is aware of other "managed service organizations "who do not do their jobs, wasting state and federal funds, LA Care doesn't give a [expletive] about the "comprehensive care" they claim to provide, they just want to solicit more members, brag about the number of members, when they are failing existing ones. Some of these fake, [expletive] people on LA Cares board don't represent enrollees best interest, they are just going through motions and just care about their own fake entitled lives, they don't care about special needs and vulnerable people, they need to leave, just like LA Care gets rid of any honest decent employees or board members or they leave on disgust. Stop wasting taxpayer money and retaliating against enrollees, stop lying to enrollees!*	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Chairperson De La Torre noted that the vaccination rate is not where it needs to be in terms of vaccinated individuals. He spoke with a doctor who told him there were 100 COVID-19 patients at his hospital, and all of the 100 patients were unvaccinated. It is incredibly clear that the risk is tremendous for those who are unvaccinated, compared to those who are vaccinated. Some breakthrough cases have been reported in the media. Those are infrequent when compared to the vast majority of cases among the unvaccinated. A lot of people use the excuse that they want to do their own research. Vaccines were available at the end of December 2020 for seniors and high risk patients, but now it is generally available. He thinks there is one important data point that is really compelling: a survey of practicing doctors was conducted nationwide by the American Medical Association in June, 2021, and the result was that 96% of those doctors are vaccinated. That rate is probably higher now, more than four months later. The doctors are telling you by their own actions with their own body, what they think of the medical consensus around vaccination. He feels we need to very respectfully keep pushing on that information, which is the clearest data point. This is not a social media video, or a celebrity, or your neighbor, this survey shows that doctors are voting with their own bodies by taking the vaccine themselves. The rate of vaccination reported in this survey, 96%, is probably higher than any other subgroup in the United States. He feels frustrated, in his capacity here and also as a resident of this planet, that people are not getting vaccinated, and that the reasons they are giving for not getting vaccinated are specious. If the healthcare professionals, the physicians, are getting the vaccine, it is pretty clear where we should be going. And there are 14 other vaccinations that are commonly given, that most of us have received in our lifetimes. There are projections for another spike in COVID 19 cases this winter. He commented that as much as we all want to be done with these virtual meetings and get back to seeing each other in person, the only way society gets there is to beat back COVID, and that means vaccinations across the board.	
CHIEF EXECUTIVE OFFICER REPORT	Richard Seidman, MD, MPH, *Chief Medical Officer,* reported on behalf of John Baackes, *Chief Executive Officer*. Dr. Seidman thanked Mr. De La Torre for his report, and added that the increased risk of hospitalization and death amongst the unvaccinated due to COVID-19 and its variants is more than ten times higher for those who are unvaccinated than for those who are vaccinated. Dr. Seidman noted that L.A. Care is preparing for the start of California Advancing and Innovating Medi-Cal (CalAIM) in January of 2022, with services under the Enhanced	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Care Management (ECM) and Community Supports (CS, formerly known as In Lieu of Services) programs. L.A. Care selected four services in the CS program to offer in January of 2022, with more to come in July 2022, and even more to come in January of 2023. • He reminded Committee Members that in January 2022 health plans will also be responsible for major organ transplantation. In the past, L.A. Care has been responsible for kidney and corneal transplants, and other health plans in California have been responsible for all the other major organ transplants. L.A. Care's work to prepare the provider network for this new service is going smoothly and no interruption of care is expected for patients requiring major organ transplants. • Also in January 2022, pharmacy benefits will be "carved out" of health plan coverage for Medi-Cal beneficiaries. L.A. Care has done all it can to persuade state officials not to move forward with this, but it is still scheduled to happen on January 1, 2022. • L.A. Care has completed ten flu clinics, immunizing more than 2300 people against influenza. Dr. Seidman looks to the recent experience in the Southern Hemisphere as a predictor of the influenza activity in the Northern Hemisphere. This year, the activity in the Southern Hemisphere looked quite low. This is not a guarantee, but helps predict how our flu season will be. Before the COVID pandemic Dr. Seidman reported regularly during flu season about the influenza activity in Los Angeles County during the flu season. There is a concern about the effect of both flu and COVID 19 cases. Last year we saw a nearly disastrous spike in COVID cases during flu season. This year there is concern about a fifth wave and increased demand on the hospital systems. So far the levels are low, although we have a long way to go. It is hoped that the numbers of susceptible people are such that if there is a spike, it won't be as high as last year. Member Booth asked about the rate of influenza vaccination in the Southern Hemisphere. Dr. Seidman did not know the exact rates of flu vaccination, and he noted that the flu vaccine rate in the United States is low and the vaccines are not as effective as the COVID vaccine. He has read that the level of cases in the Southern Hemisphere is low and the hypothesis is that the mask and social distancing recommendations for COVID also help to prevent influenza.	
Government Affairs Update	Cherie Compartore, *Senior Director, Government Affairs*, reported: In accordance with the process approved by the L.A. Care Governing Board, below is L.A. Care's proposed 2022 State and Federal Policy Agenda for consideration.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	This Policy Agenda contains principles and policies that serve as the framework for the development and advocacy of positions on federal and state legislative, administrative, and budget issues. This Policy Agenda provides guidance for L.A. Care's Government Affairs Department to respond effectively to proposals that could significantly impact L.A. Care's strategic and operational interests. Ms. Compartore noted that L.A. Care staff works with representatives for the Board of Supervisors on the legislative positions. During the legislative session, Government Affairs staff provides a regular report on any specific positions taken. Any topics or issues that may be controversial are brought for consideration by the Board of Governors. Last year new policy issues related to COVID -19 were added. She noted that not every COVID proposal is presented here because many of the existing principles can be applied to COVID issues. She noted that there is a principle opposing social injustice and specific support for behavioral health access, data collection and sharing of health information. Member Booth noted there may be a proposal to overturn the Medical Injury Compensation Reform Act. Ms. Compartore noted that that proposal has been delayed to the 2022 election ballot due to COVID. Ms. Compartore recommended that if L.A. Care's Board chooses to take a position on this measure, it should be outside of this Policy Agenda document because it is related to a specific initiative. **Motion EXE 100.1221** **To approve L.A. Care's 2022 State and Federal Policy Agenda, as submitted.**	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro).**
Revised 2022 Board & Committee Meeting Schedule	The schedule is revised only by moving the meeting day of the Finance & Budget and Executive Committee meetings to fourth Tuesday of the month (instead of Monday). **Motion EXE 101.1221** **To approve the revised 2022 Board of Governors and Committees meeting schedule as submitted.**	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro).**
Approve Human Resources Policies • HR-606 Shift Policy Reactivation • HR-632 After Hours Program-Medical Management	Terry Brown, *Chief Human Resources Officer*, presented motions to approve revisions to two Human Resources policies. L.A. Care wants to ensure consistency within its competitive markets, and may pay a premium to employees if they meet all the eligibility requirements as indicated. Shift premium pay is to provide fair and equitable premium pay for staff regularly assigned to work alternate shifts to perform services after standard operating hours	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
• HR-710 Reimbursement for Educational Expenses	Staff is proposing revisions to HR-606 (Shift Premium), as noted in the attached document. Member Booth asked what replaced the process that made the afterhours policy no longer necessary. Mr. Brown responded that the afterhours policy is now included in the Shift Premium policy. **<u>Motion EXE A.1121</u>** **To approve the Human Resources Policy & Procedure HR-606 Shift Premium, as presented.** To ensure compliance with the appropriate regulatory requirements specific to providing After Hours Utilization Management (UM) access, post stabilization and repatriation determinations within thirty minutes of the request. With the reactivating of HR-606 Shift Premium, we would like to retire current Policy HR-632 After Hours Program-Medical Management. **<u>Motion EXE B.1121</u>** **To approve the retirement of Human Resources Policy & Procedure HR-632 (After Hours Program-Medical Management).** L.A. Care Health Plan encourages its employees to further their education and improve their professional skills by providing financial support to eligible employees who complete educational courses or certificate programs that contribute to the improvement of the employees' current job performance, duties, L.A. Care's Mission and/or potential job advancement at L.A. Care. The following changes were made to this policy: • HR-710 Reimbursement for Educational Expenses moved from Center for Organizational Excellence to Talent Strategy & HR Technology, Learning Experience. • Process to submit pre-approval moved from Footprint ticketing system into Employee Central. Course Complete request in Employee Central. **<u>Motion EXE C.1121</u>** **To approve the Human Resources Policy & Procedure HR-710 Reimbursement for Educational Expenses as presented**.	**Motions EXE A, EXE B and EXE C were simultaneously approved unanimously by roll call. 4 AYES (Ballesteros, Booth, De La Torre and Shapiro).** *Member Perez experienced technical difficulty and was unable to vote on this item.*
Approve Consent Agenda	Approve the list of items that will be considered on a Consent Agenda for December 2, 2021 Board of Governors Meeting.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• November 4, 2021 Board of Governors Meeting Minutes • Revised 2022 Board and Committee Meeting Schedule • Quarterly Investment Report	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro).**
PUBLIC COMMENTS	There were no public comments for the closed session items.	
ADJOURN TO CLOSED SESSION	The Joint Powers Authority Executive Committee meeting was adjourned at 2:43 p.m. Augustavia J. Haydel, *General Counsel,* announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 2:44 p.m. CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m) • Plan Partner Rates • Provider Rates • DHCS Rates *The following bulleted item was not discussed.* • Medi-Cal Managed Care Supplemental Payment REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: *November 2023* CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: Terry Brown *(Designee for John Baackes)* Unrepresented Employee: All L.A. Care Employees *The following item was not discussed.* CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Four Potential Cases	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 3:01 p.m. No reportable actions were taken during the closed session.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Approve Employee Annual Incentive Program	Mr. Brown presented the motion for authorization to payout for the Annual Incentives Program, not to exceed $8.8 million. **<u>Motion EXE 102.1221</u>** **To authorize the disbursement of funds not to exceed $8.8 million for the Individual Annual Incentive Program, based on the completion of pre-determined individual goals and targets in support of L.A. Care's FY 2020-2021 Organizational Goals. Distribution of the annual incentive payout shall be guided by Human Resource Policy No. 602, Annual Organizational Incentive Program.**	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro).**
ADJOURNMENT	The meeting adjourned at 3:03 p.m.	

Respectfully submitted by:
Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:
DocuSigned by:
Hector De La Torre
019D7F81EB7B442...
Hector De La Torre, *Chair*
Date: 1/25/2022 | 11:06 PM PST

APPROVED

Financial Update

Board of Governors Meeting

February 3, 2022

Agenda

Financial Performance – December 2021 YTD

- Membership
- Consolidated Financial Performance
- Operating Margins by Segment
- Paid vs. Reported Claims trend
- Key Financial Ratios
- Tangible Net Equity & Days of Cash On-Hand Comparison

FY 2021-22 3+9 Forecast Update

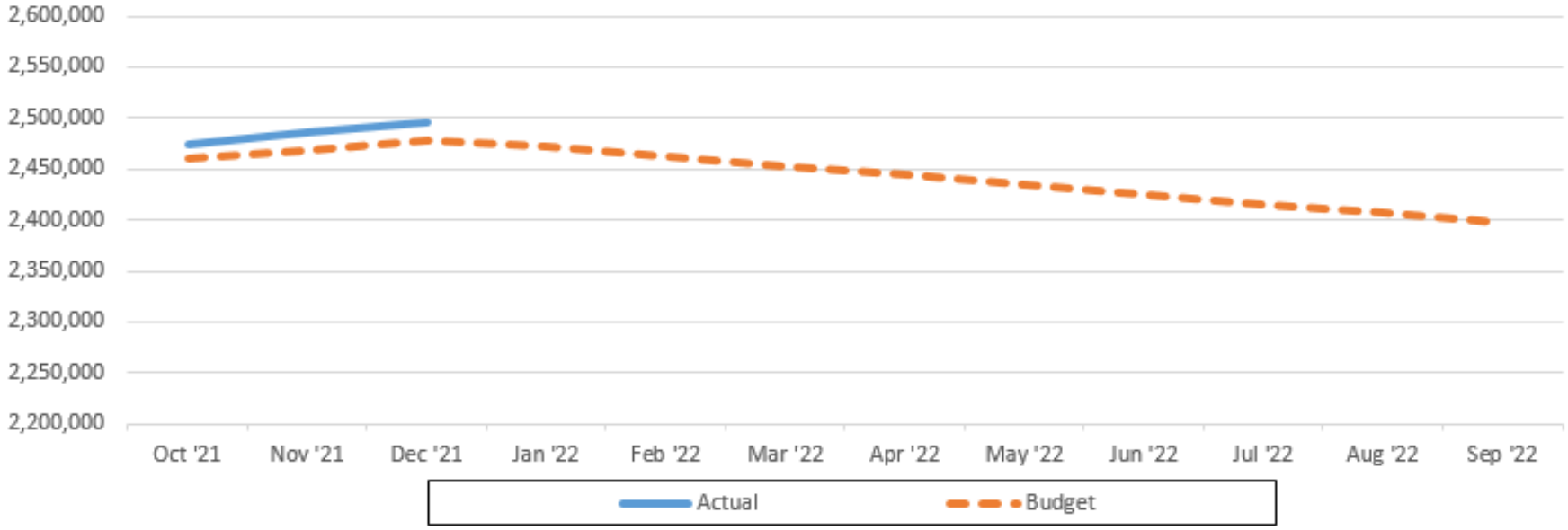
- Membership
- Consolidated Financial Performance
- Variance Walk
- Opportunities and Risks

Financial Informational Updates

- Investment Transactions
- Quarterly Internal Policy Reports

Membership
for the 3 months ended December 2021

	December 2021			Year-to-Date		
Sub-Segment	**Actual**	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**
Plan Partners	1,070,355	1,070,487	(132)	3,199,873	3,199,954	(81)
SPD/CCI	236,993	237,394	(401)	708,980	709,537	(557)
TANF/MCE	1,018,431	1,003,455	14,976	3,033,867	2,998,945	34,922
CMC	18,871	19,623	(752)	56,311	58,584	(2,273)
Commercial	151,895	146,329	5,566	457,481	438,987	18,494
Consolidated	**2,496,545**	**2,477,288**	**19,257**	**7,456,512**	**7,406,007**	**50,505**



Consolidated Financial Performance

for the month of December 2021

($ in Thousands)	Actual	Budget	Variance
Member Months	2,496,545	2,477,288	19,257
Total Revenues	$804,018	$803,422	$597
Total Healthcare Expenses	$746,189	$754,208	$8,019
Operating Margin	$57,829	$49,214	$8,616
Total Admin Expenses	$40,335	$39,801	($534)
Income/(Loss) from Operations	$17,494	$9,412	$8,082
Non-Operating Income (Expense)	($10,359)	($5,032)	($5,327)
Net Surplus (Deficit)	**$7,135**	**$4,380**	**$2,755**

L.A. Care HEALTH PLAN®

Consolidated Financial Performance

for the 3 months ended December 2021

($ in Thousands)	Actual	Budget	Variance
Member Months	7,456,512	7,406,007	50,505
Total Revenues	$2,425,623	$2,401,882	$23,741
Total Healthcare Expenses	$2,267,131	$2,253,874	($13,257)
Operating Margin	$158,492	$148,008	$10,484
Total Admin Expenses	$117,933	$119,539	$1,606
Income/(Loss) from Operations	$40,559	$28,469	$12,090
Non-Operating Income (Expense)	($7,017)	($1,790)	($5,228)
Net Surplus (Deficit)	**$33,541**	**$26,679**	**$6,862**

L.A. Care HEALTH PLAN®

Operating Margin by Segment

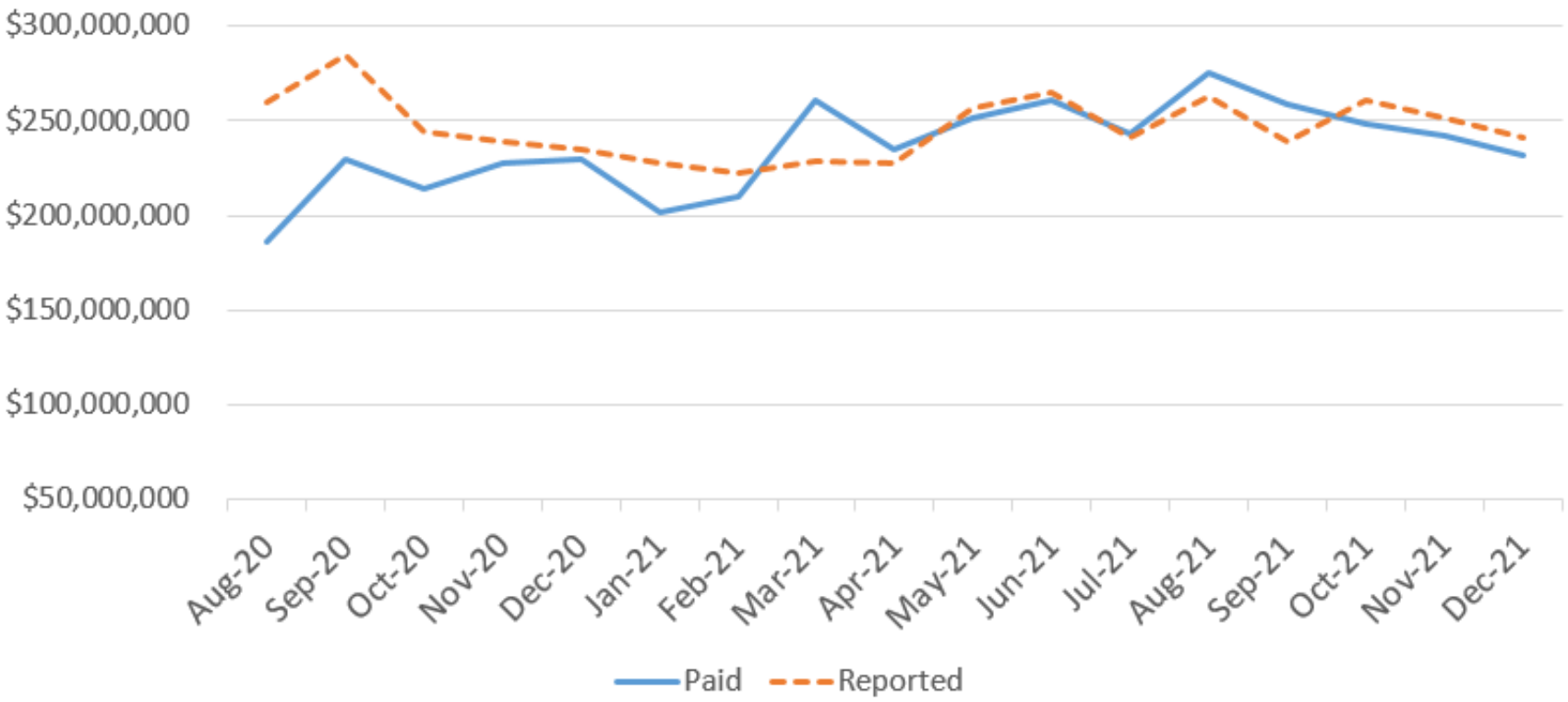
for the 3 months ended December 2021

($ in Thousands)

	Medi-Cal Plan Partners	Medi-Cal SPD/CCI	Medi-Cal TANF/MCE	CMC	Commercial	Total
Revenue	$844,073	$607,747	$765,631	$78,294	$129,878	$2,425,623
Healthcare Exp.	$806,093	$548,570	$714,047	$74,082	$124,340	$2,267,133
Operating Margin	$37,980	$59,177	$51,583	$4,212	$5,538	$158,491
MCR %	95.5%	90.3%	93.3%	94.6%	95.7%	93.5%
Budget MCR%	96.0%	91.1%	96.3%	92.9%	80.7%	93.8%

Reported vs Paid Claims Trend

Paid Claims through December 2021



Key Financial Ratios

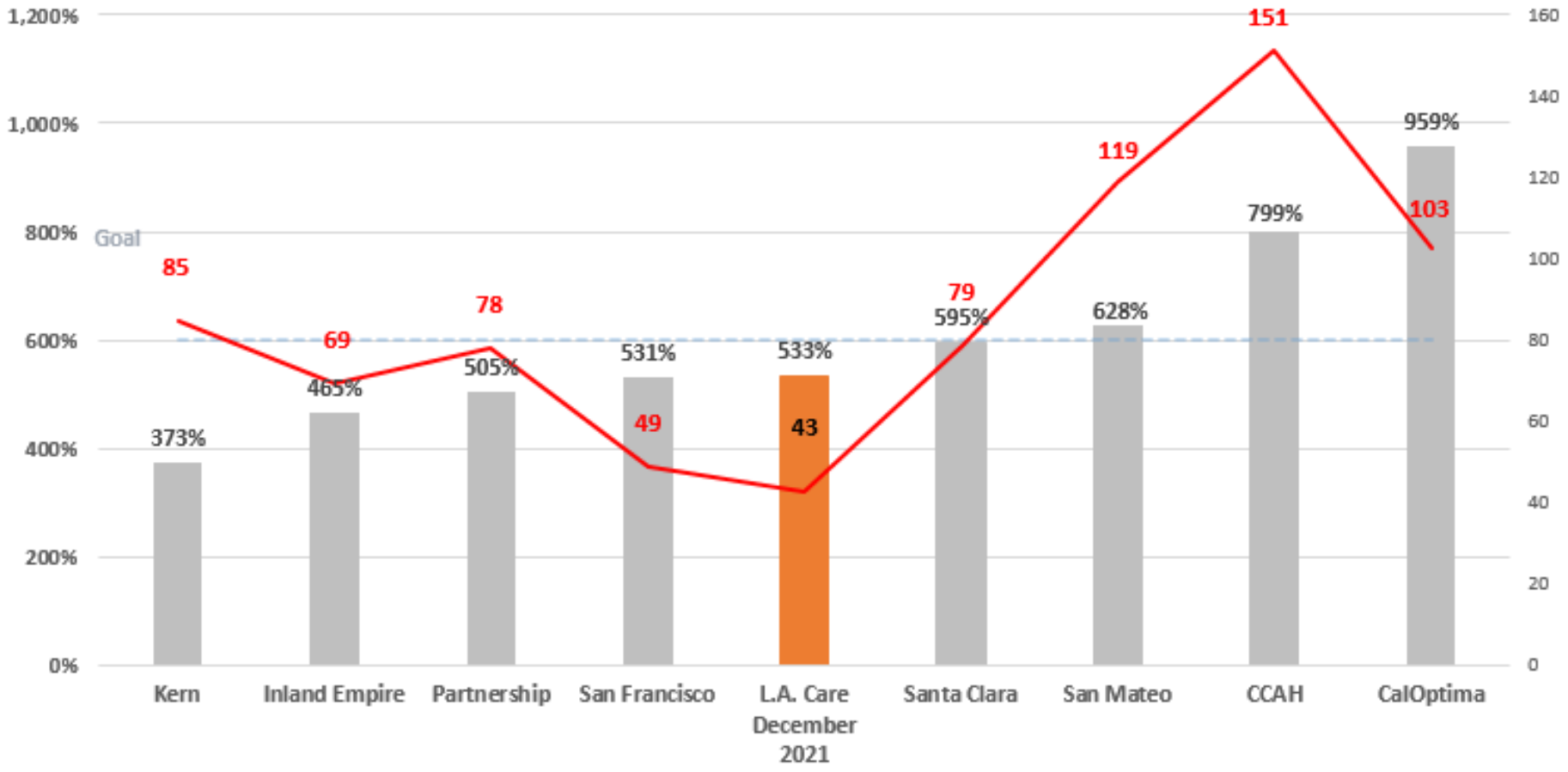
for the 3 months ended December 2021

	Actual		Budget	
MCR	93.5%	vs.	93.8%	✓
Admin Ratio	4.9%	vs.	5.0%	✓

	Actual		Benchmark	
Working Capital	1.28	vs.	1.00+	✓
Cash to Claims	0.59	vs.	0.75+	✗
Tangible Net Equity	5.33	vs.	1.30+	✓

Tangible Net Equity & Days of Cash On-Hand

for the 3 months ended December 2021



- As of September 2021 Quarterly filings, unless noted otherwise.

FY 2021-22 3+9 Forecast Update

CONFIDENTIAL

3+9 Forecast Membership Assumptions

Plan Partners and MCLA

- Forecast assumes public health emergency will be extended through Q1 2022. Six month trend used to determine growth assumption through March.
- Beginning in April 2022, forecast estimates Medi-Cal membership to decrease 5% annually through end of the fiscal year.
- Expected loss will be offset by the following items:
  - 16,853 members for MCLA beginning Jan 2022 due to mandatory managed care enrollment initiative under CalAIM.
  - 58,800 members for Plan Partners and MCLA due to Medi-Cal expansion for undocumented adults over 50. Increase is spread out over six months beginning in May 2022.
- Overall increase in membership of 2.38% expected over course of the year.

CMC

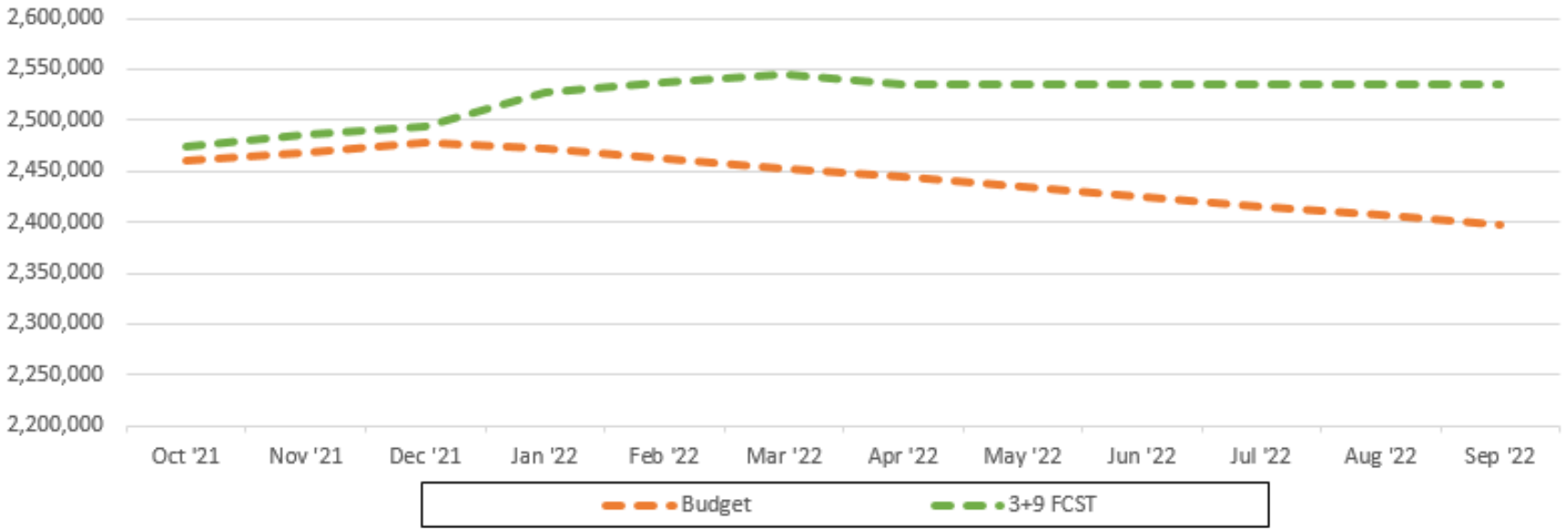
- Forecast assumes 4% decrease for the year due to sales staffing challenges.

Commercial

- PASC-SEIU: Six month trend was used to project 2.3% decrease for the year.
- LACC: Forecast for Open Enrollment 2022 updated from 100K to 110K members due to price position in both regions for LA County.

Membership – 3+9 Forecast vs. Budget

	Membership			Member Months		
Sub-Segment	**3+9 FCST**	**Budget**	**Variance**	**3+9 FCST**	**Budget**	**Variance**
Plan Partners	1,067,880	1,031,006	36,874	12,851,172	12,635,830	215,342
SPD/CCI	238,396	228,639	9,757	2,884,164	2,802,065	82,099
TANF/MCE	1,051,299	966,447	84,852	12,429,442	11,843,969	585,473
CMC	17,880	19,473	(1,593)	216,806	232,883	(16,077)
Commercial	159,595	151,329	8,266	1,897,615	1,800,948	96,667
Consolidated	**2,535,050**	**2,396,894**	**138,156**	**30,279,199**	**29,315,695**	**963,504**



3+9 Forecast Assumptions

- Rate increase for CY2022 Classic Medi-Cal Rates consistent with Draft CY2022 rates
- 10% rate increase for LTC rate and healthcare expense extended through March 2022
- ECM and Major Organ Transplant expenses are in line with the revenue
- CalAIM incentive funding will cover the shortfall in the Community Supports revenue for transitioning Whole Person Care members
- FFS incurred costs based on current run rate plus explicit COVID-19 increases in Jan and Feb
- CY2022 LACC RAF decreased from 0.8 to 0.75
- Prop 56 VBP program ends July 2022

Financial Performance Comparison

($ in Thousands)	FY 2021-22 3+9 Forecast ($)	FY 2021-22 3+9 Forecast (PMPM)	FY 2021-22 Budget ($)	FY 2021-22 Budget (PMPM)	Forecast vs. Budget ($)	Forecast vs. Budget (PMPM)
Member Months	30,279,199		29,315,695		963,504	
Revenue						
Capitation	$9,224,272	$304.64	$8,638,129	$294.66	$586,143	$9.98
Total Revenues	**$9,224,272**	**$304.64**	**$8,638,129**	**$294.66**	**$586,143**	**$9.98**
Medical Expense						
Capitation	$4,980,389	$164.48	$4,639,115	$158.25	($341,273)	($6.24)
Inpatient Claims	$1,288,623	$42.56	$1,185,511	$40.44	($103,112)	($2.12)
Outpatient Claims	$789,826	$26.08	$781,253	$26.65	($8,573)	$0.56
Skilled Nurse Facility	$834,601	$27.56	$782,853	$26.70	($51,748)	($0.86)
Community-Based Adult Services	$239,151	$7.90	$215,372	$7.35	($23,780)	($0.55)
Multipurpose Senior Services Program	$1,797	$0.06	$1,865	$0.06	$68	$0.00
Pharmacy	$269,060	$8.89	$274,790	$9.37	$5,730	$0.49
PPG Shared Risk	$16,334	$0.54	$17,635	$0.60	$1,301	$0.06
Provider Incentive	$68,989	$2.28	$64,154	$2.19	($4,835)	($0.09)
Medical Administrative Expenses	$85,642	$2.83	$79,000	$2.69	($6,642)	($0.13)
Total Medical Expenses	**$8,574,412**	**$283.18**	**$8,041,548**	**$274.31**	**($532,864)**	**($8.87)**
MCR (%)	***93.0%***		***93.1%***		***0.1%***	
Operating Margin	**$649,861**	**$21.46**	**$596,581**	**$20.35**	**$53,279**	**$1.11**

Financial Performance Comparison

($ in Thousands)	FY 2021-22 3+9 Forecast ($)	FY 2021-22 3+9 Forecast (PMPM)	FY 2021-22 Budget ($)	FY 2021-22 Budget (PMPM)	Forecast vs. Budget ($)	Forecast vs. Budget (PMPM)
Total Operating Expenses						
Salaries and Benefits	$253,460	$8.37	$231,486	$7.90	($21,974)	($0.47)
Temporary Labor and Recruitment	$2,112	$0.07	$2,112	$0.07	($0)	$0.00
Professional Fees	$25,822	$0.85	$21,499	$0.73	($4,324)	($0.12)
Purchased Services	$126,792	$4.19	$119,663	$4.08	($7,128)	($0.11)
Advertising and Promotions	$7,225	$0.24	$7,225	$0.25	$0	$0.01
Business Fees and Insurance	$56,375	$1.86	$51,313	$1.75	($5,062)	($0.11)
Occupancy and Leases	$21,508	$0.71	$21,508	$0.73	($0)	$0.02
Supplies and Other	$41,436	$1.37	$40,915	$1.40	($521)	$0.03
Medical Administrative Expenses	($77,180)	($2.55)	($69,816)	($2.38)	$7,363	$0.17
Depreciation and Amortization	$26,626	$0.88	$26,626	$0.91	($0)	$0.03
Total Operating Expenses	**$484,175**	**$15.99**	**$452,529**	**$15.44**	**($31,646)**	**($0.55)**
Admin Ratio(%)	***5.2%***		***5.2%***		***0.0%***	
Income (Loss) from Operations	**$165,686**	**$5.47**	**$144,052**	**$4.91**	**$21,634**	**$0.56**
Margin Before Non-Operating Inc/(Exp) (%)	***1.8%***		***1.7%***		***0.1%***	
Non Operating Income (Expense)						
Other Income (Expense)	($57,693)	($1.91)	($61,347)	($2.09)	$3,654	$0.19
Interest Income, net	$8,445	$0.28	$8,067	$0.28	$377	$0.00
Realized Gain/(Loss) on Invest	$26	$0.00	$0	$0.00	$26	$0.00
Unrealized Gain/ (Loss) on Invest	($5,462)	($0.18)	$0	$0.00	($5,462)	($0.18)
Total Non-Operating Income (Expense)	**($54,684)**	**($1.81)**	**($53,280)**	**($1.82)**	**($1,405)**	**$0.01**
Net Surplus (Deficit)	**$111,001**	**$3.67**	**$90,772**	**$3.10**	**$20,229**	**$0.57**
Margin (%)	***1.2%***		***1.1%***		***0.2%***	

L.A. Care HEALTH PLAN®

Variance Walk – Budget to 3+9 Forecast

	Revenue	Healthcare Costs	Admin/Non-Ops	Net Surplus
FY 2021-2022 Budget	**$8,638,129**	**$8,041,548**	**$505,809**	**$90,772**
Volume Impact on Operating Margin	$254,351	($231,079)	-	$23,271
CalAIM Programs (ECM, CS, Major Organ Transplant, Incentive Revenue)	$199,483	($198,297)	-	$1,186
CY 2022 Classic Rate Adjustment	$160,812	($62,998)	-	$97,814
CY 2022 CCI Rate Adjustment	($4,817)	-	-	($4,817)
LTC 10% extension (Jan - March 2022)	$19,023	($17,398)	-	$1,625
CCI Revenue Corridor adjustment (Plan Partners	-	$19,020	-	$19,020
LACC RAF Adjustment (0.80 to 0.75)	($42,227)	$19,967	-	($22,260)
Prop 56	($34,960)	$29,785	-	($5,175)
Vaccine Incentive Program	$23,298	($16,939)	-	$6,360
Members moved from Shared Risk to Dual Risk & Capitation rate increase	-	($86,164)	-	($86,164)
Incurred Claims favorability	-	$26,872	-	$26,872
CBAS unfavorability	($2,061)	($17,820)	-	($19,880)
Pharmacy favorability	-	$17,195	-	$17,195
Admin unfavorability	-	-	($31,646)	($31,646)
Non-Operating unfavorability	-	-	($1,405)	($1,405)
Other	$13,242	($15,008)	-	($1,766)
Total Variance	**$586,144**	**($532,864)**	**($33,050)**	**$20,229**
FY 2021-2022 3+9 Forecast	**$9,224,272**	**$8,574,412**	**$538,859**	**$111,001**

3+9 Forecast - Opportunities and Risks

Opportunities

- Earn the full amount of available CalAIM incentive funds
- Continued shifting of more contracts to dual risk arrangement
- Hospital contract simplification and negotiation

Risks

- Continued uncertainty with the impact of COVID-19 on inpatient cost
- CBAS cost continues to be higher
- Higher costs for ECM & Major Organ Transplant cost, but losses will be limited by the risk corridor
- LACC RAF for CY21 and CY22 is lower than forecast assumption
- Capitation rates increase to account for COVID-19 testing costs

Questions & Consideration

Motion FIN 106

- To accept the Financial Reports for the three months ended December 31, 2021, as submitted.

Informational Items

Investment Transactions

- As of December 31, 2021, L.A. Care's total investment market value was $1.7B
  - $1.4B managed by Payden & Rygel and New England Asset Management (NEAM)
  - $73M in Local Agency Investment Fund
  - $253M in Los Angeles County Pooled Investment Fund

Quarterly Internal Policy Reports

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: February 3, 2022 **Motion No. FIN 106.0222**

Committee: Finance & Budget **Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

☐ **New Contract** ☐ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted**

Issue: Acceptance of the Financial Reports for October, November and December 2021.

Background: N/A

Member Impact: N/A

Budget Impact: N/A

Motion: **To accept the Financial Reports for October, November and December 2021., as submitted.**

Financial Performance
October 2021
(Unaudited)

Overall

The combined member months are 2.5 million year-to-date, which is 13,989 member months favorable to the budget. The performance is a surplus of $23.5 million or 2.9% of revenue and is $6.6 million favorable to the budget. The favorability is driven by higher revenue due to higher actual institutional member count as compared to the budget, lower outpatient claims, lower pharmacy costs due to higher pharmacy rebates, and lower operating expenses due to timing in spending. Partially offsetting these favorabilities are higher than budgeted CCI revenue risk corridor, inpatient claims and skilled nursing facility costs. Non-operating expenses are unfavorable to the budget driven by lower unrealized gains but partially offset by timing in grant spending.

MediCal Plan Partners

The member months are 1.1 million, which is 114 member months favorable to the budget. The performance is a surplus of $5.0 million and is $0.7 million unfavorable to the budget due to higher than budgeted non-operating allocated expenses.

MediCal SPD-CCI

The member months are 235,627, which is 27 member months favorable to the budget. The performance is a surplus of $8.4 million and is $4.4 million favorable to the budget. The favorability is due to higher revenue driven by higher actual institutional member count as compared to the budget, lower outpatient claims, and lower operating expenses. Partially offsetting these favorabilities are higher than budgeted CCI revenue risk corridor, inpatient claims, and skilled nursing facility costs.

MediCal TANF-MCE

The member months are 1.0 million, which is 8,424 member months favorable to the budget. The performance is a surplus of $2.5 million and is $7.4 million favorable to the budget. The favorability is driven by lower outpatient claims, lower pharmacy costs, and lower operating expenses.

Cal MediConnect (CMC)

The member months are 18,636, which is 784 member months unfavorable to the budget. The performance is a deficit of $2.4 million and is $2.7 million unfavorable to the budget. The unfavorability is driven by higher inpatient claims and skilled nursing facility costs, but offset in part by lower pharmacy costs due to higher pharmacy rebates.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 152,538, which is 6,209 member months favorable to the budget. The performance is a surplus of $1.6 million and is $3.4 million unfavorable to the budget due to higher inpatient and outpatient claims, but partially offset by higher revenue due to favorable membership.

L.A. Care HEALTH PLAN

Consolidated Operations Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
2,473,912		2,459,923		13,989		Member Months	2,473,912		2,459,923		13,989	
						Revenue						
$ 812,677	$ 328.50	$ 797,766	$ 324.31	$ 14,910	$ 4.19	Capitation	$ 812,677	$ 328.50	$ 797,766	$ 324.31	$ 14,910	$ 4.19
$ 812,677	**$ 328.50**	**$ 797,766**	**$ 324.31**	**$ 14,910**	**$ 4.19**	**Total Revenues**	**$ 812,677**	**$ 328.50**	**$ 797,766**	**$ 324.31**	**$ 14,910**	**$ 4.19**
						Healthcare Expenses						
$ 430,273	$ 173.92	$ 422,901	$ 171.92	$ (7,372)	$ (2.01)	Capitation	$ 430,273	$ 173.92	$ 422,901	$ 171.92	$ (7,372)	$ (2.01)
$ 112,638	$ 45.53	$ 99,085	$ 40.28	$ (13,553)	$ (5.25)	Inpatient Claims	$ 112,638	$ 45.53	$ 99,085	$ 40.28	$ (13,553)	$ (5.25)
$ 73,231	$ 29.60	$ 80,105	$ 32.56	$ 6,874	$ 2.96	Outpatient Claims	$ 73,231	$ 29.60	$ 80,105	$ 32.56	$ 6,874	$ 2.96
$ 72,164	$ 29.17	$ 68,734	$ 27.94	$ (3,430)	$ (1.23)	Skilled Nursing Facility	$ 72,164	$ 29.17	$ 68,734	$ 27.94	$ (3,430)	$ (1.23)
$ 59,211	$ 23.93	$ 64,021	$ 26.03	$ 4,809	$ 2.09	Pharmacy	$ 59,211	$ 23.93	$ 64,021	$ 26.03	$ 4,809	$ 2.09
$ 5,933	$ 2.40	$ 6,833	$ 2.78	$ 900	$ 0.38	Provider Incentives and Shared Risk	$ 5,933	$ 2.40	$ 6,833	$ 2.78	$ 900	$ 0.38
$ 5,840	$ 2.36	$ 6,660	$ 2.71	$ 820	$ 0.35	Medical Administrative Expenses	$ 5,840	$ 2.36	$ 6,660	$ 2.71	$ 820	$ 0.35
$ 759,291	**$ 306.92**	**$ 748,338**	**$ 304.21**	**$ (10,952)**	**$ (2.71)**	**Total Healthcare Expenses**	**$ 759,291**	**$ 306.92**	**$ 748,338**	**$ 304.21**	**$ (10,952)**	**$ (2.71)**
93.4%		*93.8%*		*0.4%*		*MCR(%)*	*93.4%*		*93.8%*		*0.4%*	
$ 53,386	**$ 21.58**	**$ 49,428**	**$ 20.09**	**$ 3,958**	**$ 1.49**	**Operating Margin**	**$ 53,386**	**$ 21.58**	**$ 49,428**	**$ 20.09**	**$ 3,958**	**$ 1.49**
$ 36,792	$ 14.87	$ 40,774	$ 16.58	$ 3,982	$ 1.70	**Total Operating Expenses**	$ 36,792	$ 14.87	$ 40,774	$ 16.58	$ 3,982	$ 1.70
4.5%		*5.1%*		*0.6%*		*Admin Ratio(%)*	*4.5%*		*5.1%*		*0.6%*	
$ 16,594	**$ 6.71**	**$ 8,654**	**$ 3.52**	**$ 7,940**	**$ 3.19**	**Income (Loss) from Operations**	**$ 16,594**	**$ 6.71**	**$ 8,654**	**$ 3.52**	**$ 7,940**	**$ 3.19**
$ 8,913	$ 3.60	$ 7,538	$ 3.06	$ 1,374	$ 0.54	Other Income/(Expense), net	$ 8,913	$ 3.60	$ 7,538	$ 3.06	$ 1,374	$ 0.54
$ 922	$ 0.37	$ 700	$ 0.28	$ 222	$ 0.09	Interest Income, net	$ 922	$ 0.37	$ 700	$ 0.28	$ 222	$ 0.09
$ (20)	$ (0.01)	$ -	$ -	$ (20)	$ (0.01)	Realized Gain / Loss	$ (20)	$ (0.01)	$ -	$ -	$ (20)	$ (0.01)
$ (2,927)	$ (1.18)	$ -	$ -	$ (2,927)	$ (1.18)	Unrealized Gain / Loss	$ (2,927)	$ (1.18)	$ -	$ -	$ (2,927)	$ (1.18)
$ 6,888	**$ 2.78**	**$ 8,238**	**$ 3.35**	**$ (1,351)**	**$ (0.56)**	**Total Non-Operating Income (Expense)**	**$ 6,888**	**$ 2.78**	**$ 8,238**	**$ 3.35**	**$ (1,351)**	**$ (0.56)**
$ 23,481	**$ 9.49**	**$ 16,892**	**$ 6.87**	**$ 6,589**	**$ 2.62**	**Net Surplus (Deficit)**	**$ 23,481**	**$ 9.49**	**$ 16,892**	**$ 6.87**	**$ 6,589**	**$ 2.62**
2.9%		*2.1%*		*0.8%*		*Margin(%)*	*2.9%*		*2.1%*		*0.8%*	

L.A. Care HEALTH PLAN

MediCal Plan Partners Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,062,934		1,062,820		114		Member Months	1,062,934		1,062,820		114	
						Revenue						
$ 284,208	$ 267.38	$ 279,316	$ 262.81	$ 4,892	$ 4.57	Capitation	$ 284,208	$ 267.38	$ 279,316	$ 262.81	$ 4,892	$ 4.57
$ 284,208	**$ 267.38**	**$ 279,316**	**$ 262.81**	**$ 4,892**	**$ 4.57**	**Total Revenues**	**$ 284,208**	**$ 267.38**	**$ 279,316**	**$ 262.81**	**$ 4,892**	**$ 4.57**
						Healthcare Expenses						
$ 269,249	$ 253.31	$ 264,285	$ 248.66	$ (4,964)	$ (4.64)	Capitation	$ 269,249	$ 253.31	$ 264,285	$ 248.66	$ (4,964)	$ (4.64)
$ 2,512	$ 2.36	$ 2,641	$ 2.48	$ 129	$ 0.12	Provider Incentives and Shared Risk	$ 2,512	$ 2.36	$ 2,641	$ 2.48	$ 129	$ 0.12
$ 1,059	$ 1.00	$ 1,065	$ 1.00	$ 5	$ 0.00	Medical Administrative Expenses	$ 1,059	$ 1.00	$ 1,065	$ 1.00	$ 5	$ 0.00
$ 272,821	**$ 256.67**	**$ 267,991**	**$ 252.15**	**$ (4,830)**	**$ (4.52)**	**Total Healthcare Expenses**	**$ 272,821**	**$ 256.67**	**$ 267,991**	**$ 252.15**	**$ (4,830)**	**$ (4.52)**
96.0%		*95.9%*		*0.0%*		*MCR(%)*	*96.0%*		*95.9%*		*0.0%*	
$ 11,388	**$ 10.71**	**$ 11,326**	**$ 10.66**	**$ 62**	**$ 0.06**	**Operating Margin**	**$ 11,388**	**$ 10.71**	**$ 11,326**	**$ 10.66**	**$ 62**	**$ 0.06**
$ 5,739	$ 5.40	$ 6,214	$ 5.85	$ 475	$ 0.45	**Total Operating Expenses**	$ 5,739	$ 5.40	$ 6,214	$ 5.85	$ 475	$ 0.45
2.0%		*2.2%*		*0.2%*		*Admin Ratio(%)*	*2.0%*		*2.2%*		*0.2%*	
$ 5,649	**$ 5.31**	**$ 5,111**	**$ 4.81**	**$ 537**	**$ 0.51**	**Income (Loss) from Operations**	**$ 5,649**	**$ 5.31**	**$ 5,111**	**$ 4.81**	**$ 537**	**$ 0.51**
$ (691)	**$ (0.65)**	**$ 510**	**$ 0.48**	**$ (1,202)**	**$ (1.13)**	**Total Non-Operating Income (Expense)**	**$ (691)**	**$ (0.65)**	**$ 510**	**$ 0.48**	**$ (1,202)**	**$ (1.13)**
$ 4,958	**$ 4.66**	**$ 5,622**	**$ 5.29**	**$ (664)**	**$ (0.63)**	**Net Surplus (Deficit)**	**$ 4,958**	**$ 4.66**	**$ 5,622**	**$ 5.29**	**$ (664)**	**$ (0.63)**
1.7%		*2.0%*		*-0.3%*		*Margin(%)*	*1.7%*		*2.0%*		*-0.3%*	

L.A. Care HEALTH PLAN

SPD-CCI Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
235,627		235,600		27		Member Months	235,627		235,600		27	
						Revenue						
$ 196,628	$ 834.49	$ 193,441	$ 821.06	$ 3,187	$ 13.43	Capitation	$ 196,628	$ 834.49	$ 193,441	$ 821.06	$ 3,187	$ 13.43
$ 196,628	**$ 834.49**	**$ 193,441**	**$ 821.06**	**$ 3,187**	**$ 13.43**	**Total Revenues**	**$ 196,628**	**$ 834.49**	**$ 193,441**	**$ 821.06**	**$ 3,187**	**$ 13.43**
						Healthcare Expenses						
$ 19,807	$ 84.06	$ 19,816	$ 84.11	$ 9	$ 0.05	Capitation	$ 19,807	$ 84.06	$ 19,816	$ 84.11	$ 9	$ 0.05
$ 39,218	$ 166.44	$ 35,483	$ 150.61	$ (3,735)	$ (15.84)	Inpatient Claims	$ 39,218	$ 166.44	$ 35,483	$ 150.61	$ (3,735)	$ (15.84)
$ 37,503	$ 159.16	$ 41,607	$ 176.60	$ 4,105	$ 17.44	Outpatient Claims	$ 37,503	$ 159.16	$ 41,607	$ 176.60	$ 4,105	$ 17.44
$ 61,302	$ 260.16	$ 58,891	$ 249.96	$ (2,411)	$ (10.20)	Skilled Nursing Facility	$ 61,302	$ 260.16	$ 58,891	$ 249.96	$ (2,411)	$ (10.20)
$ 16,425	$ 69.71	$ 18,039	$ 76.57	$ 1,614	$ 6.86	Pharmacy	$ 16,425	$ 69.71	$ 18,039	$ 76.57	$ 1,614	$ 6.86
$ 531	$ 2.26	$ 213	$ 0.90	$ (318)	$ (1.35)	Provider Incentives and Shared Risk	$ 531	$ 2.26	$ 213	$ 0.90	$ (318)	$ (1.35)
$ 1,799	$ 7.64	$ 2,105	$ 8.93	$ 306	$ 1.30	Medical Administrative Expenses	$ 1,799	$ 7.64	$ 2,105	$ 8.93	$ 306	$ 1.30
$ 176,585	**$ 749.43**	**$ 176,155**	**$ 747.69**	**$ (431)**	**$ (1.74)**	**Total Healthcare Expenses**	**$ 176,585**	**$ 749.43**	**$ 176,155**	**$ 747.69**	**$ (431)**	**$ (1.74)**
89.8%		*91.1%*		*1.3%*		*MCR(%)*	*89.8%*		*91.1%*		*1.3%*	
$ 20,043	**$ 85.06**	**$ 17,286**	**$ 73.37**	**$ 2,756**	**$ 11.69**	**Operating Margin**	**$ 20,043**	**$ 85.06**	**$ 17,286**	**$ 73.37**	**$ 2,756**	**$ 11.69**
$ 11,193	$ 47.50	$ 13,533	$ 57.44	$ 2,340	$ 9.94	**Total Operating Expenses**	$ 11,193	$ 47.50	$ 13,533	$ 57.44	$ 2,340	$ 9.94
5.7%		*7.0%*		*1.3%*		*Admin Ratio(%)*	*5.7%*		*7.0%*		*1.3%*	
$ 8,850	**$ 37.56**	**$ 3,753**	**$ 15.93**	**$ 5,096**	**$ 21.63**	**Income (Loss) from Operations**	**$ 8,850**	**$ 37.56**	**$ 3,753**	**$ 15.93**	**$ 5,096**	**$ 21.63**
$ (491)	**$ (2.08)**	**$ 230**	**$ 0.98**	**$ (721)**	**$ (3.06)**	**Total Non-Operating Income (Expense)**	**$ (491)**	**$ (2.08)**	**$ 230**	**$ 0.98**	**$ (721)**	**$ (3.06)**
$ 8,358	**$ 35.47**	**$ 3,984**	**$ 16.91**	**$ 4,375**	**$ 18.56**	**Net Surplus (Deficit)**	**$ 8,358**	**$ 35.47**	**$ 3,984**	**$ 16.91**	**$ 4,375**	**$ 18.56**
4.3%		*2.1%*		*2.2%*		*Margin(%)*	*4.3%*		*2.1%*		*2.2%*	

L.A. Care HEALTH PLAN

TANF-MCE Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,004,177		995,753		8,424		Member Months	1,004,177		995,753		8,424	
						Revenue						
$ 252,747	$ 251.70	$ 248,341	$ 249.40	$ 4,405	$ 2.30	Capitation	$ 252,747	$ 251.70	$ 248,341	$ 249.40	$ 4,405	$ 2.30
$ 252,747	**$ 251.70**	**$ 248,341**	**$ 249.40**	**$ 4,405**	**$ 2.30**	**Total Revenues**	**$ 252,747**	**$ 251.70**	**$ 248,341**	**$ 249.40**	**$ 4,405**	**$ 2.30**
						Healthcare Expenses						
$ 110,003	$ 109.55	$ 106,647	$ 107.10	$ (3,356)	$ (2.44)	Capitation	$ 110,003	$ 109.55	$ 106,647	$ 107.10	$ (3,356)	$ (2.44)
$ 50,455	$ 50.25	$ 49,473	$ 49.68	$ (982)	$ (0.56)	Inpatient Claims	$ 50,455	$ 50.25	$ 49,473	$ 49.68	$ (982)	$ (0.56)
$ 27,391	$ 27.28	$ 31,814	$ 31.95	$ 4,423	$ 4.67	Outpatient Claims	$ 27,391	$ 27.28	$ 31,814	$ 31.95	$ 4,423	$ 4.67
$ 8,175	$ 8.14	$ 8,421	$ 8.46	$ 246	$ 0.32	Skilled Nursing Facility	$ 8,175	$ 8.14	$ 8,421	$ 8.46	$ 246	$ 0.32
$ 35,976	$ 35.83	$ 37,152	$ 37.31	$ 1,177	$ 1.48	Pharmacy	$ 35,976	$ 35.83	$ 37,152	$ 37.31	$ 1,177	$ 1.48
$ 1,589	$ 1.58	$ 2,442	$ 2.45	$ 853	$ 0.87	Provider Incentives and Shared Risk	$ 1,589	$ 1.58	$ 2,442	$ 2.45	$ 853	$ 0.87
$ 2,830	$ 2.82	$ 3,102	$ 3.12	$ 273	$ 0.30	Medical Administrative Expenses	$ 2,830	$ 2.82	$ 3,102	$ 3.12	$ 273	$ 0.30
$ 236,419	**$ 235.44**	**$ 239,051**	**$ 240.07**	**$ 2,632**	**$ 4.64**	**Total Healthcare Expenses**	**$ 236,419**	**$ 235.44**	**$ 239,051**	**$ 240.07**	**$ 2,632**	**$ 4.64**
93.5%		*96.3%*		*2.7%*		*MCR(%)*	*93.5%*		*96.3%*		*2.7%*	
$ 16,328	**$ 16.26**	**$ 9,290**	**$ 9.33**	**$ 7,038**	**$ 6.93**	**Operating Margin**	**$ 16,328**	**$ 16.26**	**$ 9,290**	**$ 9.33**	**$ 7,038**	**$ 6.93**
$ 13,412	$ 13.36	$ 14,602	$ 14.66	$ 1,189	$ 1.31	**Total Operating Expenses**	$ 13,412	$ 13.36	$ 14,602	$ 14.66	$ 1,189	$ 1.31
5.3%		*5.9%*		*0.6%*		*Admin Ratio(%)*	*5.3%*		*5.9%*		*0.6%*	
$ 2,916	**$ 2.90**	**$ (5,311)**	**$ (5.33)**	**$ 8,227**	**$ 8.24**	**Income (Loss) from Operations**	**$ 2,916**	**$ 2.90**	**$ (5,311)**	**$ (5.33)**	**$ 8,227**	**$ 8.24**
$ (461)	**$ (0.46)**	**$ 393**	**$ 0.39**	**$ (854)**	**$ (0.85)**	**Total Non-Operating Income (Expense)**	**$ (461)**	**$ (0.46)**	**$ 393**	**$ 0.39**	**$ (854)**	**$ (0.85)**
$ 2,455	**$ 2.44**	**$ (4,918)**	**$ (4.94)**	**$ 7,373**	**$ 7.38**	**Net Surplus (Deficit)**	**$ 2,455**	**$ 2.44**	**$ (4,918)**	**$ (4.94)**	**$ 7,373**	**$ 7.38**
1.0%		*-2.0%*		*3.0%*		*Margin(%)*	*1.0%*		*-2.0%*		*3.0%*	

L.A. Care HEALTH PLAN

CMC Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
18,636		19,420		(784)		Member Months	18,636		19,420		(784)	
						Revenue						
$ 27,208	$ 1,459.95	$ 26,667	$ 1,373.17	$ 541	$ 86.79	Capitation	$ 27,208	$ 1,459.95	$ 26,667	$ 1,373.17	$ 541	$ 86.79
$ 27,208	**$ 1,459.95**	**$ 26,667**	**$ 1,373.17**	**$ 541**	**$ 86.79**	**Total Revenues**	**$ 27,208**	**$ 1,459.95**	**$ 26,667**	**$ 1,373.17**	**$ 541**	**$ 86.79**
						Healthcare Expenses						
$ 11,823	$ 634.40	$ 11,920	$ 613.80	$ 97	$ (20.60)	Capitation	$ 11,823	$ 634.40	$ 11,920	$ 613.80	$ 97	$ (20.60)
$ 10,927	$ 586.36	$ 6,330	$ 325.93	$ (4,598)	$ (260.43)	Inpatient Claims	$ 10,927	$ 586.36	$ 6,330	$ 325.93	$ (4,598)	$ (260.43)
$ 2,870	$ 154.01	$ 2,740	$ 141.10	$ (130)	$ (12.90)	Outpatient Claims	$ 2,870	$ 154.01	$ 2,740	$ 141.10	$ (130)	$ (12.90)
$ 2,552	$ 136.93	$ 1,422	$ 73.24	$ (1,129)	$ (63.69)	Skilled Nursing Facility	$ 2,552	$ 136.93	$ 1,422	$ 73.24	$ (1,129)	$ (63.69)
$ (958)	$ (51.38)	$ 1,333	$ 68.62	$ 2,290	$ 120.00	Pharmacy	$ (958)	$ (51.38)	$ 1,333	$ 68.62	$ 2,290	$ 120.00
$ 584	$ 31.33	$ 753	$ 38.79	$ 170	$ 7.47	Provider Incentives and Shared Risk	$ 584	$ 31.33	$ 753	$ 38.79	$ 170	$ 7.47
$ 74	$ 3.95	$ 274	$ 14.13	$ 201	$ 10.18	Medical Administrative Expenses	$ 74	$ 3.95	$ 274	$ 14.13	$ 201	$ 10.18
$ 27,872	**$ 1,495.59**	**$ 24,772**	**$ 1,275.61**	**$ (3,099)**	**$ (219.98)**	**Total Healthcare Expenses**	**$ 27,872**	**$ 1,495.59**	**$ 24,772**	**$ 1,275.61**	**$ (3,099)**	**$ (219.98)**
102.4%		*92.9%*		*-9.5%*		*MCR(%)*	*102.4%*		*92.9%*		*-9.5%*	
$ (664)	**$ (35.64)**	**$ 1,894**	**$ 97.55**	**$ (2,559)**	**$ (133.19)**	**Operating Margin**	**$ (664)**	**$ (35.64)**	**$ 1,894**	**$ 97.55**	**$ (2,559)**	**$ (133.19)**
$ 1,724	$ 92.49	$ 1,624	$ 83.62	$ (100)	$ (8.88)	**Total Operating Expenses**	$ 1,724	$ 92.49	$ 1,624	$ 83.62	$ (100)	$ (8.88)
6.3%		*6.1%*		*-0.2%*		*Admin Ratio(%)*	*6.3%*		*6.1%*		*-0.2%*	
$ (2,388)	**$ (128.13)**	**$ 271**	**$ 13.94**	**$ (2,658)**	**$ (142.07)**	**Income (Loss) from Operations**	**$ (2,388)**	**$ (128.13)**	**$ 271**	**$ 13.94**	**$ (2,658)**	**$ (142.07)**
$ (7)	**$ (0.38)**	**$ 8**	**$ 0.40**	**$ (15)**	**$ (0.78)**	**Total Non-Operating Income (Expense)**	**$ (7)**	**$ (0.38)**	**$ 8**	**$ 0.40**	**$ (15)**	**$ (0.78)**
$ (2,395)	**$ (128.51)**	**$ 278**	**$ 14.34**	**$ (2,673)**	**$ (142.85)**	**Net Surplus (Deficit)**	**$ (2,395)**	**$ (128.51)**	**$ 278**	**$ 14.34**	**$ (2,673)**	**$ (142.85)**
-8.8%		*1.0%*		*-9.8%*		*Margin(%)*	*-8.8%*		*1.0%*		*-9.8%*	

L.A. Care HEALTH PLAN

Commercial Income Statement ($ in thousands)

October 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
152,538		146,329		6,209		Member Months	152,538		146,329		6,209	
						Revenue						
$ 51,886	$ 340.15	$ 50,001	$ 341.70	$ 1,885	$ (1.55)	Capitation	$ 51,886	$ 340.15	$ 50,001	$ 341.70	$ 1,885	$ (1.55)
$ 51,886	**$ 340.15**	**$ 50,001**	**$ 341.70**	**$ 1,885**	**$ (1.55)**	**Total Revenues**	**$ 51,886**	**$ 340.15**	**$ 50,001**	**$ 341.70**	**$ 1,885**	**$ (1.55)**
						Healthcare Expenses						
$ 19,392	$ 127.13	$ 20,233	$ 138.27	$ 842	$ 11.15	Capitation	$ 19,392	$ 127.13	$ 20,233	$ 138.27	$ 842	$ 11.15
$ 12,037	$ 78.91	$ 7,798	$ 53.29	$ (4,238)	$ (25.62)	Inpatient Claims	$ 12,037	$ 78.91	$ 7,798	$ 53.29	$ (4,238)	$ (25.62)
$ 5,468	$ 35.85	$ 3,944	$ 26.95	$ (1,524)	$ (8.90)	Outpatient Claims	$ 5,468	$ 35.85	$ 3,944	$ 26.95	$ (1,524)	$ (8.90)
$ 136	$ 0.89	$ -	$ -	$ (136)	$ (0.89)	Skilled Nursing Facility	$ 136	$ 0.89	$ -	$ -	$ (136)	$ (0.89)
$ 7,768	$ 50.93	$ 7,497	$ 51.23	$ (271)	$ 0.31	Pharmacy	$ 7,768	$ 50.93	$ 7,497	$ 51.23	$ (271)	$ 0.31
$ 716	$ 4.70	$ 783	$ 5.35	$ 67	$ 0.66	Provider Incentives and Shared Risk	$ 716	$ 4.70	$ 783	$ 5.35	$ 67	$ 0.66
$ 78	$ 0.51	$ 113	$ 0.78	$ 36	$ 0.27	Medical Administrative Expenses	$ 78	$ 0.51	$ 113	$ 0.78	$ 36	$ 0.27
$ 45,594	**$ 298.90**	**$ 40,369**	**$ 275.88**	**$ (5,225)**	**$ (23.03)**	**Total Healthcare Expenses**	**$ 45,594**	**$ 298.90**	**$ 40,369**	**$ 275.88**	**$ (5,225)**	**$ (23.03)**
87.9%		*80.7%*		*-7.1%*		*MCR(%)*	*87.9%*		*80.7%*		*-7.1%*	
$ 6,292	**$ 41.25**	**$ 9,632**	**$ 65.82**	**$ (3,340)**	**$ (24.58)**	**Operating Margin**	**$ 6,292**	**$ 41.25**	**$ 9,632**	**$ 65.82**	**$ (3,340)**	**$ (24.58)**
$ 4,557	$ 29.87	$ 4,455	$ 30.45	$ (101)	$ 0.57	**Total Operating Expenses**	$ 4,557	$ 29.87	$ 4,455	$ 30.45	$ (101)	$ 0.57
8.8%		*8.9%*		*0.1%*		*Admin Ratio(%)*	*8.8%*		*8.9%*		*0.1%*	
$ 1,735	**$ 11.37**	**$ 5,176**	**$ 35.38**	**$ (3,442)**	**$ (24.00)**	**Income (Loss) from Operations**	**$ 1,735**	**$ 11.37**	**$ 5,176**	**$ 35.38**	**$ (3,442)**	**$ (24.00)**
$ (95)	**$ (0.62)**	**$ (93)**	**$ (0.63)**	**$ (2)**	**$ 0.01**	**Total Non-Operating Income (Expense)**	**$ (95)**	**$ (0.62)**	**$ (93)**	**$ (0.63)**	**$ (2)**	**$ 0.01**
$ 1,640	**$ 10.75**	**$ 5,084**	**$ 34.74**	**$ (3,444)**	**$ (23.99)**	**Net Surplus (Deficit)**	**$ 1,640**	**$ 10.75**	**$ 5,084**	**$ 34.74**	**$ (3,444)**	**$ (23.99)**
3.2%		*10.2%*		*-7.0%*		*Margin(%)*	*3.2%*		*10.2%*		*-7.0%*	

L.A. Care HEALTH PLAN

Comparative Balance Sheet

(Dollars in thousands)	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
ASSETS												
CURRENT ASSETS												
Total Current Assets	$4,207,217	$4,181,392	$4,809,535	$4,330,863	$5,190,573	$4,329,113	$5,008,584	$4,417,086	$4,476,248	$4,406,866	$4,782,439	$4,483,572
Capitalized Assets - net	$106,179	$105,925	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290
NONCURRENT ASSETS	$4,249	$4,114	$3,978	$3,843	$3,707	$3,572	$3,587	$3,451	$3,525	$3,637	$3,523	$3,466
TOTAL ASSETS	**$4,317,645**	**$4,291,430**	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**
LIABILITIES AND FUND EQUITY												
CURRENT LIABILITIES												
Total Current Liability	$3,412,807	$3,385,813	$3,982,202	$3,453,802	$4,291,997	$3,401,470	$4,098,215	$3,506,888	$3,550,234	$3,486,394	$3,838,981	$3,516,064
Long Term Liability	$3,441	$3,296	$3,177	$3,078	$2,998	$2,890	$2,666	$2,520	$2,429	$2,994	$3,441	$3,328
Total Liabilities	**$3,416,248**	**$3,389,109**	**$3,985,380**	**$3,456,879**	**$4,294,995**	**$3,404,360**	**$4,100,881**	**$3,509,407**	**$3,552,663**	**$3,489,388**	**$3,842,421**	**$3,519,391**
FUND EQUITY												
Invested in Capital Assets, net of related debt	$106,179	$105,925	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290
Restricted Equity	$300	$300	$300	$300	$300	$300	$450	$450	$450	$450	$600	$600
Minimum Tangible Net Equity	$194,442	$196,418	$198,522	$198,522	$201,033	$204,021	$204,783	$202,695	$202,973	$204,075	$200,751	$201,278
Board Designated Funds	$99,641	$96,946	$95,648	$94,811	$117,246	$107,345	$106,234	$101,558	$97,416	$93,180	$91,741	$103,141
Unrestricted Net Assets	$500,835	$502,733	$533,663	$584,193	$580,706	$616,659	$599,822	$606,426	$626,271	$623,409	$650,449	$662,628
Total Fund Equity	**$901,397**	**$902,321**	**$934,705**	**$984,575**	**$1,006,139**	**$1,035,306**	**$1,019,789**	**$1,019,609**	**$1,035,506**	**$1,027,214**	**$1,049,455**	**$1,072,937**
TOTAL LIABILITIES AND FUND EQUITY	**$4,317,645**	**$4,291,430**	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**
Solvency Ratios												
Working Capital Ratio	1.23	1.23	1.21	1.25	1.21	1.27	1.22	1.26	1.26	1.26	1.25	1.28
Cash to Claims Ratio	0.52	0.51	0.72	0.53	0.83	0.56	0.77	0.57	0.57	0.55	0.72	0.59
Tangible Net Equity Ratio	4.64	4.59	4.71	4.96	5.00	5.07	4.98	5.03	5.10	5.03	5.23	5.33

L.A. Care HEALTH PLAN

Cash Flows Statement ($ in thousands) — October 2021

	Oct-21	YTD
Cash Flows from Operating Activities:		
Capitation Revenue	$ 763,872	$ 763,872
Other Income (Expense), net	$ 10,099	$ 10,099
Healthcare Expenses	$ (769,260)	$ (769,260)
Operating Expenses	$ (31,084)	$ (31,084)
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ (26,373)**
Cash Flows from Investing Activities		
Purchase of investments - Net	$ 70,245	$ 70,245
Purchase of Capital Assets	$ (1,333)	$ (1,333)
Net Cash Provided By Investing Activities	**$ 68,912**	**$ 68,912**
Cash Flows from Financing Activities:		
Gross Premium Tax (MCO Sales Tax) - Net	$ (333,404)	$ (333,404)
Pass through transactions (AB 85, IGT, etc.)	$ 8,798	$ 8,798
Net Cash Provided By Financing Activities	**$ (324,606)**	**$ (324,606)**
Net Increase in Cash and Cash Equivalents	**$ (282,067)**	**$ (282,067)**
Cash and Cash Equivalents, Beginning	$ 990,897	$ 990,897
Cash and Cash Equivalents, Ending	**$ 708,830**	**$ 708,830**
Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:		
Excess of Revenues over Expenses	**$ 23,481**	**$ 23,481**
Adjustments to Excess of Revenues Over Expenses:		
Depreciation	$ 1,957	$ 1,957
Realized and Unrealized (Gain)/Loss on Investments	$ 2,947	$ 2,947
Deferred Rent	$ (113)	$ (113)
Gross Premium Tax provision	$ (280)	$ (280)
Loss on Disposal of Capital Assets	$ -	$ -
Total Adjustments to Excess of Revenues over Expenses	**$ 4,511**	**$ 4,511**
Changes in Operating Assets and Liabilities:		
Capitation Receivable	$ (47,907)	$ (47,907)
Interest and Non-Operating Receivables	$ 164	$ 164
Prepaid and Other Current Assets	$ 1,810	$ 1,810
Accounts Payable and Accrued Liabilities	$ 68	$ 68
Subcapitation Payable	$ 36,845	$ 36,845
MediCal Adult Expansion Payable	$ 37,928	$ 37,928
Deferred Capitation Revenue	$ (898)	$ (898)
Accrued Medical Expenses	$ (2,474)	$ (2,474)
Reserve for Claims	$ 12,037	$ 12,037
Reserve for Provider Incentives	$ (92,318)	$ (92,318)
Grants Payable	$ 380	$ 380
Net Changes in Operating Assets and Liabilities	**$ (54,365)**	**$ (54,365)**
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ (26,373)**

Financial Performance
November 2021
(Unaudited)

Financial Performance Results Highlights - Year-to-Date

November 2021

Overall

The combined member months are 5.0 million year-to-date, which is 31,248 member months favorable to the budget. The performance is a surplus of $26.4 million or 1.6% of revenue and is $4.1 million favorable to the budget. The favorability is driven by lower outpatient claims, higher revenue due to higher actual institutional member count as compared to the budget, and lower operating expenses due to timing in spending. Partially offsetting these favorabilities are higher than budgeted CCI revenue risk corridor, inpatient claims and skilled nursing facility costs.

MediCal Plan Partners

The member months are 2.1 million, which is 51 member months favorable to the budget. The performance is a surplus of $9.9 million and is $1.3 million unfavorable to the budget driven by higher than budgeted non-operating allocated expenses.

MediCal SPD-CCI

The member months are 471,987, which is 156 member months unfavorable to the budget. The performance is a surplus of $5.3 million and is $3.5 million unfavorable to the budget. The unfavorability is due to higher than budgeted CCI revenue risk corridor, inpatient claims, and skilled nursing facility costs. These unfavorabilities are partially offset by lower outpatient claims, higher revenue driven by higher actual institutional member count as compared to the budget, and lower operating expenses.

MediCal TANF-MCE

The member months are 2.0 million, which is 19,946 member months favorable to the budget. The performance is a surplus of $5.6 million and is $14.6 million favorable to the budget. The favorability is driven by lower inpatient and outpatient claims, but offset in part by higher skilled nursing facility costs and pharmacy expenses.

Cal MediConnect (CMC)

The member months are 37,440, which is 1,521 member months unfavorable to the budget. The performance is a deficit of $1.9 million and is $2.4 million unfavorable to the budget. The unfavorability is driven by higher inpatient claims and skilled nursing facility costs, but offset in part by lower pharmacy costs.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 305,586, which is 12,928 member months favorable to the budget. The performance is a surplus of $2.8 million and is $7.4 million unfavorable to the budget due to higher inpatient and outpatient claims, but partially offset by higher revenue due to favorable membership.

Consolidated Operations Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
2,486,055		2,468,796		17,259		Member Months	4,959,967		4,928,719		31,248	
						Revenue						
$ 808,928	$ 325.39	$ 800,694	$ 324.33	$ 8,234	$ 1.06	Capitation	$ 1,621,605	$ 326.94	$ 1,598,461	$ 324.32	$ 23,144	$ 2.62
$ 808,928	**$ 325.39**	**$ 800,694**	**$ 324.33**	**$ 8,234**	**$ 1.06**	**Total Revenues**	**$ 1,621,605**	**$ 326.94**	**$ 1,598,461**	**$ 324.32**	**$ 23,144**	**$ 2.62**
						Healthcare Expenses						
$ 433,582	$ 174.41	$ 424,469	$ 171.93	$ (9,113)	$ (2.47)	Capitation	$ 863,855	$ 174.17	$ 847,370	$ 171.93	$ (16,485)	$ (2.24)
$ 97,077	$ 39.05	$ 99,464	$ 40.29	$ 2,387	$ 1.24	Inpatient Claims	$ 209,715	$ 42.28	$ 198,549	$ 40.28	$ (11,166)	$ (2.00)
$ 72,808	$ 29.29	$ 80,415	$ 32.57	$ 7,607	$ 3.29	Outpatient Claims	$ 146,039	$ 29.44	$ 160,520	$ 32.57	$ 14,481	$ 3.12
$ 76,399	$ 30.73	$ 69,012	$ 27.95	$ (7,387)	$ (2.78)	Skilled Nursing Facility	$ 148,563	$ 29.95	$ 137,746	$ 27.95	$ (10,817)	$ (2.00)
$ 67,835	$ 27.29	$ 64,249	$ 26.02	$ (3,585)	$ (1.26)	Pharmacy	$ 127,046	$ 25.61	$ 128,270	$ 26.03	$ 1,224	$ 0.41
$ 6,668	$ 2.68	$ 6,858	$ 2.78	$ 190	$ 0.10	Provider Incentives and Shared Risk	$ 12,601	$ 2.54	$ 13,691	$ 2.78	$ 1,090	$ 0.24
$ 7,284	$ 2.93	$ 6,861	$ 2.78	$ (423)	$ (0.15)	Medical Administrative Expenses	$ 13,123	$ 2.65	$ 13,520	$ 2.74	$ 397	$ 0.10
$ 761,652	**$ 306.37**	**$ 751,328**	**$ 304.33**	**$ (10,324)**	**$ (2.04)**	**Total Healthcare Expenses**	**$ 1,520,942**	**$ 306.64**	**$ 1,499,666**	**$ 304.27**	**$ (21,276)**	**$ (2.37)**
94.2%		*93.8%*		*-0.3%*		*MCR(%)*	*93.8%*		*93.8%*		*0.0%*	
$ 47,276	**$ 19.02**	**$ 49,366**	**$ 20.00**	**$ (2,090)**	**$ (0.98)**	**Operating Margin**	**$ 100,663**	**$ 20.30**	**$ 98,795**	**$ 20.04**	**$ 1,868**	**$ 0.25**
$ 40,806	$ 16.41	$ 38,964	$ 15.78	$ (1,842)	$ (0.63)	**Total Operating Expenses**	$ 77,598	$ 15.64	$ 79,738	$ 16.18	$ 2,140	$ 0.53
5.0%		*4.9%*		*-0.2%*		*Admin Ratio(%)*	*4.8%*		*5.0%*		*0.2%*	
$ 6,471	**$ 2.60**	**$ 10,403**	**$ 4.21**	**$ (3,932)**	**$ (1.61)**	**Income (Loss) from Operations**	**$ 23,064**	**$ 4.65**	**$ 19,056**	**$ 3.87**	**$ 4,008**	**$ 0.78**
$ (2,997)	$ (1.21)	$ (5,680)	$ (2.30)	$ 2,683	$ 1.10	Other Income/(Expense), net	$ 5,916	$ 1.19	$ 1,858	$ 0.38	$ 4,057	$ 0.82
$ 679	$ 0.27	$ 684	$ 0.28	$ (6)	$ (0.00)	Interest Income, net	$ 1,601	$ 0.32	$ 1,384	$ 0.28	$ 216	$ 0.04
$ 5	$ 0.00	$ -	$ -	$ 5	$ 0.00	Realized Gain / Loss	$ (16)	$ (0.00)	$ -	$ -	$ (16)	$ (0.00)
$ (1,233)	$ (0.50)	$ -	$ -	$ (1,233)	$ (0.50)	Unrealized Gain / Loss	$ (4,160)	$ (0.84)	$ -	$ -	$ (4,160)	$ (0.84)
$ (3,546)	**$ (1.43)**	**$ (4,996)**	**$ (2.02)**	**$ 1,449**	**$ 0.60**	**Total Non-Operating Income (Expense)**	**$ 3,341**	**$ 0.67**	**$ 3,243**	**$ 0.66**	**$ 99**	**$ 0.02**
$ 2,924	**$ 1.18**	**$ 5,407**	**$ 2.19**	**$ (2,483)**	**$ (1.01)**	**Net Surplus (Deficit)**	**$ 26,406**	**$ 5.32**	**$ 22,299**	**$ 4.52**	**$ 4,106**	**$ 0.80**
0.4%		*0.7%*		*-0.3%*		*Margin(%)*	*1.6%*		*1.4%*		*0.2%*	

MediCal Plan Partners Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,066,584		1,066,647		(63)		Member Months	2,129,518		2,129,467		51	
						Revenue						
$ 284,099	$ 266.36	$ 280,295	$ 262.78	$ 3,804	$ 3.58	Capitation	$ 568,308	$ 266.87	$ 559,612	$ 262.79	$ 8,696	$ 4.08
$ 284,099	**$ 266.36**	**$ 280,295**	**$ 262.78**	**$ 3,804**	**$ 3.58**	**Total Revenues**	**$ 568,308**	**$ 266.87**	**$ 559,612**	**$ 262.79**	**$ 8,696**	**$ 4.08**
						Healthcare Expenses						
$ 269,119	$ 252.32	$ 265,211	$ 248.64	$ (3,908)	$ (3.68)	Capitation	$ 538,368	$ 252.81	$ 529,497	$ 248.65	$ (8,871)	$ (4.16)
$ 2,508	$ 2.35	$ 2,650	$ 2.48	$ 143	$ 0.13	Provider Incentives and Shared Risk	$ 5,020	$ 2.36	$ 5,291	$ 2.48	$ 272	$ 0.13
$ 1,197	$ 1.12	$ 1,104	$ 1.03	$ (93)	$ (0.09)	Medical Administrative Expenses	$ 2,257	$ 1.06	$ 2,168	$ 1.02	$ (88)	$ (0.04)
$ 272,824	**$ 255.79**	**$ 268,966**	**$ 252.16**	**$ (3,858)**	**$ (3.63)**	**Total Healthcare Expenses**	**$ 545,645**	**$ 256.23**	**$ 536,957**	**$ 252.16**	**$ (8,688)**	**$ (4.07)**
96.0%		*96.0%*		*-0.1%*		*MCR(%)*	*96.0%*		*96.0%*		*-0.1%*	
$ 11,275	**$ 10.57**	**$ 11,329**	**$ 10.62**	**$ (54)**	**$ (0.05)**	**Operating Margin**	**$ 22,663**	**$ 10.64**	**$ 22,655**	**$ 10.64**	**$ 8**	**$ 0.00**
$ 6,322	$ 5.93	$ 6,173	$ 5.79	$ (149)	$ (0.14)	**Total Operating Expenses**	$ 12,061	$ 5.66	$ 12,388	$ 5.82	$ 327	$ 0.15
2.2%		*2.2%*		*0.0%*		*Admin Ratio(%)*	*2.1%*		*2.2%*		*0.1%*	
$ 4,953	**$ 4.64**	**$ 5,156**	**$ 4.83**	**$ (203)**	**$ (0.19)**	**Income (Loss) from Operations**	**$ 10,602**	**$ 4.98**	**$ 10,268**	**$ 4.82**	**$ 334**	**$ 0.16**
$ 38	**$ 0.04**	**$ 504**	**$ 0.47**	**$ (467)**	**$ (0.44)**	**Total Non-Operating Income (Expense)**	**$ (653)**	**$ (0.31)**	**$ 1,015**	**$ 0.48**	**$ (1,668)**	**$ (0.78)**
$ 4,991	**$ 4.68**	**$ 5,661**	**$ 5.31**	**$ (670)**	**$ (0.63)**	**Net Surplus (Deficit)**	**$ 9,949**	**$ 4.67**	**$ 11,282**	**$ 5.30**	**$ (1,334)**	**$ (0.63)**
1.8%		*2.0%*		*-0.3%*		*Margin(%)*	*1.8%*		*2.0%*		*-0.3%*	

L.A. Care HEALTH PLAN

SPD-CCI Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
236,360		236,543		(183)		Member Months	471,987		472,143		(156)	
						Revenue						
$ 194,487	$ 822.84	$ 194,228	$ 821.11	$ 258	$ 1.73	Capitation	$ 391,115	$ 828.66	$ 387,669	$ 821.08	$ 3,445	$ 7.57
$ 194,487	**$ 822.84**	**$ 194,228**	**$ 821.11**	**$ 258**	**$ 1.73**	**Total Revenues**	**$ 391,115**	**$ 828.66**	**$ 387,669**	**$ 821.08**	**$ 3,445**	**$ 7.57**
						Healthcare Expenses						
$ 21,124	$ 89.37	$ 19,921	$ 84.22	$ (1,203)	$ (5.16)	Capitation	$ 40,931	$ 86.72	$ 39,737	$ 84.16	$ (1,194)	$ (2.56)
$ 40,634	$ 171.92	$ 35,625	$ 150.61	$ (5,009)	$ (21.31)	Inpatient Claims	$ 79,853	$ 169.18	$ 71,108	$ 150.61	$ (8,744)	$ (18.58)
$ 37,789	$ 159.88	$ 41,774	$ 176.60	$ 3,985	$ 16.72	Outpatient Claims	$ 75,292	$ 159.52	$ 83,381	$ 176.60	$ 8,090	$ 17.08
$ 63,482	$ 268.58	$ 59,127	$ 249.96	$ (4,356)	$ (18.62)	Skilled Nursing Facility	$ 124,784	$ 264.38	$ 118,018	$ 249.96	$ (6,766)	$ (14.42)
$ 18,740	$ 79.29	$ 18,111	$ 76.57	$ (629)	$ (2.72)	Pharmacy	$ 35,165	$ 74.50	$ 36,150	$ 76.57	$ 985	$ 2.06
$ 721	$ 3.05	$ 214	$ 0.90	$ (507)	$ (2.15)	Provider Incentives and Shared Risk	$ 1,252	$ 2.65	$ 427	$ 0.90	$ (825)	$ (1.75)
$ 2,325	$ 9.84	$ 2,171	$ 9.18	$ (155)	$ (0.66)	Medical Administrative Expenses	$ 4,125	$ 8.74	$ 4,276	$ 9.06	$ 151	$ 0.32
$ 184,816	**$ 781.93**	**$ 176,943**	**$ 748.04**	**$ (7,874)**	**$ (33.89)**	**Total Healthcare Expenses**	**$ 361,402**	**$ 765.70**	**$ 353,098**	**$ 747.86**	**$ (8,304)**	**$ (17.84)**
95.0%		*91.1%*		*-3.9%*		*MCR(%)*	*92.4%*		*91.1%*		*-1.3%*	
$ 9,670	**$ 40.91**	**$ 17,286**	**$ 73.08**	**$ (7,615)**	**$ (32.16)**	**Operating Margin**	**$ 29,713**	**$ 62.95**	**$ 34,572**	**$ 73.22**	**$ (4,859)**	**$ (10.27)**
$ 12,680	$ 53.65	$ 12,718	$ 53.77	$ 38	$ 0.12	**Total Operating Expenses**	$ 23,873	$ 50.58	$ 26,251	$ 55.60	$ 2,378	$ 5.02
6.5%		*6.5%*		*0.0%*		*Admin Ratio(%)*	*6.1%*		*6.8%*		*0.7%*	
$ (3,009)	**$ (12.73)**	**$ 4,567**	**$ 19.31**	**$ (7,577)**	**$ (32.04)**	**Income (Loss) from Operations**	**$ 5,840**	**$ 12.37**	**$ 8,321**	**$ 17.62**	**$ (2,481)**	**$ (5.25)**
$ (64)	**$ (0.27)**	**$ 226**	**$ 0.96**	**$ (290)**	**$ (1.23)**	**Total Non-Operating Income (Expense)**	**$ (555)**	**$ (1.18)**	**$ 456**	**$ 0.97**	**$ (1,011)**	**$ (2.14)**
$ (3,073)	**$ (13.00)**	**$ 4,794**	**$ 20.27**	**$ (7,867)**	**$ (33.27)**	**Net Surplus (Deficit)**	**$ 5,285**	**$ 11.20**	**$ 8,777**	**$ 18.59**	**$ (3,492)**	**$ (7.39)**
-1.6%		*2.5%*		*-4.0%*		*Margin(%)*	*1.4%*		*2.3%*		*-0.9%*	

L.A. Care HEALTH PLAN

TANF-MCE Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,011,259		999,737		11,522		Member Months	2,015,436		1,995,490		19,946	
						Revenue						
$ 253,585	$ 250.76	$ 249,337	$ 249.40	$ 4,248	$ 1.36	Capitation	$ 506,332	$ 251.23	$ 497,678	$ 249.40	$ 8,654	$ 1.83
$ 253,585	**$ 250.76**	**$ 249,337**	**$ 249.40**	**$ 4,248**	**$ 1.36**	**Total Revenues**	**$ 506,332**	**$ 251.23**	**$ 497,678**	**$ 249.40**	**$ 8,654**	**$ 1.83**
						Healthcare Expenses						
$ 112,426	$ 111.17	$ 107,109	$ 107.14	$ (5,317)	$ (4.04)	Capitation	$ 222,429	$ 110.36	$ 213,756	$ 107.12	$ (8,673)	$ (3.24)
$ 39,920	$ 39.48	$ 49,671	$ 49.68	$ 9,752	$ 10.21	Inpatient Claims	$ 90,375	$ 44.84	$ 99,145	$ 49.68	$ 8,770	$ 4.84
$ 27,548	$ 27.24	$ 31,941	$ 31.95	$ 4,393	$ 4.71	Outpatient Claims	$ 54,939	$ 27.26	$ 63,754	$ 31.95	$ 8,816	$ 4.69
$ 10,560	$ 10.44	$ 8,454	$ 8.46	$ (2,105)	$ (1.99)	Skilled Nursing Facility	$ 18,735	$ 9.30	$ 16,875	$ 8.46	$ (1,860)	$ (0.84)
$ 40,260	$ 39.81	$ 37,301	$ 37.31	$ (2,959)	$ (2.50)	Pharmacy	$ 76,236	$ 37.83	$ 74,453	$ 37.31	$ (1,783)	$ (0.52)
$ 1,918	$ 1.90	$ 2,452	$ 2.45	$ 533	$ 0.56	Provider Incentives and Shared Risk	$ 3,508	$ 1.74	$ 4,894	$ 2.45	$ 1,386	$ 0.71
$ 3,440	$ 3.40	$ 3,192	$ 3.19	$ (248)	$ (0.21)	Medical Administrative Expenses	$ 6,270	$ 3.11	$ 6,294	$ 3.15	$ 24	$ 0.04
$ 236,072	**$ 233.44**	**$ 240,120**	**$ 240.18**	**$ 4,048**	**$ 6.74**	**Total Healthcare Expenses**	**$ 472,491**	**$ 234.44**	**$ 479,171**	**$ 240.13**	**$ 6,680**	**$ 5.69**
93.1%		*96.3%*		*3.2%*		*MCR(%)*	*93.3%*		*96.3%*		*3.0%*	
$ 17,513	**$ 17.32**	**$ 9,217**	**$ 9.22**	**$ 8,296**	**$ 8.10**	**Operating Margin**	**$ 33,841**	**$ 16.79**	**$ 18,507**	**$ 9.27**	**$ 15,334**	**$ 7.52**
$ 14,486	$ 14.33	$ 13,672	$ 13.68	$ (814)	$ (0.65)	**Total Operating Expenses**	$ 27,899	$ 13.84	$ 28,274	$ 14.17	$ 375	$ 0.33
5.7%		*5.5%*		*-0.2%*		*Admin Ratio(%)*	*5.5%*		*5.7%*		*0.2%*	
$ 3,027	**$ 2.99**	**$ (4,456)**	**$ (4.46)**	**$ 7,482**	**$ 7.45**	**Income (Loss) from Operations**	**$ 5,942**	**$ 2.95**	**$ (9,767)**	**$ (4.89)**	**$ 15,709**	**$ 7.84**
$ 85	**$ 0.08**	**$ 390**	**$ 0.39**	**$ (305)**	**$ (0.31)**	**Total Non-Operating Income (Expense)**	**$ (376)**	**$ (0.19)**	**$ 783**	**$ 0.39**	**$ (1,158)**	**$ (0.58)**
$ 3,112	**$ 3.08**	**$ (4,066)**	**$ (4.07)**	**$ 7,178**	**$ 7.14**	**Net Surplus (Deficit)**	**$ 5,567**	**$ 2.76**	**$ (8,984)**	**$ (4.50)**	**$ 14,551**	**$ 7.26**
1.2%		*-1.6%*		*2.9%*		*Margin(%)*	*1.1%*		*-1.8%*		*2.9%*	

CMC Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
18,804		19,541		(737)		Member Months	37,440		38,961		(1,521)	
						Revenue						
$ 24,922	$ 1,325.37	$ 26,833	$ 1,373.17	$ (1,911)	$ (47.79)	Capitation	$ 52,130	$ 1,392.36	$ 53,500	$ 1,373.17	$ (1,370)	$ 19.19
$ 24,922	**$ 1,325.37**	**$ 26,833**	**$ 1,373.17**	**$ (1,911)**	**$ (47.79)**	**Total Revenues**	**$ 52,130**	**$ 1,392.36**	**$ 53,500**	**$ 1,373.17**	**$ (1,370)**	**$ 19.19**
						Healthcare Expenses						
$ 10,742	$ 571.26	$ 11,994	$ 613.80	$ 1,252	$ 42.54	Capitation	$ 22,565	$ 602.69	$ 23,914	$ 613.80	$ 1,350	$ 11.11
$ 5,635	$ 299.66	$ 6,369	$ 325.93	$ 734	$ 26.27	Inpatient Claims	$ 16,562	$ 442.37	$ 12,699	$ 325.93	$ (3,864)	$ (116.43)
$ 2,302	$ 122.41	$ 2,756	$ 141.05	$ 454	$ 18.64	Outpatient Claims	$ 5,172	$ 138.13	$ 5,496	$ 141.07	$ 325	$ 2.94
$ 2,250	$ 119.64	$ 1,431	$ 73.24	$ (819)	$ (46.40)	Skilled Nursing Facility	$ 4,802	$ 128.25	$ 2,854	$ 73.24	$ (1,948)	$ (55.01)
$ 914	$ 48.62	$ 1,341	$ 68.62	$ 427	$ 20.00	Pharmacy	$ (43)	$ (1.16)	$ 2,674	$ 68.62	$ 2,717	$ 69.78
$ 708	$ 37.67	$ 758	$ 38.79	$ 50	$ 1.12	Provider Incentives and Shared Risk	$ 1,292	$ 34.51	$ 1,511	$ 38.79	$ 219	$ 4.28
$ 201	$ 10.69	$ 280	$ 14.33	$ 79	$ 3.64	Medical Administrative Expenses	$ 275	$ 7.33	$ 554	$ 14.23	$ 280	$ 6.90
$ 22,752	**$ 1,209.94**	**$ 24,930**	**$ 1,275.76**	**$ 2,178**	**$ 65.82**	**Total Healthcare Expenses**	**$ 50,624**	**$ 1,352.13**	**$ 49,702**	**$ 1,275.69**	**$ (921)**	**$ (76.44)**
91.3%		*92.9%*		*1.6%*		*MCR(%)*	*97.1%*		*92.9%*		*-4.2%*	
$ 2,170	**$ 115.43**	**$ 1,903**	**$ 97.40**	**$ 267**	**$ 18.02**	**Operating Margin**	**$ 1,506**	**$ 40.23**	**$ 3,798**	**$ 97.48**	**$ (2,291)**	**$ (57.24)**
$ 1,672	$ 88.90	$ 1,675	$ 85.69	$ 3	$ (3.21)	**Total Operating Expenses**	$ 3,395	$ 90.69	$ 3,298	$ 84.66	$ (97)	$ (6.03)
6.7%		*6.2%*		*-0.5%*		*Admin Ratio(%)*	*6.5%*		*6.2%*		*-0.3%*	
$ 499	**$ 26.53**	**$ 229**	**$ 11.71**	**$ 270**	**$ 14.82**	**Income (Loss) from Operations**	**$ (1,889)**	**$ (50.45)**	**$ 499**	**$ 12.82**	**$ (2,389)**	**$ (63.28)**
$ 2	**$ 0.09**	**$ 8**	**$ 0.40**	**$ (6)**	**$ (0.30)**	**Total Non-Operating Income (Expense)**	**$ (5)**	**$ (0.14)**	**$ 16**	**$ 0.40**	**$ (21)**	**$ (0.54)**
$ 501	**$ 26.62**	**$ 237**	**$ 12.11**	**$ 264**	**$ 14.51**	**Net Surplus (Deficit)**	**$ (1,894)**	**$ (50.59)**	**$ 515**	**$ 13.22**	**$ (2,409)**	**$ (63.82)**
2.0%		*0.9%*		*1.1%*		*Margin(%)*	*-3.6%*		*1.0%*		*-4.6%*	

L.A. Care HEALTH PLAN

Commercial Income Statement ($ in thousands)

November 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
153,048		146,329		6,719		Member Months	305,586		292,658		12,928	
						Revenue						
$ 51,835	$ 338.68	$ 50,001	$ 341.70	$ 1,834	$ (3.02)	Capitation	$ 103,721	$ 339.42	$ 100,001	$ 341.70	$ 3,719	$ (2.29)
$ 51,835	**$ 338.68**	**$ 50,001**	**$ 341.70**	**$ 1,834**	**$ (3.02)**	**Total Revenues**	**$ 103,721**	**$ 339.42**	**$ 100,001**	**$ 341.70**	**$ 3,719**	**$ (2.29)**
						Healthcare Expenses						
$ 20,170	$ 131.79	$ 20,233	$ 138.27	$ 63	$ 6.48	Capitation	$ 39,562	$ 129.46	$ 40,466	$ 138.27	$ 905	$ 8.81
$ 10,888	$ 71.14	$ 7,798	$ 53.29	$ (3,089)	$ (17.85)	Inpatient Claims	$ 22,925	$ 75.02	$ 15,597	$ 53.29	$ (7,328)	$ (21.72)
$ 5,169	$ 33.77	$ 3,944	$ 26.95	$ (1,225)	$ (6.82)	Outpatient Claims	$ 10,637	$ 34.81	$ 7,887	$ 26.95	$ (2,749)	$ (7.86)
$ 107	$ 0.70	$ -	$ -	$ (107)	$ (0.70)	Skilled Nursing Facility	$ 243	$ 0.80	$ -	$ -	$ (243)	$ (0.80)
$ 7,921	$ 51.75	$ 7,497	$ 51.23	$ (424)	$ (0.52)	Pharmacy	$ 15,689	$ 51.34	$ 14,993	$ 51.23	$ (696)	$ (0.11)
$ 812	$ 5.31	$ 783	$ 5.35	$ (29)	$ 0.05	Provider Incentives and Shared Risk	$ 1,529	$ 5.00	$ 1,567	$ 5.35	$ 38	$ 0.35
$ 120	$ 0.78	$ 114	$ 0.78	$ (6)	$ (0.00)	Medical Administrative Expenses	$ 198	$ 0.65	$ 228	$ 0.78	$ 30	$ 0.13
$ 45,187	**$ 295.25**	**$ 40,370**	**$ 275.88**	**$ (4,818)**	**$ (19.37)**	**Total Healthcare Expenses**	**$ 90,781**	**$ 297.07**	**$ 80,738**	**$ 275.88**	**$ (10,043)**	**$ (21.19)**
87.2%		*80.7%*		*-6.4%*		*MCR(%)*	*87.5%*		*80.7%*		*-6.8%*	
$ 6,647	**$ 43.43**	**$ 9,631**	**$ 65.82**	**$ (2,984)**	**$ (22.39)**	**Operating Margin**	**$ 12,939**	**$ 42.34**	**$ 19,263**	**$ 65.82**	**$ (6,324)**	**$ (23.48)**
$ 5,428	$ 35.46	$ 4,452	$ 30.42	$ (976)	$ (5.04)	**Total Operating Expenses**	$ 9,985	$ 32.67	$ 8,907	$ 30.43	$ (1,078)	$ (2.24)
10.5%		*8.9%*		*-1.6%*		*Admin Ratio(%)*	*9.6%*		*8.9%*		*-0.7%*	
$ 1,220	**$ 7.97**	**$ 5,180**	**$ 35.40**	**$ (3,960)**	**$ (27.43)**	**Income (Loss) from Operations**	**$ 2,954**	**$ 9.67**	**$ 10,356**	**$ 35.39**	**$ (7,402)**	**$ (25.72)**
$ (95)	**$ (0.62)**	**$ (93)**	**$ (0.63)**	**$ (2)**	**$ 0.01**	**Total Non-Operating Income (Expense)**	**$ (189)**	**$ (0.62)**	**$ (185)**	**$ (0.63)**	**$ (4)**	**$ 0.01**
$ 1,125	**$ 7.35**	**$ 5,087**	**$ 34.76**	**$ (3,962)**	**$ (27.41)**	**Net Surplus (Deficit)**	**$ 2,765**	**$ 9.05**	**$ 10,171**	**$ 34.75**	**$ (7,406)**	**$ (25.71)**
2.2%		*10.2%*		*-8.0%*		*Margin(%)*	*2.7%*		*10.2%*		*-7.5%*	

L.A. Care HEALTH PLAN

Comparative Balance Sheet

(Dollars in thousands)	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
ASSETS												
CURRENT ASSETS												
Total Current Assets	$4,181,392	$4,809,535	$4,330,863	$5,190,573	$4,329,113	$5,008,584	$4,417,086	$4,476,248	$4,406,866	$4,782,439	$4,483,572	$4,781,058
Capitalized Assets - net	$105,925	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290	$105,477
NONCURRENT ASSETS	$4,114	$3,978	$3,843	$3,707	$3,572	$3,587	$3,451	$3,525	$3,637	$3,523	$3,466	$3,393
TOTAL ASSETS	**$4,291,430**	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**	**$4,889,928**
LIABILITIES AND FUND EQUITY												
CURRENT LIABILITIES												
Total Current Liability	$3,385,813	$3,982,202	$3,453,802	$4,291,997	$3,401,470	$4,098,215	$3,506,888	$3,550,234	$3,486,394	$3,838,981	$3,516,064	$3,810,650
Long Term Liability	$3,296	$3,177	$3,078	$2,998	$2,890	$2,666	$2,520	$2,429	$2,994	$3,441	$3,328	$3,417
Total Liabilities	**$3,389,109**	**$3,985,380**	**$3,456,879**	**$4,294,995**	**$3,404,360**	**$4,100,881**	**$3,509,407**	**$3,552,663**	**$3,489,388**	**$3,842,421**	**$3,519,391**	**$3,814,067**
FUND EQUITY												
Invested in Capital Assets, net of related debt	$105,925	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290	$105,477
Restricted Equity	$300	$300	$300	$300	$300	$450	$450	$450	$450	$600	$600	$600
Minimum Tangible Net Equity	$196,418	$198,522	$198,522	$201,033	$204,021	$204,783	$202,695	$202,973	$204,075	$200,751	$201,278	$202,065
Board Designated Funds	$96,946	$95,648	$94,811	$117,246	$107,345	$106,234	$101,558	$97,416	$93,180	$91,741	$103,141	$100,133
Unrestricted Net Assets	$502,733	$533,663	$584,193	$580,706	$616,659	$599,822	$606,426	$626,271	$623,409	$650,449	$662,628	$667,585
Total Fund Equity	**$902,321**	**$934,705**	**$984,575**	**$1,006,139**	**$1,035,306**	**$1,019,789**	**$1,019,609**	**$1,035,506**	**$1,027,214**	**$1,049,455**	**$1,072,937**	**$1,075,861**
TOTAL LIABILITIES AND FUND EQUITY	**$4,291,430**	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**	**$4,889,928**
Solvency Ratios												
Working Capital Ratio	1.23	1.21	1.25	1.21	1.27	1.22	1.26	1.26	1.26	1.25	1.28	1.25
Cash to Claims Ratio	0.51	0.72	0.53	0.83	0.56	0.77	0.57	0.57	0.55	0.72	0.59	0.66
Tangible Net Equity Ratio	4.59	4.71	4.96	5.00	5.07	4.98	5.03	5.10	5.03	5.23	5.33	5.32

L.A. Care HEALTH PLAN

Cash Flows Statement ($ in thousands) — November 2021

	Oct-21	Nov-21	YTD
Cash Flows from Operating Activities:			
Capitation Revenue	$ 763,872	$ 743,782	$ 1,507,654
Other Income (Expense), net	$ 10,099	$ (2,297)	$ 7,802
Healthcare Expenses	$ (769,260)	$ (685,351)	$ (1,454,611)
Operating Expenses	$ (31,084)	$ (30,643)	$ (61,727)
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ 25,491**	**$ (882)**
Cash Flows from Investing Activities			
Purchase of investments - Net	$ 70,245	$ 85,685	$ 155,930
Purchase of Capital Assets	$ (1,333)	$ (2,179)	$ (3,512)
Net Cash Provided By Investing Activities	**$ 68,912**	**$ 83,506**	**$ 152,418**
Cash Flows from Financing Activities:			
Gross Premium Tax (MCO Sales Tax) - Net	$ (26,829)	$ 14,276	$ (12,553)
Pass through transactions (AB 85, IGT, etc.)	$ (297,777)	$ 160,499	$ (137,278)
Net Cash Provided By Financing Activities	**$ (324,606)**	**$ 174,775**	**$ (149,831)**
Net Increase in Cash and Cash Equivalents	**$ (282,067)**	**$ 283,772**	**$ 1,705**
Cash and Cash Equivalents, Beginning	$ 990,897	$ 708,830	$ 990,897
Cash and Cash Equivalents, Ending	**$ 708,830**	**$ 992,602**	**$ 992,602**

Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:

Excess of Revenues over Expenses	**$ 23,481**	**$ 2,924**	**$ 26,405**
Adjustments to Excess of Revenues Over Expenses:			
Depreciation	$ 1,957	$ 1,991	$ 3,948
Realized and Unrealized (Gain)/Loss on Investments	$ 2,947	$ 1,228	$ 4,175
Deferred Rent	$ (113)	$ 90	$ (23)
Gross Premium Tax provision	$ (280)	$ (516)	$ (796)
Loss on Disposal of Capital Assets	$ -		$ -
Total Adjustments to Excess of Revenues over Expenses	**$ 4,511**	**$ 2,793**	**$ 7,304**
Changes in Operating Assets and Liabilities:			
Capitation Receivable	$ (47,907)	$ (64,579)	$ (112,486)
Interest and Non-Operating Receivables	$ 164	$ (19)	$ 145
Prepaid and Other Current Assets	$ 1,810	$ (964)	$ 846
Accounts Payable and Accrued Liabilities	$ 68	$ 6,440	$ 6,508
Subcapitation Payable	$ 36,845	$ 75,826	$ 112,671
MediCal Adult Expansion Payable	$ 37,928	$ (40)	$ 37,888
Deferred Capitation Revenue	$ (898)	$ (567)	$ (1,465)
Accrued Medical Expenses	$ (2,474)	$ 2,920	$ 446
Reserve for Claims	$ 12,037	$ 9,596	$ 21,633
Reserve for Provider Incentives	$ (92,318)	$ (9,394)	$ (101,712)
Grants Payable	$ 380	$ 555	$ 935
Net Changes in Operating Assets and Liabilities	**$ (54,365)**	**$ 19,774**	**$ (34,591)**
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ 25,491**	**$ (882)**

Financial Performance
December 2021
(Unaudited)

Overall

The combined member months are 7.5 million year-to-date, which is 50,505 member months favorable to the budget. The performance is a surplus of $33.5 million or 1.4% of revenue and is $6.9 million favorable to the budget. The favorability is driven by lower outpatient claims, higher revenue due to higher actual institutional member count as compared to the budget, lower than budgeted CCI revenue risk corridor, recognition of vaccine incentives revenue, lower provider incentives expense due to a true-up adjustment for calendar year 2020, and lower operating expenses due to timing in spending. Partially offsetting these favorabilities are an update to our LACC RAF (risk adjustment factor) score for calendar year 2021 which lowers our revenues, higher skilled nursing facility costs and a decrease in the unrealized gains.

MediCal Plan Partners

The member months are 3.2 million, which is 81 member months unfavorable to the budget. The performance is a surplus of $19.5 million and is $2.7 million favorable to the budget. The favorability is due to an incentive true-up adjustment for calendar year 2020.

MediCal SPD-CCI

The member months are 708,980, which is 557 member months unfavorable to the budget. The performance is a surplus of $21.6 million and is $8.4 million favorable to the budget. The favorability is due to higher revenue driven by higher actual institutional member count as compared to the budget, lower than budgeted CCI revenue risk corridor, recognition of vaccine incentives revenue, and lower outpatient claims. These favorabilities are partially offset by higher inpatient claims and skilled nursing facility costs.

MediCal TANF-MCE

The member months are 3.0 million, which is 34,922 member months favorable to the budget. The performance is a surplus of $8.9 million and is $22.3 million favorable to the budget. The favorability is driven by lower inpatient claims, lower outpatient claims, and the recognition of vaccine incentives revenue. These favorabilities are partially offset by higher pharmacy expenses.

Cal MediConnect (CMC)

The member months are 56,311, which is 2,273 member months unfavorable to the budget. The performance is a deficit of $0.7 million and is $1.4 million unfavorable to the budget. The unfavorability is driven by higher inpatient claims and skilled nursing facility costs, but offset in part by lower pharmacy costs.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 457,481, which is 18,494 member months favorable to the budget. The performance is a deficit of $9.3 million and is $24.5 million unfavorable to the budget due to an update to our LACC RAF (risk adjustment factor) score for calendar year 2021, higher inpatient and outpatient claims, but partially offset by higher revenue due to favorable membership.

L.A. Care HEALTH PLAN

Consolidated Operations Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
2,496,545		2,477,288		19,257		Member Months	7,456,512		7,406,007		50,505	
						Revenue						
$ 804,018	$ 322.05	$ 803,422	$ 324.31	$ 597	$ (2.26)	Capitation	$ 2,425,623	$ 325.30	$ 2,401,882	$ 324.32	$ 23,741	$ 0.99
$ 804,018	**$ 322.05**	**$ 803,422**	**$ 324.31**	**$ 597**	**$ (2.26)**	**Total Revenues**	**$ 2,425,623**	**$ 325.30**	**$ 2,401,882**	**$ 324.32**	**$ 23,741**	**$ 0.99**
						Healthcare Expenses						
$ 425,943	$ 170.61	$ 425,979	$ 171.95	$ 36	$ 1.34	Capitation	$ 1,289,798	$ 172.98	$ 1,273,349	$ 171.93	$ (16,449)	$ (1.04)
$ 87,534	$ 35.06	$ 99,799	$ 40.29	$ 12,265	$ 5.22	Inpatient Claims	$ 297,248	$ 39.86	$ 298,348	$ 40.28	$ 1,099	$ 0.42
$ 79,479	$ 31.84	$ 80,693	$ 32.57	$ 1,214	$ 0.74	Outpatient Claims	$ 225,518	$ 30.24	$ 241,213	$ 32.57	$ 15,694	$ 2.33
$ 74,524	$ 29.85	$ 69,262	$ 27.96	$ (5,262)	$ (1.89)	Skilled Nursing Facility	$ 223,087	$ 29.92	$ 207,008	$ 27.95	$ (16,079)	$ (1.97)
$ 68,526	$ 27.45	$ 64,455	$ 26.02	$ (4,070)	$ (1.43)	Pharmacy	$ 195,572	$ 26.23	$ 192,725	$ 26.02	$ (2,847)	$ (0.21)
$ 2,557	$ 1.02	$ 6,880	$ 2.78	$ 4,323	$ 1.75	Provider Incentives and Shared Risk	$ 15,158	$ 2.03	$ 20,571	$ 2.78	$ 5,413	$ 0.74
$ 7,626	$ 3.05	$ 7,140	$ 2.88	$ (486)	$ (0.17)	Medical Administrative Expenses	$ 20,750	$ 2.78	$ 20,660	$ 2.79	$ (89)	$ 0.01
$ 746,189	**$ 298.89**	**$ 754,208**	**$ 304.45**	**$ 8,019**	**$ 5.56**	**Total Healthcare Expenses**	**$ 2,267,131**	**$ 304.05**	**$ 2,253,874**	**$ 304.33**	**$ (13,257)**	**$ 0.28**
92.8%		*93.9%*		*1.1%*		*MCR(%)*	*93.5%*		*93.8%*		*0.4%*	
$ 57,829	**$ 23.16**	**$ 49,214**	**$ 19.87**	**$ 8,616**	**$ 3.30**	**Operating Margin**	**$ 158,492**	**$ 21.26**	**$ 148,008**	**$ 19.98**	**$ 10,484**	**$ 1.27**
$ 40,335	$ 16.16	$ 39,801	$ 16.07	$ (534)	$ (0.09)	**Total Operating Expenses**	$ 117,933	$ 15.82	$ 119,539	$ 16.14	$ 1,606	$ 0.32
5.0%		*5.0%*		*-0.1%*		*Admin Ratio(%)*	*4.9%*		*5.0%*		*0.1%*	
$ 17,494	**$ 7.01**	**$ 9,412**	**$ 3.80**	**$ 8,082**	**$ 3.21**	**Income (Loss) from Operations**	**$ 40,559**	**$ 5.44**	**$ 28,469**	**$ 3.84**	**$ 12,090**	**$ 1.60**
$ (9,944)	$ (3.98)	$ (5,717)	$ (2.31)	$ (4,227)	$ (1.68)	Other Income/(Expense), net	$ (4,028)	$ (0.54)	$ (3,858)	$ (0.52)	$ (170)	$ (0.02)
$ 845	$ 0.34	$ 684	$ 0.28	$ 161	$ 0.06	Interest Income, net	$ 2,446	$ 0.33	$ 2,069	$ 0.28	$ 377	$ 0.05
$ 42	$ 0.02	$ -	$ -	$ 42	$ 0.02	Realized Gain / Loss	$ 26	$ 0.00	$ -	$ -	$ 26	$ 0.00
$ (1,302)	$ (0.52)	$ -	$ -	$ (1,302)	$ (0.52)	Unrealized Gain / Loss	$ (5,462)	$ (0.73)	$ -	$ -	$ (5,462)	$ (0.73)
$ (10,359)	**$ (4.15)**	**$ (5,032)**	**$ (2.03)**	**$ (5,327)**	**$ (2.12)**	**Total Non-Operating Income (Expense)**	**$ (7,018)**	**$ (0.94)**	**$ (1,790)**	**$ (0.24)**	**$ (5,228)**	**$ (0.70)**
$ 7,135	**$ 2.86**	**$ 4,380**	**$ 1.77**	**$ 2,755**	**$ 1.09**	**Net Surplus (Deficit)**	**$ 33,541**	**$ 4.50**	**$ 26,679**	**$ 3.60**	**$ 6,861**	**$ 0.90**
0.9%		*0.5%*		*0.3%*		*Margin(%)*	*1.4%*		*1.1%*		*0.3%*	

L.A. Care HEALTH PLAN

MediCal Plan Partners Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,070,355		1,070,487		(132)		Member Months	3,199,873		3,199,954		(81)	
						Revenue						
$ 275,766	$ 257.64	$ 281,278	$ 262.76	$ (5,512)	$ (5.12)	Capitation	$ 844,073	$ 263.78	$ 840,890	$ 262.78	$ 3,184	$ 1.00
$ 275,766	**$ 257.64**	**$ 281,278**	**$ 262.76**	**$ (5,512)**	**$ (5.12)**	**Total Revenues**	**$ 844,073**	**$ 263.78**	**$ 840,890**	**$ 262.78**	**$ 3,184**	**$ 1.00**
						Healthcare Expenses						
$ 259,905	$ 242.82	$ 266,141	$ 248.62	$ 6,236	$ 5.80	Capitation	$ 798,273	$ 249.47	$ 795,638	$ 248.64	$ (2,635)	$ (0.83)
$ (739)	$ (0.69)	$ 2,660	$ 2.48	$ 3,399	$ 3.17	Provider Incentives and Shared Risk	$ 4,281	$ 1.34	$ 7,951	$ 2.48	$ 3,670	$ 1.15
$ 1,282	$ 1.20	$ 1,159	$ 1.08	$ (123)	$ (0.11)	Medical Administrative Expenses	$ 3,539	$ 1.11	$ 3,328	$ 1.04	$ (211)	$ (0.07)
$ 260,448	**$ 243.33**	**$ 269,960**	**$ 252.18**	**$ 9,512**	**$ 8.86**	**Total Healthcare Expenses**	**$ 806,093**	**$ 251.91**	**$ 806,917**	**$ 252.17**	**$ 824**	**$ 0.25**
94.4%		*96.0%*		*1.5%*		*MCR(%)*	*95.5%*		*96.0%*		*0.5%*	
$ 15,317	**$ 14.31**	**$ 11,318**	**$ 10.57**	**$ 4,000**	**$ 3.74**	**Operating Margin**	**$ 37,980**	**$ 11.87**	**$ 33,973**	**$ 10.62**	**$ 4,007**	**$ 1.25**
$ 6,006	$ 5.61	$ 6,338	$ 5.92	$ 332	$ 0.31	**Total Operating Expenses**	$ 18,067	$ 5.65	$ 18,726	$ 5.85	$ 659	$ 0.21
2.2%		*2.3%*		*0.1%*		*Admin Ratio(%)*	*2.1%*		*2.2%*		*0.1%*	
$ 9,311	**$ 8.70**	**$ 4,980**	**$ 4.65**	**$ 4,332**	**$ 4.05**	**Income (Loss) from Operations**	**$ 19,913**	**$ 6.22**	**$ 15,247**	**$ 4.76**	**$ 4,666**	**$ 1.46**
$ 226	**$ 0.21**	**$ 505**	**$ 0.47**	**$ (280)**	**$ (0.26)**	**Total Non-Operating Income (Expense)**	**$ (428)**	**$ (0.13)**	**$ 1,520**	**$ 0.48**	**$ (1,948)**	**$ (0.61)**
$ 9,537	**$ 8.91**	**$ 5,485**	**$ 5.12**	**$ 4,052**	**$ 3.79**	**Net Surplus (Deficit)**	**$ 19,486**	**$ 6.09**	**$ 16,767**	**$ 5.24**	**$ 2,718**	**$ 0.85**
3.5%		*1.9%*		*1.5%*		*Margin(%)*	*2.3%*		*2.0%*		*0.3%*	

L.A. Care HEALTH PLAN

SPD-CCI Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
236,993		237,394		(401)		Member Months	708,980		709,537		(557)	
						Revenue						
$ 216,632	$ 914.09	$ 194,943	$ 821.18	$ 21,689	$ 92.91	Capitation	$ 607,747	$ 857.21	$ 582,613	$ 821.12	$ 25,135	$ 36.10
$ 216,632	**$ 914.09**	**$ 194,943**	**$ 821.18**	**$ 21,689**	**$ 92.91**	**Total Revenues**	**$ 607,747**	**$ 857.21**	**$ 582,613**	**$ 821.12**	**$ 25,135**	**$ 36.10**
						Healthcare Expenses						
$ 21,924	$ 92.51	$ 20,020	$ 84.33	$ (1,904)	$ (8.18)	Capitation	$ 62,855	$ 88.66	$ 59,757	$ 84.22	$ (3,098)	$ (4.44)
$ 36,797	$ 155.27	$ 35,753	$ 150.61	$ (1,044)	$ (4.66)	Inpatient Claims	$ 116,650	$ 164.53	$ 106,862	$ 150.61	$ (9,788)	$ (13.92)
$ 39,340	$ 166.00	$ 41,924	$ 176.60	$ 2,584	$ 10.60	Outpatient Claims	$ 114,632	$ 161.69	$ 125,306	$ 176.60	$ 10,673	$ 14.92
$ 66,078	$ 278.82	$ 59,340	$ 249.96	$ (6,738)	$ (28.86)	Skilled Nursing Facility	$ 190,862	$ 269.21	$ 177,357	$ 249.96	$ (13,505)	$ (19.24)
$ 18,636	$ 78.63	$ 18,176	$ 76.57	$ (460)	$ (2.07)	Pharmacy	$ 53,801	$ 75.89	$ 54,327	$ 76.57	$ 526	$ 0.68
$ 1,985	$ 8.37	$ 215	$ 0.90	$ (1,770)	$ (7.47)	Provider Incentives and Shared Risk	$ 3,237	$ 4.57	$ 642	$ 0.90	$ (2,595)	$ (3.66)
$ 2,408	$ 10.16	$ 2,262	$ 9.53	$ (146)	$ (0.63)	Medical Administrative Expenses	$ 6,533	$ 9.21	$ 6,538	$ 9.21	$ 5	$ 0.00
$ 187,168	**$ 789.76**	**$ 177,691**	**$ 748.50**	**$ (9,478)**	**$ (41.26)**	**Total Healthcare Expenses**	**$ 548,570**	**$ 773.75**	**$ 530,788**	**$ 748.08**	**$ (17,782)**	**$ (25.67)**
86.4%		*91.1%*		*4.8%*		*MCR(%)*	*90.3%*		*91.1%*		*0.8%*	
$ 29,464	**$ 124.33**	**$ 17,253**	**$ 72.67**	**$ 12,212**	**$ 51.65**	**Operating Margin**	**$ 59,177**	**$ 83.47**	**$ 51,824**	**$ 73.04**	**$ 7,353**	**$ 10.43**
$ 13,258	$ 55.94	$ 13,061	$ 55.02	$ (196)	$ (0.92)	**Total Operating Expenses**	$ 37,131	$ 52.37	$ 39,312	$ 55.41	$ 2,182	$ 3.03
6.1%		*6.7%*		*0.6%*		*Admin Ratio(%)*	*6.1%*		*6.7%*		*0.6%*	
$ 16,206	**$ 68.38**	**$ 4,191**	**$ 17.65**	**$ 12,015**	**$ 50.73**	**Income (Loss) from Operations**	**$ 22,047**	**$ 31.10**	**$ 12,512**	**$ 17.63**	**$ 9,535**	**$ 13.46**
$ 66	**$ 0.28**	**$ 226**	**$ 0.95**	**$ (160)**	**$ (0.67)**	**Total Non-Operating Income (Expense)**	**$ (488)**	**$ (0.69)**	**$ 683**	**$ 0.96**	**$ (1,171)**	**$ (1.65)**
$ 16,273	**$ 68.66**	**$ 4,418**	**$ 18.61**	**$ 11,855**	**$ 50.06**	**Net Surplus (Deficit)**	**$ 21,558**	**$ 30.41**	**$ 13,195**	**$ 18.60**	**$ 8,363**	**$ 11.81**
7.5%		*2.3%*		*5.2%*		*Margin(%)*	*3.5%*		*2.3%*		*1.3%*	

L.A. Care HEALTH PLAN

TANF-MCE Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
1,018,431		1,003,455		14,976		Member Months	3,033,867		2,998,945		34,922	
						Revenue						
$ 259,299	$ 254.61	$ 250,254	$ 249.39	$ 9,045	$ 5.21	Capitation	$ 765,631	$ 252.36	$ 747,932	$ 249.40	$ 17,698	$ 2.96
$ 259,299	**$ 254.61**	**$ 250,254**	**$ 249.39**	**$ 9,045**	**$ 5.21**	**Total Revenues**	**$ 765,631**	**$ 252.36**	**$ 747,932**	**$ 249.40**	**$ 17,698**	**$ 2.96**
						Healthcare Expenses						
$ 117,048	$ 114.93	$ 107,540	$ 107.17	$ (9,508)	$ (7.76)	Capitation	$ 339,477	$ 111.90	$ 321,296	$ 107.14	$ (18,181)	$ (4.76)
$ 39,225	$ 38.52	$ 49,851	$ 49.68	$ 10,626	$ 11.16	Inpatient Claims	$ 129,600	$ 42.72	$ 148,996	$ 49.68	$ 19,396	$ 6.97
$ 32,064	$ 31.48	$ 32,058	$ 31.95	$ (6)	$ 0.46	Outpatient Claims	$ 87,003	$ 28.68	$ 95,812	$ 31.95	$ 8,809	$ 3.27
$ 7,162	$ 7.03	$ 8,485	$ 8.46	$ 1,323	$ 1.42	Skilled Nursing Facility	$ 25,896	$ 8.54	$ 25,360	$ 8.46	$ (536)	$ (0.08)
$ 39,746	$ 39.03	$ 37,436	$ 37.31	$ (2,310)	$ (1.72)	Pharmacy	$ 115,982	$ 38.23	$ 111,889	$ 37.31	$ (4,093)	$ (0.92)
$ 2,695	$ 2.65	$ 2,461	$ 2.45	$ (234)	$ (0.19)	Provider Incentives and Shared Risk	$ 6,203	$ 2.04	$ 7,355	$ 2.45	$ 1,152	$ 0.41
$ 3,616	$ 3.55	$ 3,316	$ 3.30	$ (300)	$ (0.25)	Medical Administrative Expenses	$ 9,886	$ 3.26	$ 9,610	$ 3.20	$ (276)	$ (0.05)
$ 241,556	**$ 237.18**	**$ 241,147**	**$ 240.32**	**$ (409)**	**$ 3.13**	**Total Healthcare Expenses**	**$ 714,047**	**$ 235.36**	**$ 720,318**	**$ 240.19**	**$ 6,271**	**$ 4.83**
93.2%		*96.4%*		*3.2%*		*MCR(%)*	*93.3%*		*96.3%*		*3.0%*	
$ 17,742	**$ 17.42**	**$ 9,107**	**$ 9.08**	**$ 8,635**	**$ 8.35**	**Operating Margin**	**$ 51,583**	**$ 17.00**	**$ 27,614**	**$ 9.21**	**$ 23,970**	**$ 7.79**
$ 14,647	$ 14.38	$ 13,919	$ 13.87	$ (727)	$ (0.51)	**Total Operating Expenses**	$ 42,546	$ 14.02	$ 42,193	$ 14.07	$ (352)	$ 0.05
5.6%		*5.6%*		*-0.1%*		*Admin Ratio(%)*	*5.6%*		*5.6%*		*0.1%*	
$ 3,096	**$ 3.04**	**$ (4,812)**	**$ (4.80)**	**$ 7,908**	**$ 7.84**	**Income (Loss) from Operations**	**$ 9,038**	**$ 2.98**	**$ (14,580)**	**$ (4.86)**	**$ 23,617**	**$ 7.84**
$ 220	**$ 0.22**	**$ 390**	**$ 0.39**	**$ (170)**	**$ (0.17)**	**Total Non-Operating Income (Expense)**	**$ (156)**	**$ (0.05)**	**$ 1,173**	**$ 0.39**	**$ (1,329)**	**$ (0.44)**
$ 3,316	**$ 3.26**	**$ (4,422)**	**$ (4.41)**	**$ 7,738**	**$ 7.66**	**Net Surplus (Deficit)**	**$ 8,882**	**$ 2.93**	**$ (13,406)**	**$ (4.47)**	**$ 22,289**	**$ 7.40**
1.3%		*-1.8%*		*3.0%*		*Margin(%)*	*1.2%*		*-1.8%*		*3.0%*	

L.A. Care HEALTH PLAN

CMC Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
18,871		19,623		(752)		Member Months	56,311		58,584		(2,273)	
						Revenue						
$ 26,164	$ 1,386.48	$ 26,946	$ 1,373.17	$ (781)	$ 13.32	Capitation	$ 78,294	$ 1,390.39	$ 80,446	$ 1,373.17	$ (2,151)	$ 17.22
$ 26,164	**$ 1,386.48**	**$ 26,946**	**$ 1,373.17**	**$ (781)**	**$ 13.32**	**Total Revenues**	**$ 78,294**	**$ 1,390.39**	**$ 80,446**	**$ 1,373.17**	**$ (2,151)**	**$ 17.22**
						Healthcare Expenses						
$ 11,462	$ 607.39	$ 12,045	$ 613.80	$ 582	$ 6.41	Capitation	$ 34,027	$ 604.27	$ 35,959	$ 613.80	$ 1,932	$ 9.53
$ 5,712	$ 302.70	$ 6,396	$ 325.93	$ 683	$ 23.23	Inpatient Claims	$ 22,275	$ 395.56	$ 19,094	$ 325.93	$ (3,180)	$ (69.63)
$ 3,386	$ 179.45	$ 2,767	$ 141.01	$ (619)	$ (38.45)	Outpatient Claims	$ 8,558	$ 151.98	$ 8,263	$ 141.05	$ (295)	$ (10.93)
$ 1,199	$ 63.55	$ 1,437	$ 73.24	$ 238	$ 9.69	Skilled Nursing Facility	$ 6,001	$ 106.56	$ 4,291	$ 73.24	$ (1,710)	$ (33.32)
$ 908	$ 48.14	$ 1,347	$ 68.62	$ 438	$ 20.48	Pharmacy	$ 865	$ 15.36	$ 4,020	$ 68.62	$ 3,155	$ 53.26
$ 571	$ 30.24	$ 761	$ 38.79	$ 191	$ 8.56	Provider Incentives and Shared Risk	$ 1,863	$ 33.08	$ 2,273	$ 38.79	$ 410	$ 5.71
$ 220	$ 11.64	$ 287	$ 14.65	$ 68	$ 3.01	Medical Administrative Expenses	$ 494	$ 8.78	$ 842	$ 14.37	$ 348	$ 5.59
$ 23,459	**$ 1,243.11**	**$ 25,040**	**$ 1,276.04**	**$ 1,581**	**$ 32.93**	**Total Healthcare Expenses**	**$ 74,082**	**$ 1,315.59**	**$ 74,742**	**$ 1,275.81**	**$ 659**	**$ (39.79)**
89.7%		*92.9%*		*3.3%*		*MCR(%)*	*94.6%*		*92.9%*		*-1.7%*	
$ 2,706	**$ 143.37**	**$ 1,906**	**$ 97.13**	**$ 800**	**$ 46.24**	**Operating Margin**	**$ 4,212**	**$ 74.80**	**$ 5,704**	**$ 97.36**	**$ (1,492)**	**$ (22.56)**
$ 1,467	$ 77.76	$ 1,713	$ 87.29	$ 245	$ 9.53	**Total Operating Expenses**	$ 4,863	$ 86.36	$ 5,011	$ 85.54	$ 148	$ (0.82)
5.6%		*6.4%*		*0.7%*		*Admin Ratio(%)*	*6.2%*		*6.2%*		*0.0%*	
$ 1,238	**$ 65.61**	**$ 193**	**$ 9.84**	**$ 1,045**	**$ 55.77**	**Income (Loss) from Operations**	**$ (651)**	**$ (11.56)**	**$ 693**	**$ 11.82**	**$ (1,343)**	**$ (23.38)**
$ 4	**$ 0.23**	**$ 8**	**$ 0.40**	**$ (3)**	**$ (0.17)**	**Total Non-Operating Income (Expense)**	**$ (1)**	**$ (0.02)**	**$ 23**	**$ 0.40**	**$ (24)**	**$ (0.42)**
$ 1,242	**$ 65.84**	**$ 201**	**$ 10.23**	**$ 1,042**	**$ 55.60**	**Net Surplus (Deficit)**	**$ (652)**	**$ (11.58)**	**$ 716**	**$ 12.22**	**$ (1,368)**	**$ (23.80)**
4.7%		*0.7%*		*4.0%*		*Margin(%)*	*-0.8%*		*0.9%*		*-1.7%*	

L.A. Care HEALTH PLAN

Commercial Income Statement ($ in thousands)

December 2021

Current Actual $	Current Actual PMPM	Current Budget $	Current Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM		YTD Actual $	YTD Actual PMPM	YTD Budget $	YTD Budget PMPM	Fav(Unfav) Budget $	Fav(Unfav) Budget PMPM
						Membership						
151,895		146,329		5,566		Member Months	457,481		438,987		18,494	
						Revenue						
$ 26,157	$ 172.21	$ 50,001	$ 341.70	$ (23,844)	$ (169.50)	Capitation	$ 129,878	$ 283.90	$ 150,002	$ 341.70	$ (20,124)	$ (57.80)
$ 26,157	**$ 172.21**	**$ 50,001**	**$ 341.70**	**$ (23,844)**	**$ (169.50)**	**Total Revenues**	**$ 129,878**	**$ 283.90**	**$ 150,002**	**$ 341.70**	**$ (20,124)**	**$ (57.80)**
						Healthcare Expenses						
$ 15,604	$ 102.73	$ 20,233	$ 138.27	$ 4,629	$ 35.54	Capitation	$ 55,166	$ 120.59	$ 60,700	$ 138.27	$ 5,534	$ 17.69
$ 5,799	$ 38.18	$ 7,798	$ 53.29	$ 1,999	$ 15.12	Inpatient Claims	$ 28,724	$ 62.79	$ 23,395	$ 53.29	$ (5,328)	$ (9.49)
$ 4,688	$ 30.86	$ 3,944	$ 26.95	$ (744)	$ (3.91)	Outpatient Claims	$ 15,325	$ 33.50	$ 11,831	$ 26.95	$ (3,494)	$ (6.55)
$ 85	$ 0.56	$ -	$ -	$ (85)	$ (0.56)	Skilled Nursing Facility	$ 328	$ 0.72	$ -	$ -	$ (328)	$ (0.72)
$ 9,236	$ 60.81	$ 7,497	$ 51.23	$ (1,740)	$ (9.57)	Pharmacy	$ 24,925	$ 54.48	$ 22,490	$ 51.23	$ (2,435)	$ (3.25)
$ (1,954)	$ (12.87)	$ 783	$ 5.35	$ 2,738	$ 18.22	Provider Incentives and Shared Risk	$ (426)	$ (0.93)	$ 2,350	$ 5.35	$ 2,776	$ 6.28
$ 100	$ 0.66	$ 115	$ 0.79	$ 15	$ 0.12	Medical Administrative Expenses	$ 298	$ 0.65	$ 343	$ 0.78	$ 45	$ 0.13
$ 33,558	**$ 220.93**	**$ 40,370**	**$ 275.89**	**$ 6,812**	**$ 54.96**	**Total Healthcare Expenses**	**$ 124,340**	**$ 271.79**	**$ 121,109**	**$ 275.88**	**$ (3,231)**	**$ 4.09**
128.3%		*80.7%*		*-47.6%*		*MCR(%)*	*95.7%*		*80.7%*		*-15.0%*	
$ (7,401)	**$ (48.73)**	**$ 9,630**	**$ 65.81**	**$ (17,032)**	**$ (114.54)**	**Operating Margin**	**$ 5,538**	**$ 12.11**	**$ 28,893**	**$ 65.82**	**$ (23,355)**	**$ (53.71)**
$ 4,609	$ 30.34	$ 4,518	$ 30.87	$ (91)	$ 0.53	**Total Operating Expenses**	$ 14,594	$ 31.90	$ 13,425	$ 30.58	$ (1,169)	$ (1.32)
17.6%		*9.0%*		*-8.6%*		*Admin Ratio(%)*	*11.2%*		*8.9%*		*-2.3%*	
$ (12,010)	**$ (79.07)**	**$ 5,113**	**$ 34.94**	**$ (17,123)**	**$ (114.01)**	**Income (Loss) from Operations**	**$ (9,056)**	**$ (19.79)**	**$ 15,469**	**$ 35.24**	**$ (24,524)**	**$ (55.03)**
$ (95)	**$ (0.62)**	**$ (93)**	**$ (0.63)**	**$ (2)**	**$ 0.01**	**Total Non-Operating Income (Expense)**	**$ (284)**	**$ (0.62)**	**$ (278)**	**$ (0.63)**	**$ (6)**	**$ 0.01**
$ (12,105)	**$ (79.69)**	**$ 5,020**	**$ 34.31**	**$ (17,125)**	**$ (114.00)**	**Net Surplus (Deficit)**	**$ (9,340)**	**$ (20.42)**	**$ 15,191**	**$ 34.60**	**$ (24,531)**	**$ (55.02)**
-46.3%		*10.0%*		*-56.3%*		*Margin(%)*	*-7.2%*		*10.1%*		*-17.3%*	

L.A. Care HEALTH PLAN

Comparative Balance Sheet

(Dollars in thousands)	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
ASSETS												
CURRENT ASSETS												
Total Current Assets	$4,809,535	$4,330,863	$5,190,573	$4,329,113	$5,008,584	$4,417,086	$4,476,248	$4,406,866	$4,782,439	$4,483,572	$4,781,058	$4,475,327
Capitalized Assets - net	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290	$105,477	$105,456
NONCURRENT ASSETS	$3,978	$3,843	$3,707	$3,572	$3,587	$3,451	$3,525	$3,637	$3,523	$3,466	$3,393	$3,251
TOTAL ASSETS	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**	**$4,889,928**	**$4,584,034**
LIABILITIES AND FUND EQUITY												
CURRENT LIABILITIES												
Total Current Liability	$3,982,202	$3,453,802	$4,291,997	$3,401,470	$4,098,215	$3,506,888	$3,550,234	$3,486,394	$3,838,981	$3,516,064	$3,810,650	$3,498,864
Long Term Liability	$3,177	$3,078	$2,998	$2,890	$2,666	$2,520	$2,429	$2,994	$3,441	$3,328	$3,417	$2,174
Total Liabilities	**$3,985,380**	**$3,456,879**	**$4,294,995**	**$3,404,360**	**$4,100,881**	**$3,509,407**	**$3,552,663**	**$3,489,388**	**$3,842,421**	**$3,519,391**	**$3,814,067**	**$3,501,038**
FUND EQUITY												
Invested in Capital Assets, net of related debt	$106,571	$106,748	$106,854	$106,981	$108,499	$108,480	$108,396	$106,100	$105,915	$105,290	$105,477	$105,456
Restricted Equity	$300	$300	$300	$300	$450	$450	$450	$450	$600	$600	$600	$600
Minimum Tangible Net Equity	$198,522	$198,522	$201,033	$204,021	$204,783	$202,695	$202,973	$204,075	$200,751	$201,278	$202,065	$203,167
Board Designated Funds	$95,648	$94,811	$117,246	$107,345	$106,234	$101,558	$97,416	$93,180	$91,741	$103,141	$100,133	$89,697
Unrestricted Net Assets	$533,663	$584,193	$580,706	$616,659	$599,822	$606,426	$626,271	$623,409	$650,449	$662,628	$667,585	$684,076
Total Fund Equity	**$934,705**	**$984,575**	**$1,006,139**	**$1,035,306**	**$1,019,789**	**$1,019,609**	**$1,035,506**	**$1,027,214**	**$1,049,455**	**$1,072,937**	**$1,075,861**	**$1,082,996**
TOTAL LIABILITIES AND FUND EQUITY	**$4,920,085**	**$4,441,454**	**$5,301,134**	**$4,439,665**	**$5,120,670**	**$4,529,017**	**$4,588,169**	**$4,516,602**	**$4,891,876**	**$4,592,328**	**$4,889,928**	**$4,584,034**
Solvency Ratios												
Working Capital Ratio	1.21	1.25	1.21	1.27	1.22	1.26	1.26	1.26	1.25	1.28	1.25	1.28
Cash to Claims Ratio	0.72	0.53	0.83	0.56	0.77	0.57	0.57	0.55	0.72	0.59	0.66	0.59
Tangible Net Equity Ratio	4.71	4.96	5.00	5.07	4.98	5.03	5.10	5.03	5.23	5.33	5.32	5.33

L.A. Care HEALTH PLAN

Cash Flows Statement ($ in thousands) — December 2021

	Oct-21	Nov-21	Dec-21	YTD
Cash Flows from Operating Activities:				
Capitation Revenue	$ 763,872	$ 743,782	$ 830,492	$ 2,338,146
Other Income (Expense), net	$ 10,099	$ (2,297)	$ (8,057)	$ (255)
Healthcare Expenses	$ (769,260)	$ (685,351)	$ (854,089)	$ (2,308,700)
Operating Expenses	$ (31,084)	$ (30,643)	$ (54,724)	$ (116,451)
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ 25,491**	**$ (86,378)**	**$ (87,260)**
Cash Flows from Investing Activities				
Purchase of investments - Net	$ 70,245	$ 85,685	$ (82,191)	$ 73,739
Purchase of Capital Assets	$ (1,333)	$ (2,179)	$ (1,833)	$ (5,345)
Net Cash Provided By Investing Activities	**$ 68,912**	**$ 83,506**	**$ (84,024)**	**$ 68,394**
Cash Flows from Financing Activities:				
Gross Premium Tax (MCO Sales Tax) - Net	$ (26,829)	$ 14,276	$ 14,596	$ 2,043
Pass through transactions (AB 85, IGT, etc.)	$ (297,777)	$ 160,499	$ (137,249)	$ (274,527)
Net Cash Provided By Financing Activities	**$ (324,606)**	**$ 174,775**	**$ (122,653)**	**$ (272,484)**
Net Increase in Cash and Cash Equivalents	**$ (282,067)**	**$ 283,772**	**$ (293,055)**	**$ (291,350)**
Cash and Cash Equivalents, Beginning	$ 990,897	$ 708,830	$ 992,602	$ 990,897
Cash and Cash Equivalents, Ending	**$ 708,830**	**$ 992,602**	**$ 699,547**	**$ 699,547**
Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:				
Excess of Revenues over Expenses	**$ 23,481**	**$ 2,924**	**$ 7,135**	**$ 33,540**
Adjustments to Excess of Revenues Over Expenses:				
Depreciation	$ 1,957	$ 1,991	$ 1,855	$ 5,803
Realized and Unrealized (Gain)/Loss on Investments	$ 2,947	$ 1,228	$ 1,261	$ 5,436
Deferred Rent	$ (113)	$ 90	$ (1,244)	$ (1,267)
Gross Premium Tax provision	$ (280)	$ (516)	$ (837)	$ (1,633)
Loss on Disposal of Capital Assets	$ -			$ -
Total Adjustments to Excess of Revenues over Expenses	**$ 4,511**	**$ 2,793**	**$ 1,035**	**$ 8,339**
Changes in Operating Assets and Liabilities:				
Capitation Receivable	$ (47,907)	$ (64,579)	$ 25,121	$ (87,365)
Interest and Non-Operating Receivables	$ 164	$ (19)	$ (209)	$ (64)
Prepaid and Other Current Assets	$ 1,810	$ (964)	$ (971)	$ (125)
Accounts Payable and Accrued Liabilities	$ 68	$ 6,440	$ (10,195)	$ (3,687)
Subcapitation Payable	$ 36,845	$ 75,826	$ (105,110)	$ 7,561
MediCal Adult Expansion Payable	$ 37,928	$ (40)	$ (171)	$ 37,717
Deferred Capitation Revenue	$ (898)	$ (567)	$ 1,353	$ (112)
Accrued Medical Expenses	$ (2,474)	$ 2,920	$ 625	$ 1,071
Reserve for Claims	$ 12,037	$ 9,596	$ 9,601	$ 31,234
Reserve for Provider Incentives	$ (92,318)	$ (9,394)	$ (16,679)	$ (118,391)
Grants Payable	$ 380	$ 555	$ 2,087	$ 3,022
Net Changes in Operating Assets and Liabilities	**$ (54,365)**	**$ 19,774**	**$ (94,548)**	**$ (129,139)**
Net Cash Provided By Operating Activities	**$ (26,373)**	**$ 25,491**	**$ (86,378)**	**$ (87,260)**

DATE: January 25, 2022

TO: Finance & Budget Committee

FROM: Marie Montgomery, *Chief Financial Officer*

SUBJECT: Monthly Investment Portfolio Securities Transaction Report for December 2021

To keep the Committee apprised of L.A. Care's investment portfolios and to comply with California Government Code Section 53607, attached are the monthly investment transaction details from December 1 to December 31, 2021.

L.A. Care's investment market value as of December 31, 2021, was $1.7 billion. This includes our funds invested with the government pooled funds. L.A. Care has approximately $73 million invested with the statewide Local Agency Investment Fund (LAIF), and approximately $253 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of December 31, 2021, of $1.4 billion is managed by two independent asset managers, 1) Payden & Rygel and 2) New England Asset Management (NEAM) and is divided into three portfolios based on investment style,

1. Payden & Rygel - Short-term portfolio
2. Payden & Rygel - Extended term portfolio
3. New England Asset Management - Corporate notes extended term portfolio

The transactions within these three portfolios are included in the attached reports.

LA Care, as a California government entity, only makes investments in bonds/fixed income, as per the California Government Code. The entries on the Investment Securities Portfolio Transaction Report reflect transactions undertaken by financial management companies on L.A. Care's behalf. L.A. Care does not direct these individual transactions. The firms, managing investments on behalf of L.A. Care, conduct the transactions based on L.A. Care's investment guidelines.

Account Name: L.A. CARE HEALTH PLAN

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/01/21	12/01/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	(49,999,583.33)		0.00	0.00	(49,999,583.33)
12/01/21	12/01/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	(49,999,583.33)		0.00	0.00	(49,999,583.33)
12/01/21	12/01/21	Buy	20,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	(19,999,833.33)		0.00	0.00	(19,999,833.33)
12/01/21	12/01/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	(49,999,583.33)		0.00	0.00	(49,999,583.33)
12/01/21	12/02/21	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/13/22 Cpn 912796K73	(39,998,786.67)		0.00	0.00	(39,998,786.67)
12/01/21	12/02/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn 313385QP4	(49,999,513.89)		0.00	0.00	(49,999,513.89)
12/01/21	12/02/21	Buy	40,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn 313385QP4	(39,999,611.11)		0.00	0.00	(39,999,611.11)
12/01/21	12/02/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn 313385QP4	(49,999,513.89)		0.00	0.00	(49,999,513.89)
12/02/21	12/03/21	Buy	30,000,000.000	U.S. TREASURY BILL MAT 01/13/22 Cpn 912796K73	(29,999,487.50)		0.00	0.00	(29,999,487.50)
12/01/21	12/09/21	Buy	3,750,000.000	FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 0.25 3137H4RC6	(3,750,000.00)		0.00	0.00	(3,750,000.00)
12/10/21	12/13/21	Buy	28,000,000.000	FHLB DISCOUNT NOTE MAT 12/20/21 Cpn 313385QT6	(27,999,891.11)		0.00	0.00	(27,999,891.11)
12/10/21	12/13/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/20/21 Cpn 313385QT6	(49,999,805.56)		0.00	0.00	(49,999,805.56)
12/07/21	12/13/21	Buy	7,500,000.000	VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9	(7,499,376.00)		0.00	0.00	(7,499,376.00)

Account Name: L.A. CARE HEALTH PLAN

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/16/21	12/16/21	Buy	2,000,000.000	FHLB DISCOUNT NOTE MAT 12/17/21 Cpn 313385QQ2	(1,999,999.44)		0.00	0.00	(1,999,999.44)
12/16/21	12/16/21	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/17/21 Cpn 313385QQ2	(49,999,986.11)		0.00	0.00	(49,999,986.11)
12/14/21	12/16/21	Buy	7,400,000.000	ROYAL BANK OF CANADA YCD MAT 03/16/22 Cpn 0.20 78012U2N4	(7,400,000.00)		0.00	0.00	(7,400,000.00)
12/17/21	12/17/21	Buy	46,000,000.000	CASH MGMT BILL MAT 02/15/22 Cpn 912796R84	(45,998,466.67)		0.00	0.00	(45,998,466.67)
12/16/21	12/17/21	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/18/22 Cpn 912796Q77	(39,999,466.67)		0.00	0.00	(39,999,466.67)
12/16/21	12/17/21	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/18/22 Cpn 912796Q77	(49,999,333.33)		0.00	0.00	(49,999,333.33)
12/16/21	12/17/21	Buy	6,000,000.000	U.S. TREASURY BILL MAT 01/20/22 Cpn 912796K81	(5,999,915.00)		0.00	0.00	(5,999,915.00)
12/16/21	12/17/21	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/20/22 Cpn 912796K81	(49,999,291.67)		0.00	0.00	(49,999,291.67)
12/17/21	12/17/21	Buy	14,000,000.000	U.S. TREASURY BILL MAT 01/20/22 Cpn 912796K81	(13,999,801.67)		0.00	0.00	(13,999,801.67)
12/17/21	12/17/21	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/25/22 Cpn 912796Q85	(39,999,350.00)		0.00	0.00	(39,999,350.00)
12/17/21	12/17/21	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/27/22 Cpn 912796C31	(39,999,316.67)		0.00	0.00	(39,999,316.67)
12/16/21	12/17/21	Buy	27,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn 912796Q51	(26,999,912.25)		0.00	0.00	(26,999,912.25)
12/17/21	12/17/21	Buy	10,000,000.000	U.S. TREASURY BILL MAT 02/08/22 Cpn 912796R76	(9,999,521.53)		0.00	0.00	(9,999,521.53)

Account Name: L.A. CARE HEALTH PLAN

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/17/21	12/17/21	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/08/22 Cpn 912796R76	(49,997,607.64)		0.00	0.00	(49,997,607.64)
12/17/21	12/17/21	Buy	20,000,000.000	U.S. TREASURY BILL MAT 02/03/22 Cpn 912796K99	(19,999,280.00)		0.00	0.00	(19,999,280.00)
12/17/21	12/17/21	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/03/22 Cpn 912796K99	(49,998,200.00)		0.00	0.00	(49,998,200.00)
12/16/21	12/17/21	Buy	20,000,000.000	U.S. TREASURY BILL MAT 01/06/22 Cpn 912796K65	(19,999,933.33)		0.00	0.00	(19,999,933.33)
12/16/21	12/17/21	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/06/22 Cpn 912796K65	(49,999,833.33)		0.00	0.00	(49,999,833.33)
12/17/21	12/20/21	Buy	28,000,000.000	CASH MGMT BILL MAT 02/15/22 Cpn 912796R84	(27,998,670.00)		0.00	0.00	(27,998,670.00)
12/20/21	12/22/21	Buy	5,678,000.000	MBMOT 2019-BA A 144A MAT 05/15/24 Cpn 2.61 58768UAM5	(5,728,347.89)	(2,881.59)	0.00	0.00	(5,731,229.48)
12/20/21	12/22/21	Buy	2,857,374.170	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	(2,877,799.94)	(369.87)	0.00	0.00	(2,878,169.81)
12/22/21	12/27/21	Buy	6,978,000.000	HALST 2020-B A3 CAR LEASE 144A MAT 09/15/23 Cpn 0.51 44891PAC8	(6,978,545.16)	(1,186.26)	0.00	0.00	(6,979,731.42)
12/28/21	12/29/21	Buy	30,000,000.000	U.S. TREASURY BILL MAT 12/30/21 Cpn 912796A90	(29,999,977.08)		0.00	0.00	(29,999,977.08)
12/21/21	12/29/21	Buy	7,500,000.000	CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2	(7,499,297.25)		0.00	0.00	(7,499,297.25)
			1,122,663,374.170		(1,122,716,421.68)	(4,437.72)	0.00	0.00	(1,122,720,859.40)

Account Name: L.A. CARE HEALTH PLAN

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/01/21	12/01/21	Coupon		BANK OF MONTREAL YCD 1M BSB MAT 12/01/21 Cpn 06367CFR3		223.89	0.00	0.00	223.89
12/01/21	12/01/21	Coupon		CA EARTHQUAKE AUTH NOTES TX MAT 12/01/21 Cpn 0.20 13017HAL0		1,237.50	0.00	0.00	1,237.50
12/01/21	12/01/21	Coupon		CA DEPT OF WATER RESOURCES MAT 12/01/21 Cpn 0.30 13067WQY		5,232.50	0.00	0.00	5,232.50
12/01/21	12/01/21	Coupon		CT STATE GO TXB MAT 06/01/22 Cpn 4.18 20772KNT2		26,331.31	0.00	0.00	26,331.31
12/03/21	12/03/21	Coupon		BANCO SANTANDER YCD MAT 12/03/21 Cpn 0.18 05966DB84		1,932.00	0.00	0.00	1,932.00
12/03/21	12/03/21	Coupon		SWEDBANK NY YCD 3ML FRN MAT 03/03/22 Cpn 0.20 87019VT56		880.15	0.00	0.00	880.15
12/09/21	12/09/21	Coupon		CREDIT AGRICOLE YCD FRN SOFR MAT 05/09/22 Cpn 0.17 22532XQP6		283.33	0.00	0.00	283.33
12/10/21	12/10/21	Coupon		CRVNA 2021-P2 A2 CAR MAT 07/10/24 Cpn 0.30 14687TAB3		1,584.20	0.00	0.00	1,584.20
12/15/21	12/15/21	Coupon		CARMAX 2019-1 A3 CAR MAT 03/15/24 Cpn 3.05 14315NAC4		2,551.21	0.00	0.00	2,551.21
12/15/21	12/15/21	Coupon		CARMX 2019-2 A3 CAR MAT 03/15/24 Cpn 2.68 14316LAC7		3,661.75	0.00	0.00	3,661.75
12/15/21	12/15/21	Coupon		CARMAX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18 14315PAD7		9,495.83	0.00	0.00	9,495.83
12/15/21	12/15/21	Coupon		CARMX 2021-4 A2A CAR MAT 11/15/24 Cpn 0.24 14317JAB3		810.00	0.00	0.00	810.00
12/15/21	12/15/21	Coupon		CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2		2,062.50	0.00	0.00	2,062.50

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12/15/21	12/15/21	Coupon		HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7		1,010.00	0.00	0.00	1,010.00
12/15/21	12/15/21	Coupon		HONDA 2020-2 A2 CAR MAT 11/15/22 Cpn 0.74 43813DAB4		55.48	0.00	0.00	55.48
12/15/21	12/15/21	Coupon		HONDA 2021-2 A2 CAR MAT 11/15/23 Cpn 0.17 43811JAB3		850.00	0.00	0.00	850.00
12/15/21	12/15/21	Coupon		HYUNDAI 2021-A A2 CAR MAT 02/15/24 Cpn 0.23 44933LAB9		373.39	0.00	0.00	373.39
12/15/21	12/15/21	Coupon		INTER-AMERICAN DEV BANK FRN MAT 03/15/22 Cpn 0.23 45818WCM		1,107.17	0.00	0.00	1,107.17
12/15/21	12/15/21	Coupon		INTER-AMERICAN DEV BANK FRN MAT 03/15/22 Cpn 0.23 45818WCM		2,214.33	0.00	0.00	2,214.33
12/15/21	12/15/21	Coupon		JOHN DEERE 2020-B A2 EQP MAT 03/15/23 Cpn 0.41 47787NAB5		132.78	0.00	0.00	132.78
12/15/21	12/15/21	Coupon		JOHN DEERE 2020-B A2 EQP MAT 03/15/23 Cpn 0.41 47787NAB5		305.48	0.00	0.00	305.48
12/15/21	12/15/21	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		7,284.67	0.00	0.00	7,284.67
12/15/21	12/15/21	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		1,747.67	0.00	0.00	1,747.67
12/15/21	12/15/21	Coupon		MERCEDES 2020-B A2 LEASE MAT 02/15/23 Cpn 0.31 58769EAB4		523.30	0.00	0.00	523.30
12/15/21	12/15/21	Coupon		MERCEDES 2021-B A2 LEASE MAT 01/16/24 Cpn 0.22 58769KAC8		1,375.00	0.00	0.00	1,375.00
12/15/21	12/15/21	Coupon		MERCEDES 2020-1 A2 CAR MAT 03/15/23 Cpn 0.46 58769VAB6		122.39	0.00	0.00	122.39

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12/15/21	12/15/21	Coupon		ROYAL BANK OF CANADA YCD FR MAT 12/15/21 Cpn 78012UZG3		1,999.47	0.00	0.00	1,999.47
12/15/21	12/15/21	Coupon		U.S. TREASURY NOTE MAT 12/15/23 Cpn 0.13 91282CBA8		7,500.00	0.00	0.00	7,500.00
12/15/21	12/15/21	Coupon		TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5		6,008.97	0.00	0.00	6,008.97
12/15/21	12/15/21	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		3,684.99	0.00	0.00	3,684.99
12/15/21	12/15/21	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		369.51	0.00	0.00	369.51
12/15/21	12/15/21	Coupon		TOYOTA 2020-C A2 CAR MAT 02/15/23 Cpn 0.36 89237VAA7		286.22	0.00	0.00	286.22
12/15/21	12/15/21	Coupon		TOYOTA 2021-A A2 CAR MAT 07/17/23 Cpn 0.16 89240BAB4		434.00	0.00	0.00	434.00
12/15/21	12/15/21	Coupon		WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6		736.45	0.00	0.00	736.45
12/16/21	12/16/21	Coupon		CREDIT INDUST ET COMM YCD FR MAT 05/16/22 Cpn 0.17 22536UY61		708.33	0.00	0.00	708.33
12/16/21	12/16/21	Coupon		GMCAR 2021-A A2 CAR MAT 06/17/24 Cpn 0.27 380149AB0		885.99	0.00	0.00	885.99
12/16/21	12/16/21	Coupon		INTER-AMERICAN DEV BANK FRN MAT 09/16/22 Cpn 0.31 45818WCP9		1,007.26	0.00	0.00	1,007.26
12/18/21	12/18/21	Coupon		HONDA 2019-1 A3 CAR MAT 03/20/23 Cpn 2.83 43814WAC9		2,952.21	0.00	0.00	2,952.21
12/18/21	12/18/21	Coupon		HONDA 2020-3 A2 CAR MAT 02/21/23 Cpn 0.27 43813KAB8		745.00	0.00	0.00	745.00

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12/18/21	12/18/21	Coupon		HONDA 2021-3 A2 CAR MAT 02/20/24 Cpn 0.20 43815EAB0		500.00	0.00	0.00	500.00
12/20/21	12/20/21	Coupon		CREDIT AGRICOLE YCD FRN SOFR MAT 05/18/22 Cpn 0.17 22532XQR2		982.22	0.00	0.00	982.22
12/20/21	12/20/21	Coupon		GMALT 2020-2 A2A LEASE MAT 10/20/22 Cpn 0.71 36259PAB2		464.67	0.00	0.00	464.67
12/20/21	12/20/21	Coupon		GMALT 2021-2 A2 LEASE MAT 07/20/23 Cpn 0.22 380144AB1		717.55	0.00	0.00	717.55
12/20/21	12/20/21	Coupon		SRT 2021-C A2 LEASE 144A MAT 04/22/24 Cpn 0.29 80286CAB6		966.67	0.00	0.00	966.67
12/20/21	12/20/21	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		915.00	0.00	0.00	915.00
12/20/21	12/20/21	Coupon		VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9		714.58	0.00	0.00	714.58
12/20/21	12/20/21	Coupon		VOLKSWAGEN 2019-A A3 LEASE MAT 11/21/22 Cpn 1.99 92867XAD8		3,780.15	0.00	0.00	3,780.15
12/20/21	12/20/21	Coupon		VOLKSWAGEN 2019-A A3 LEASE MAT 11/21/22 Cpn 1.99 92867XAD8		1,210.34	0.00	0.00	1,210.34
12/20/21	12/20/21	Coupon		VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9		2,526.89	0.00	0.00	2,526.89
12/20/21	12/20/21	Coupon		VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9		634.30	0.00	0.00	634.30
12/20/21	12/20/21	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		7,166.11	0.00	0.00	7,166.11
12/20/21	12/20/21	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		3,511.39	0.00	0.00	3,511.39

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12/22/21	12/22/21	Coupon		DEFT 2021-2 A1 EQP 144A MAT 09/22/22 Cpn 0.18 24702VAA0		342.45	0.00	0.00	342.45
12/25/21	12/25/21	Coupon		BMW 2021-2 A2 LEASE MAT 11/27/23 Cpn 0.19 09690AAB9		870.83	0.00	0.00	870.83
12/25/21	12/25/21	Coupon		BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6		1,702.43	0.00	0.00	1,702.43
12/25/21	12/25/21	Coupon		FHMS KF36 A MAT 08/25/24 Cpn 0.43 3137FBAR7		687.45	0.00	0.00	687.45
12/25/21	12/25/21	Coupon		FHMS KI04 A 1MOFRN CMBS MAT 07/25/24 Cpn 0.45 3137FNAV2		681.64	0.00	0.00	681.64
12/25/21	12/25/21	Coupon		FHMS KI05 A MAT 07/25/24 Cpn 0.43 3137FQXG3		486.11	0.00	0.00	486.11
12/25/21	12/25/21	Coupon		FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 0.31 3137FVNA6		1,011.44	0.00	0.00	1,011.44
12/25/21	12/25/21	Coupon		FHMS KI07 A SOFRFRN MAT 09/25/26 Cpn 0.22 3137H3KA9		2,251.03	0.00	0.00	2,251.03
12/01/21	12/25/21	Coupon		FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75		12,530.94	0.00	0.00	12,530.94
12/25/21	12/25/21	Coupon		FHMS Q009 A 1MOFRN CMBS MAT 04/25/24 Cpn 0.44 3137FMTW		319.38	0.00	0.00	319.38
12/25/21	12/25/21	Coupon		FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 0.25 3137FYUR5		544.70	0.00	0.00	544.70
12/01/21	12/25/21	Coupon		FNA 2012-M2 A2 CMBS MAT 02/25/22 Cpn 2.72 3136A4TX7		312.51	0.00	0.00	312.51
12/27/21	12/27/21	Coupon		FHMS KF38 A MAT 09/25/24 Cpn 0.42 3137FBUC8		277.37	0.00	0.00	277.37

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12/27/21	12/27/21	Coupon		SUMITOMO MITSUI TR NY YCD FR MAT 03/25/22 Cpn 0.15 86564GW64		966.67	0.00	0.00	966.67
12/30/21	12/30/21	Coupon		CA ST EDU NTS PRGRM PARTICIP MAT 12/30/21 Cpn 0.25 13017YAX7		7,135.42	0.00	0.00	7,135.42
12/30/21	12/30/21	Coupon		INTL FINANCE CORP FRN SOFRRA MAT 06/30/23 Cpn 0.14 45950KCW8		3,538.89	0.00	0.00	3,538.89
						158,455.36	0.00	0.00	158,455.36
12/01/21	12/01/21	Income	333.010	STIF INT MAT Cpn USD		333.01	0.00	0.00	333.01
12/01/21	12/01/21	Income	1,370.450	ADJ NET INT MAT Cpn USD		1,370.45	0.00	0.00	1,370.45
			1,703.460			1,703.46	0.00	0.00	1,703.46
12/16/21	12/16/21	Contributn	230,000,000.000	NM MAT Cpn USD	230,000,000.00		0.00	0.00	230,000,000.00
12/17/21	12/17/21	Contributn	270,000,000.000	NM MAT Cpn USD	270,000,000.00		0.00	0.00	270,000,000.00
			500,000,000.000		500,000,000.00		0.00	0.00	500,000,000.00
12/01/21	12/01/21	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	19,999,055.56	933.33	11.11	0.00	19,999,988.89
12/01/21	12/01/21	Sell Long	15,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	14,999,291.67	700.00	8.34	0.00	14,999,991.67

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12/01/21	12/01/21	Sell Long	23,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn	9127965G0	22,999,368.13	619.09	19.80	0.00	22,999,987.22
12/01/21	12/01/21	Sell Long	12,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn	9127965G0	11,999,989.66	3.67	(3.00)	0.00	11,999,993.33
12/03/21	12/06/21	Sell Long	27,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	26,998,911.75	240.00	(152.25)	0.00	26,999,151.75
12/03/21	12/06/21	Sell Long	2,000,000.000	U.S. TREAURY BILL MAT 12/07/21 Cpn	912796P52	1,999,951.81	47.22	1.39	0.00	1,999,999.03
12/03/21	12/06/21	Sell Long	50,000,000.000	U.S. TREAURY BILL MAT 12/07/21 Cpn	912796P52	49,998,795.14	1,180.55	34.72	0.00	49,999,975.69
12/14/21	12/15/21	Sell Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn	313385QP4	29,999,725.84	270.83	17.50	0.00	29,999,996.67
12/14/21	12/15/21	Sell Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn	313385QP4	19,999,817.23	180.55	11.67	0.00	19,999,997.78
12/14/21	12/15/21	Sell Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn	313385QP4	29,999,725.83	270.83	17.49	0.00	29,999,996.66
12/22/21	12/23/21	Sell Long	1,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	999,974.33	24.00	9.00	0.00	999,998.33
12/22/21	12/23/21	Sell Long	4,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	3,999,871.95	121.39	56.67	0.00	3,999,993.34
12/22/21	12/23/21	Sell Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 12/29/21 Cpn	313385RC2	19,999,484.45	415.55	13.33	0.00	19,999,900.00
12/22/21	12/23/21	Sell Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 12/29/21 Cpn	313385RC2	29,999,226.67	623.33	20.00	0.00	29,999,850.00
12/22/21	12/23/21	Sell Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 12/29/21 Cpn	313385RC2	19,999,484.44	415.56	13.33	0.00	19,999,900.00

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12/23/21	12/27/21	Sell Long	38,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	37,998,477.36	1,353.75	232.22	0.00	37,999,831.11
12/23/21	12/27/21	Sell Long	7,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	6,999,956.25	12.64	(21.00)	0.00	6,999,968.89
12/27/21	12/28/21	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 01/04/22 Cpn	912796Q51	19,999,921.39	39.72	(13.61)	0.00	19,999,961.11
12/27/21	12/28/21	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 01/11/22 Cpn	912796Q69	9,999,739.44	202.22	42.77	0.00	9,999,941.66
12/27/21	12/28/21	Sell Long	1,000,000.000	U.S. TREASURY BILL MAT 01/11/22 Cpn	912796Q69	999,973.95	20.22	4.28	0.00	999,994.17
12/27/21	12/28/21	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 01/06/22 Cpn	912796K65	19,999,928.33	36.67	(5.00)	0.00	19,999,965.00
12/27/21	12/28/21	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 01/06/22 Cpn	912796K65	49,999,820.84	91.67	(12.49)	0.00	49,999,912.50
12/29/21	12/30/21	Sell Long	24,000,000.000	U.S. TREASURY BILL MAT 01/11/22 Cpn	912796Q69	23,999,508.00	520.00	236.00	0.00	24,000,028.00
			474,000,000.000			473,990,000.02	8,322.78	542.29	0.00	473,998,322.80
12/10/21	12/10/21	Pay Princpl	673,782.825	CRVNA 2021-P2 A2 CAR MAT 07/10/24 Cpn 0.30	14687TAB3	673,782.83		99.86	0.00	673,782.83
12/15/21	12/15/21	Pay Princpl	123,244.678	CARMAX 2019-1 A3 CAR MAT 03/15/24 Cpn 3.05	14315NAC4	123,244.68		(1,236.34)	0.00	123,244.68
12/15/21	12/15/21	Pay Princpl	162,988.055	CARMX 2019-2 A3 CAR MAT 03/15/24 Cpn 2.68	14316LAC7	162,988.06		(1,836.45)	0.00	162,988.06
12/15/21	12/15/21	Pay Princpl	396,767.747	CARMAX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18	14315PAD7	396,767.75		(4,488.25)	0.00	396,767.75

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12/15/21	12/15/21	Pay Princpl	89,961.396	HONDA 2020-2 A2 CAR MAT 11/15/22 Cpn 0.74 43813DAB4	89,961.40		0.00	(33.38)	89,961.40
12/15/21	12/15/21	Pay Princpl	564,365.071	HONDA 2021-2 A2 CAR MAT 11/15/23 Cpn 0.17 43811JAB3	564,365.07		3.56	0.00	564,365.07
12/15/21	12/15/21	Pay Princpl	176,044.373	HYUNDAI 2021-A A2 CAR MAT 02/15/24 Cpn 0.23 44933LAB9	176,044.37		11.39	0.00	176,044.37
12/15/21	12/15/21	Pay Princpl	173,761.821	JOHN DEERE 2020-B A2 EQP MAT 03/15/23 Cpn 0.41 47787NAB5	173,761.82		0.00	2.22	173,761.82
12/15/21	12/15/21	Pay Princpl	399,758.792	JOHN DEERE 2020-B A2 EQP MAT 03/15/23 Cpn 0.41 47787NAB5	399,758.79		0.00	(87.80)	399,758.79
12/15/21	12/15/21	Pay Princpl	28,466.200	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	28,466.20		(457.60)	0.00	28,466.20
12/15/21	12/15/21	Pay Princpl	6,829.335	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	6,829.34		(101.58)	0.00	6,829.34
12/15/21	12/15/21	Pay Princpl	548,590.756	MERCEDES 2020-B A2 LEASE MAT 02/15/23 Cpn 0.31 58769EAB4	548,590.76		0.00	12.60	548,590.76
12/15/21	12/15/21	Pay Princpl	292,882.137	MERCEDES 2020-1 A2 CAR MAT 03/15/23 Cpn 0.46 58769VAB6	292,882.14		0.00	0.89	292,882.14
12/15/21	12/15/21	Pay Princpl	311,142.856	TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5	311,142.86		0.00	(2,931.29)	311,142.86
12/15/21	12/15/21	Pay Princpl	256,645.631	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	256,645.63		0.00	(0.00)	256,645.63
12/15/21	12/15/21	Pay Princpl	25,734.749	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	25,734.75		0.00	0.00	25,734.75
12/15/21	12/15/21	Pay Princpl	517,867.093	TOYOTA 2020-C A2 CAR MAT 02/15/23 Cpn 0.36 89237VAA7	517,867.09		0.00	3.41	517,867.09

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/15/21	12/15/21	Pay Princpl	480,221.503	TOYOTA 2021-A A2 CAR MAT 07/17/23 Cpn 0.16 89240BAB4	480,221.50		(21.29)	0.00	480,221.50
12/15/21	12/15/21	Pay Princpl	418,819.118	WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6	418,819.12		9.59	0.00	418,819.12
12/16/21	12/16/21	Pay Princpl	373,470.128	GMCAR 2021-A A2 CAR MAT 06/17/24 Cpn 0.27 380149AB0	373,470.13		13.29	0.00	373,470.13
12/18/21	12/18/21	Pay Princpl	197,735.072	HONDA 2019-1 A3 CAR MAT 03/20/23 Cpn 2.83 43814WAC9	197,735.07		0.00	(1,353.84)	197,735.07
12/18/21	12/18/21	Pay Princpl	760,339.109	HONDA 2020-3 A2 CAR MAT 02/21/23 Cpn 0.27 43813KAB8	760,339.11		0.00	15.08	760,339.11
12/20/21	12/20/21	Pay Princpl	685,707.299	GMALT 2020-2 A2A LEASE MAT 10/20/22 Cpn 0.71 36259PAB2	685,707.30		(657.11)	0.00	685,707.30
12/20/21	12/20/21	Pay Princpl	338,070.944	GMALT 2021-2 A2 LEASE MAT 07/20/23 Cpn 0.22 380144AB1	338,070.94		4.43	0.00	338,070.94
12/20/21	12/20/21	Pay Princpl	659,255.381	VOLKSWAGEN 2019-A A3 LEASE MAT 11/21/22 Cpn 1.99 92867XAD8	659,255.38		(2,006.77)	0.00	659,255.38
12/20/21	12/20/21	Pay Princpl	211,082.686	VOLKSWAGEN 2019-A A3 LEASE MAT 11/21/22 Cpn 1.99 92867XAD8	211,082.69		(626.29)	0.00	211,082.69
12/20/21	12/20/21	Pay Princpl	174,823.021	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	174,823.02		(1,414.97)	0.00	174,823.02
12/20/21	12/20/21	Pay Princpl	43,884.146	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	43,884.15		(339.36)	0.00	43,884.15
12/20/21	12/20/21	Pay Princpl	515,699.014	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	515,699.01		(4,978.62)	0.00	515,699.01
12/20/21	12/20/21	Pay Princpl	252,692.517	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	252,692.52		(2,358.75)	0.00	252,692.52

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/22/21	12/22/21	Pay Princpl	455,682.147	DEFT 2021-2 A1 EQP 144A MAT 09/22/22 Cpn 0.18 24702VAA0	455,682.15		0.00	0.00	455,682.15
12/25/21	12/25/21	Pay Princpl	111,861.105	BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6	111,861.11		0.00	(916.88)	111,861.11
12/25/21	12/25/21	Pay Princpl	1,869.593	FHMS KF36 A MAT 08/25/24 Cpn 0.43 3137FBAR7	1,869.59		0.00	0.87	1,869.59
12/25/21	12/25/21	Pay Princpl	235,596.346	FHMS KF38 A MAT 09/25/24 Cpn 0.42 3137FBUC8	235,596.35		0.00	178.30	235,596.35
12/25/21	12/25/21	Pay Princpl	182,204.073	FHMS KI04 A 1MOFRN CMBS MAT 07/25/24 Cpn 0.45 3137FNAV2	182,204.07		0.00	(0.00)	182,204.07
12/01/21	12/25/21	Pay Princpl	20,608.714	FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75	20,608.71		0.00	(322.82)	20,608.71
12/25/21	12/25/21	Pay Princpl	518,650.443	FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 0.25 3137FYUR5	518,650.44		(0.00)	0.00	518,650.44
12/01/21	12/25/21	Pay Princpl	132,756.400	FNA 2012-M2 A2 CMBS MAT 02/25/22 Cpn 2.72 3136A4TX7	132,756.40		0.00	(372.38)	132,756.40
			11,519,862.273		11,519,862.30		(20,381.24)	(5,805.02)	11,519,862.30
12/01/21	12/01/21	Mature Long	1,500,000.000	BANK OF MONTREAL YCD 1M BSB MAT 12/01/21 Cpn 06367CFR3	1,500,000.00		0.00	0.00	1,500,000.00
12/01/21	12/01/21	Mature Long	6,750,000.000	CA EARTHQUAKE AUTH NOTES TX MAT 12/01/21 Cpn 0.20 13017HAL0	6,750,000.00		0.00	0.00	6,750,000.00
12/01/21	12/01/21	Mature Long	3,500,000.000	CA DEPT OF WATER RESOURCES MAT 12/01/21 Cpn 0.30 13067WQY	3,500,000.00		0.00	0.00	3,500,000.00
12/02/21	12/02/21	Mature Long	8,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	7,999,995.11	4.89	(0.00)	0.00	8,000,000.00

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/02/21	12/02/21	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	49,999,969.44	30.56	0.00	0.00	50,000,000.00
12/02/21	12/02/21	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	49,999,969.44	30.56	0.00	0.00	50,000,000.00
12/02/21	12/02/21	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	49,999,969.44	30.56	0.00	0.00	50,000,000.00
12/02/21	12/02/21	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 12/02/21 Cpn 9127965G0	49,999,969.44	30.56	0.00	0.00	50,000,000.00
12/03/21	12/03/21	Mature Long	2,100,000.000	BANCO SANTANDER YCD MAT 12/03/21 Cpn 0.18 05966DB84	2,100,000.00		0.00	0.00	2,100,000.00
12/13/21	12/13/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	49,999,583.33	416.67	0.00	0.00	50,000,000.00
12/13/21	12/13/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	49,999,583.33	416.67	0.00	0.00	50,000,000.00
12/13/21	12/13/21	Mature Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	19,999,833.33	166.67	0.00	0.00	20,000,000.00
12/13/21	12/13/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/13/21 Cpn 313385QL3	49,999,583.33	416.67	0.00	0.00	50,000,000.00
12/15/21	12/15/21	Mature Long	3,500,000.000	ROYAL BANK OF CANADA YCD FR MAT 12/15/21 Cpn 78012UZG3	3,500,000.00		0.00	0.00	3,500,000.00
12/16/21	12/16/21	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn 313385QP4	9,999,902.78	97.22	0.00	0.00	10,000,000.00
12/16/21	12/16/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/16/21 Cpn 313385QP4	49,999,513.89	486.11	0.00	0.00	50,000,000.00
12/17/21	12/17/21	Mature Long	2,000,000.000	FHLB DISCOUNT NOTE MAT 12/17/21 Cpn 313385QQ2	1,999,999.44	0.56	0.00	0.00	2,000,000.00

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/17/21	12/17/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/17/21 Cpn 313385QQ2	49,999,986.11	13.89	0.00	0.00	50,000,000.00
12/20/21	12/20/21	Mature Long	28,000,000.000	FHLB DISCOUNT NOTE MAT 12/20/21 Cpn 313385QT6	27,999,891.11	108.89	0.00	0.00	28,000,000.00
12/20/21	12/20/21	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 12/20/21 Cpn 313385QT6	49,999,805.56	194.44	0.00	0.00	50,000,000.00
12/29/21	12/29/21	Mature Long	40,000,000.000	TVA DISCOUNT NOTE MAT 12/29/21 Cpn 880590RC0	39,998,711.11	1,288.89	0.00	0.00	40,000,000.00
12/30/21	12/30/21	Mature Long	30,000,000.000	U.S. TREASURY BILL MAT 12/30/21 Cpn 912796A90	29,999,977.08	22.92	0.00	0.00	30,000,000.00
12/30/21	12/30/21	Mature Long	3,750,000.000	CA ST EDU NTS PRGRM PARTICIP MAT 12/30/21 Cpn 0.25 13017YAX7	3,750,000.00		0.00	0.00	3,750,000.00
			659,100,000.000		659,096,243.27	3,756.73	0.00	0.00	659,100,000.00
12/01/21	12/01/21	Withdrawal	(3,333.330)	CUSTODY FEE MAT Cpn USD	(3,333.33)		(3,333.33)	0.00	(3,333.33)
12/06/21	12/06/21	Withdrawal	(80,000,000.000)	WD MAT Cpn USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
12/13/21	12/13/21	Withdrawal	(80,000,000.000)	WD MAT Cpn USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
12/15/21	12/15/21	Withdrawal	(50,000,000.000)	WD MAT Cpn USD	(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
12/20/21	12/20/21	Withdrawal	(50,000,000.000)	WD MAT Cpn USD	(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
12/22/21	12/22/21	Withdrawal	(80,000,000.000)	WD MAT Cpn USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)

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Tr Date	*St Date*	*Transaction Type*	*Units*	*Description*			*Proceeds / (Cost)*	*Accrued Interest (Purch) or Sold*	*G/L < 1 Yr Amort Cost*	*G/L > 1 Yr Amort Cost*	*Total Amount*
12/23/21	12/23/21	Withdrawal	(90,000,000.000)	WD MAT	Cpn	USD	(90,000,000.00)		(90,000,000.00)	0.00	(90,000,000.00)
12/27/21	12/27/21	Withdrawal	(70,000,000.000)	WD MAT	Cpn	USD	(70,000,000.00)		(70,000,000.00)	0.00	(70,000,000.00)
12/28/21	12/28/21	Withdrawal	(100,000,000.000)	WD MAT	Cpn	USD	(100,000,000.00)		(100,000,000.00)	0.00	(100,000,000.00)
12/30/21	12/30/21	Withdrawal	(60,000,000.000)	WD MAT	Cpn	USD	(60,000,000.00)		(60,000,000.00)	0.00	(60,000,000.00)
			(660,003,333.330)				(660,003,333.33)		(660,003,333.33)	0.00	(660,003,333.33)

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/30/21	12/31/21	Buy	465,000.000	U.S. TREASURY NOTE MAT 12/31/26 Cpn 1.25 91282CDQ1	(464,691.21)		0.00	0.00	(464,691.21)
12/01/21	12/01/21	Coupon		CA BEVERLY HILLS PFA LEASE RE MAT 06/01/25 Cpn 0.83 088006JZ5		2,780.50	0.00	0.00	2,780.50
12/01/21	12/01/21	Coupon		CA HEALTH FACS-NO PLACE LIKE MAT 06/01/24 Cpn 2.02 13032UVB1		3,838.00	0.00	0.00	3,838.00
12/01/21	12/01/21	Coupon		CA LOS ANGELESX CNTY PUB WO MAT 12/01/23 Cpn 3.59 54473ERV8		7,622.38	0.00	0.00	7,622.38
12/01/21	12/01/21	Coupon		MN ST GEN FUND REVS-TXBL MAT 06/01/22 Cpn 3.50 604146DQ0		5,600.00	0.00	0.00	5,600.00
12/01/21	12/01/21	Coupon		CA CITY OF RIVERSIDE POB TXB MAT 06/01/24 Cpn 2.11 769036BL7		3,371.20	0.00	0.00	3,371.20
12/01/21	12/01/21	Coupon		CA SACRAMENTO CNTY SANTN DI MAT 12/01/24 Cpn 0.87 786134WF9		1,351.60	0.00	0.00	1,351.60
12/15/21	12/15/21	Coupon		CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2		787.72	0.00	0.00	787.72
12/15/21	12/15/21	Coupon		CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8		411.67	0.00	0.00	411.67
12/15/21	12/15/21	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		435.42	0.00	0.00	435.42
12/15/21	12/15/21	Coupon		CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5		573.24	0.00	0.00	573.24
12/15/21	12/15/21	Coupon		FIFTH THIRD 2019-1 A3 CAR MAT 12/15/23 Cpn 2.64 31680YAD9		235.61	0.00	0.00	235.61
12/15/21	12/15/21	Coupon		FORDL 2021-B A3 LEASE MAT 10/15/24 Cpn 0.37 345329AC0		277.50	0.00	0.00	277.50

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/15/21	12/15/21	Coupon		HONDA 2019-3 A3 CAR MAT 08/15/23 Cpn 1.78 43815NAC8		364.71	0.00	0.00	364.71
12/15/21	12/15/21	Coupon		JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7		614.38	0.00	0.00	614.38
12/15/21	12/15/21	Coupon		JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6		165.00	0.00	0.00	165.00
12/15/21	12/15/21	Coupon		KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2		443.33	0.00	0.00	443.33
12/15/21	12/15/21	Coupon		MERCEDES 2020-A A3 CAR LEASE MAT 12/15/22 Cpn 1.84 58770FAC6		196.04	0.00	0.00	196.04
12/15/21	12/15/21	Coupon		MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6		200.00	0.00	0.00	200.00
12/15/21	12/15/21	Coupon		TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5		448.67	0.00	0.00	448.67
12/15/21	12/15/21	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		352.71	0.00	0.00	352.71
12/15/21	12/15/21	Coupon		WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9		245.00	0.00	0.00	245.00
12/16/21	12/16/21	Coupon		GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8		93.50	0.00	0.00	93.50
12/20/21	12/20/21	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		256.25	0.00	0.00	256.25
12/20/21	12/20/21	Coupon		SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4		208.33	0.00	0.00	208.33
12/20/21	12/20/21	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		120.00	0.00	0.00	120.00

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/20/21	12/20/21	Coupon		VOLKSWAGEN 2019-A A4 LEASE MAT 08/20/24 Cpn 2.02 92867XAE6		538.67	0.00	0.00	538.67
12/20/21	12/20/21	Coupon		VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9		372.08	0.00	0.00	372.08
12/25/21	12/25/21	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		92.50	0.00	0.00	92.50
12/25/21	12/25/21	Coupon		BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6		405.34	0.00	0.00	405.34
12/01/21	12/25/21	Coupon		FHMS K020 A2 CMBS MAT 05/25/22 Cpn 2.37 3137ATRW		582.00	0.00	0.00	582.00
12/01/21	12/25/21	Coupon		FHMS K020 A2 CMBS MAT 05/25/22 Cpn 2.37 3137ATRW		713.42	0.00	0.00	713.42
12/01/21	12/25/21	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		659.04	0.00	0.00	659.04
12/01/21	12/25/21	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		1,043.48	0.00	0.00	1,043.48
12/01/21	12/25/21	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		494.28	0.00	0.00	494.28
12/01/21	12/25/21	Coupon		FHMS K031 A2 MAT 04/25/23 Cpn 3.30 3137B3NX2		2,200.00	0.00	0.00	2,200.00
12/01/21	12/25/21	Coupon		FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8		2,091.00	0.00	0.00	2,091.00
12/01/21	12/25/21	Coupon		FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6		1,412.40	0.00	0.00	1,412.40
12/01/21	12/25/21	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/01/21	12/25/21	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88
12/25/21	12/25/21	Coupon		FHMS KI05 A MAT 07/25/24 Cpn 0.43 3137FQXG3		32.96	0.00	0.00	32.96
12/01/21	12/25/21	Coupon		FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77 3137FREB3		464.74	0.00	0.00	464.74
12/01/21	12/25/21	Coupon		FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53 3137FUZN7		147.55	0.00	0.00	147.55
12/01/21	12/25/21	Coupon		FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75		634.90	0.00	0.00	634.90
12/01/21	12/25/21	Coupon		FHMS KSMC A2 CMBS MAT 01/25/23 Cpn 2.62 3137B04Y7		1,939.46	0.00	0.00	1,939.46
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 12/31/22 Cpn 0.13 91282CBD2		143.75	0.00	0.00	143.75
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 12/31/22 Cpn 0.13 91282CBD2		531.25	0.00	0.00	531.25
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 12/31/25 Cpn 0.38 91282CBC4		3,845.63	0.00	0.00	3,845.63
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 06/30/26 Cpn 0.88 91282CCJ8		2,056.25	0.00	0.00	2,056.25
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 06/30/24 Cpn 1.75 9128286Z8		7,743.75	0.00	0.00	7,743.75

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
Fixed Income - cont.									
12/31/21	12/31/21	Coupon		U.S. TREASURY NOTE MAT 12/31/23 Cpn 2.63 9128285U0		7,809.38	0.00	0.00	7,809.38
						70,459.67	0.00	0.00	70,459.67
12/15/21	12/15/21	Pay Princpl	30,879.261	CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2	30,879.26		(502.53)	0.00	30,879.26
12/15/21	12/15/21	Pay Princpl	28,927.164	CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5	28,927.16		0.00	3.15	28,927.16
12/15/21	12/15/21	Pay Princpl	14,574.827	FIFTH THIRD 2019-1 A3 CAR MAT 12/15/23 Cpn 2.64 31680YAD9	14,574.83		0.00	0.78	14,574.83
12/15/21	12/15/21	Pay Princpl	25,677.172	HONDA 2019-3 A3 CAR MAT 08/15/23 Cpn 1.78 43815NAC8	25,677.17		0.00	0.05	25,677.17
12/15/21	12/15/21	Pay Princpl	43,796.093	JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7	43,796.09		0.00	1.39	43,796.09
12/15/21	12/15/21	Pay Princpl	25,255.158	MERCEDES 2020-A A3 CAR LEASE MAT 12/15/22 Cpn 1.84 58770FAC6	25,255.16		0.00	0.79	25,255.16
12/15/21	12/15/21	Pay Princpl	23,232.000	TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5	23,232.00		0.00	0.89	23,232.00
12/15/21	12/15/21	Pay Princpl	24,564.988	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	24,564.99		0.00	0.00	24,564.99
12/25/21	12/25/21	Pay Princpl	26,633.596	BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6	26,633.60		0.00	1.08	26,633.60
12/01/21	12/25/21	Pay Princpl	6,293.286	FHMS K020 A2 CMBS MAT 05/25/22 Cpn 2.37 3137ATRW	6,293.29		0.00	(5.89)	6,293.29

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

12/01/2021 through 12/31/2021

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
12/01/21	12/25/21	Pay Princpl	7,714.351	FHMS K020 A2 CMBS MAT 05/25/22 Cpn 2.37	3137ATRW	7,714.35		0.00	(45.66)	7,714.35
12/01/21	12/25/21	Pay Princpl	4,977.251	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32	3137B36J2	4,977.25		0.00	(81.48)	4,977.25
12/01/21	12/25/21	Pay Princpl	7,880.647	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32	3137B36J2	7,880.65		0.00	(128.79)	7,880.65
12/01/21	12/25/21	Pay Princpl	3,732.938	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32	3137B36J2	3,732.94		0.00	(53.16)	3,732.94
12/01/21	12/25/21	Pay Princpl	1,320.454	FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77	3137FREB3	1,320.45		0.00	(0.00)	1,320.45
12/01/21	12/25/21	Pay Princpl	15,849.990	FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53	3137FUZN7	15,849.99		0.00	0.21	15,849.99
12/01/21	12/25/21	Pay Princpl	1,044.175	FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52	3137B1U75	1,044.17		0.00	(4.54)	1,044.17
			292,353.350			292,353.35		(502.53)	(311.19)	292,353.35

LA CARE

Cash Activity by Transaction Type GAAP Basis

Accounting Period From 12/01/2021 To 12/31/2021

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/ Withdrawals	Total Amount
BUY										
12/03/21	12/03/21	12/03/21	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	5,817,201.32	0.00	(5,817,201.32)	0.00	(5,817,201.32)
12/06/21	12/02/21	12/06/21	BKAMER19	037833BY5	APPLE INC	1,500,000.00	(13,947.92)	(1,606,275.00)	0.00	(1,620,222.92)
12/22/21	12/15/21	12/22/21	BKAMER19	90320WAF0	UPMC	1,000,000.00	(3,355.58)	(1,002,460.00)	0.00	(1,005,815.58)
TOTAL BUY						8,317,201.32	(17,303.50)	(8,425,936.32)	0.00	(8,443,239.82)
CALL										
12/01/21	12/01/21	12/01/21	BKAMER19	20030NDJ7	COMCAST CORP	5,000,000.00	26,694.44	5,288,108.70	0.00	5,314,803.14
12/03/21	12/01/21	12/03/21	BKAMER19	20030NBJ9	COMCAST CORP	1,000,000.00	9,200.00	1,063,212.87	0.00	1,072,412.87
TOTAL CALL						6,000,000.00	35,894.44	6,351,321.57	0.00	6,387,216.01
DIVIDEND										
12/01/21	12/01/21	12/01/21	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	1,656,963.77	4.81	0.00	0.00	4.81
TOTAL DIVIDEND						1,656,963.77	4.81	0.00	0.00	4.81
INTEREST										
12/01/21	12/01/21	12/01/21	BKAMER19	010392FK9	ALABAMA POWER CO	0.00	79,875.00	0.00	0.00	79,875.00
12/01/21	12/01/21	12/01/21	BKAMER19	438516CB0	HONEYWELL INTERNATIONAL	0.00	33,750.00	0.00	0.00	33,750.00
12/05/21	12/05/21	12/05/21	BKAMER19	46647PAY2	JPMORGAN CHASE & CO	0.00	80,460.00	0.00	0.00	80,460.00
12/06/21	12/06/21	12/06/21	BKAMER19	07330NAT2	TRUIST BANK	0.00	51,062.50	0.00	0.00	51,062.50
12/12/21	12/12/21	12/12/21	BKAMER19	24422ESP5	JOHN DEERE CAPITAL CORP	0.00	33,500.00	0.00	0.00	33,500.00
12/15/21	12/15/21	12/15/21	BKAMER19	91324PDJ8	UNITEDHEALTH GROUP INC	0.00	78,750.00	0.00	0.00	78,750.00
12/15/21	12/15/21	12/15/21	BKAMER19	976656CL0	WISCONSIN ELECTRIC POWER	0.00	15,375.00	0.00	0.00	15,375.00
12/27/21	12/27/21	12/27/21	BKAMER19	02665WCZ2	AMERICAN HONDA FINANCE	0.00	27,000.00	0.00	0.00	27,000.00
TOTAL INTEREST						0.00	399,772.50	0.00	0.00	399,772.50
SELL										
12/03/21	12/03/21	12/03/21	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	1,656,963.77	0.00	1,656,963.77	0.00	1,656,963.77
TOTAL SELL						1,656,963.77	0.00	1,656,963.77	0.00	1,656,963.77
WITHDRAW										

NEAM New England Asset Management

LA CARE

Cash Activity by Transaction Type GAAP Basis

Accounting Period From 12/01/2021 To 12/31/2021

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/ Withdrawals	Total Amount
12/07/21	12/07/21	12/07/21	BKAMER19	CASHCASH6	C-04 BANK FEES	0.00	0.00	0.00	(717.27)	(717.27)
TOTAL WITHDRAW						0.00	0.00	0.00	(717.27)	(717.27)
GRAND TOTAL						17,631,128.86	418,368.25	(417,650.98)	(717.27)	0.00

Avg Date 4

NEAM New England Asset Management

January 25, 2022

TO: Finance & Budget Committee

FROM: Marie Montgomery, *Chief Financial Officer*

SUBJECT: Accounting & Financial Services Policies AFS-004 (Non-Travel Expenses), AFS-027 (Travel Related Expenses), AFS-006 (Authorization and Approval Limits) and AFS-007 (Procurement Policy) Reports for the 1st Quarter of FY 2021-22

The below Accounting & Financial Services (AFS) policies are required to be reported to the Finance & Budget Committee:

1. Policies AFS-004 (Non-Travel Expenses) and AFS-027 (Travel Related Expenses) require reports on all expenditures for business related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees.

2. Policy AFS-006 (Authorization and Approval Limits) requires reports for executed vendor contracts for all expenditures.

3. Policy AFS-007 (Procurement Policy) requires reports for all sole source purchases over $250,000.

Attached are the reports for the 1st Quarter of FY 2021-22.

AFS-004 Non-Travel Expense Report Q1 FY 21-22

Division	October - December 2021	Description
Executive Services	$ 237	Expenses are related to refreshments for committee meetings.
Health Services	$ 170	Expenses are related to refreshments for Transform LA practices.
Total Non-Travel Expenses	**$ 407**	

AFS-027 Travel Expense Report Q1 FY 21-22

Division	October - December 2021	Description
Chief Product Officer	$ 15	Expenses are related to L.A. Care staff mileage reimbursement.
Clinical Operations	$ 202	Expenses are related to L.A. Care staff mileage reimbursement.
Executive Services	$ 3,835	Expenses are related to attendance of CAHP conference.
Finance Services	$ 858	Expenses are related to SOA FAC Conference
Grants	$ 452	Expenses are related to L.A. Care staff mileage reimbursement.
Health Services	$ 4,789	Expenses are related to attendance of Rise HEDIS conference, and staff expense and mileage reimbursement for flu clinics.
Human Resources	$ 91	Expenses are related to L.A. Care staff mileage reimbursement.
Information Technology	$ 3,761	Expenses attributable to upgrade of servers at business recovery (DR) site in Arizona and other expenses are related to approved LA Care staff transportation for site visits.
Legal Services	$ 1,587	Expenses are related to attendance of CAHP conference.
Operations	$ 3,896	Expenses related to approved L.A. Care staff education and travel, and staff transportation for CRC visits.
Strategic Services	$ 1,352	Primarily attributable to support fees for CRC workshops and events including Flu Vaccine Clinics. Expenses are also related to approved L.A. Care staff transportation for site visits and meetings.
Total Travel Expenses	**$ 20,839**	

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L.A. Care Health Plan
AFS-006 Authorization and Approval Limits Quarterly Report
October 2021 - December 2021

New Vendor POs and Contracts

Vendor Name	PO and Contract Total
Infosys Limited	$8,265,457.00
Ntooitive Digital LLC	$7,346,802.00
I Color Printing & Mailing Inc	$5,020,497.56
Q-PERIOR Inc.	$3,392,650.00
Sierra Pacific Constructors, Inc.	$2,823,931.00
salesforce.com, inc.	$1,842,117.21
North Star Alliances, LLC	$1,600,000.00
UCLA Foundation, The	$1,556,902.00
Charles R. Drew University of Medicine and Science	$1,556,902.00
Center for the Study of Services	$1,339,888.92
Cotiviti Inc.	$1,181,181.28
Micro-Dyn Medical Systems, Inc.	$696,740.00
Daponde Simpson Rowe PC	$650,000.00
NICE Systems Inc	$646,039.59
Arent Fox LLP	$600,000.00
Instant InfoSystems	$595,012.75
Health Management Associates Inc.	$572,990.00
Accenture LLP	$512,848.00
HALO BRANDED SOLUTIONS, INC.	$502,637.91
Deloitte & Touche LLP	$437,800.00
SHI International Corp	$422,393.82
Lista Design Studio, Inc.	$400,000.00
Quest Analytics LLC	$339,124.00
SKKN, INC.	$335,972.64
Change Healthcare Resources Holdings Inc.	$275,000.00
Optum360 LLC	$267,142.56
Healthy Cooking LLC	$259,400.00
Crowell & Moring LLP	$250,000.00
Chinatown Service Center	$250,000.00
Isaacs | Friedberg LLP	$200,000.00
Meyers, Nave, Riback, Silver & Wilson	$200,000.00
Lewis Brisbois Bisgaard & Smith LLP	$200,000.00
Gartner Inc.	$181,200.00
Informatica LLC	$173,893.60
Critical Care Training Center	$173,600.00
BrandFuse, inc.	$166,838.00
Robin Powered, Inc.	$155,100.00
Therma Holdings, LLC	$154,615.00
Tony Lopez International	$150,404.00
Health Data Decisions	$150,000.00
Panhealth Inc.	$150,000.00
Nexry LLC	$146,439.72
Citrix Systems, Inc.	$140,535.00
Earth Print, Inc.	$131,311.93
Janani Umakanthan	$125,000.00
Universal Community Health Center	$125,000.00
Bartz Altadonna Community Health Center	$125,000.00
Pomona Community Health Center	$125,000.00
T.H.E. Clinic, Inc.	$125,000.00
St. John's Well Child & Family Center	$125,000.00
Janesri De Silva M.D. A Professional Corp	$125,000.00
Central Neighborhood Health Foundation	$125,000.00
Venice Family Clinic	$125,000.00
Southeast Asian Community Alliance	$125,000.00
Social and Environmental Entrepreneurs (SEE), Inc.	$125,000.00
Los Angeles Alliance for a New Economy	$125,000.00
Inquilinos Unidos, Inc	$125,000.00
Martin Luther King, Jr. Community Health Foundation	$125,000.00
STEM to the Future	$125,000.00
The Community Action League	$125,000.00
Inclusive Action for the City	$125,000.00
Homies Unidos, Inc	$125,000.00
A Step to Freedom	$125,000.00
RightStar, Inc.	$122,808.15
Safety Net Connect Inc.	$116,000.00
UL VERIFICATION SERVICES INC	$112,366.45
Optiv Security, Inc.	$104,023.48
Nielsen Merksamer Parrinello Gross & Leoni, LLP	$102,526.00
Broniec Associates Inc	$100,000.00
Best Best & Krieger LLP	$100,000.00
Albert Lu	$100,000.00
Seyfarth Shaw LLP	$100,000.00
Procopio, Cory, Hargreaves, & Savitch, LLP	$100,000.00
Vermont V.O. Pharmacy, Inc	$96,000.00
Bellwood Medical Center Pharmacy Corp.	$96,000.00
Pacific Oak Compounding Pharmacy, Inc.	$96,000.00
NRM Holdings, LTD.	$96,000.00
Aspire RX Inc.	$96,000.00
Clinicare Pharmacy, Inc	$96,000.00
The Baiden Group Inc.	$96,000.00
GDC Enterprises Inc	$96,000.00

New Vendor POs and Contracts

Vendor Name	PO and Contract Total
E. K. Pharmacy Solutions, Inc	$96,000.00
JSK Family Pharmacies, Inc.	$96,000.00
Herald Christian Health Center	$95,000.00
NTT America Solutions, Inc.	$92,199.00
World 50, Inc.	$90,000.00
Qualtrics, LLC	$87,120.00
All For Health, Health For All	$85,000.00
MG Dance Foundation	$76,080.00
Allegis Group Holdings, Inc. (Parent Company of Major, Linds	$75,000.00
Invent Health Inc.	$75,000.00
Koreatown Youth and Community Center, Inc.	$75,000.00
SmartBear Software, Inc.	$74,987.94
Aurora Systems Consulting, Inc	$72,167.50
CenturyLink Communications, LLC	$71,534.16
Absolute Ops LLC	$68,400.00
God's Pantry	$67,100.00
Hanaa N Hanna MD	$62,500.00
Interpreting Services International, LLC	$60,000.00
OnSolve Intermediate Holding Company, Inc.	$53,779.50
JeffersonLarsonSmith, LLC	$52,250.00
Robert M. Taylor, Jr.	$49,920.00
Health Literacy Innovations, LLC	$48,297.00
LPS Holdco LLC	$46,000.00
Jennifer Kent Consulting, Inc.	$45,000.00
Antelope Valley Partners for Health	$44,804.00
Virginia Medina	$41,600.00
LA Net Community Health Research and Resource Network	$40,000.00
Patient & Family Centered Care Partners, Inc.	$38,000.00
Chinatown Service Center	$32,500.00
Esperanza Community Housing Corporation	$31,200.00
Emin Adjemian	$30,000.00
ABF Data Systems, Inc	$27,955.00
Rebecca E. Lynch	$26,000.00
IPROS Insurance Professionals Agency Inc	$25,000.00
JAR Insurance Services LLC	$25,000.00
RStudio, Inc.	$24,995.00
ATTAC Consulting Group, LLC	$22,000.00
Prevalent, Inc.	$21,599.10
Costas Healthcare Solutions, LLC	$20,700.00
Marissa Ramirez	$20,000.00
Dalia Rosa Cadena	$19,200.00
Siteimprove, Inc.	$19,200.00
Healthx, Inc.	$19,200.00
Fierce Software Corporation	$17,784.00
Brent Powell	$16,400.00
Office Depot, Inc.	$16,000.38
RLG Enterprises, Inc	$15,360.00
Language Line Services, Inc.	$15,000.00
Parent, Family Engagement and Community Services, Inc.	$14,400.00
Antelope Valley Dream Center	$13,800.00
ComponentSource, Inc.	$13,374.77
Peoples Yoga	$13,000.00
Lee Hecht Harrison LLC	$12,875.00
SurveyMonkey Inc.	$12,500.00
Ollivier Corporation	$12,303.50
Ashley Celine Maldonado	$12,240.00
FEAST	$12,140.00
Partida Ohana Enterprises, LLC	$10,656.00
Merito Solutions, Inc	$10,000.00
Omar Sanchez Barreras	$9,870.00
Stella Ilran Han	$9,600.00
Emily Angel Adamczyk	$8,400.00
Rubi Ruiz	$8,300.00
Annie Ruth Lawrence Kirby Cottrell	$8,200.00
Uline, Inc.	$6,878.64
Zoll Medical Corp	$6,043.00
Giroux Glass Inc.	$6,000.00
Rainbow Services, Ltd.	$5,400.00
Providence Little Company of Mary Foundation	$4,700.00
ePlus Technology, inc.	$4,477.77
Pacific Health Consulting Group	$4,250.00
Amazon Capital Services, Inc.	$3,899.54
Canon Solutions America Inc	$3,793.59
LexisNexis Risk Solutions FL Inc	$3,600.00
Smartsheet.com, Inc.	$3,600.00
Public Health Foundation Enterprises, Inc.	$2,400.00
Blue Ribbon Technologies, LLC	$2,340.00
All Day AcquisitionCo LLC	$2,200.00
ADT US Holdings, Inc.	$2,160.00
American Association of Community Mental Health Center Psych	$1,950.00
Lands' End, Inc	$1,751.46
Michael Moldofsky	$1,618.75
Sovos Compliance, LLC	$1,142.96
Lakeshore Equipment Company	$1,093.44
Fitness International, LLC	$1,000.00

New Vendor POs and Contracts

Vendor Name	PO and Contract Total
Playcore Wisconsin, Inc.	$915.95
Safe and Sound Surveillance Solutions Inc	$653.00
Social Chow Media Group LLC	$300.00
Total	**$53,191,751.52**

L.A. Care Health Plan
AFS-006 Authorization and Approval Limits Quarterly Report
October 2021 - December 2021

Amended Vendor Contracts

Vendor Name	Current Contract Total	Amendment	New Contract Total	Term Date
OptumHealth Care Solutions, LLC	20,000,000.00	2,600,000.00	22,600,000.00	12/31/22
Cognizant Technology Solutions U.S. Corporation	4,120,000.00	948,069.00	5,068,069.00	03/31/22
Change Healthcare Resources Holdings Inc.	2,000,000.00	2,100,000.00	4,100,000.00	09/30/22
Sante Analytics LLC	2,000,000.00	2,076,950.00	4,076,950.00	12/31/24
Infosys Limited	3,018,384.00	780,586.00	3,798,970.00	03/31/22
Sante Analytics LLC	927,417.00	2,519,499.00	3,446,916.00	12/31/24
Cognizant Technology Solutions U.S. Corporation	2,918,000.00	476,776.00	3,394,776.00	03/31/22
Sante Analytics LLC	960,500.00	1,990,608.00	2,951,108.00	12/31/24
Palmdale West LLC	874,096.00	932,784.00	1,806,880.00	10/26/26
North Star Alliances, LLC	975,000.00	625,000.00	1,600,000.00	09/30/22
Solugenix Corporation	1,238,301.00	145,000.00	1,383,301.00	03/31/22
Toney HealthCare Consulting, LLC	1,000,000.00	306,000.00	1,306,000.00	03/31/22
Milliman Inc	999,000.00	300,000.00	1,299,000.00	12/31/22
Milliman Inc	950,000.00	300,000.00	1,250,000.00	12/31/22
Customer Motivators, LLC	500,000.00	500,000.00	1,000,000.00	06/30/23
SunGard Availability Services LP	993,750.84	3,250.00	997,000.84	10/31/22
Toney HealthCare Consulting, LLC	848,925.00	134,400.00	983,325.00	02/28/22
Resources Connection Inc.	405,000.00	300,000.00	705,000.00	12/31/22
Oliver Tate Brooks	590,000.00	100,000.00	690,000.00	12/31/22
AEGIS.net, Inc.	479,500.00	166,050.00	645,550.00	11/30/21
Invent Health Inc.	35,000.00	491,400.00	526,400.00	09/30/22
Applied Research Works, Inc.	250,000.00	250,000.00	500,000.00	09/30/21
Toney HealthCare Consulting, LLC	399,922.85	52,500.00	452,422.85	02/28/22
Pearl Meyer & Partners LLC	239,500.00	75,000.00	314,500.00	09/30/22
LA Net Community Health Research and Resource Network	200,000.00	110,000.00	310,000.00	09/30/22
CrowdCircle, Inc.	189,411.00	105,000.00	294,411.00	06/30/22
Integrated Healthcare Association	194,668.00	77,686.35	272,354.35	no expiration
IPD Analytics, LLC	135,906.40	116,676.11	252,582.51	12/31/24
Jemmott Rollins Group	75,000.00	175,000.00	250,000.00	12/31/22
EPI-USE America Inc	150,000.00	90,000.00	240,000.00	12/31/22
Krishaunda Hampton	146,925.00	74,925.00	221,850.00	09/30/22
Scott Ash	109,500.00	50,000.00	159,500.00	10/31/22
Leavitt Partners, LLC	124,800.00	30,000.00	154,800.00	12/31/22
HRchitect, Inc.	51,000.00	33,000.00	84,000.00	10/31/22
God's Pantry	27,000.00	8,100.00	35,100.00	09/30/22
Dianne Marie V. Roquia	25,000.00	10,000.00	35,000.00	10/31/22
America's Health Insurance Plans, Inc.	7,000.00	7,000.00	14,000.00	08/30/22
OptumHealth Care Solutions, LLC	16,000,000.00	time only	no change	08/31/20
Toney HealthCare Consulting, LLC	10,332,000.00	time only	no change	02/28/22
Centauri Health Solutions Inc	3,600,000.00	time only	no change	12/31/22
NewMark Merrill Companies Inc	3,517,000.00	time only	no change	08/31/31
NetCentric Technologies Incorporated	1,415,000.00	time only	no change	09/30/22
Imagenet LLC	1,400,000.00	time only	no change	01/31/22
Edmund Jung & Associates, Inc.	732,000.00	time only	no change	03/31/22
Sante Analytics LLC	600,000.00	time only	no change	12/31/24
Edifecs, Inc.	518,250.00	time only	no change	03/16/22
Advantmed, LLC	360,000.00	time only	no change	09/30/22
Ricardo Ramos	95,000.00	time only	no change	12/31/24
Health Management Associates Inc.	54,766.00	time only	no change	03/31/22
UNUM Life Insurance Company of America	50,000.00	time only	no change	12/31/22
KN Consulting LLC	50,000.00	time only	no change	03/31/22
Acts93, Inc.	35,000.00	time only	no change	09/30/22
Weight Watchers North America, Inc.	4,500.00	time only	no change	02/28/23
Accenture LLP	0.00	time only	no change	06/30/22
Northeast Valley Health Corporation	0.00	time only	no change	10/31/24
Oliver Tate Brooks	0.00	time only	no change	12/31/22
Sierra Pacific Constructors, Inc.	0.00	time only	no change	12/31/24
Applied Research Works, Inc.	0.00	time only	no change	05/02/24
Centauri Health Solutions Inc	0.00	time only	no change	12/31/22
Interpreting Services International, LLC	2,700,000.00	time and scope	no change	07/31/23

Amended Vendor Contracts

Vendor Name	Current Contract Total	Amendment	New Contract Total	Term Date
Sullivan/Luallin, Inc.	460,980.95	scope only	no change	07/31/22
Laura Roman Cadena	40,160.00	scope only	no change	05/31/23
Critical Care Training Center	33,600.00	scope only	no change	12/31/21
Elisa Urbano	23,400.00	scope only	no change	05/31/22
Broniec Associates Inc	0.00	scope only	no change	08/22/24
Integrated Healthcare Association	0.00	scope only	no change	05/31/23
University of Southern California	0.00	scope only	no change	01/31/24
		Total	**67,219,766.55**	

L.A. Care Health Plan
AFS-007 Authorization and Approval Limits Quarterly Report
October 2021 - December 2021

Vendor Selection - Sole Source

Vendor Name	Contract Total	Paid As Of 01/01/22	Vendor Selection
AEGIS.net, Inc.	$ 645,550	$ 582,747	Sole Source

BOARD OF GOVERNORS

Finance & Budget Committee

Meeting Minutes – November 15, 2021

1055 W. 7th Street, Los Angeles, CA 90017

Members

Ilan Shapiro MD, MBA, FAAP, FACHE, *Chairperson*
Stephanie Booth, MD
Hector De La Torre
Hilda Perez
G. Michael Roybal, MD *

**Absent ** Via Teleconference*

Management/Staff

John Baackes, *Chief Executive Officer*
Terry Brown, *Chief Human Resources Officer*
Linda Greenfeld, *Chief Product Officer*
Augustavia J. Haydel, Esq., *General Counsel*
Tom MacDougall, *Chief Information & Technology Officer*
Marie Montgomery, *Chief Financial Officer*
Francisco Oaxaca, *Chief of Communications & Community Relations*
Noah Paley, *Chief of Staff*
Acacia Reed, *Chief Operating Officer*
Richard Seidman, MD, MPH, *Chief Medical Officer*

State and local officials continue to impose or recommend measures to promote social distancing to reduce transmission of the COVID 19 virus. It is prudent to use caution in protecting the health of the public, L.A. Care's employees and its members where adequate virtual means exist to permit the meeting to occur by teleconference/videoconference with the public being afforded the ability to comment in real time. The Board of Governors and all legislative bodies of the L.A. Care Health Plan, and the Board of Directors and all legislative bodies of the Joint Powers Authority will continue to meet virtually and the Boards will review that decision on an on-going basis as provided in the Brown Act. Members of the public had the opportunity to listen to the meeting via teleconference, and share their comments via voicemail, email, or text.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Ilan Shapiro MD, *Chairperson*, called the L.A. Care and JPA Finance & Budget Committee meetings to order at 1:06 p.m. He welcomed everyone and summarized the process for public comment during this meeting. Board Meetings are conducted electronically so that everyone participating can be safe and practice social distancing. • Comments from anyone who would like to address the Board and its committees are welcome and there are instructions on the Agenda. • L.A. Care members need us to continue the work of the Board, and the meetings are run so that members of the public can hear the meeting and can participate by submitting comments. • Staff sends all comments received before the meeting to the Board members in writing.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• All public comment is included in the minutes of the meeting, and any comments received that were not read during the meeting are added at the end of the minutes. • Submitters of public comment must identify the Agenda item which the comment is addressing. If the submitter does not identify an agenda item for the comment to be read, the submitter's comment will be read for three minutes at the "Public Comment" item. • At the appropriate item on the Agenda, staff will read for three minutes the public comment from each submitter. Depending on how many comments are submitted, the three-minute time could be adjusted to allow for more submitters to have their comments read. • The Board will continue reviewing and improving how public comments are received and distributed to Board members.	
APPROVE MEETING AGENDA	The Agenda for today's meeting was approved.	**Approved unanimously by roll call. 3 AYES (Booth, De La Torre, and Shapiro)**
PUBLIC COMMENTS	There were no public comments.	
APPROVE CONSENT AGENDA	• October 25, 2021 Meeting Minutes • North Star Alliance Contract Amendment **Motion FIN A.1121** **To authorize staff to increase the total funds available in the existing $975,000 contract with North Star Alliances, LLC by $625,000 for a new total amount of $1,600,000 to provide event planning, logistics, staffing and execution services through October 1, 2022.**	**Approved unanimously by roll call. 3 AYES**
CHAIRPERSON'S REPORT • Committee meeting day change to fourth Tuesday	Committee Chairperson Dr. Shapiro announced that the Committee will now meet every 4th Tuesday of the month beginning in January 2022 at 1 pm. He also noted that challenges of the past year. L.A. Care is meeting those challenges.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CHIEF EXECUTIVE OFFICER'S REPORT	Public Comment Received via text Nov 15, 8:46 am, from Carolyn Rogers Navarro *For years LA Care enabled house of horrors doctors and medical centers and retaliated against and intimidated enrollees who reported abusive "medical providers"! They still do so! It is impossible that LA Care had no idea people were being harmed by Synermed blocking access to doctors and denying due process and that people were butchered or died. LA Care is aware of other "managed service organizations "who do not do their jobs, wasting state and federal funds, LA Care doesn't give a [expletive] about the "comprehensive care" they claim to provide, they just want to solicit more members, brag about the number of members, when they are failing existing ones. Some of these fake, [expletive] people on LA Cares board don't represent enrollees best interest, they are just going through motions and just care about their own fake entitled lives, they don't care about special needs and vulnerable people, they need to leave, just like LA Care gets rid of any honest decent employees or board members or they leave on disgust. Stop wasting taxpayer money and retaliating against enrollees, stop lying to enrollees!* Richard Seidman, MD, MPH, *Chief Medical Officer,* reported on behalf of John Baackes, *Chief Executive Officer*. • Dr. Seidman noted that L.A. Care is preparing for the start of California Advancing and Innovating Medi-Cal (CalAIM) on January 1, 2022, with services under the Enhanced Care Management (ECM) and Community Supports (CS, formerly known as In Lieu of Services) programs. L.A. Care selected four services in the CS program to offer in January 2022, with more to come in July 2022, and even more to come in January 2023. • He reminded Committee Members that in January 2022 health plans will also be responsible for major organ transplantation. In the past, L.A. Care has been responsible for kidney and corneal transplants, and DHCS has been responsible for all the other major organ transplants. L.A. Care's work to prepare the provider network for this new service is going smoothly and no interruption of care is expected for patients requiring major organ transplants. • L.A. Care has completed ten flu clinics, immunizing more than 2,300 people against influenza. Public Health experts look to the recent experience in the Southern Hemisphere as a predictor of the influenza activity in the Northern Hemisphere. This year, the activity in the Southern Hemisphere looked quite low. This is not a guarantee,	

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AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	but helps predict how the flu season will be in the United States. Before the COVID-19 pandemic, Dr. Seidman reported regularly during flu season about the influenza activity in Los Angeles County. There is a concern about the effect of both flu and COVID-19 cases. Last year a nearly disastrous spike in COVID-19 cases was recorded during the flu season. This year there is concern about a fifth wave and increased demand on the hospital systems. So far the levels are low. It is hoped that the numbers of susceptible people are such that if there is a spike, it won't be as high as last year. • In January 2022, the pharmacy benefits of Medi-Cal members will be "carved out" of managed care health plan coverage. L.A. Care has done all it can to persuade state officials not to move forward with this, but it is scheduled to happen on January 1, 2022. The state has sent the official notification to members. L.A. Care is being asked to do the same. There is concern about confusion of members. The state has made it clear that L.A. Care should not engage the members on this issue, the pharmacy benefit manager will handle questions on the state's behalf. Board Chairperson De La Torre asked Dr. Seidman to send him the communication from the state dissuading L.A. Care not to communicate with members about the change in pharmacy benefit administration. Dr. Seidman noted he was not sure if the instruction was in writing, this is staff's interpretation from the myriad communications received from the state. Board Chairperson De La Torre would like to see the written communication if it exists. *(Board Member Perez joined the meeting.)*	
COMMITTEE ITEMS		
Chief Financial Officer's Report	Marie Montgomery, *Chief Financial Officer,* reported: <u>Membership</u> Membership for September of 2,466,421 was 15,396 members favorable to the forecast, approximately 47,000 member months favorable to the year to date (YTD). The suspension of the redeterminations continues to drive the membership favorability in September. Commercial is just above forecast by approximately 6,000 members. Membership for LACC continues to be just over 101,000 members, which sets L.A. Care up nicely for next fiscal year. <u>Consolidated Financial Performance – Forecast vs. Actuals</u>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	The net surplus for September is $22 million; $3 million unfavorable to the forecast. Operating Margin is favorable by $22 million mainly due to fee-for-service claims, which are favorable $46 million to the forecast. That amount includes a $15.7 million release to the GEMT reserve. There is also favorability of $5 million for the vaccination incentive program. These items were offset by the HCBS High and Institutional member reclassification adjustment which had a net impact of -$22.6 million. Pharmacy was unfavorable $7 million due to timing of rebates. The unfavorability in administrative expenses of -$25 million in September is due to an adjustment of -$22.5 million for PCORI fees - a governmental fee for Commercial products. This fee has not been paid and has been in place since the Affordable Care Act (ACA) was passed in 2010. Non-operating is almost flat to the forecast in September. Board Member Booth asked why it turned out as administrative expense. Ms. Montgomery explained that the MCO tax is only for Medi-Cal and it is put in non-operating as the state reimburses L.A. Care dollar for dollar. The PCORI fee is more of a fee that is applied to commercial, so it is inherently a component of revenue that qualifies as administrative expense. Board Member Booth asked for clarification on the reserves because we expect to pay for 21 years old and younger patients that we are not getting paid for. Ms. Montgomery explained the overall issue is that in the files that the state provides that support L.A. Care's revenue, they discovered that the institutional flag and the HCBS high indicator flag within their files were incorrect. The state wanted to go back and reopen the membership revenue for that time period. This is a new issue resulting from the IHSS reconciliation. It is very complicated and there's a lot of moving parts within that calculation. Staff did its best estimate based on what the state originally signaled in terms of wanting to do a full correction and reconciliation of the flags. <u>Consolidated Financial Performance – Year-To-Date (YTD)</u> The YTD net surplus is $133 million; $3.3 million unfavorable to the forecast. The variance for September are the primary drivers of the YTD variance. Operating margin is favorable by $21 million similar to the September variance and admin is unfavorable due to the PCORI fee. YTD incurred claims are favorable to forecast by $44 million which includes the $15.7 million release to the GEMT reserve. Pharmacy is unfavorable by -$14.5 million, shared risk	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	is unfavorable by -$2.7 million but provider incentives are favorable $4.6 million due to timing. There is also favorability in Health Homes of $5 million which includes the $3.6 million of CBCME capitation recoveries. YTD administrative expenses are -$21 million unfavorable driven by the PCORI fees. Non-operating is -$4 million unfavorable YTD due to higher CRC spending and timing in grant spending. <u>Consolidated Financial Performance – Actuals vs. Budget</u> The Budget assumed a net deficit of $169 million and ended with a surplus of $133 million, which was favorable by $302 million. The Budget projected claims to continue at a high level based on what was seen at that time. Staff took a conservative approach given the COVID-19 uncertainties and impacts to claims and revenue. <u>Variance Walk – Budget vs Actuals</u> Ms. Montgomery explained the various moving parts from the budget deficit of $169 million to the final surplus of $133 million. This was mostly driven by the favorability in incurred claims, which were favorable to the budget by $476 million. The claims were developing favorably from what was assumed in the Budget and the claim reserve estimate as of the prior year end. Staff focused on improvement to the medical costs in its internal steering committee efforts. The other big item driving the favorability were the 2021 Classic and CCI rate updates received. The budget originally assumed a rate decrease of 1.5%, but the rate the staff received was an increase of 4%. The Pharmacy carve-out also affected the operating margin. The budget assumed Pharmacy would end January 1, 2021 so it only included 3 months of revenue and expenses which is why there are large variances in revenue and health care costs. The budget also included the COVID-19 Risk Corridor. The State decided not to extend the COVID-19 risk corridor to 2021 however, at the improved claims trend level and higher revenue, the risk mitigation would not have been needed. The impact of this item was unfavorable $278 million. The adjustment of LACC RAF score from 0.76 to 0.80 was favorable in the amount of $29 million. There is also the reinstatement of Prop 56, which the budget assumed would terminate on July 1, 2021. Net impact to operating margin for one quarter is $15 million. Some of the items with a negative impact to the operating margin included the moving of members from shared-risk to dual-risk, which results in $62 million higher capitation expense. However, some of the favorability in incurred claims is due to the moving of those members as well. Capitation expense is $51 million unfavorable mainly related to higher	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	member months and higher revenue. CBAS expenses are unfavorable $33 million due to increased utilization during COVID-19 with meal delivery and telephonic services rather than in the centers. The administrative cost was $26 million unfavorable to the budget which included $16 million for Navitus fees related to the Pharmacy carve out, and $22.5 million for the PCORI fee accrual. Without those two items, it would have been favorable to the budget by about $12 million. Non-Operating was $7 million favorable. <u>Operating Margin by Segment</u> • Overall MCR is 93.2% versus forecast of 93.5%, slightly favorable • Plan Partners MCR is virtually equal to forecast • SPD/CCI MCR is slightly lower than the forecast • TANF/MCE MCR is slightly lower than the forecast • CMC MCR is unfavorable to the forecast due to higher FFS and Pharmacy claims • Commercial MCR is slightly unfavorable than the forecast due to higher FFS and Pharmacy claims Board Chairperson De La Torre commented that we should try to forecast for 80% for Commercial so we are not doing the refund. Ms. Montgomery explained that the 80% calculation calls for categorization of revenue and expense in a way that when it is compared to the Profit & Loss, it will be more like a 75% MCR to compare with the 80%. There are certain things in the calculation, the numerator and denominator are different than the way L.A. Care records it in the financial statement. As an example, the risk adjustment payable – this is what L.A. Care pays back to the pool and as an HMO. Those amounts are significant. In the Centers for Medicaid & Medicare Services' (CMS) calculation for the rebate they will take that and treat it as more of a medical expense in the calculation. In L.A. Care's financial statement since it is a return of revenue, it is reflected as a reduction in the revenue – a reduction in the denominator vs an addition to the numerator. Board Chairperson De La Torre noted that in order to compare apples to apples, he asked staff if they can put what the equivalent would be for 80% under this formulation to see what the true numbers we are aiming for. He added that when he sees this, he assumes that we are projecting to be at a negative to the requirement which is not good planning. If the formulation is different that would be okay, meaning we don't have to do the refund - the MCR would be equivalent, but he would want to see what that number is.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Ms. Montgomery stated that this will be reflected in future reporting. She added that she does not think it is a matter of planning. L.A. Care has not been in a rebate position before, the calculation was for 2020 on the commercial business and there was certainly an incentive not to go to the doctor in the middle of the pandemic. It is not something we expect to be in a rebate on an annual basis. She thinks this is more related to the pandemic influence in the commercial book. Board Chairperson De La Torre commented when he sees a 77.3% MCR forecast, it's a red flag, he wants to know what was the formulation that would be equivalent to 80%. Ms. Montgomery explained that the rebate is done based on calendar year basis; L.A. Care is on fiscal year basis so L.A. Care always has to look back. Ms. Montgomery added she can report on how CY 2021 is shaping up as we go along. It is a different time frame and calculation. <u>Reported vs. Paid Claims Trend</u> Staff believes that the current reserve position is sufficient to address the more recent COVID-19 surge. The paid claims for September 2021 dropped following an increase in August. Deloitte & Touche is reviewing the August claims reserves which will assist in informing the year-end estimates for September. Staff has been conservative on reserves given the Delta surge, changes in risk arrangements from shared risk to dual risk and continued increases in membership. There are a number of estimates to revisit including the reserve for misclassified members. Staff is working with the DHCS on the IHSS reconciliations and will likely be revising the estimates. Overall, L.A. Care is on track with the forecasted $136 million surplus. <u>Key Financial Ratios</u> • The MCR is 93.2%. • The administrative ratio was 5.1%, higher than forecast due to the PCORI fees accrual. • Working Capital and Tangible Net Equity are ahead of benchmarks. • Cash to claims ratio is below the target and will not fully recover until the IHSS balances are settled with the DHCS. <u>Tangible Net Equity & Days of Cash on Hand</u> • September 2021 Fund Balance was $1.05 billion which represents 523% of Tangible Net Equity.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• There is enough cash to cover operating expenses for the next 44 days. **<u>Motion FIN 100.1121</u>** **To accept the Financial Report as submitted for September 2021.**	**Motions FIN 100 and FIN 101 were voted on simultaneously and approved unanimously by roll call. 4 AYES (Booth, De La Torre, Perez, and Shapiro)** **The Committee approved including FIN 101 on the Consent Agenda for the December 2, 2021 Board of Governors' meeting.**
• Quarterly Investment Report	Ms. Montgomery referred to the Quarterly Investment Reports for the quarter ended September 30, 2021, which are included in meeting materials. L.A. Care is in compliance with its investment guidelines. Investment yields have decreased significantly for short-term duration investments. **<u>Motion FIN 101.1121</u>** **To accept the Quarterly Investment Report for the quarter ending September 30, 2021, as submitted.**	
• Monthly Investment Transactions Report	Ms. Montgomery referred to the investment transactions reports included in the meeting materials. (*A copy of the report can be obtained by contacting Board Services).* This report is provided to the Committee to comply with the California Government Code and is presented as an informational item. L.A. Care's total investment market value as of September 30, 2021 was $2.1 billion. • $1.8 billion managed by Payden & Rygel and New England Asset Management (NEAM) • $73 million in Local Agency Investment Fund • $253 million in Los Angeles County Pooled Investment Fund	
• Quarterly/Annual Internal Policies Reports	Ms. Montgomery referred to the 4th Quarter and Year-End Expenditure Reports required by L.A. Care Internal Policies for the FY 2020-21, included in the meeting materials. (*A copy of the reports can be obtained by contacting Board Services).* L.A. Care's internal policies require reports on all expenditures for business related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees. The Authorization and Approval Limits policy requires reports for executed vendor contracts for all expenditures and the Procurement Policy requires reports for all sole source purchases over $250,000. These are informational items only, and do not require approval. • Policy AFS-004 (Non-Travel Expense Report) • Policy AFS-027 (Travel Expense Report) • Policy AFS-006 (Authorization and Approval Limits)	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• Policy AFS-007 (Procurement) Board Member Booth asked about authorizations for new contracts. The North Star (NSA) contract has been going since 2017, which is why it is being presented as a new contract not an amendment. JR Nino, *Senior Director, Contracting & Procurement*, explained that the North Star motion was presented as a contract amendment to add more dollars for 2022 and extension. As the COVID-19 pandemic begins to wind down, activities in the community are expected to increase. In 2022, L.A. Care also expects to open 5 more Community Resource Centers and re-introduce 9 others to their communities. Additional food distribution and vaccination events have also been scheduled which will require support from NSA. L.A. Care staff requests approval to increase the cost of the current agreement from $975,000 to $1,600,000 to accommodate the additional services required. There were some remaining funds on the original contract and to get that approved so we can get an extension done and added money to the contract. Board Member Booth asked for the total amount used for the first three years. This year they only used $150,000. Mr. Nino will check the amount for the original statement of work and will respond to Dr. Booth.	
Public Comments on the Closed Session agenda items.	There were no public comments.	
ADJOURN TO CLOSED SESSION	The Joint Powers Authority Finance & Budget Committee meeting was adjourned at 1:57 p.m. Augustavia J. Haydel, Esq., *General Counsel*, announced the items that the Committee will discuss in closed session. There was no public comment on the Closed Session items, and the meeting adjourned to closed session at 1:57 pm. CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m) • Plan Partner Rates • Provider Rates • DHCS Rates • Medi-Cal Managed Care Supplemental Payment REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n)	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Discussion Concerning New Service, Program, Technology, Business Plan Estimated date of public disclosure: *November 2023*	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 2:06 pm Ms. Haydel advised the public that no reportable actions were taken during the closed session.	
ADJOURNMENT	There is no meeting in December 2021. The next meeting will be held on January 25, 2022. The meeting was adjourned at 2:07 pm	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

DocuSigned by:
Ilan Shapiro, MD
9F19DEE18EF84D2...

Ilan Shapiro MD, MBA, FAAP, FACHE, *Chairperson*
Date Signed 1/25/2022 | 2:12 PM PST

APPROVED

BOARD OF GOVERNORS

Compliance & Quality Committee Meeting

Meeting Minutes – November 18, 2021

L.A. Care Health Plan CR 100, 1055 W. Seventh Street, Los Angeles, CA 90017

Members

Stephanie Booth, *MD, Chairperson*
Al Ballesteros, *MBA*
Hilda Perez
G. Michael Roybal, *MD*
Nina Vaccaro

Senior Management

Augustavia J. Haydel, *General Counsel*
Thomas Mapp, *Chief Compliance Officer*
Richard Seidman, *MD, MPH, Chief Medical Officer*
Katrina Miller Parrish, *MD, FAAFP, Chief Quality and Information Executive*
Elysse Tarabola, *Senior Director, Regulatory Compliance, Compliance*
Cagla Ozden, *Senior Director, Operational Assurance e*
Margaret Ngo-Lee, *Senior Director, Risk Management and Operations Support, Compliance*
Thomas Mendez, *Director, Quality Performance Informatics, Quality Performance Management*

** Absent*

California Governor Newsom issued Executive Orders No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Members of the public can hear and observe this meeting via teleconference and videoconference, and can share their comments via voicemail, email or text.

In Process

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Chairperson Stephanie Booth called the meeting to order for the L.A. Care Compliance & Quality Committee and the L.A. Care Joint Powers Authority Compliance & Quality Committee at 2:03 p.m. She announced that members of the public may address the Committee on each matter listed on the agenda before the Committee's consideration of the item by submitting their comments via text, voicemail, or email.	
APPROVAL OF MEETING AGENDA	The Meeting Agenda was approved as submitted.	**Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Roybal and Vaccaro)**

APPROVED

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
PUBLIC COMMENT	No public comment was submitted.	
APPROVAL OF MEETING MINUTES	The August 19, 2021 meeting minutes were approved as submitted.	**Approved by roll call.** **4 AYES (Ballesteros, Booth, Perez, and Vaccaro)** **1 Abstention Roybal**
CHAIRPERSON REPORT	Chairperson Booth commended the work of L.A. Care staff. L.A. Care is a great organization and she is happy to be able to sit on its Board. It is an amazing group of people and she is very happy to be involved. She wished everyone a Happy Thanksgiving and encouraged everyone to get vaccinated to help avoid a surge in cases. Things can always be better, and some places are really infected with COVID-19 at the moment.	
COMMITTEE REPRESENTATION ON EXECUTIVE COMMITTEE	Chairperson Booth stated that she is on the Executive Committee as Secretary. There is a seat on the Executive Committee for the Compliance & Quality Committee Chairperson. She asked the committee what their preference would be regarding the Executive Committee seat. The committee can ask Chairperson De La Torre to assign someone on Executive Committee, she could step down as Chairperson, or leave the situation as is. Board Member Nina Vacarro asked what is the restriction of her serving on the Executive Committee as both Chairperson of Compliance and Quality Committee and Secretary of the Executive Committee. Chairperson Booth responded that there is no restriction, but normally there are six people on the committee, and right now there are five members. She asked Board Member Vaccaro if she is interested. Board Member Vaccaro stated that she has assumed the role as Interim Chief Executive Officer at Community Clinic Association of Los Angeles County, and the timing may not be ideal for her. Board Members Al Ballesteos and G. Michael Roybal, MD, both deferred to Board Chaiperson De La Torre to decide whether to assign a Board Member to the sixth seat on the Executive Committee.	
CHIEF MEDICAL OFFICER REPORT	Richard Seidman*, MD, MPH, Chief Medical Officer,* presented the Chief Medical Officer report (*a copy of his written report can be obtained from Board Services*). COVID-19 Update	

In Process

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AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Globally, there have now been more than 246 million reported cases and 5 million deaths from COVID-19. After more than a month long declining trend, cases and deaths are starting to increase in Europe, with trends remaining stable or declining in the rest of the world, including in the United States. Case rates in the South and Upper Midwest regions of the U.S. continue to improve, while rates in parts of Colorado and California are increasing, including in Los Angeles where transmission rates remain substantial. The Centers for Disease Control published a study in September 2021 reporting findings that case rates for unvaccinated individuals are reported at more than five times the rate of fully vaccinated individuals, and hospitalization and death rates are reported more than ten times higher in the unvaccinated. COVID-19 Vaccine Update By the first week of November, just over 62% of L.A. Care members ages 12 and over had received at least one dose of a COVID-19 vaccine. This compares to over 82% of all Los Angeles County and 80% for State residents 12+, a gap which is also seen statewide when comparing Medi-Cal beneficiaries to the community at large. In response, the Department of Health Care Services (DHCS) has committed $350 million to a statewide effort to close this gap. The program offers $250 million to Medi-Cal Managed Care Plans statewide to fund communications, outreach, vaccine administration and provider incentives, and another $100 million to fund member incentives up to $50 for members getting their first dose of COVID-19 vaccine before the end of February 2022. L.A. Care received approximately $9 million after the submission and approval of a COVID-19 Vaccine Response Plan, and will have the opportunity to receive additional funding based on the extent to which we are able to close the gap in vaccination rates. The State has identified the following targeted populations: • Homebound • 50 – 64-year-old with one or more chronic conditions • American/Indian- Alaska Native • Black/African American • 12-25-year-old L.A. Care's response plan builds upon previous funding and a communications campaign which included $2 million in grant funding to 26 Federally Qualified Health Centers to support COVID-19 outreach, education and vaccination, and targeted communications campaigns focused on homebound and high risk members. Between now and February 2022, plans include offering member, provider and pharmacy incentives, additional COVID-19 vaccination clinics at or near our Community Resource Centers,	

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	communications campaigns targeting American Indian and Alaska Native populations and funding outreach efforts. Board Member Roybal stated that it is tough to get 5 to 11-year-old vaccinated, he asked Dr. Seidman if L.A. Care is offering any incentives in its efforts to get this age group vaccinated. Dr. Seidman responded that in terms of member incentives, L.A. Care does not have plans to offer financial incentives. Incentive funds are specifically for individuals that are 12 and over. L.A. Care is also not planning member incentives. There are a large number of school based mobile vaccine efforts being planned, including at the elementary school level to catch 5 to 11 year-olds. Board Member Vacarro stated that the Los Angeles Unified School District (LAUSD) will be rolling out a vaccination plan for students. It is quite effective for kids that are on campus. She said Community Clinic Association of Los Angeles County has been talking to LAUSD, but she doesn't know if they are replicating that process for younger children. Lead Screening Another state priority is to improve lead screening. The L.A. Care Quality Improvement (QI) Department conducted an analysis looking at the geographic distribution by zip code of increased lead levels among its members. This led to identifying a lead "hotspot" in a community in the 90011 zip code in Southeast LA. Based on the information, QI reached out to the Los Angeles County Department of Public Health (DPH) Childhood Lead Poisoning Prevention Program. DPH runs a lead abatement, case management and education program called Lead Free Homes in LA. As a result of this analysis and outreach, L.A. Care will be collaborating with DPH on social media to promote their hotline and lead abatement program in high risk zip codes, including 90011. L.A. Care also sends a list of members not yet screened for lead to their doctors, to encourage efforts to get patients to visit their doctor for lead screening and routine care they may need such as Well Child Care visits and immunizations. Chairperson Booth asked if the data gathered has any patient information. Dr. Seidman responded that at the plan level L.A. Care does have that information for patients. The Protected Health Information for patients was not shared with the DPH. Medication Adherence – Comprehensive Adherence Solutions Program Medication adherence, the extent to which people take their medications as directed, is important to achieving optimal outcomes. Effective patient education and satisfaction with their provider can increase adherence and control of chronic conditions including diabetes, high blood pressure and high lipid levels. The L.A. Care Pharmacy Department, including its pharmacy interns, technicians and a staff clinical pharmacist, have been outreaching to non-adherent or at-risk members to offer mail order service, 90-day prescription conversion, and medication education to overcome any potential hurdles the members may be	

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	facing which prevent them from taking their medications on a regular basis. Getting 90-day supplies and converting to mail order pharmacy services can make it more convenient to get and refill medications, reducing the risk of running out of medication between refills. Since June 2021, the team has successfully reached over 550 members to provide education, convert them to 90-day supplies and/or mail order services, synchronize the timing of their medications, promote all recommended vaccinations, and refer them to services such as the Medication Therapy Management Program, Managed Long Term Support and Social Services.	
MEMBER EXPERIENCE Linda Carberry	Linda Carberry, *Manager, Quality Data, Quality Performance Management,* reported on L.A. Care Member experience (*a copy of the presentation can be obtained from Board Services).* Member experience survey goals • To provide actionable feedback to help improve member experience • To aim for, become and maintain a 4 Star Rating – or above! This presentation uses results from: • Center for the Study of Services (CSS) • Centers for Medicare & Medicaid Services (CMS) • National Committee for Quality Assurance (NCQA) • Consumer Assessment of Healthcare Providers & Systems (CAHPS) – Medicare Advantage and Prescription Drug (MAPD): CMC – Medi-Cal • Qualified Health Plan Enrollee Engagement Survey (QHP EES) <u>Other Terms</u> • Health Plan Rating (HPR) • Quality Rating System (QRS) Medi-Cal CAHPS Consumer Assessment of Healthcare Providers & Systems Timeline • February 20, 2021 – May 13, 2021 Response Rates Children • 6,819 members received the survey, 1298 completed it • Response rate: 26.56%	

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- Medicaid Average Response Rate 24.18%

Adults

- 4,059 members received the survey, 739 completed it
- Response rate: 20.75%
- Medicaid Average Response Rate 16.21%

Medi-Cal CAHPS Survey Languages
Children

- English 48.5%
- Spanish 51.5%

Adults
Medi-Cal CAHPS
Race and Ethnicity Response Rates

L.A. Care		Rating of Health Plan	White	Black or African American	Asian	Native Hawaiian/Other Pacific Islander	American Indian or Alaskan Native	Other	Hispanic or Latino(a)
Children	% Answered	100%	48%	9%	13%	1%	3%	41%	77%
	Rating of Health Plan	70%	69%	62%	60%	73%	67%	72%	72%
Adults	% Answered	100%	42%	13%	19%	2%	3%	30%	54%
	Rating of Health Plan	52%	54%	50%	35%	46%	55%	55%	59%

Medi-Cal HPR
Included in HPR: Clinical Quality + Member Experience
Getting Care

- Getting Needed Care

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- Getting Care Quickly

Satisfaction with Plan Physicians

- Rating of Personal Doctor & Specialist Seen Most Often
- Rating of All Health Care
- Coordination of Care

Satisfaction with Plan Services

- Rating of Health Plan

Medi-Cal Comparison of Official Results
NCQA 2021 vs 2020

Measure/Topic	2021 Child	2020 Child	2021 Adult	2020 Adult
Rating of All Health Care	88%	81%	74%	71%
Rating of Health Plan	87%	87%	72%	71%
Flu Vaccinations for Adults Ages 18-64			37%	46%

Medi-Cal Rates 2021 vs 2020
Most Improved

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Measure	2021 Rate	2020 Rate
Satisfaction with Plan Physicians Rating of Specialist Seen Most Often	74%	66%
Satisfaction with Plan Physicians Rating of All Health Care	68%	63%
Overall Rating All Health Care	88%	81%
Overall Rating of Specialist Seen Most Often	90%	77%

Medi-Cal Rates 2021 vs 2020
Need Improvement – Lower

Measure	2021 Rate	2020 Rate
Ease of Seeing a Specialist	76%	81%
Ease of Getting a Checkup or Routine Care	73%	81%
Coordination of Care	80%	85%
How Well Doctors Communicate	89%	93%
Customer Service Provided Information/help	79%	84%

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	Chairperson Booth asked about those that are enrolling in L.A. Care Covered. Ms. Carberry responded that it's difficult to determine why they are joining. She asked if any L.A. Care staff were able to answer that question. Katrina Miller Parrish*, MD, FAAFP, Chief Quality and Information Executive*, stated that QI is working closely with the product team for L.A. Care Covered. They are looking at breaking down root cause analysis to identify why that member experience is so low. Board Member Ballesteros asked if L.A. Care will be doing a preliminary survey before the next CAHPS survey in February 2022. Ms. Carberry responded that there will be a preliminary survey. Board Member Ballesteros asked if there will be sufficient time between the preliminary survey and the CAHPS survey to provide feedback. Ms. Carberry responded that L.A. Care will review the survey in 2022 to prepare for 2023.	
CHIEF COMPLIANCE OFFICER REPORT Thomas Mapp	Thomas Mapp, *Chief Compliance Officer*, and the Compliance Department presented the Chief Compliance Officer Report (*a copy of the report can be obtained from Board Services*). Elysse Tarabola, *Senior Director, Regulatory Compliance*, *Compliance*, reported on the Enterprise-wide compliance monitoring program. During 2021, the Regulatory Audits and Monitoring unit continued to develop and expand the enterprise-wide monitoring program. The framework and process uses best practices from regulatory audits and allows L.A. Care to see compliance performance across all lines of business, delegates, and functional areas. This year L.A. Care developed and implemented monitoring of several high-priority areas including Initial Health Assessments and California's Children's Services, both stemming from previous audit findings with Department of Health Care Services (DHCS). L.A. Care is also implemented monitoring of call classification and call handling, which has now expanded to include the three major lines of business, Medi-Cal, L.A. Care Covered, and Cal MediConnect. Another area of focus was development and implementation of Sales & Marketing CMC Enrollment call monitoring, which began with Q2 2021 and continues to occur on a monthly basis. Compliance will continue to expand the monitoring program through 2022. Audit management and preparedness The Regulatory Audits & Monitoring unit managed and provided support for seven regulatory audits, including two California DHCS and two Department of Managed Health Care (DMHC) audits that are currently underway. In preparation for the DMHC Routine Survey on-site interviews, Compliance Department developed an audit readiness work plan that will assess the current status of findings from 2018 DMHC Routine Survey. Other audit readiness activities include continuous and frequent monitoring of the performance of various high-risk areas through the Enterprise-Wide Monitoring Program. The Regulatory Audits & Monitoring unit also worked closely with business units throughout the enterprise to develop corrective action plans and strategies to mitigate deficiencies identified through the 2021 audits.	

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	Regulatory reports quality assurance program The Regulatory Reporting unit continues to focus on building an effective quality assurance program to ensure data and reports are complete and accurate. This includes enhancing and streamlining the report implementation and submission end-to-end process, collaborating with report owners, and developing data validation audit tools and processes. The unit continues to work with the Monitoring unit to integrate regulatory reports and data into the enterprise-wide monitoring program. **Risk Management and Business Continuity** Annual Disaster Recovery Test In October 2021, Compliance and Information Technology Departments successfully planned and executed the annual disaster recovery exercise with significant support from the leadership team members who participated in remote work test activity. The test was conducted virtually due to the current work from home status and it focused on L.A. Care's ability to continue critical functions if a disaster occurred during a pandemic or other emergency that prevents employee access to the traditional disaster recovery site in Cypress, California. The overall test was successful and was completed in under five hours; with 10 departments participating and 67 participants who conducted the testing. The disaster recovery team is completing an after-action analysis and strategies to improve readiness. Business Continuity Enterprise required annual training of the Business Continuity Management Program was deployed to all staff to provide information on L.A. Care's emergency and disaster response protocol. Compliance staff assisted business units in enhancing business resumption plans to address continuity processes and a business impact analysis (BIA) to assess system and application criticality. The BIA allows us to identify, prioritize and restore mission critical systems and applications and resume normal business operations timely and effectively. The Business Continuity team continues to have reoccurring Covid-19 meetings with the leadership team and critical function units to provide updates on the pandemic and how each essential function is being impacted. Meetings will continue until the pandemic has ended. Risk Management Risk Management staff performs an annual risk assessment to identify, rank, and calibrate the risks faced by L.A. Care, inclusive of evaluating existing controls and procedures in an internal audit plan tailored to L.A. Care's unique risk profile. The Risk Management team has launched an enhanced Annual Risk Assessment process for 2022 to increase awareness and visibility of the Organization's risks to support the outcome of establishing a stronger foundation for future risk assessment and internal control environment activities.	

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	Regulatory Change Management The Regulatory Analysis and Communications (RAC) team developed and launched an improved Regulatory Change Management Program which provides comprehensive and proactive oversight and management of regulatory changes across all lines of business. The intent of this program is to formalize and streamline the implementation of regulations and improve quality assurance for consistent, high-quality regulatory submissions. RAC collaborated with key stakeholders to revamp the Regulatory Implementation Oversight Committee, created criteria to better categorize regulatory guidance and provide clear lines of accountability, and identified primary business unit point of contacts who can act as the Assigned Lead or decision maker/advisor for implementations. Additionally, as part of the efforts to increase efficiencies in the enterprise-wide compliance monitoring program, the regulatory change implementation form was revised to integrate other compliance functions and handoffs to better support the program. Policy Management Continuing on the success of improved oversight and monitoring efforts of last year, the enterprise wide policy management program focused on the training and Compliance 360 (C360) enhancement efforts. An online training on policy management was developed and launched on L.A. Care's Learning Management System in early 2021. This makes training more accessible to all employees and policy writers. The RAC team also partnered with key stakeholders to review and improve the existing policy review workflow in C360. In September 2021, C360 was upgraded into a new and improved cloud-based environment that better supports the new workflow and functions. The unit continued to streamline Policy Management communications for Operations and Strategy Areas through Enterprise Performance Optimization to ensure alignment with additional Operations-driven policy management efforts. Research and Requirements Due to the increase in regulatory research requests throughout the organization, the RAC team developed a regulatory research guide and training to instruct business units on the basics of regulatory research. In FY 2020-2021, the RAC team completed 191 research requests and inquiries. A Regulatory Research Form and Inventory was also created and developed in SharePoint to better track requests. Material Review The Compliance, Material Review (CMR) Unit successfully implemented a streamlined material review process for Plan Partner Medi-Cal member materials. As a result, Plan Partner materials approved by DHCS Contract Manager in a different county (e.g., San Diego) can be approved at the Plan level. That is, if those approved materials are also intended for use in Los Angeles County, the CMR staff does not need to submit to the L.A. Care DHCS Contract Manager. This new streamlined process has significantly reduced the review/wait time for our Plan Partners. The Plan Partners are able to implement and/or	

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	distribute the member communications in a timelier manner. Plan Partners have expressed their satisfaction with this new approach to having L.A. Care member materials reviewed and approved. Material Repository In 2021, the unit continued to compile and upload an inventory of member facing letter templates into the letter repository. There are currently over 700 templates housed in the repository. These letter templates are compliant with regulations, contract requirements, etc. Several business units have been socialized with the repository and presented with an overview of this platform. Next step is identifying gatekeepers for business units that will be responsible for ensuring templates are up to date and compliant. SyntraNet/Platforms The team assisted the Enterprise Configuration Team (ECT) with review and validation of member letter templates specific to Appeals & Grievances and Utilization Management. These Business Units had ongoing resource challenges and required additional ECT support. New templates were developed and approved letters provided to ECT for configuration in SyntraNet, PCT and/or CCA. Promoting the Medi-Cal Program – Annual Certification Training This annual training program is a DHCS contract requirement. The Unit successfully collaborated with Human Resources to coordinate and conduct five WebEx training sessions during October. Internal and external Plan Partners were required to attend. At the time of this writing, a total of 157 participants completed the two-hour training session. Cagla Ozden, *Senior Director, Operational Assurance,* presented information about Compliance Departments Delegation Oversight. Audit Program Due to COVID-19, annual audits were placed on hold from March 24, 2020 to August 31, 2020 and again from December 23, 2020 to March 31, 2021. T he audits resumed in April of 2021. To make up for the eight months of time lost due to the moratorium, the Enterprise Performance Optimization Audit Team has been conducting both 2020 and 2021 annual audits simultaneously. To date, the Team has completed 22 annual audits, and has also performed five pre-delegation assessments to ensure that providers meet standards required to serve L.A. Care members. The Team has initiated 15 annual audits which are still in progress, and will be adding five more before the year is out. Despite the challenges posed by the public health emergency, the Team has achieved a significant reduction in the lifecycle of annual audits from 12 to 18 months down to four to nine months, with most audits taking approximately six months in total. Delegation Oversight Monitoring Program The enterprise-wide monitoring program that launched in collaboration with Compliance has just concluded the third quarter of the program. In Q1 and Q2, the program included Utilization	

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	Management measures for member notification for the Cal-MediConnect Line of Business, which included 23 delegates. In Q3, the program was expanded to include Utilization Management measures for decision time, member notice, and provider notice across all lines of business, and now includes to 37 delegates. Also in Q3, the monitoring program was expanded to include Care Management measures for Core 3.2, the measurement of care plan completion times within 30 days, 60 days, and 90 days for Cal Medi-Connect members. The program uses automated scoring and score cards to track compliance and escalate repeated deficiencies. Scorecards are provided to the delegated groups on a monthly basis, and a notice of non-compliance and request for corrective action plan is sent to delegated groups with at least two consecutive quarters of noncompliance. Information is requested from the delegated group regarding training, compliance follow up, operational changes, if applicable, and feedback is provided through direct communication with the providers and technical calls, if needed. Delegation Oversight Monitoring Program for Qualitative Review: In the fall of 2020 when qualitative case file review began in collaboration with Compliance department, the qualitative review for Utilization Management focuses on denial cases and the appropriateness of clinical decision making as well as member notification. The review included 36 delegates for all applicable line of business with denial cases. The activity continued and the results were included in the automated scoring and score cards provided to the delegates. In the spring of 2021 the qualitative case file review was expanded to include Initial Health Assessment (IHA) and California Children's Services (CCS). The IHA qualitative review focuses on timeliness and the IHA components based on age group. The CCS qualitative case file review focuses on care coordination and transition planning for members aging out of CCS. Both IHA and CCS includes around 30 delegates depending on applicable cases per quarter and both reviews are included in the automated scoring and scorecards are provided to the delegates on a quarterly basis. Aside from the activities mentioned above, ICE reports are being monitored quarterly. Reviews were conducted on 39 delegates, including plan partners. Quarterly feedback on ICE reports were provided, including opportunities for improvement, and follow-ups wherever warranted. A National Committee for Quality Assurance-driven semi-annual monitoring of COC-TOC reports where conducted. 2021 Q1 and Q2 reports were reviewed for 39 delegates, including plan partners. Case file reviews were conducted for nine delegates with reported COC/TOC events. The first cycle of semi-annual COC TOC review was completed at the beginning of October 2021. The New Enterprise and Network Performance Optimization Programs were formed in April of 2021. The Enterprise Performance Optimization Department has consolidated and scaled up oversight for both delegated and non-delegated Plan functions. The Department has developed a comprehensive Oversight and Monitoring Framework designed to ensure performance excellence for the Plan and for all entities in	

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	L.A. Care's Service Delivery Model including but not limited to its Plan Partners, Provider Networks (directly contracted and delegated), and Vendors. A key element of this Framework includes two programs–one for the Enterprise and one for the Network—which combine alerting metrics, analytics, and employee attestations to proactively alert the Compliance Department, L.A. Care Leadership, and committees to performance deficiencies. The empirical scores from these programs will enable evidence-based preventative and mitigating action on existing and emerging issues. Through the activities outlined in its Framework and through its programs, the Department will enable the Plan to elevate its internal and external requirements-based and operational performance. Michael Devine, *Director, Special Investigations Unit, Payment Integrity,* reported on L.A. Care's Special Investigations Unit. Fraud, Waste and Abuse (FWA) In 2020 and 2021 the Special Investigations Unit (SIU) continues to thrive despite the COVID-19 pandemic. The L.A. Care SIU has become a leader in health care fraud investigations arena. For the first time, L.A. Care SIU personnel have provided training at the regional and annual conferences of the National Healthcare Anti-Fraud Association. SIU personnel also spoke at the Taft-Hartley Benefits Summit. During FY 2020- 2021, the SIU has ramped up the delegation oversight program and has been engaged in ongoing contacts with Plan Partners and Participating Physician Groups (PPG) on matters of healthcare fraud. The SIU has initiated a quarterly healthcare fraud roundtable with Plan Partners and PPG SIU counterparts to facilitate FWA training and provided a forum for the exchange of information regarding suspected FWA matters. SIU continued with L.A. Care's vigorous FWA plan with a focus on investigations and recovery activities. During FY 2020-2021, the SIU received 757 FWA leads and opened 427 healthcare fraud investigations that involved fraudulent prescribing of opioids, duplicate billings, pharmacy fraud, false billings and provider fraud. Many of these cases have been conducted in collaboration with State and Federal Law Enforcement and have resulted in four arrests and seven convictions. In addition, during FY 2020-2021, the SIU's efforts have resulted in over $10 million in savings and recoveries for L.A. Care. Margaret Ngo-Lee, *Senior Director, Risk Management and Operations Support, Compliance*, gave the Risk Assessment report. L.A. Care continues to work with PPGs, Specialty Health Plans, and Plan Partners on provider data submission. Data submission that reaches an 85% passing threshold will be moved into the production environment and will continue to correct if any errors/issues arise from loading the file. This risk has been moved from high to medium risk pending the implementation date of the Total Provider Management redesign. L.A. Care continues to work with the PPG's on submitting SPF data on a monthly	

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	basis to meet the 85% for ingestion of data into our system. Internally we continue to work on ways to improve the process Provider Network Management is currently working with Enrollment Services on a process to notify members when they are not assigned appropriately to a PCP. Initial focus will be on members as they age out of their PCP age range. Risk was moved from medium to low; interim process is in place while Information Technology business case is finalized.	
ADJOURN TO CLOSED SESSION	CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act Five Potential Cases	
	PEER REVIEW Welfare & Institutions Code Section 14087.38(o)	
RECONVENE IN OPEN SESSION	The committee reconvened in open session at 4:11 p.m. There was no report from closed session.	
ADJOURNMENT	Board Member Perez thanked staff on behalf of L.A. Care's membership. She thanked them for putting their data together and reporting to the Board. The meeting was adjourned at 4:14 p.m.	

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Respectfully submitted by:

Victor Rodriguez, *Board Specialist II, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY:

DocuSigned by:
Stephanie Booth, MD
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Stephanie Booth, MD, *Chairperson*
Date Signed: 1/25/2022 | 9:54 AM PST

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