



**L.A. Care**  
HEALTH PLAN®

*For All of L.A.*

# BOARD OF GOVERNORS RETREAT/MEETING

September 1, 2022 • 8:30 AM

L.A. Care Health Plan

1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017



**ELEVATING  
HEALTHCARE**  
IN LOS ANGELES COUNTY  
SINCE 1997

## 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.

<b>L.A. Care Membership by Product Line – As of August 2022</b>	
Medi-Cal	<b>2,534,713</b>
L.A. Care Covered	<b>116,022</b>
Cal MediConnect	<b>17,363</b>
PASC-SEIU	<b>49,937</b>
Total membership	<b>2,718,035</b>
<b>L.A. Care Providers – As of April 2022</b>	
Physicians	<b>5,709</b>
Specialists	<b>13,534</b>
Both	<b>364</b>
Hospitals, clinics and other health care professionals	<b>14,276</b>
<b>Financial Performance (FY 2021-2022 budget)</b>	
Revenue	<b>\$8.6B</b>
Fund Equity	<b>\$1,143,510</b>
Net Operating Surplus	<b>(\$90,772)</b>
Administrative cost ratio	<b>5.2%</b>
<b>Staffing highlights</b>	
Full-time employees (Actual as of September 2021)	<b>1,911</b>
Projected full-time employees (FY 2021-2022 budget)	<b>1,945</b>





## **AGENDA**

### **BOARD OF GOVERNORS RETREAT/MEETING**

**L.A. Care Health Plan**

**Thursday, September 1, 2022, 8:30 AM**

**L.A. Care Health Plan, 1055 W. 7<sup>th</sup> Street, 10<sup>th</sup> Floor, Los Angeles, CA 90017**

**DRAFT**

**Please recheck these directions for updates prior to the start of the meeting.**

**This meeting will be conducted in accordance with the provisions of the Ralph M. Brown Act , allowing members of the Board, members of the public and staff to participate via teleconference, because State and Local officials are recommending measures to promote social distancing. Accordingly, members of the public should join this meeting via teleconference as follows:**

**<https://lacare.webex.com/lacare/j.php?MTID=ma4f861b52d95167668b9ea4341521bf2>**

**Audio Call (213) 306-3065**

**English Access Code 2481 864 3404 Password: lacare**

**Spanish Access Code 2485 987 4419 Password: lacare**

**Members of the Board of Governors or staff may participate in this meeting via teleconference. *The public is encouraged to submit public comments or comments on Agenda items by e-mail to [BoardServices@lacare.org](mailto:BoardServices@lacare.org), or by sending a text or voicemail to (213) 628-6420.***

**Attendees who log on to lacare.webex using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into Webex to use the “chat” feature. The log in information is at the top of the meeting Agenda. We continue to use different ways to to submit public comment live and direct during the meeting.**

- 1. To use the “chat” to submit public comment at any time during the meeting, look at the bottom right of your screen for the icon that has the word, “chat” on it.**
- 2. Click on the chat icon. It will open two small windows.**
- 3. Select “Everyone” in the To: window.**
- 4. Type your public comment in the box that says “Enter chat message here”. The chat message, 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.**
- 5. When you hit the enter key, your message is sent and everyone can see it.**
- 6. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.**

**If we receive your comment by 8:30 am on September 1, 2022, it will be provided to the members of the Board of Governors at the beginning of the meeting.. **The chat message, 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.** Public comments submitted will be read for up to 3 minutes during the meeting.**

**Once the meeting has started, public comment must be received before the agenda item is called by the meeting Chair and staff will read those comments for up to three minutes. Chat messages submitted during the public comment period for before each item will be read for up to three minutes. If your public comment is not related to any of the agenda item topics, your public comment will be read in the general public comment agenda item.**

**These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.**

**Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section prior to the board going to closed session.**



The purpose of public comment is that it is an opportunity for members of the public to inform the governing body about their views. The Board appreciates hearing the input as it considers the business on the Agenda.

**All votes in a teleconferenced 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 (ADA) please contact L.A. Care Board Services staff prior to the meeting for assistance by text to 213 628-6420 or by email to [BoardServices@lacare.org](mailto:BoardServices@lacare.org).

**Welcome**

Hector De La Torre, *Chair*

1. Approve today's Agenda *Chair*
2. Approval of findings under the Ralph M. Brown Act **(BOG 100)** p.17 *Chair*
3. Public Comment (*Please read instructions above.*) *Chair*
4. Introduction of Speakers John Baackes  
*Chief Executive Officer*
  - Matt Eyles p.19  
President & CEO, AHIP
  - Cheryl Phillips, MD, AGSF p.20  
President and CEO, Special Needs Plan Alliance
5. Developments in Washington, D.C. Matt Eyles  
*President & CEO, AHIP*
6. Directions for Dual Eligibles Cheryl Phillips, MD, AGSF  
*President and CEO  
Special Needs Plan Alliance*
7. Moderated Discussion John Baackes

**10:35 – 10:55 am Break**

p.90

8. Approve Consent Agenda Items *Chair*
  - July 28, 2022 Board of Governors Meeting Minutes p.21
  - Revisions to Legal Services Policy 603 (Grants & Sponsorships) **(EXE 100)** p.46
  - Plunum Health Grant **(EXE 101)** p.53
  - Quarterly Investment Report **(FIN 100)** p.57
  - Consolidated Allocation of Funds for Non-Travel Meals and Catering & Other Expenses **(FIN 101)** p.85
  - OptumInsight, Inc. Contract Amendment **(FIN 102)** p.86
  - Verizon Business Contract Amendment **(FIN 103)** p.88
  - UpHealth, Inc. (formerly Thrasys, Inc.) Contract Amendment **(FIN 104)** p.89
  - Cognizant Technology Solutions and Solugenix Corporation Contract Amendment for Staff Augmentation **(FIN 105)** p.90
9. Chairperson's Report *Chair*
10. Chief Executive Officer Report p.91 John Baackes
  - Monthly Grants & Sponsorship Report p.95

11. Chief Medical Officer Report p.99

Richard Seidman, MD, MPH  
*Chief Medical Officer*

### Advisory Committee Reports

12. Executive Community Advisory Committee

Hilda Perez / Layla Gonzalez  
*Consumer member and Advocate member*

13. Children's Health Consultant Advisory Committee

Richard Seidman, MD, MPH  
Tara Ficek, MPH  
*CHCAC Chair*

### Committee Reports

14. Executive Committee

*Chair*

- Government Affairs Update p.124

Cherie Compatore  
*Senior Director, Government Affairs*

15. Finance & Budget Committee

Ilan Shapiro MD, MBA, FAAP, FACHE  
*Committee Chair*

Chief Financial Officer Report p.215

Marie Montgomery  
*Chief Financial Officer*

- Financial Report - June 2022 (FIN 106) p.245
- 9+3 Forecast Update
- FY 2022-23 Operating and Capital Budget (FIN 107) p.256
- Monthly Investment Transactions Reports p.291
- Quarterly Internal Policy Reports p.315

16. Compliance & Quality Committee

Stephanie Booth, MD  
*Committee Chair*

17. Audit Committee

Al Ballesteros, MBA  
*Committee Chair*

18. Public Comment on Closed Session Items *(Please read instructions above.)*

*Chair*

### ADJOURN TO CLOSED SESSION (Estimated time: 60 minutes)

*Chair*

19. CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

20. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)

Discussion Concerning new Service, Program, Technology, Business Plan

Estimated date of public disclosure: *September 2024*

21. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act

L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069

Department of Health Care Services (Case No. Unavailable)

L.A. Care Health Plan v. United States, (U.S. Court of Federal Claims Case No. 17-1542); (U.S. Court of Appeals for the Federal Circuit Case No. 20-2254)

22. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:

Three Potential Cases

23. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act

- Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680
- Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF

**RECONVENE IN OPEN SESSION**

*Chair*

**Adjournment**

*Chair*

**The next meeting is scheduled on Thursday, October 6, 2022 at 1:00 PM  
and may be conducted as a teleconference meeting.**

Public comments will be read for up to three minutes.

The order of items appearing on the agenda may change during the meeting.

If a teleconference location is listed at the top of this agenda, the public can participate in the meeting by calling the teleconference call in number provided. If teleconference arrangements are listed at the top of this Agenda, note that the arrangements may change prior to the meeting.

**THE PUBLIC MAY SUBMIT COMMENTS TO THE BOARD OF GOVERNORS BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO**

[BoardServices@lacare.org](mailto:BoardServices@lacare.org). Please follow additional instructions on the first page of this Agenda.

**ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA,** according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

**NOTE: THE BOARD OF GOVERNORS CURRENTLY MEETS ON THE FIRST THURSDAY OF MOST MONTHS AT 2:00 P.M. AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT** <http://www.lacare.org/about-us/public-meetings/board-meetings>  
and by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at <http://www.lacare.org/about-us/public-meetings/board-meetings> and can be requested by email to [BoardServices@lacare.org](mailto:BoardServices@lacare.org).

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats - i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.



## Schedule of Meetings September 2022

Monday	Tuesday	Wednesday	Thursday	Friday
			<b>1</b> <i>Board of Governors Retreat / Meeting 8:30 am (for approx. 6 hours)</i>	<b>2</b>
<b>5</b>	<b>6</b>	<b>7</b> <i>TAC (12 noon) (for approx. 2 hours)</i>	<b>8</b>	<b>9</b>
<b>12</b>	<b>13</b>	<b>14</b> <i>ECAC Meeting 10 AM (for approx. 2 hours)</i>	<b>15</b> <i>Compliance &amp; Quality Committee 2 pm (for approx. 2 hours)</i>	<b>16</b>
<b>29</b>	<b>20</b> <i>Finance &amp; Budget 1 pm (for approx. 1 hour)</i>  <i>Executive Committee 2 pm (for approx. 2 hours)</i>	<b>21</b>	<b>22</b>	<b>23</b>
<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>

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.



**L.A. Care**  
HEALTH PLAN

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

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

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

**For information on the current month's meetings, check calendar of events at [www.lacare.org](http://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](mailto:boardservices@lacare.org).**

**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
<b>COMPLIANCE &amp; QUALITY COMMITTEE</b>	<b>3<sup>rd</sup> Thursday every 2 months</b> 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	September 15 October 20 November 17 <i>No meeting in December</i>	Stephanie Booth, MD, <i>Chairperson</i> Alvaro Ballesteros, MBA Hilda Perez John G. Raffoul G. Michael Roybal, MD, MPH Nina Vaccaro, MPH  <b>Staff Contact:</b> Victor Rodriguez <i>Board Specialist II, Board Services x 5214</i>
<b>FINANCE &amp; BUDGET COMMITTEE</b>	<b>4<sup>th</sup> Tuesday of the month</b> 1:00 PM <i>(for approximately 1 hour)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250  <i>*2<sup>nd</sup> Tuesday due to religious holiday</i> <i>**2<sup>nd</sup> Tuesday due to Thanksgiving holiday</i>	September 20* October 25 November 15** <i>No meeting in December</i>	Ilan Shapiro, MD, MBA, FAAP, <b>FACHE, Chairperson</b> Stephanie Booth, MD Hector De La Torre Hilda Perez G. Michael Roybal, MD, MPH  <b>Staff Contact:</b> Malou Balones <i>Board Specialist III, Board Services x4183</i>
<b>GOVERNANCE COMMITTEE</b>	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250  <b>MEETS AS NEEDED</b>		Hilda Perez, <i>Chairperson</i> Stephanie Booth, MD Layla Gonzalez Nina Vaccaro, MPH VACANT  <b>Staff Contact:</b> Malou Balones <i>Board Specialist III, Board Services/x 4183</i>

**FOR INFORMATION ON THE CURRENT MONTH'S MEETINGS, CHECK CALENDAR OF EVENTS AT [WWW.LACARE.ORG](http://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](mailto:BOARDSERVICES@LACARE.ORG).**

**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
<b>SERVICE AGREEMENT COMMITTEE</b>	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250  <b>MEETS AS NEEDED</b>		Layla Gonzalez, <i>Chairperson</i> George W. Greene Hilda Perez VACANT  <u><b>Staff Contact</b></u> Malou Balones <i>Board Specialist III, Board Services/ x 4183</i>
<b>AUDIT COMMITTEE</b>	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250  <b>MEETS AS NEEDED</b>		Alvaro Ballesteros, MBA, <i>Chairperson</i> Stephanie Booth, MD, Layla Gonzalez  <u><b>Staff Contact</b></u> Malou Balones <i>Board Specialist III, Board Services, x 4183</i>

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

<p style="text-align: center;"><b>L.A. CARE COMMUNITY HEALTH PLAN</b></p>	<p><b>Meets Annually or as needed</b> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>		<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Ilan Shapiro, MD, MBA, FAAP, FACHE. <i>Treasurer</i> Stephanie Booth, MD, <i>Secretary</i> Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Supervisor Holly J. Mitchell Hilda Perez John G. Raffoul G. Michael Roybal, MD, MPH Nina Vaccaro, MPH VACANT</p> <p><b>Staff Contact:</b> John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>
<p style="text-align: center;"><b>L.A. CARE JOINT POWERS AUTHORITY</b></p>	<p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p style="color: red;">*All Day Retreat **Placeholder meeting</p>	<p>September 1* October 6** November 3 December 1</p>	<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Ilan Shapiro, MD, MBA, FAAP, FACHE. <i>Treasurer</i> Stephanie Booth, MD, <i>Secretary</i> Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Supervisor Holly J. Mitchell Hilda Perez John G. Raffoul G. Michael Roybal, MD, MPH Nina Vaccaro, MPH VACANT</p> <p><b>Staff Contact:</b> John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>

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

<b>PUBLIC ADVISORY COMMITTEES</b>			
<b>CHILDREN'S HEALTH CONSULTANT ADVISORY COMMITTEE GENERAL MEETING</b>	<b>3<sup>rd</sup> Tuesday of every other month</b> 8:30 AM <i>(for approximately 2 hours)</i>  L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	September 20 November 15	<b>Tara Ficek, MPH, <i>Chairperson</i></b>  <b><u>Staff Contact:</u></b> Victor Rodriguez <i>Board Specialist II, Board Services/ x 5214</i>
<b>EXECUTIVE COMMUNITY ADVISORY COMMITTEE</b>	<b>2<sup>nd</sup> Wednesday of the month</b> 10:00 AM <i>(for approximately 3 hours)</i>  L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	September 14 October 12 November 9 December 14	<b>Fatima Vasquez, <i>Chairperson</i></b>  <b><u>Staff Contact:</u></b> Idalia Chitica, <i>Community Outreach &amp; Education, Ext. 4420</i>
<b>TECHNICAL ADVISORY COMMITTEE</b>	<b>Meets Quarterly</b>  L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250	September 7 At 12 noon	<b>Richard Seidman, MD, MPH, <i>Chairperson</i></b>  <b><u>Staff Contact:</u></b> Victor Rodriguez <i>Board Specialist II, Board Services/ x 5214</i>

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

**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.***

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

**FOR INFORMATION ON THE CURRENT MONTH'S MEETINGS, CHECK CALENDAR OF EVENTS AT [WWW.LACARE.ORG](http://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](mailto:BOARDSERVICES@LACARE.ORG).**

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

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

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

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

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**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** BOG 100.0922

**Committee:**

**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.

AB 361 was signed into law on September 16, 2021 to amend the Brown Act allowing legislative bodies to continue meeting virtually with relaxed protocols 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 (AB 361). The Governor, by executive order signed on September 20, 2021, suspended the effective date of this new legislation to October 1, 2021 to avoid confusion in the overlap between Executive Order N-29-20 and new AB 361 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 and L.A. Care Joint Powers Authority, including Committees, must, within thirty days of the first meeting pursuant to Government Code Section 54953(e)(1) and every thirty 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 directly impact the ability of the members to meet safely in person.

**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.
2. The Board of Governors finds that given that the vaccination status of meeting participants is not known and COVID-19 continues to be a threat to people’s health and safety, 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, meeting safely in person is impacted by COVID-19 and 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 teleconference/videoconference option should be exercised.
3. 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

## **Board of Governors**

### **MOTION SUMMARY**

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. 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.

As such, staff recommends approval of this motion so that the Board of Governors, all legislative bodies of the L.A. Care Health Plan, and L.A. Care Joint Powers Authority 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 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 Health Plan and L.A. Care Joint Powers Authority meetings subject to the Ralph M. Brown Act that are not held within 30 days, delegate authority to the Executive Committees to authorize findings to continue remote teleconferencing consistent with the Ralph M. Brown Act.**

## **Matt Eyles**

*President & CEO, AHIP*



Matthew Eyles is President & CEO of AHIP, the national trade association representing health insurance providers. Matt leads the association toward fulfilling its mission and vision: expanding access to affordable health care coverage to all Americans through a competitive marketplace that fosters choice, quality, and innovation.

Matt has more than two decades of health care experience in the private sector and in government. He has led teams at Fortune 200 health care companies in diverse roles—including public policy, government affairs, advocacy and corporate communications—with both a U.S. and global focus. Before joining AHIP, Matt held senior executive positions at Coventry Health Care, Inc. (now part of Aetna, a CVS Health company) and Wyeth (now a subsidiary of Pfizer, Inc.). Through his work at Avalere Health, he has been a consultant to some of the largest global and U.S. health care companies and organizations. Matt began his career at the Congressional Budget Office (CBO) where he worked on many issues, including health care, budget policy, and regulatory policy.

Matt is on both the Board of Directors and the Executive Committee of the National Health Council (NHC) and was previously on the Board of the Network for Excellence in Health Innovation (NEHI). He also is a member of the Association Committee of 100 (C100) of the U.S. Chamber of Commerce. Matt was named a Healthcare Power Player by Business Insider in 2019, among the 100 Most Influential People in Health Care in 2018, 2019, 2020, and 2021 by Modern Healthcare, and as a Top Lobbyist for 2019, 2020, and 2021 by The Hill. He earned undergraduate degrees from The George Washington University in Political Science and History, as well as a graduate degree in Public Policy from the University of Rochester (NY).

**Cheryl Phillips, MD, AGSF**  
*President and CEO, SNP Alliance*



Dr. Cheryl Phillips is the President and CEO of the Special Needs Plan Alliance, a national leadership association for special needs and Medicare-Medicaid plans serving vulnerable adults.

Prior to this, she was the Senior VP for Public Policy and Health Services at LeadingAge. She has also served as the Chief Medical Officer of On Lok Lifeways, the originator of the PACE (Program of All-Inclusive care for the Elderly) model based in San Francisco, and the Medical Director for Senior Services and Chronic Disease Management, for the Sutter Health System, a network of doctors, hospitals and other health providers in Northern California. As a fellowship-trained geriatrician, her clinical practice focused on nursing homes and long-term care continuum. While at Sutter Health, she developed and led a care coordination program for high-risk seniors enrolled in the Medicare Advantage plan.

Dr. Phillips is a past president of the American Geriatrics Society, the organization representing health care professionals committed to improving the health of America's seniors; and is also a past president of the American Medical Directors Association, the physician organization for long-term care. She continues to serve on multiple technical advisory groups for chronic care, nursing home quality, and home and community-based services and has provided numerous testimonies to the U.S. Congress.

She is a frequent speaker to boards of directors for aging service providers, state, and national meetings. She served as a primary care health policy fellow under Secretary Tommy Thompson, and was appointed by the Governor as a California Commissioner on Aging and appointed to the Olmstead Advisory Committee for California. Dr. Phillips is on the Board of Directors of the SCAN Foundation and the SCAN Health Plan Board.



# Board of Governors

## Regular & Supplemental Special Meeting Minutes #309

### July 28, 2022

L.A. Care Health Plan, 1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017



**L.A. Care**  
H E A L T H P L A N

#### Members

Hector De La Torre, *Chairperson*  
 Alvaro Ballesteros, MBA, *Vice Chairperson\**  
 Ilan Shapiro, MD, *Treasurer \**  
 Stephanie Booth, MD, *Secretary*  
 Christina R. Ghaly, MD  
 Layla Gonzalez

George W. Greene, Esq.\*  
 Honorable Holly J. Mitchell  
 Hilda Perez  
 John G. Raffoul  
 G. Michael Roybal, MD, MPH  
 Nina Vaccaro, MPH

#### Management

John Baackes, *Chief Executive Officer*  
 Terry Brown, *Chief of Human Resources*  
 Augustavia Haydel, *General Counsel*  
 Linda Greenfeld, *Chief Product Officer*  
 James Kyle, MD, *Chief of Equity & Quality Medical Director*  
 Tom MacDougall, *Chief Technology & Information Officer*  
 Thomas Mapp, *Chief Compliance Officer*  
 Marie Montgomery, *Chief Financial Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*  
 Richard Seidman, MD, MPH, *Chief Medical Officer*

*All via teleconference*

*\*Absent*

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 Health Plan'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 will continue to meet virtually and the Board will review that decision as provided in the Brown Act.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>WELCOME</b>	<p>Hector De La Torre, <i>Chairperson</i>, called to order at 1:04 p.m. the regular and supplemental special meetings of L.A. Care Health Plan Board of Governors and regular meeting of L.A. Care Health Plan Joint Powers Authority Board of Directors. The three meetings were held simultaneously.</p> <p>He announced that, for those with access to the internet, the materials for today's meeting are available on the L.A. Care website. If you need information about how to locate the materials, please let us know.</p> <p>He welcomed members of the public and thanked those who have submitted public comment by voice mail, text or email. He informed participants that for those using the video software during the meeting, the "chat" function will be available to provide live and direct public comment to everyone participating in the virtual meeting. The Chat feature will be open throughout the meeting for public comment.</p> <p>Board Members have received in writing the voice messages and written comments that were sent before the meeting. All comments sent before and during the meeting will be read for up to three minutes. Public comments on any topic that are not listed on the Agenda will be heard</p>	

**DRAFT**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>at the Public Comment section of the Agenda, and comments on the items listed on the Agenda will be heard before the item is discussed by the Board. Submission of public comment must be sent before the public comment period for an item.</p> <p>Chairperson De La Torre noted that public comments should be related to the meeting topic on the Agenda. All are welcome to provide input. Public comments are read before the topic is discussed so that the Board can hear what the submitter has to say and can take that input into consideration as it takes action. He thanked participants for their public comment.</p>	
<b>APPROVAL OF MEETING AGENDA</b>	The agendas were approved as submitted.	<b>Unanimously approved by roll call. 8 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell, Perez, Roybal, and Vaccaro)</b>
<b>APPROVAL OF FINDINGS UNDER THE RALPH M. BROWN ACT</b>	<p><i>(Board Member Raffoul joined the meeting.)</i></p> <p>Chairperson De La Torre noted that the Governor's emergency declaration about the pandemic is still in place, although recent changes have been made to the public health guidelines. Approval of the motion shows the Board's recognition that the virtual meeting structure is critical to protect everyone's health and safety, and a virtual meeting does not show preference for members of the public who might be able to attend a meeting in person over those members of the public who cannot travel to or attend the meeting in person. L.A. Care will continue to follow public health recommendations.</p> <p><b><u>Motion BOG 100.0722</u></b></p> <ol style="list-style-type: none"> <li><b>1. Authorize remote teleconferencing consistent with the Ralph M. Brown Act;</b></li> <li><b>2. Adopt findings as set forth in this Motion Summary and,</b></li> <li><b>3. For all L.A. Care Health Plan and L.A. Care Joint Powers Authority meetings subject to the Ralph M. Brown Act that are not held within 30 days, delegate authority to the Executive Committees to authorize findings to continue remote teleconferencing consistent with the Ralph M. Brown Act.</b></li> </ol>	<b>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell, Perez, Raffoul, Roybal, and Vaccaro)</b>
<b>PUBLIC COMMENTS</b>	<p>Submitted via text on July 25 at 9:22 a.m. by Carolyn Rogers Navarro.</p> <p><i>Meeting Public comment 7-28-2022 CEO report Are enrollees being formally notified that LA Care was fined by Calif health officials \$55 million for delay and denial of care and due process, enrollees have the right to be informed of this, this is the</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>worst fine ever and you are still &lt;expletive&gt; with peoples lives when your leadership belongs in jail! You agency has proven negligence and and it's in the report that people are dead because of your delaying of care, your agency as stated by another commenter is "window dressing"</i></p> <p><i>Last comment from Carolyn Rogers Navarro ,add</i></p> <p><a href="https://www.kcrw.com/news/shows/kcrw-features/finds-ca-medi-cal">https://www.kcrw.com/news/shows/kcrw-features/finds-ca-medi-cal</a></p> <p><a href="https://www.kcrw.com/news/shows/kcrw-features/finds-ca-medi-cal">https://www.kcrw.com/news/shows/kcrw-features/finds-ca-medi-cal</a></p> <p><i>Who is notifying enrollees?</i></p> <p><a href="https://www.foxla.com/news/la-county-health-plan-fined-55m-for-health-care-failures.amp">https://www.foxla.com/news/la-county-health-plan-fined-55m-for-health-care-failures.amp</a></p> <p><i>Enrollees are not Safe!</i></p>	
<p><b>APPROVE CONSENT AGENDA ITEMS</b></p>	<ul style="list-style-type: none"> <li>• June 2, 2022 Board of Governors Meeting Minutes</li> <li>• Infosys SAP QNXT Integration Contract Amendment <b><u>Motion BOG 101.0722</u></b> To authorize staff to amend the existing contract with Infosys for an additional \$132,000 (total contract not to exceed \$1,130,360) for continued SAP QNXT integration activities through September 30, 2022.</li> <li>• Community Health Investment Fund Grants <ul style="list-style-type: none"> <li>○ California Association of Food Banks <b><u>Motion EXE 100.0722</u></b> To award up to \$1,300,000 to the California Association of Food Banks to support up to 10 grants to Los Angeles County nonprofits, provide training and technical assistance on CalFresh outreach, and enhance grantees' enrollment assistance to CalFresh eligible individuals and families, including L.A. Care members.</li> <li>○ Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for Enhanced Services (LANES) <b><u>Motion EXE 101.0722</u></b> To award up to \$500,000 to Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for Enhanced Services (LANES) to modernize LANES health information exchange platform and interoperability infrastructure.</li> <li>○ Liberty Hill Foundation <b><u>Motion EXE 102.0722</u></b></li> </ul> </li> </ul>	<p>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell, Perez, Raffoul, Roybal, and Vaccaro). <b><i>Member Raffoul abstained for Motion EXE 101.0722.</i></b></p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>To award up to \$500,000 to the Liberty Hill Foundation to support infrastructure development and program sustainability of its Stay Housed LA Network to prevent evictions through education and advocacy services for housing insecure tenants throughout LA County, including L.A. Care members.</p> <ul style="list-style-type: none"> <li>ImageNet, LLC Contract Amendment <u>Motion FIN 100.0722</u> To authorize staff to create amendment #3 of SOW #1 to increase the contract amount from \$1,400,000 to \$4,101,233 (incremental increase of \$2,701,233) and extend the term through September 30, 2025. This amendment will allow ImageNet, LLC continue to support L.A. Care Claims Processing Services as well as adding Provider Dispute Resolutions (PDR) Processing Services.</li> <li>OptumInsight, Inc. Contract Amendment <u>Motion FIN 101.0722</u> To authorize staff to create amendment #1 of SOW #25 to increase the contract amount from \$1,380,000 to \$4,522,887 (incremental increase of \$3,142,887) and extend the term through December 31, 2025. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Itemized Bill Review services.</li> <li>Cognizant Technology Solutions Contract Amendment <u>Motion FIN 102.0722</u> To amend the existing contract with Cognizant in the amount of \$1,065,000 (total contract not to exceed \$6,388,069) for continued Salesforce implementation activities through December 31, 2022.</li> <li>Cognizant Technology Solutions for Hosting Services for L.A. Care's core systems <u>Motion FIN 103.0722</u> To amend the existing contract with Cognizant Technology Solutions in the amount of \$3,650,000 (total contract not to exceed \$99,884,459), for continued hosting services for L.A. Care's core systems through December 31, 2022.</li> <li>Health Management Systems (A Gainwell Company) Contract Amendment <u>Motion FIN 104.0722</u> To authorize staff to amend the contract in the amount of \$21,454,010 (not to exceed a total contract amount of \$42,822,666) with Health Management Systems (A Gainwell Company) to provide Cost Avoidance, Direct Bill and Disallowance services through December 31, 2025.</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>Toney Healthcare Consulting contract amendment <b><u>Motion FIN 105.0722</u></b> <b>To authorize amendment extensions of the current contracts with Toney Health Care Consulting (SOWs 3 &amp; 7) and execute new SOW 12 for UM and CM services through February 28, 2023, at an additional cost of \$3,308,800 for a total UM/CM contract not to exceed \$15,261,371.</b></li> </ul>	
<b>CHAIRPERSON'S REPORT</b>	Chairperson De La Torre commented on the recent spike in COVID cases, which is equal to the cases back in February. He urged everyone to be careful, continue to wear masks and keep socially distanced. He encouraged getting a vaccine and booster shots. He knows people who have passed away from the virus. There may be another spike this fall.	
<b>CHIEF EXECUTIVE OFFICER REPORT</b>	<p>John Baackes, <i>Chief Executive Officer</i>, reported that member enrollment has reached a new milestone at more 2.7 million, and enrollment in July is one of the largest enrollment gains L.A. Care has experienced, mostly due to the expansion of Medi-Cal eligibility to undocumented residents aged 50 and over. For May, June and July, L.A. Care welcomed 82,000 new members in that category. More enrollment is expected in the coming months, and L.A. Care welcomes all the new members. Thereafter, there may be separate events that increase and decrease the enrollment in the next 18 months. Undocumented residents aged 26-49 will become eligible for Medi-Cal no later than January 1, 2024, as a result of recent state legislation. It is estimated that there are 200,000 in Los Angeles County, and L.A. Care can expect to enroll about 140,000. In addition, L.A. Care has been informed that another 100,000 Medi-Cal fee for service beneficiaries are expected to move into managed care within the next year. A decrease in L.A. Care's enrollment is expected on January 1, 2024 when the Department of Health Care Services (DHCS) contract directly with Kaiser Permanente becomes effective. A second negative enrollment event will happen when the public health emergency ends and Medi-Cal eligibility redeterminations resume. It is anticipated that the emergency will be extended again until sometime in 2023. Mr. Baackes estimates that up to 8% of enrollment will terminate. These are people who have moved their residence or have increased income above 138% of the federal poverty level. Those who are no longer eligible due to income could re-enroll in L.A. Care Covered, and arrangements are being made for automatic enrollment for this category. By January 2024, L.A. Care's enrollment is estimated to be 2.4 million.</p> <p>With the large increase in enrollment on July 1, L.A. Care made extra effort to match the new enrollees who have prior health care affiliations with their existing primary care providers. An event last week, the eight new L.A. Care Scholars were honored. These students will attend the Charles R Drew University of Medicine and Science or the Geffen School of Medicine at UCLA. L.A. Care has now awarded scholarships to 40 medical students through this program.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>The event also celebrated L.A. Care's 25<sup>th</sup> Anniversary, and a congratulatory scroll was presented by Supervisor Mitchell's staff. A video was presented of the event.</p> <p>L.A. Care is a participating plan in Covered California. For 2023, L.A. Care is the lowest price option in all four metal tiers, by a substantial margin. As a public entity, L.A. Care is priced competitively and is bringing down the cost of health care for many Los Angeles residents. Enrollment begins in November. A new federal bill just introduced will include an extension of the federal premium subsidies for another three years. That will allow many of the people joining L.A. Care through Covered California to pay no premium. This will be a big boost for many who don't qualify for Medi-Cal.</p> <p>Cost of hiring nurses has increased due to the COVID crisis and the stress that led many nurses to leave the field has increased demand and raised salaries for nurses. The City of Los Angeles has passed an ordinance that requires a minimum \$25/hour minimum wage for all private hospital positions, leading to a huge increase in costs for those hospitals. It is expected that unions represented at public hospitals will reach this minimum wage through contract bargaining. This puts additional financial pressure on the safety net provider network. Mr. Baackes asked the DHCS if there will be an increase in Medi-Cal rates to reflect the systemic changes in the cost of providing care and was told no. L.A. Care is working with providers across the county to form the Los Angeles County Safety Net Coalition. The purpose of the coalition is to bring the various factions together with a comprehensive plan for increasing Medi-Cal reimbursement. It may include a ballot initiative. The Coalition includes private hospitals through Private Essential Access Community Hospitals, Los Angeles County Medical Association, federally qualified health centers through the Community Clinic Association of Los Angeles County, and many L.A. Care contracted independent physician associations (IPAs). Mr. Baackes will include Chairperson De La Torre (a former state assembly member) and Board Member Mitchell (a former state senator). The increased costs will impose a burden on safety net providers and needs to be addressed.</p> <p>Mr. Baackes invited Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, to provide an update on the COVID pandemic.</p> <p>Dr. Seidman thanked Chairperson De La Torre for his comments earlier in the meeting. He reported that Barbara Ferrer, Ph.D., M.P.H., M.Ed., <i>Director, Los Angeles County Department of Public Health</i>, reported to the Board of Supervisors earlier this week that we are seeing a slight decrease in daily case rates and hospitalizations are down from last week and the testing positivity rate is going down. Los Angeles County is still at high community transmission levels. There will be an update from the Centers for Disease Control later today based on the latest data. Dr. Ferrer has a press conference scheduled later today to announce any updates to the</p>	

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	<p>public health guidelines based on the new data. Dr. Seidman encouraged everyone to use a mask, get a vaccine and be aware of the therapeutics available.</p> <p>Board Member Ghaly noted that Dr. Seidman gave a complete and accurate report. The data for Los Angeles County does show a positive trend to a lower level of transmission of the disease. For hospitals, there has not been a higher census in the hospitals. There are patients admitted who have a positive COVID test, and that is true throughout the community. The virus is widespread right now. There are high volumes of people seeking treatment at the emergency rooms for symptoms of COVID, adding stress to very busy clinical settings. Because of the high community transmission levels, hospital staff is also catching the virus and must follow isolation protocols. This lowers the staffing levels at the hospitals and medical treatment sites. One of the stories about the pandemic is the challenge in staffing, and it continues to be a stressor to the system of medical care. California has strict staff ratios that hospitals must comply with. Another stressor for staffing is the increasing cost, made more challenging in Los Angeles due to recent decisions, and affects the public system as much as the private systems of care. There is a lower supply of nurses and a high demand, leading to higher cost and adding to the fiscal stress for hospitals, along with the supply chain disruptions. There are many patients who have recently begun to catch up with deferred or delayed care during the pandemic. She encourages everyone to get a vaccination and booster, wear a mask in any crowded place or indoors, even if Dr. Ferrer does not re-impose a mandate. The situation of the past with large numbers of people in intensive care units and many dying, is not happening today due to the availability of the vaccines. She encouraged those people who may be reluctant to get a vaccine to reconsider, ask questions of trusted resources, and talk to their health care provider. She noted there is also a new vaccine available that is not MRNA.</p> <p>Board Member Raffoul commented that hospitalizations at White Memorial have hovered recently around 20 people. The majority are mildly sick and there hasn't been a big surge in the number of patients. A lot of employees have been out sick because of COVID. The hospital is struggling to have enough nurses to care for patients.</p> <p>Board Member Perez asked Board Member Ghaly about enforcement of the potential mask mandate. Board Member Ghaly noted that there is a diversity of opinions, approaches and enforcement. Public Health is not positioned to enforce the mandate; it requires a team approach for everyone to do their part in helping to achieve compliance.</p> <p>Board Member Mitchell confirmed Board Member Ghaly's remarks. She noted that public health movements have taken time to effect long term culture change. She noted that changes have occurred slowly in the past. Public health policy is set in the best interest for all, not just for the individual. She is disturbed by the ire that has recently been focused on Dr. Ferrer and</p>	

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	<p>the negative reaction to public health policies. Board Member Mitchell is continuing to wear a mask, and she encourages everyone to talk with family, friends and neighbors to help them understand. The argument recently has changed from people wanting a choice to wear a mask to now, people are arguing against the science of mask effectiveness. Dr. Ferrer noted at the last Board of Supervisor's meeting that masks have always been worn in hospital settings and have not been questioned. The pandemic has had a disproportionate impact on poor people, on communities of color, and on frontline workers. Dr. Ferrer challenged everyone by asking how many deaths are too many, at what point does society decide who is dispensable. The Los Angeles County data shows the highest risk among poor people, underrepresented people, black and brown people. Board Member Mitchell will continue wearing a mask and stand by the Los Angeles County data and her public health representative in making decisions that are in the best interest of the entire public. She noted that these are pressing issues and everyone needs to lock arms and be clear about our personal decisions.</p> <p>Board Member Mitchell stated she is proud of her legislative colleagues for expanding Medi-Cal to an historic level. Now we have to be sure we operationalize it. She noted that the new members are not experienced in managed care and how are we helping them successfully navigate the system. Mr. Baackes noted that L.A. Care's Community Resource Centers have been helping to educate newly enrolled members. Many of these newly eligible have been receiving care through Los Angeles County Department of Health Services. L.A. Care has provided feedback to DHCS regarding any problems during the enrollment, so that future enrollment for members with prior affiliation to a health care provider can be made easier. The next step for those coming into the system is identification of those who are eligible for Enhanced Care Management (ECM), a new benefit effective January 1, 2022. Health plans are responsible for complex care management, and ECM is a level higher in the services that can be coordinated and delivered to members, particularly in addressing social determinants of health. There will be more evaluations available to new members. LA Care has over 50 vendors it works with to deliver ECM services. Recently Board Member Ghaly and Mr. Baackes met in a group convened by the California Health Care Foundation to discuss improvements and preparation for the next large group to be enrolled, those ages 26-49 years. It was agreed there needs to be more education prior to enrollment, and work has begun on plans to distribute information to this group so they are prepared when the opportunity for Medi-Cal enrollment is available to them.</p> <p>Board Member Mitchell noted that making sure people can enroll in care and that they know how to use the services available to them. Board Member Mitchell thanked L.A. Care for the video, it was very moving. She noted that in order to get to the crux of health disparity it is necessary to change the composition of the health care delivery system and workforce. She also</p>	



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	<p>appreciates the new initiative to improve African American maternal and infant mortality rates. She has worked in this area most of her professional career, recognizing that California and Los Angeles County data in this area is still painfully high for Black maternal morbidity. She appreciates the investment in community based organizations that are on the ground trying to effect change. Mr. Baackes thanked everyone for the comments. He noted that there is way more to L.A. Care than most people realize. He feels that the job is to add value to the members and the providers that serve the members.</p> <p>Board Member Gonzalez asked about the monkey pox virus. She asked if there is a period where people might not have symptoms but are contagious without knowing. Dr. Seidman reported that monkey pox is present in 75 countries, with about 18,000 reported cases worldwide. There are 3,500 reported cases in the United States, and 218 cases in Los Angeles County, which are all adult men. The virus is spread primarily by close physical contact. Over 85% of the cases are among men who have sex with men. There is some time between exposure and evidence of infection with the increased likelihood of spread. As with COVID, increased awareness and vaccine availability are needed. There is information available online at the Los Angeles County Department of Public Health (DPH) website and on L.A. Care's website. DPH advises that those people in the high risk categories should talk to their own doctor. DPH also has information on the website about where the vaccine is available. It is important to manage the virus so it can be contained.</p> <p>Board Member Booth reported that the CDC website indicates that people without symptoms of monkey pox cannot spread the virus.</p>	
<ul style="list-style-type: none"> <li>Transform LA (Practice Transformation)</li> </ul>	<p>Mr. Baackes reported that he has recently begun inviting staff members to present information about L.A. Care programs which are adding value for members and providers. Today, Cathy Mechsner, MBA, PMP, <i>Manager, Practice Transformation Programs</i>, will discuss the Practice Transformation Program. Dr. Seidman noted that the internal practice transformation work is called, Transform LA. It was derived from a former federal grant, Transforming Clinical Practice Initiative, where funding enabled L.A. Care to reach out to practices throughout the network to offer technical assistance to help them better manage the practice and get better outcomes for the patients. The program was very successful, and it seemed that all of that experience shouldn't expire with the federal grant. He undertook additional effort to retain the resources after the federal grant funds stopped, and the Transform LA program was launched. It is a smaller scale than the federal grant program.</p> <p>Ms. Mechsner and her team support two programs, and she shared a presentation on Transform LA (<i>a copy of her presentation is available by contacting Board Services</i>).</p>	

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	<p>Transform L.A. (TLA) is a value added technical assistance program for large and small practices, helping them to develop their quality improvement capacity to deliver care more effectively to our members and help members improve their health outcomes. This is done by collecting, reporting and analyzing data, optimizing work flows and processes, and providing one on one coaching support on site and virtually to support the practices.</p> <p>Practice transformation with the assistance of a coach is not linear. The coach helps physicians and staff gain knowledge and skills in the science of improvement so they can continue to improve long after the coach is gone. Coaches take the time to build trust with the practice, to understand the needs of the providers and their staff.</p> <p>Key areas of focus are on workflow optimization, clinical outcome measure improvement and sustainability of improvements incorporated into the business operation. The program requires practices to work on two clinical quality measures: Controlling High Blood Pressure and HbA1c &gt;9%. Practices can select additional measures to work on. Coaches recommend that practices select from the measures included in L.A. Care's provider improvement program. The TLA team works with other teams in the Quality Improvement department including the incentives, quality performance management, and pharmacy, are a few of those teams. This effectively leverages other programs offered by L.A. Care to the practices.</p> <p>At the beginning of the engagement with the practice, an assessment of where the practice is in terms of care processes to determine what types of technical assistance and resources is needed. A Practice Assessment Tool (PAT) is used to conduct the initial assessment and subsequent assessments every six months. The information gathered from the PAT forms a foundation for the work plan for each practice. The PAT includes 27 milestones that are used to assess phases of transformation.</p> <p>There are three primary transformation drivers:</p> <ul style="list-style-type: none"> <li>• Patient/Family Center Care Design</li> <li>• Data Driven Quality Improvement (QI)</li> <li>• Sustainable Business Operations</li> </ul> <p>The five phases of transformation include:</p> <ul style="list-style-type: none"> <li>• Set Aims</li> <li>• Report &amp; Use Data</li> <li>• Measurable Improvements</li> <li>• Benchmark Status</li> <li>• Pay-for-Value Ready</li> </ul>	

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	<p>Some of the challenges in the program fall into three main groups:</p> <p>A practice's ability to understand and use quality improvement (quality improvement is not quality assurance). Quality improvement is data based and is infused in every job in the practice. A practice must have an electronic health records system, and part of the assessment is how well the staff uses this tool.</p> <ol style="list-style-type: none"> <li>1. High staff turnover is another significant issue. L.A. Care has engaged American Career College, to encourage graduates looking for jobs to consider the TLA practices. Several successful placements have been made. Sustaining practice QI knowledge is challenging with staff turnover.</li> <li>2. Physician satisfaction is also a challenge. L.A. Care's TLA team serves as a frontline representative of L.A. Care, and occasionally concerns or issues are raised which are outside of the TLA team scope. TLA team members meet with the direct network administration team to communicate these so account managers can work quickly to resolve them.</li> </ol> <p>Results in 2022 so far have been positive and practices have made good progress in helping their patients diagnosed with Diabetes gain better control over their glucose measurement. For the second required measure, controlling high blood pressure, L.A. Care's TLA team has been working with practice staff to make sure the blood pressure measurement is accurate. The improvements in both measures flow from improved data tracking and collection, health education for patients on self-care management and helping practices conduct outreach to assure that patients come in for their appointments.</p> <p>TLA has received positive feedback about the program from participating providers.</p> <p>Board Member Booth asked if the goal is to establish good habits and encourage providers to add measures and continue to use data on their own. Ms. Mechsner responded that a goal is to help the practices adopt a mindset of continuous improvement. She noted that the practices have the capability to continue the process without the coach. Improvement doesn't always require greater funding. Helping staff understand the impact of their role, feeling valued and more engaged can contribute to quality improvement. Board Member Booth noted that it can have a big impact for the physician too.</p>	
<ul style="list-style-type: none"> <li>• L.A. Care Health Plan Board of Governors Resolution</li> </ul>	<p>Mr. Baackes introduced a resolution that L.A. Care management would like the Board to consider. In June, the Board approved a resolution calling on L.A. Care to be a community leader in addressing gun violence as a public health issue. With the recent decision by the United States Supreme Court reversing the 50-year old decision in <i>Roe v. Wade</i>, L.A. Care management felt strongly that a similar resolution is required. This resolution declares L.A.</p>	

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Supporting Abortion Rights	<p>Care's intent to defend the right of women to make their own choices in this matter, as part of good public health. Dr. Seidman commented that there are horrible stories of some of the consequences of the SCOTUS decision which may be unintended but are not that surprising. There are really complex medical issues involved, and physicians are being thwarted from doing what they know is appropriate care during pregnancy. This is a very important issue and he is glad that L.A. Care is in a position to make this resolution and hopes it will continue to take a leadership role nationwide.</p> <p>Board Member Booth asked about the term, codified. Chairperson De La Torre responded that codifying would establish federal law passed by Congress. Reproductive rights are protected by law in California.</p> <p><b><u>Motion BOG 102.0722</u></b>  <b>L.A. Care Health Plan Board of Governors Resolution</b>  <b>Supporting Abortion Rights</b>  <b>Whereas</b>, Local Initiative Health Authority for Los Angeles County, operating and doing business as L.A. Care Health Plan ("L.A. Care"), the nation's largest publicly operated health plan, is committed to advancing health equity, ensuring everyone has a fair and just opportunity to be as healthy as possible;  <b>Whereas</b>, all reproductive rights are human rights; and access to essential healthcare includes access to abortion services and contraception;  <b>Whereas</b>, globally, there are an estimated 25 million unsafe abortions each year, resulting in injury and/or death;  <b>Whereas</b>, L.A. Care is deeply disturbed by the recent Supreme Court decision overturning <i>Roe v. Wade</i>, which for nearly 50 years, guaranteed the right to an abortion in the United States;  <b>Whereas</b>, L.A. Care recognizes the ruling is expected to lead to restricted access or a ban on abortions in nearly half of all states; and  <b>Whereas</b>, L.A. Care recognizes that California will continue to protect the right to choose and will offer help to people from other states.  <b>Now, Therefore</b>, the Board of Governors of L.A. Care resolves as follows:</p> <ol style="list-style-type: none"> <li><b>L.A. Care will strongly advocate through its representatives for the United States Congress to move swiftly to codify <i>Roe v. Wade</i>, protecting the right to contraception and abortion in the United States.</b></li> <li><b>L.A. Care seeks to retain, uphold and expand California's tradition of protecting statewide access to abortion services and contraception.</b></li> </ol>	<p>Unanimously approved by roll call.  <b>8 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell, Raffoul, Roybal, and Vaccaro).</b>  <b>1 ABSTENTION (Perez)</b></p>
CHIEF EXECUTIVE OFFICER REPORT (continued)	Mr. Baackes announced that Dr. Seidman will retire in December, 2022. L.A. Care has begun an executive search process and has retained the firm, Spencer Stuart, for this task.	

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	<p>Mr. Baackes also announced that L.A. Care is conducting 11 “Back to School” events, and is distributing 3,000 free backpacks at each event.</p> <p>Dr. Seidman reported that Los Angeles County Department of Public Health has reviewed the most recent data for the COVID pandemic in Los Angeles County, and based on the current trends for community spread and hospitalization, an indoor mask mandate will not be necessary at this time. Wearing a mask indoors or when around a group of people is highly recommended.</p> <p>Mr. Baackes reported that Ellin Davtyan, <i>Senior Associate General Counsel</i>, has accepted a new position as the General Counsel for the California State Bar Association, and she will be leaving employment with L.A. Care on August 2. Mr. Baackes congratulated Ms. Davtyan, and he noted that he has worked with her for 7.5 years and found her to be thorough and she has been successful in litigation and other legal matters. He thanked her for her great work for L.A. Care.</p>	
<ul style="list-style-type: none"> <li>• Vision 2024 Progress Report</li> </ul>	<p><i>Mr. Baackes referred Board Members to the written report included in the meeting materials.</i></p>	
<ul style="list-style-type: none"> <li>• Grants and Sponsorship Report</li> </ul>	<p><i>Mr. Baackes referred Board Members to the written report included in the meeting materials.</i></p>	
<p>L.A. Care Health Plan Joint Powers Authority consideration of surrender of Knox-Keene License and transfer of the PASC SEIU line of business to L.A. Care Health Plan</p>	<p>Submitted via Chat on July 28, 2022 at 1:51 p.m. by Andria McFerson</p> <p><b><i>We need to simplify our verbage to communicate better with our members the disabled, seniors and those with learning disabilities. Obviously we are the ones who need low income assistance and healthcare coverage so in order to effectively give proper access to preventative care we need to describe things with a brief synopsis so that people could understand better and be able to describe to you how these disparities effect us we need to come up with plausible answers. together. Please Thanks Andria RCAC6</i></b></p> <p>Augustavia Haydel, <i>General Counsel</i>, summarized the motions. She briefly described the history of the Managed Care Organization (MCO) tax, which was applicable to organizations that were directly contracted with the Department of Health Care Services. Originally, the Department of Managed Health Care (DMHC) did not treat the MCO tax plans (also known as Qualified Improvement Tax or QIF plans) as separate licensees for purposes of DMHC filings and audits in order to reduce the administrative burden on plans and the Department. The California legislature revised the MCO tax in 2019 to comply with federal requirements, which required the tax to apply to all managed care organizations, rather than just those with Medi-Cal lines of business. After the modification of the MCO tax, DMHC encouraged plans with separate QIF licensed affiliates to consolidate their enrollment into one Knox-Keene licensed plan and</p>	

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	<p>surrender the QIF license (and most did), since there was no longer a MCO tax reason for maintaining the separate licenses. Staff considered the unique opportunity to maintain the JPA with the county and made an assessment at the time that the administrative burden of maintaining the L.A. Care JPA Knox-Keene license would not be significant. Since that time, the Department has imposed additional requirements for L.A. Care JPA that have increased the administrative burden and compliance risk of maintaining the separate Knox-Keene license.</p> <p><i>The following motion was approved by the Board of Directors of the L.A. Care Health Plan Joint Powers Authority, and the motion and vote are included here for reference only. The members of the Board of Directors of the L.A. Care Health Plan Joint Powers Authority are the same as the members of the L.A. Care Health Plan Board of Governors:</i></p> <p><b><u>Motion JPA 100.0722</u></b></p> <ol style="list-style-type: none"> <li><b><i>To delegate authority to staff of L.A. Care Joint Powers Authority (JPA) to take all necessary actions to transfer the PASC-SEIU line of business from L.A. Care JPA to L.A. Care including revising any necessary agreements and submitting an application for license surrender to the California Department of Managed Health Care.</i></b></li> <li><b><i>To effectuate the surrender of the Knox-Keene license of L.A. Care JPA by directing staff of L.A. Care JPA to submit an application for license surrender to the California Department of Managed Health Care in accordance with California Health and Safety Code § 1399 and California Code of Regulations title 28 § 1300.99.</i></b></li> </ol>	<p>Unanimously approved by the JPA Board of Directors by roll call. 8 AYES (Booth, De La Torre, Ghaly, Mitchell, Perez, Raffoul, Roybal, and Vaccaro). 1 ABSTENTION (Gonzalez)</p>
L.A. Care Health Plan consideration of accepting transfer of PASC SEIU line of business from L.A. Care Health Plan Joint Powers Authority	<p><b><u>Motion BOG 103.0722</u></b></p> <p><b>To delegate authority to staff of L.A. Care to take the steps necessary to accept responsibility for the PASC-SEIU line of business after L.A. Care JPA transfers the PASC-SEIU line of business to L.A. Care.</b></p>	<p>Unanimously approved by the L.A. Care Board of Governors by roll call. 8 AYES (Booth, De La Torre, Ghaly, Mitchell, Perez, Raffoul, Roybal, and Vaccaro). 1 ABSTENTION (Gonzalez)</p>
<b>ADVISORY COMMITTEE REPORTS</b>		
<b>Executive Community Advisory Committee (ECAC)</b>	Board Member Gonzalez thanked all the members that are listening to the Board meeting today. The Board appreciates their attendance and welcomes their comments, suggestions and questions. She urged everyone to continue to use their masks, get vaccinated, and get their	

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	<p>booster shot if eligible. The Board sends warm thoughts to those who are affected by the pandemic or have friends or family affected by the pandemic.</p> <p>ECAC met on July 13.</p> <ul style="list-style-type: none"> <li>• Dr. Seidman reported on COVID-19, the baby formula shortage, and the Monkey Pox outbreak. Mr. Baackes also updated the members on L.A. Care’s activities. They both also gave reports earlier today.</li> <li>• Dr. Kyle reported on L.A. Care’s Equity Steering Committee.</li> <li>• Mr. Oaxaca updated members about activities involving Communications and Community Relations, and back to school events at Community Resource Centers.</li> <li>• ECAC approved the recommendations made by an ad hoc committee that met to discuss Hispanic Heritage month. The ad hoc committee made the following recommendations: <ul style="list-style-type: none"> <li>○ ECAC approved the recommendations made by the ad hoc committee which is the Lived Experience “Accessing care as a Latino”</li> <li>○ Live Cooking Demonstration <ul style="list-style-type: none"> <li>▪ Mexican plant-based inspired dish</li> <li>▪ Recipes will be shared with the audience prior to the live cooking demonstration so that viewing participants can cook along with the chef.</li> </ul> </li> <li>○ Health Disparities among the Hispanic community- awareness of diseases such as Diabetes <ul style="list-style-type: none"> <li>▪ Cultural Traditions and the impact on diabetes</li> <li>▪ Living with diabetes invitation to hear from a person living with diabetes and the importance of prevention and adherence from their perspective.</li> </ul> </li> <li>○ Health Disparities amongst the Hispanic community – Health Access <ul style="list-style-type: none"> <li>▪ What to do when you are having issues accessing health care services</li> <li>▪ Knowing your rights when accessing health care services?</li> <li>▪ Medi-Cal Expansion for the undocumented</li> </ul> </li> <li>○ Event Outreach recommendations <ul style="list-style-type: none"> <li>▪ Begin advertising the event one month prior.</li> <li>▪ Mail flyers and or save the date reminders sent to all RCAC members</li> <li>▪ Use Social Media to advertise the events</li> </ul> </li> </ul> </li> <li>• Abraham Rivera, <i>Transportation Service Manager, Call the Car</i>, and Victoria Truong, <i>MSHCM, Provider Network Account Manager III, Provider Network Management</i>, gave ECAC a demonstration on how to use the Call the Car mobile app.</li> <li>• Nurse Rachel Martinez gave a presentation about preventive health guideline changes. Changes include: <ul style="list-style-type: none"> <li>○ Defined doctor and risk factors.</li> </ul> </li> </ul>	

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	<ul style="list-style-type: none"> <li>○ Changed Sexually Transmitted Diseases STDs to Sexually Transmitted Infection's.</li> <li>○ Added information to emphasize the importance of a wellness visit every year especially during the pandemic.</li> <li>○ During pregnancy changed testing from HIV to Sexually Transmitted Infections.</li> <li>○ Included Sexually Transmitted Screenings in both Males and Females section.</li> </ul> <p>Board Member Gonzalez expressed her thanks for an invitation to the 25<sup>th</sup> Anniversary celebration and announcement of the eight new Elevating the Safety Net L.A. Care Scholars, where she had an opportunity to speak with parents of the Scholars. It was an amazing experience. One parent was a single Mom, and it is amazing how she supported her son. Board Member Gonzalez hopes all the parents are able to continue to support and encourage the Scholars. Now that the Scholars have the four-year scholarship, they can pursue their dreams with fewer worries.</p> <p>Board Member Perez commented that the event was very nice and touched so many hearts. She was thankful to be there. She has been on the Board for a long time and she appreciated the opportunity to reconnect with former Board Members who attended the event as well. In one of the speeches there was a statement about doing something to make the world better, even though it might be something small. It was good to see former Chairs and former Members of the Board of Governors. She appreciated meeting the families and hearing their stories. During interviews by media, one could see how proud the parents are and how proud the Scholars are. It was mentioned that L.A. Care is the people's plan, and she appreciates that. L.A. Care is doing far and beyond. The community events are a connection to the health plan members. Some people there did not know that L.A. Care has Community Resource Centers throughout Los Angeles County. The event helped raise awareness of L.A. Care's presence, not only at the high rise downtown, but in the community. She is an immigrant, Mom, she didn't finish college but her daughter just did. That is an accomplishment in many ways. She is not employed in public health but it seems obvious that L.A. Care is making a difference for the members and for the communities. As a health promoter, she has the opportunity to connect with people. She lives in the same communities and has similar experiences. It really makes a difference when you touch someone's life, not only from the health access perspective but in supporting financially struggling families through the Back to School events. She is very proud to be part of this Board. Many Supervisors have been on this Board. She thanked Supervisor Mitchell for posting the Back to School events on her website in both the English and Spanish languages. Seeing the post in Spanish connected her and made her eager to attend. She thanked Community Outreach &amp; Engagement and Board Services staff for including members of the Executive Community Advisory Committee in the anniversary celebration. L.A. Care's members are part of the organization. Member feedback is important to help L.A. Care be a</p>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>better plan, to be of service and help people be happier and healthier. She invited Board Members to attend the community events to meet the members. She encouraged Board Members to bring children to the events. She is pleased to see the social media platforms expanding, with more participation. She advocated for more staff for the Community Outreach &amp; Engagement and Communications departments.</p> <p>Chairperson De La Torre responded that the comment she referenced came from his speech at the event, and was a quote from Jana Stanfield, “I cannot do all the good the world needs, but the world needs all the good that I can do.” He said that in reference to L.A. Care, because there is so much need in health and in the social determinants of health. L.A. Care is trying on multiple fronts to do good in the world, to help members and others who are not L.A. Care members. He is proud of L.A. Care.</p> <p>Board Member Perez asked if Communications could broadcast videos of the Scholars receiving their scholarships on social media. The most vulnerable communities may not have a computer at home, but many have a smart phone and a social media profile. This is a huge way to reach out to the community.</p> <p>Board Member Booth asked if it had been mentioned about where these students are from. Board Member Perez responded that they are from Brown and Black communities. Board Member Booth noted that they are all from Los Angeles County. Mr. Baackes confirmed that all eight new Scholars reside in Los Angeles County, which increases the chances that they will return to Los Angeles County to practice medicine.</p> <p><i>(Board Member Raffoul left the meeting.)</i></p>	
<b>BOARD COMMITTEE REPORTS</b>		
<b>Executive Committee</b>	<p>Submitted via Chat on July 28, 2022 at 2:52 p.m. by Andria McFerson RCAC 6</p> <p><i>This comment is for this item! ECAC report I think peer to peer work and outreach is much more effective on healthcare education especially with people who are experiencing the same health disparities, financial situations and documentation status so other people will know health care coverage is feasible without any major negative changes within our own lives and families.</i></p> <p>Chairperson De La Torre reported that the Executive Committee met on June 28. <i>The approved meeting minutes can be obtained by contacting Board Services and will be available on the website.</i> The Committee reviewed and approved motions that were approved earlier today on the Consent Agenda.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<ul style="list-style-type: none"> <li><b>Government Affairs Update</b></li> </ul>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <p>California Department of Health Care Services (DHCS) recently notified plans that effective June 30, 2022, the Value Based Program (VBP) will be terminated. In 2016, voters passed Proposition 56, known as the California Healthcare Research and Prevention Tobacco Tax Act, which raised the tax rate on cigarettes and other tobacco products to fund specific DHCS services.</p> <p>Through the managed care plans, the VBP paid Medi-Cal providers for meeting specific measures, in categories such as behavioral health screening, depression medication screening; chronic disease management; prenatal/post-partum care; blood lead screening, and early childhood prevention measures.</p> <p>The VBP had been scheduled to end December 31, 2022, but the Legislature did not fund the VBP program for the new fiscal year. Services performed after June 30, 2022, will not be eligible to receive VBP enhanced payments.</p> <p>DHCS has indicated that the Prop 56 funding for behavioral health services integration will end on December 31 2022. The behavioral health integration program was intended as a two-year program, and had been scheduled to end in December 2022. The remaining Prop 56 programs will continue.</p> <p>California State Legislature has been in recess and returns next week for the last few weeks of this session. Bills must be forwarded to the Governor for consideration by August 31.</p> <p>Yesterday, Democrat leaders Manchin and Schumer announced the Inflation Reduction Act, with more than \$700 billion to address climate issues, taxes and health care. This bill includes provisions to extend the Affordable Care Act (ACA) for three years, to December 31, 2025. Funding for the federal health care premium subsidies in the ACA had been scheduled to end on December 31, 2022. California has been preparing for different scenarios in Covered California, with and without federal premium funding. California currently uses state funding to bring down the cost of Covered California health care premiums and cost sharing, but there is not enough state funding, if Congress does not extend the federal funding. There are some Medicare Part D drug cost savings in the federal legislation, giving Medicare the ability to negotiate the costs on some drugs. The cost of the bill would be primarily paid by tax rate increases on corporations and by changes to the federal tax code. It may be hard to pass the bill because the budget reconciliation process is complicated.</p> <p>For a bill to become law, it needs to pass both chambers of the U.S. Congress: House of Representatives and Senate. In general, in the House, a bill passes when at least 218 members support it. But a long-standing rule in the Senate requires that most legislation should be</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>supported by at least 60 of the 100 members. There are currently 50 Democratic Senators, so votes from Republican Senators would be needed. The majority party in the Senate can use special rules to pass only two budget bills each term with a simple majority vote. This is called reconciliation. It would be an incredible lift if the bill can be passed through this process. L.A. Care and its national trade associations will be weighing in on the importance of getting the health, tax and climate bill passed, so the federal subsidies are extended and healthcare can be more affordable. Big Pharma is lobbying hard to kill the bill because the Medicare provisions will harm their profits.</p>	
<b>Finance &amp; Budget Committee</b>	<p>Chairperson De La Torre reported that the Committee met on June 28. <i>The approved meeting minutes can be obtained by contacting Board Services and will be available on the website.</i></p> <ul style="list-style-type: none"> <li>• The Committee reviewed and approved motions that were approved earlier today on the Consent Agenda.</li> <li>• The Committee reviewed and approved an amendment to the North Star Alliances Contract, and to a Cognizant Contract to provide HEDIS &amp; Align. Measure. Perform. (AMP) software and services. Neither motion requires full Board approval.</li> </ul>	
Chief Financial Officer Report	<p>Marie Montgomery, <i>Chief Financial Officer</i>, reported on the May, 2022 financial statements (<i>a copy of the presentation can be obtained by contacting Board Services</i>):</p> <p>The May financial results are typically reviewed first by the Finance &amp; Budget Committee. There were some issues with the corrected claims adjustment process, and the financial report for May was not brought to the June Committee meeting. The issues are related to the higher paid claims levels over the last few months, and will be addressed in the financial reports. The June financial reports will be reviewed by the Finance &amp; Budget Committee at the August meeting, along with the updated forecast and draft budget for the next fiscal year, all in preparation for the September Board Meeting.</p> <p><u>Membership</u></p> <p>Membership in May was 2,586,177, which is 50,500 higher than the forecast. Year-to-date (YTD) member months are favorable 125,000 to the forecast. The forecast assumed that the public health emergency would end in March 2022, and redeterminations would restart. In addition to that, there was increased enrollment due to the expansion of benefits to undocumented adults over 50. Membership for L.A. Covered California continues to hold steady around 115,000.</p> <p><u>Consolidated Financial Performance</u></p> <p>Financial results for May show a \$33 million net surplus, and \$22 million favorable to the forecast. This is due to \$24 million favorability to the forecast for the operating margin, and is driven by the corrected claims adjustment process discussed earlier. A receivable of \$49 million</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>has been included in the financial results for May, recognizing that the corrected claims have been processed but the original claim has not yet been reversed. Finance staff will continue to evaluate the claims correction process through the remainder of this fiscal year to complete the correction process and make sure that the hospitals receive credit for encounters in the pooled payment process.</p> <p>Other favorable items include an additional \$8.4 million in revenue for institutional rate re-estimation retroactively applied back to January 2022. Even with the corrected claims issue, YTD incurred claims are \$50 million unfavorable to the forecast. There was a deceased member adjustment to enrollment by DHCS, which reduces revenue by \$5.1 million and is retroactive to 2011. There may be some errors in this process and L.A. Care will work with the Department on a correction.</p> <p>Administration expense is favorable by \$200,000; non-operating expenses are unfavorable \$1.9 million, a majority of which was driven by the timing of grant spending.</p> <p>The YTD surplus of \$56 million is unfavorable to the forecast by \$10 million. The large variances in revenue and health care costs are driven by the Prop 56 reconciliation adjustments. Overall, the operating margin is favorable by \$15 million. Administrative costs year to date include the \$55 million regulatory fine and reversal of the Patient-Centered Outcomes Research Institute (PCORI) fees. Non-operating expenses include the unrealized loss on the investment portfolio due to changes in interest rates but partially offset by timing in grant spending. There are no credit quality issues in the L.A. Care portfolio.</p> <p><u>Operating Margin by Segment</u></p> <p>The operating margins by segment reflect the items discussed earlier. The overall operating margin is better than was forecasted at 92.8%.</p> <p><u>Paid vs. Reported Claims</u></p> <p>Ms. Montgomery stated that paid claims have been higher due to the corrected claims issues described above, with a decrease in May reflecting the adjustment for corrected claims. Further analysis will be conducted in the budget planning process.</p> <p><u>Key Financial Ratios</u></p> <p>The key financial ratios show a higher Administration Ratio than was forecasted due to the regulatory fine. The Cash to Claims ratio is also negative because there has not yet been a reconciliation of the In Home Supportive Services (IHSS) balances. The Tangible Net Equity level is consistent with prior months.</p> <p><b><u>Motion BOG 104.0722</u></b></p>	<p><b>Unanimously approved by roll call. 8 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell,</b></p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<b>To accept the Financial Reports for May 2022 as submitted.</b>	<b>Perez, Roybal, and Vaccaro).</b>
<ul style="list-style-type: none"> <li>Monthly Investments Transactions Report</li> </ul>	<p>Ms. Montgomery referred to the investment transactions reports included in the meeting materials. <i>(A copy of the report can be obtained by contacting Board Services).</i> This report is provided to comply with the California Government Code and is presented as an informational item. L.A. Care's total investment market value as of May 31, 2022 was \$1.8 billion.</p> <ul style="list-style-type: none"> <li>\$1.4 billion managed by Payden &amp; Rygel and New England Asset Management (NEAM)</li> <li>\$73 million in Local Agency Investment Fund</li> <li>\$254 million in Los Angeles County Pooled Investment Fund</li> </ul>	
<ul style="list-style-type: none"> <li>Board Designated Funds</li> </ul>	<p>Ms. Montgomery recounted Board Member Mitchell's suggestion that additional reporting be provided to highlight the good work L.A. Care has done with non-operating grant making in the community. Prior to 2014, L.A. Care has incurred nearly \$226 million in expenditures for community support among various programs. Since 2014, nearly \$73 million has been pledged for Community Health Investment initiatives, with more than \$60 million expended. The Elevating the Safety Net Program support is \$155 million, with over \$80 million expended to date. This includes the scholarship program which was described earlier in the meeting, among other programs. A third component is funding for the Community Resource Centers with almost \$50 million designated and over \$22 million expended so far. Board Member Mitchell thanked her for the report. The information is helpful for Board Members to know and it also tells a very powerful story about how the Board designated funds are allocated. Ms. Montgomery also presented detailed information about expenditures for the Community Resource Centers.</p>	
<b>Compliance &amp; Quality Committee</b>	<p><i>(Board Member Raffoul rejoined the meeting.)</i></p> <p>The Compliance &amp; Quality Committee met on June 16.</p> <ul style="list-style-type: none"> <li>Dr. Seidman gave his Chief Medical Officer report to the committee. In his report he spoke about the HEDIS Survey measurement year 2021. L.A. Care submitted HEDIS rates for all product lines. L.A. Care also submitted the Population Needs Assessment to DHCS. It was well received and DHCS asked to use L.A. Care as an example for other plans on how to develop a Population Needs Assessment.</li> <li>Betty Santana presented about L.A. Care's Back to Care Campaign. Throughout 2020, COVID-19 reduced preventive care rates, especially well care visits and cancer screenings. In 2021, the Clinical Initiatives team focused on efforts to improve rates for preventive care visits and screening.</li> </ul> <p>Based on feedback from our members and providers L.A. Care knew people were hesitant to visit the doctor and a large scale campaign was needed to address people's reluctance to seek</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>care. Social Media was the ideal modality for a large scale intervention. “Back to Care” was launched on August 31, 2021. Since then, L.A. Care has built upon this campaign and is adding new modalities to remind our members to get “Back to Care!” L.A. Care’s goal is to improve rates back at least to pre-pandemic levels.</p> <p>L.A. Care’s Strategy includes:</p> <ul style="list-style-type: none"> <li>• Paid social media campaigns.</li> <li>• Partnership with Blue Shield Promise, Anthem Blue Cross and Health Net to: <ul style="list-style-type: none"> <li>○ Align messaging with health plans to push “Back to Care” messaging far and wide!</li> <li>○ Use the campaign hashtag: #backtocareLA</li> <li>○ Tag all health plans in posts.</li> <li>○ Plans could design the posts how they wanted – just had to stick to the messaging and use the hashtag.</li> <li>○ Each plan was asked to agree to spend at least \$10,000.</li> </ul> </li> </ul> <p>L.A. Care will look at the period that the messages went out and the volume of well care visits during that same period. If the volume goes up, the messaging is being effective.</p> <p>Mr. Mapp and the Compliance Department staff presented the June 2022 Chief Compliance Officer report. He gave an update about staffing in the Compliance Department and the organizational chart. He introduced new Senior Director, Risk Management and Operations Support, Michael Sobetzko. The committee received an update about the DHCS Medical Audit Update. In response to DHCS’s Final Report (February 3, 2022), L.A. Care submitted corrective action plans responding to 27 findings on March 16, 2022. Beginning March 21, 2022, DHCS has been following-up with document requests to review and validate implementation of the CAPs, and to require revised or additional remediation where needed.</p>	
<b>PUBLIC COMMENT on Closed Session Items</b>	<p><i>There was no public comment.</i></p>	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Board of Directors meeting was adjourned at 3:40 pm.</p> <p>Ms. Haydel commented that she is very proud of Ms. Davtyan taking a leadership role as the new General Counsel for the State Bar of California. This new role and her leadership will be vitally important, not just for the legal profession in California, but for the health and the democracy of this State. Unfortunately, it means that she is leaving L.A. Care. Most of you have had the opportunity to know her outstanding legal acumen, skills, ethics and unswerving focus on and support of L.A. Care’s Mission. Ms. Davtyan led the General Legal Services unit, supporting litigation, human resources, vendor contracting, and public entity issues. During her 11 years at L.A. Care she grew from a stellar individual contributor to</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>being a leader who served as a role model to others, including Ms. Haydel. Ms. Haydel will greatly miss Ms. Davtyan, and she knows others will as well. She thanked Ms. Davtyan for her contributions to L.A. Care.</p> <p>Ms. Haydel announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 3:41 pm. No report is anticipated from the closed session.</p> <p><b>CONTRACT RATES</b> Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> <li>• Plan Partner Services Agreement</li> </ul> <p><b>REPORT INVOLVING TRADE SECRET</b> Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>July 2024</i></p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b> Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable) L.A. Care Health Plan v. United States, (U.S. Court of Federal Claims Case No. 17-1542); (U.S. Court of Appeals for the Federal Circuit Case No. 20-2254)</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION</b> Initiation of litigation pursuant to Section 54956.9(d)(4) of Ralph M. Brown Act (One Case)  (<i>Board Member Raffoul left the meeting.</i>)</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b> Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act Prime Healthcare Services v. Local Initiative Health Authority for Los Angeles County – Case No. 21STC1751 Prime Healthcare Services v. Local Initiative Health Authority for Los Angeles County – JAMS No. No. 1220069752 Prime Healthcare Services v. Local Initiative Health Authority for Los Angeles County – JAMS No. No. 5220000929 Prime Healthcare Services v. Local Initiative Health Authority for Los Angeles County – Case No. 22STCV16699 Prime Healthcare Services v. Local Initiative Health Authority for Los Angeles County – Case No. 22STCV16669  (<i>Board Member Raffoul rejoined the meeting.</i>)</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Section 54956.8 of the Ralph M. Brown Act Property: Suite 1950, 1201 K Street, Sacramento Agency Negotiator: John Baackes, CEO Negotiating Parties: John McKee, Property Manager, CDA Rotunda Partners, LLC Under Negotiation: Price and Terms of Payment</p> <p>CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Section 54956.8 of the Ralph M. Brown Act Property: 5710 Crenshaw Blvd., Los Angeles, CA. 90043 Agency Negotiator: John Baackes, CEO Negotiating Parties: Alexandria Yates, Greenway Commercial Holdings Ltd. for ProveEm Investments, LLC Under Negotiation: Price and Terms of Payment</p> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Three Potential Cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul> <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION Pursuant to Section 54957 of the Ralph M. Brown Act Title: Chief Executive Officer</p>	
<b>RECONVENE IN OPEN SESSION</b>	<p>The Board reconvened in open session at 5:25 p.m.</p> <p>There was no report from closed session.</p>	
Consideration of Medi-Cal Managed Care Operational Readiness For 2024 Contract	Phinney Ahn, <i>Executive Director, Medi-Cal</i> , summarized the motion to delegate authority to the CEO to execute a contract with the Department of Health Care Services for operational readiness in preparation for the 2024 Medi-Cal managed care contract. The term is August 1, 2022 to December 31, 2023.	<p><b>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly, Gonzalez, Mitchell,</b></p>



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<b><u>Motion BOG 105.0722</u></b> <b>To delegate authority to L.A. Care Chief Executive Officer, John Baackes, to negotiate and execute the Contract for Operational Readiness related to the 2024 Primary Operations Contract for the Medi-Cal Contract (04-36069).</b>	<b>Perez, Raffoul, Roybal, and Vaccaro).</b>
<b>ADJOURNMENT</b>	The meeting was adjourned at 5:27 p.m.	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

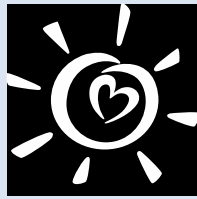
Malou Balones, *Board Specialist III*

Victor Rodriguez, *Board Specialist II*

APPROVED BY:

\_\_\_\_\_  
Stephanie Booth, MD, *Board Secretary*

Date Signed \_\_\_\_\_



**L.A. Care**  
HEALTH PLAN®

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** EXE 100.0922

**Committee:** Executive

**Chairperson:** Hector De La Torre

**Issue:** Staff seek approval to amend Policy 603 Grants & Sponsorships to make the Community Health Investment Fund (CHIF) grant approval process more efficient for the Board of Governors.

☐ **New Contract** ☐ **Amendment** ☐ **Sole Source** ☐ **RFP/RFQ was conducted in <<year>>**

**Background:** At the June 28, 2022 Executive Committee meeting, Chairperson De La Torre invited Board Members' comments about the process for approving Community Health Investment Fund (CHIF) grants. Community Benefits' staff was requested to provide a revised process for approving CHIF grants by the full Board of Governors (BOG/Board) at its regular meeting to improve the efficiency of the approval process. This motion presents revisions to stipulations in Policy 603 Grants and Sponsorships consistent with the Executive Committee's request.


Revisions to Policy 603 will ensure the full body of Board of Governors is aware of and approves major investments, and exempts CHIF grant approval motions from repetitive committee review by raising the notification threshold to \$300,000 from \$150,000 for Grants and from \$300,000 to \$450,000 for Grants and Sponsorships. It also reserves the Board's approval for major investments by raising the Chief Executive Officer's delegated authority to \$500,000 per individual CHIF grant award.

Currently, all CHIF grants are awarded in compliance with the existing policy. They support the organization's mission and vision, elevate the purposes of the safety net, and advance L.A. Care's legislative mandates. Community Benefits staff extensively research and vet grant requests. Funding recommendation are made with the assistance of executive- and senior-level staff across the organization and/or external subject matter experts. The Board receives monthly reports of Grants and Sponsorships approved during the prior month. The BOG also receives an annual report to demonstrate the impact of each active CHIF grant. The proposed policy revisions will heighten efficiencies and further enhance the organization's responsiveness to community requests for much needed programs and services through community health centers and organizations addressing social issues, including social determinants of health.

**Member Impact:** Expands L.A. Care members' access to high quality, innovative, person centered care and equitable programs through efficient grant decision making.

**Budget Impact:** Spending will be applied to undesignated balances in the Board Designated funds as part of the CHIF Grant program.

**Motion:** **To approve Policy 603 as amended to optimize the Board of Governors' approval process for Community Health Investment Fund grants and authorize General Counsel and her designees to make edits to the policy as needed to effectuate the amendments.**

	<b>GRANTS AND SPONSORSHIPS</b>		<b>POLICY 603</b>
	<b>DEPARTMENT</b>	LEGAL SERVICES	

CATEGORY	DATES					
<input type="checkbox"/> PP-Mandated	Effective Date	10/6/2005	Review Date	11/7/2019	Next Annual Review Date	11/7/2020
<input type="checkbox"/> PP-Non-Mandated	Legal Review Date		C&Q/BOG Review Date	11/7/2019	BOG Motion # (if applicable)	EXE100.0419
<input type="checkbox"/> PPG Applicable						
Supersedes Policy Number(s)						

LINES OF BUSINESS			
<input type="checkbox"/> Medi-Cal – Plan Partners	<input type="checkbox"/> MCLA	<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered
<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> PASC-SEIU Plan	<input type="checkbox"/> Healthy Kids	<input checked="" type="checkbox"/> Internal Operations

ACCOUNTABILITY MATRIX			

ATTACHMENTS

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
NAME	Augustavia Haydel	Ellin Davtyan
DEPARTMENT	Legal Services	Legal Services
TITLE	General Counsel	Associate General Counsel

**AUTHORITIES**

- California Constitution, Article 16, Section 6
- Welfare and Institution Code Sections 14087.9605 and 14087.967
- Government Code Sections 1090, et seq.; and 87100, et seq.
- California Code of Regulations, Title 2, Section 18700, et seq.

**REFERENCES****603.1 GRANT MAKING****COMM-006 SPONSORSHIPS****POLICY HISTORY**

REVIEW DATE	COMMENTS	NEXT ANNUAL REVIEW DATE
02/01/00	Origination Date	
10/06/05	Revision Date	
11/07/19	Revision Date	11/07/20

**DESKTOP PROCEDURES**

Desktop procedures are incorporated by reference in all L.A. Care policies

**DEFINITIONS**

In accordance with Legal Services, all terms capitalized within this policy are defined in the attached document, "Policy Definitions."

**1.0 PURPOSE:**

To establish clear and consistent guidelines for Grants and Sponsorships to assure L.A. Care Health Plan's ("L.A. Care") compliance with applicable laws and regulations

**2.0 DEFINITION(S):**

**2.1 Grant(s):** In-kind or monetary programmatic support for an organization through L.A. Care's Community Health Investment Fund (CHIF). General grant making program goals and objectives are approved by the Board of Governors on a yearly basis. Examples of grants include, but are not limited to, infrastructure support, information technology, electronic health records, equipment, and clinical staff funding.

**2.2 Sponsorship(s):** In-kind or monetary support for an organization, usually connected to a specific event and/or purpose. Examples of sponsorships include, but are not limited to, health fairs, conferences, fundraising events, outreach efforts, or contributions to health care programs.

**2.3 Advertising and/or Promotional Benefits:** Benefits designed to build L.A. Care's name recognition and awareness, create and solidify beneficial partnerships, or build brand loyalty.

**2.4 Consumer Advisory Committees:** Committees comprised of L.A. Care consumer members, such as the Executive Community Advisory Committee (ECAC) and the Regional Community Advisory Committees (RCACs).

**3.0 POLICY:**

L.A. Care may approve Grants and Sponsorships for projects, events or activities or organizations if the expenditure of such funds furthers L.A. Care's legislative mandate of (1) establishing, implementing, maintaining and continuing the Local Initiative for Medi-Cal managed care beneficiaries in Los Angeles County; (2) operating health plans for members of publicly funded health care programs, individuals employed by public agencies and businesses, and uninsured or indigent patients; and/or (3) furthers L.A. Care's mission and strategic vision.

**4.0 IMPLEMENTATION GUIDELINES:**

**4.1** Grants and Sponsorships awarded under the following circumstances are deemed to further L.A. Care's legislative mandate, mission, or strategic vision:

**4.1.1** Awards to any organization or entity engaged in providing health care services consistent with the strategic plan (issued on March 31, 1993, as

amended by the California State Department of Health Services) to Medi-Cal and other publicly funded health program members, employees of public agencies and private businesses, and uninsured indigent individuals ("target population").

- 4.1.2** Awards to provide health care or to support efforts relating to managed care for the target population directed to any organization or entity that supports the safety net.
- 4.1.3** Awards to any organization to provide ADVERTISING AND/OR PROMOTIONAL BENEFITS for L.A. Care in order to build awareness, create or solidify partnerships, and build brand loyalty.
- 4.1.4** Awards to strengthen social determinants of health indicators for target populations.
- 4.2** L.A. Care may award a Grant or Sponsorship that does not meet the requirements of paragraphs 4.1.1, 4.1.2, 4.1.3, or 4.1.4 above, only if approved by the Board of Governors.
- 4.3** In reviewing individual Grant or Sponsorship requests, L.A. Care shall adhere to the following conflict of interest guidelines.
  - 4.3.1** No Grant or Sponsorship shall be awarded for a for-profit entity which is a source of income to a Board member or an employee in which a Board member or an employee has an investment, unless specifically approved by the Board.
  - 4.3.2** No Grant or Sponsorship shall be awarded to a non-profit entity which is a source of income to a Board member, if the Board member voted to approve the budget for L.A. Care's Grant making or Sponsorship program; or if that member has contacted any Board member, employee or officer of L.A. Care, either verbally or in writing, for the purpose of influencing L.A. Care's decision to award the Grant or Sponsorship.
  - 4.3.3** No Grant or Sponsorship shall be awarded to a non-profit entity which is a source of income to an employee, if the employee has contacted any Board member, employee or officer of L.A. Care, either verbally or in writing, for the purpose of influencing L.A. Care's decision to award the Grant or Sponsorship.
- 4.4** In addition to the above-stated provisions, the following guidelines shall govern L.A. Care's awarding of Grants and Sponsorships.



- 4.4.1** The cultural diversity of L.A. Care's membership should strive to be reflected in the total yearly expenditure of funds for Grant and Sponsorship awards.
- 4.4.2** Priority may be given to new and innovative activities.
- 4.4.3** No commitment shall be made or implied that a Grant or Sponsorship, once given, will be continued beyond the initial award.
- 4.4.4** The total yearly expenditure for Grants or Sponsorships shall not exceed the approved budget amount without further specific approval from the Board.
- 4.4.5** Grant and Sponsorship awards shall be made in compliance with the procedures established pursuant to this policy and developed in consultation with L.A. Care's legal counsel.
- 4.4.6** No individual Sponsorship in excess of Seventy-Five Thousand Dollars (\$75,000) may be awarded without the approval of the Executive Committee of the Board of Governors.
- 4.4.64.4.7** No individual Grant in excess of ~~One Hundred and Fifty Thousand Dollars (\$150,000)~~ Five-Hundred Thousand Dollars (\$500,000) may be awarded without the approval of the Board of Governors.
- 4.4.74.4.8** At the discretion of L.A. Care staff, Grant and Sponsorship recipients which are Community Based Organizations shall be encouraged to work in conjunction with L.A. Care's COMMUNITY ADVISORY COMMITTEES to expand community health education and facilitate health presentations.
- 4.4.84.4.9** Sponsorship awards shall be made in accordance with Communications' Sponsorship Guidelines to ensure that sponsored events benefit L.A. Care members and align with organizational priorities.
- 4.5** Staff shall develop and implement procedures to evaluate whether L.A. Care's expected outcomes are achieved by Grants and Sponsorships awarded pursuant to this policy. Reporting requirements shall be as follows:
- 4.5.1** Monthly Grant and Sponsorship reports on funding approved in the prior month, which include funding recipient, amount, and purpose.



**4.5.2** Annual reports detailing Sponsorships and the outcomes and impacts of Grants shall each be presented to the Board within one hundred twenty (120) days of the end of each fiscal year.

**4.5.2.1** Sponsorship reports will include funding recipient, amount, date, and event name.

**4.5.2.2** Grant reports will include funding recipient, amount, date, purpose, and a summary of reports from the grantee that reflects project progress, outcome, and impact of the Grant.

**4.5.3** A report to the Finance and Budget Committee on any entities that have received more than ~~One Hundred and Fifty~~ Three-Hundred Thousand Dollars ~~(\$300,000)~~ ~~(\$150,000)~~ in Grants, or more than ~~Three~~ Four-Hundred Fifty Thousand Dollars ~~(\$450,000)~~ ~~(\$300,000)~~ combined in Grants and Sponsorships, within the fiscal year.





**L.A. Care**  
HEALTH PLAN

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** EXE 101.0922

**Committee:** Executive

**Chairperson:** Hector De La Torre

**Issue:** Staff seek approval to award up to \$500,000 to Plunum Health to implement its Care Transformation Program (CTP) at partner clinics to increase patient engagement, advance quality improvement, reduce hospitalizations, and decrease costs using the Medical Home Network model.

**Background:** On November 4, 2021, the L.A. Care Board of Governors (BOG) approved an allocation of \$10 million for fiscal year 2021-22 as part of the general organizational and Community Health Investment Fund (CHIF) budgets. This request is within the FY 2022 CHIF allocation and aligns with its programmatic priorities.

The proposed funds will support implementation of Plunum Health's Care Transformation Program (CTP) at Eisner Health, Saban Community Clinic, and Venice Family Health. The CTP will increase patient engagement, advance quality improvement, reduce hospitalizations, and decrease costs using the Medical Home Network (MHN) model. Recent randomized studies have validated similar quality improvement strategies for identifying and improving care for high-need high-cost users by empowering Care Coordinators to work closely with patients to reduce hospital admissions and improve health care and social outcomes. MHNConnect, the care management system, will allow patients' health status to be stratified into high, moderate, and low risk cohorts or appropriate management. This will enable providers to prioritize care and direct resources to patients with the most need.

In addition to tracking program efficiency data, health status benchmarks will be compared to patient progress year over year. Data sets will include Healthcare Effectiveness Data and Information Sets (HEDIS) measures, utilization costs, admissions, readmissions, and health risk assessment scores to determine program effectiveness.

**Member Impact:** Plunum Health's Care Transformation Program will be available to all L.A. Care members who are patients of Eisner Health, Saban Community Health Center, or Venice Family Health to improve quality outcomes and social drivers of health through an advanced care management model.

**Budget Impact:** Spending will be applied to undesignated balances in the Board Designated funds as part of the CHIF Grant Ad Hoc program.

**Motion:** To award up to \$500,000 to Plunum Health to implement its evidenced based Care Transformation Program (CTP) at partner clinics to enhance care management, improve patient health status, and reduce system utilization costs.



August 23, 2022

TO: Board of Governors, L.A. Care Health Plan

FROM: Wendy Schiffer, *Senior Director, Strategic Planning*  
Shavonda Webber-Christmas, *Director, Community Benefits Program*

**SUBJECT: Approval to award up to \$500,000 to Plunum Health to implement its Care Transformation Program (CTP) at partner clinics to increase patient engagement, advance quality improvement, reduce hospitalizations, and decrease costs using the Medical Home Network model.**

### **Introduction and Program Description**

L.A. Care's Community Benefits department seeks approval to award up to \$500,000 to Plunum Health to implement its Care Transformation Program (CTP) at partner clinics to increase patient engagement, advance quality improvement, reduce hospitalizations, and decrease costs using the Medical Home Network (MHN) model. Plunum Health is a partnership that consists of Eisner Health, Saban Community Clinic, and Venice Family Health. The CTP is an evidence-based care management program that empowers care coordinators to work closely with patients to prevent hospital readmissions and improve health care and social outcomes. Inputs from the CTP's innovative technology, care teams across health systems, and health risk assessments (HRA) that incorporate medical, behavioral, and social factors, along with cross-system usage data allow patients' health risk to be stratified into high, moderate, and low risk cohorts for appropriate management.

Plunum Health serves a patient population of 110,000 individuals from largely under resourced communities, including those covered by Medi-Cal and uninsured patients. The CTP will enable providers to prioritize care and direct resources to patients with the most need. CTP uses health status benchmarks that include pre-implementation data to compare progress year over year. Data sets will include Healthcare Effectiveness Data and Information Sets (HEDIS) measures, utilization costs, admissions, readmissions, and health risk assessment scores to assess program effectiveness.

### **Issue Background**

The current health care delivery system in Los Angeles is fragmented. Providers learn about their patients' hospitalizations or emergency department visits after the fact with limited discharge coordination or care transition with practice level coordination; care delivery often focuses on select disease states; and referrals are inconsistent and based on individual care team member's knowledge and lack follow-up to close the service delivery loop. Plunum Health will transform the way care is delivered to effectively address these issues and improve quality care for all its patients.

A 12-month randomized quality improvement trial in the *American Journal of Managed Care* ([February 2020](#)) demonstrated significant reductions in total medical expenditures and inpatient bed days and admissions for high-need, high-cost Medicaid beneficiaries. Those randomized into complex care management (CCM) experienced better results compared to those randomized into usual care (UC), creating a \$7,732 per member/year spending reduction. Overall, three key

strategies were cited for CCM programs' efficacy and efficiency: 1) targeting patients at risk of persistent high spending and issues amenable to care planning, 2) use of nontraditional healthcare workers, such as Community Health Workers selected from the communities they serve in, and 3) in-person engagement. It is also worth noting that the patient selection process involved combined predictive models with other historical utilization and provider judgement, in addition to social, behavioral, and medical assessments.

Plunum Health's Care Transformation Program (CTP) is well aligned with the randomized trial's methods and indicators of success. Plunum Health's care teams are enhanced with Care Coordinators from communities where patients reside and will serve to engage and provide coordination and support for patients' social issues. The MHNConnect platform serves to synthesize data from interoperable systems and patient HRAs and equips care teams with continual data to target patients with preventable rising risk.

In Chicago, MHN brought 13 federally qualified health centers (FQHC) and 3 health systems together to create a unified system to coordinate care management and primary care for the neediest populations in Chicago. Since its implementation, they reduced patient hospital days by 36%, hospital readmissions and ER visits by 12% and 11%, respectively. The use of this model notably increased patient engagement, with 81% completing HRAs and 47% completing post-ER visits within 7 days. Overall, Chicago's health system lowered total expenditures by 6%. There was an \$81 million savings over five years.

During the first year of the CTP, Plunum Health will work with MHN consultants and technical staff from each clinic to create interfaces between MHNConnect and each clinics' electronic medical record (EMR), existing data feeds (LANES/EDIE/others), hospital and IPA data streams enabled by artificial intelligence, and embed closed loop local referral solutions, which will create a 360 degree view of patients' charts in their partners' EMRs. Plunum Health will hire fifteen staff, including three Care Managers and twelve Care Coordinators. They will be trained on the system and complete 5,000 patient HRAs. Plunum Health will initiate the CTP with a sample of 1,260 moderate risk cohort, especially focused on preventing further health issues among those with rising risk. Although an estimated 7% of Plunum's high risk cohort will be eligible for specific California Advancing and Improving Medi-Cal (CalAIM) services, all Plunum Health patients' care will be managed by a similar whole person/patient centered care approach as well.

### **Organization Background**

Plunum Health, a 501c3 nonprofit organization, launched in 2014 as a partnership between community health centers to explore opportunities for creating an integrated health care delivery system in Los Angeles, California. Members of the partnership include Eisner Health, Saban Community Clinic, and Venice Family Clinic. Plunum Health is overseen by executive leadership and board members from each of the community health center partners. The mission of Plunum Health is to help community health centers drive difficult internal projects in a systemic collective way, reduce costs, and have a positive impact on the health status of the patients and communities they serve. Plunum Health and its partners have a patient population of 110,000, primarily Hispanic/Latino and predominantly individuals from lower socioeconomic areas within service planning areas 2, 4, 5, 6, and 8.

### **Project Deliverables**

By the end of the 12-month grant period, Plunum Health will meet the following objectives:

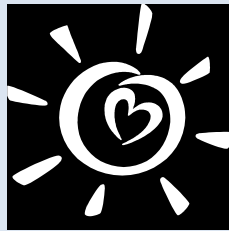
1. Integrate the MHNConnect Platform into each health centers' electronic medical/health record
2. Overlay and test data integration (LANES, EDIE), including the referral platform (Aunt Bertha)
3. Recruit, hire, and train 15 care team members
4. Conduct 5,000 Health Risk Assessments
5. Launch care management intervention with 1,260 targeted patients

### **Alignment with L.A. Care Strategic Goals**

Supporting a health information exchange network aligns with L.A. Care's strategic vision to improve health outcomes, improve access and support high quality, efficient, and coordinated care for low-income and under-resourced populations in underserved areas of Los Angeles County.

### **Evaluation and Program Monitoring**

Community Benefits staff will require two progress reports during the grant term.



**L.A. Care**  
HEALTH PLAN

## **Board of Governors** **MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 100.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** Accept the Investment Report for the quarter ended June 30, 2022.

☐ 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 June 30, 2022, as submitted.



## L.A. Care Health Plan Quarterly Investment Compliance Report April 1, 2022 through June 30, 2022

### 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 April 1, 2022 through June 30, 2022.

### PORTFOLIO SUMMARY

As of June 30, 2022, the market values of the portfolios managed by Payden & Rygel and New England Asset Management are as follows:

<u>Portfolios</u>	<u>Payden &amp; Rygel</u>
<i>Cash Portfolio #2365</i>	<i>\$1,020,545,181.86</i>
<i>Low Duration Portfolio #2367</i>	<i>\$89,821,940.72</i>
<b>Total Combined Portfolio</b>	<b><u>\$1,110,367,122.58</u></b>

<u>Portfolios</u>	<u>NEAM</u>
<i>Government and Corporate Debt</i>	<b><u>\$322,519,530.51</u></b>

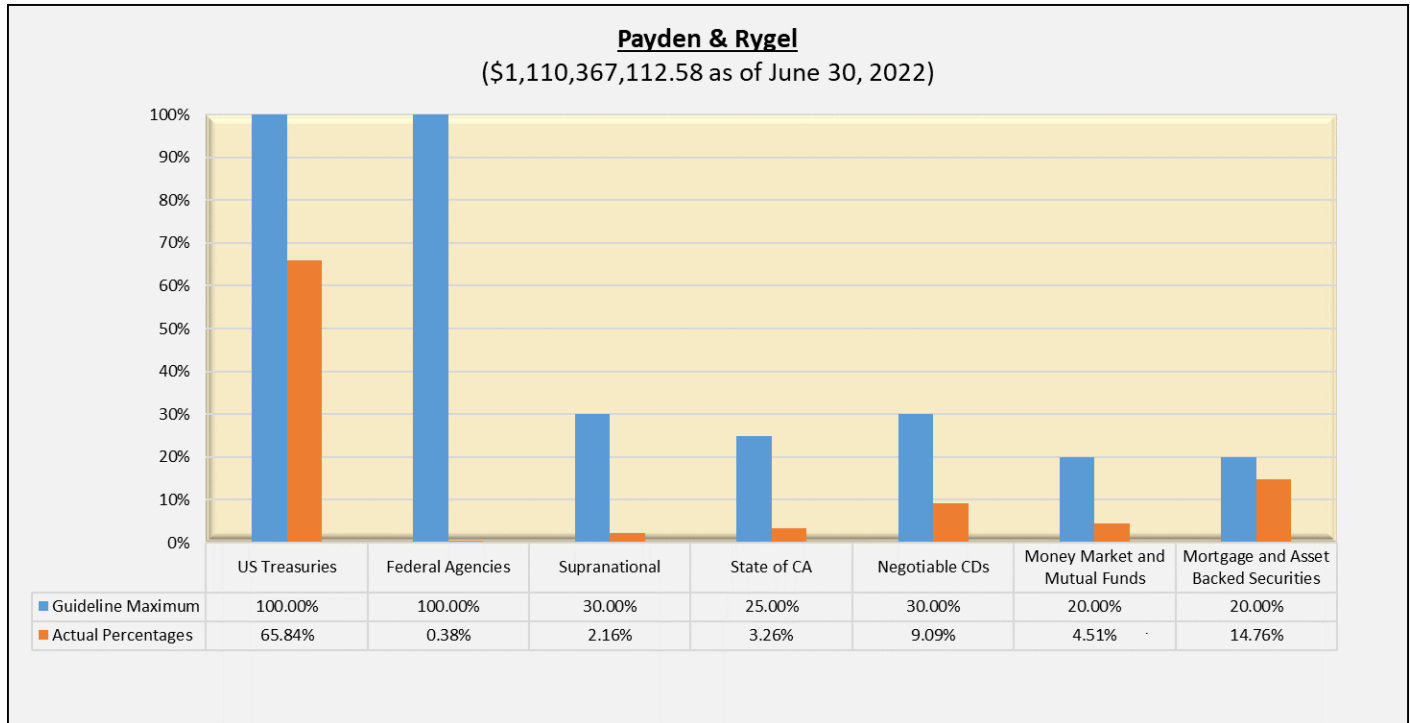
### COMPLIANCE WITH ANNUAL INVESTMENT POLICY

Based on an independent compliance review of the Payden & Rygel and NEAM portfolios performed by Wilshire (using 3<sup>rd</sup> 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 July 1, 2022, the June 30, 2022 balance is reported as \$72,928,409.62 with accrued interest of \$95,313. In the LACPIF statement dated July 12, 2022, the June 30, 2022 balance is reported as \$253,416,101.95. The LACPIF account balance does not reflect accrued interest.

## Payden & Rygel Compliance Verification

California Government Code Compliance Verification Detail as of June 30, 2022



	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	1.46 Years	4.92 Years	YES
Federal Agencies	5 Years	5 Years	-	3.62 Years	YES
Supranational	5 Years	5 Years	1.76 Years	1.76 Years	YES
State of CA	5 Years	5 Years	0.84 Years	3.96 Years	YES
Negotiable CDs	270 Days	270 Days	141 days	-	YES
Money Market and Mutual Funds	NA	NA	1 Day	1 Day	YES
Mortgage and Asset Backed Securities	5 Years	5 Years	4.32 Years	3.96 Years	YES

## **Payden & Rygel Compliance Verification**

Combined #2365 and #2367 Portfolios as of June 30, 2022

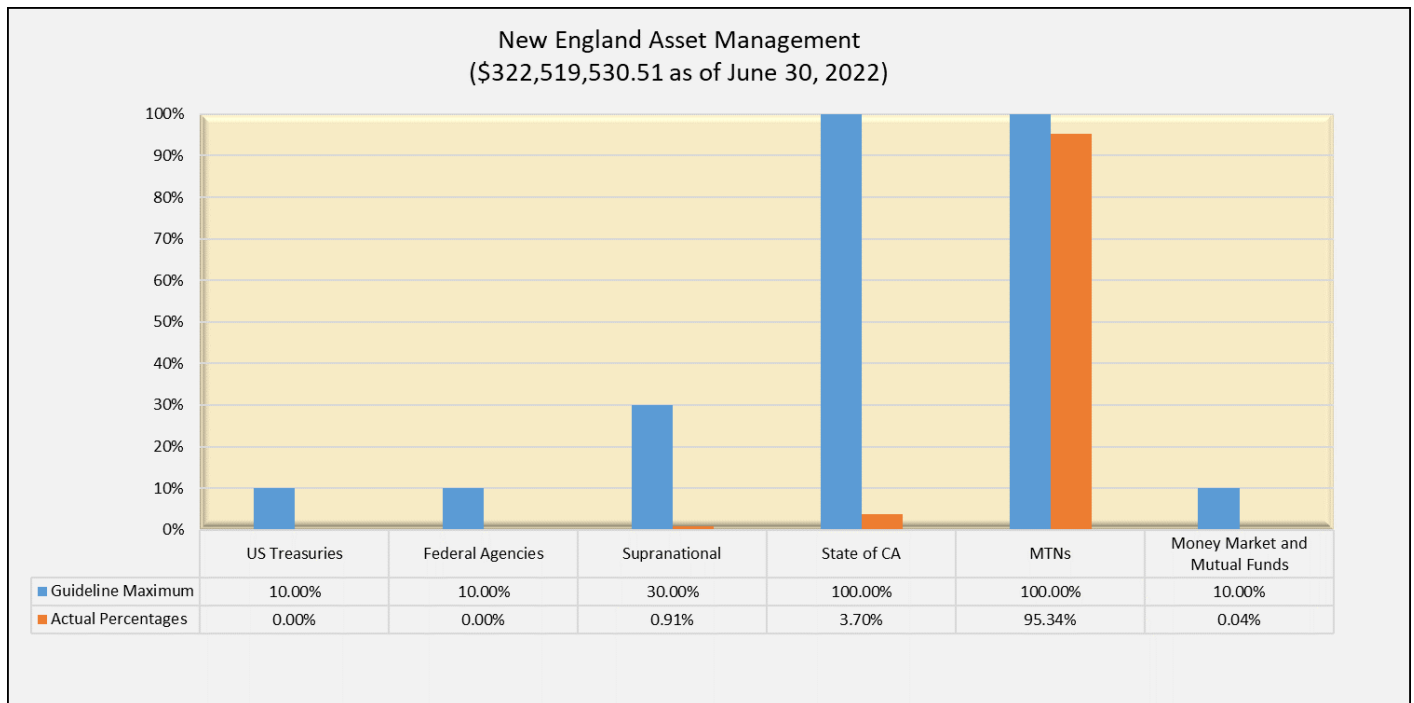
	Govt. Code	Insur. Code Sections
	Section 53601	1170-1182 1191-1202
US Treasuries	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Federal Agencies	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Supranational	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
State of CA	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Negotiable CDs	<i>YES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

- (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



## New England Asset Management Compliance Verification

### California Government Code Compliance Verification Detail as of June 30, 2022



	Maximum Permitted Maturity NEAM	Actual Maximum Maturity NEAM	Compliance
US Treasuries	5 Years	-	YES
Federal Agencies	5 Years	-	YES
Supranational	5 Years	0.81 Years	YES
State of CA	5 Years	3.13 Years	YES
MTNs	5 Years	4.87 Years	YES
Money Market and Mutual Funds	NA	1 Day	YES

## New England Asset Management Compliance Verification

As of June 30, 2022

	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.

## MARKET COMMENTARY

### Economic Highlights

- **GDP:** Real GDP growth contracted during the first quarter, down an annualized -1.6%. The main cause for the drop was net exports/imports, subtracting -3.23% from growth. Imports were up big for the second straight quarter while exports fell -4.8%. Consumer spending weakened, up 1.8% for the quarter. The Atlanta Fed's GDPNow forecast for the second quarter currently stands at 0.3%.

*Source: Bureau of Economic Analysis*

- **Interest Rates:** The Treasury curve rose across all maturities during the second quarter with modestly higher rates past three years. The 10-year Treasury closed at 3.02%, up 68 basis points since March. The 10-year real yield (i.e., net of inflation) rose 116 basis points to 0.67%. The Federal Open Market Committee increased the fed funds rate by a total of 1.25% this quarter, targeting a range of 1.5% to 1.75%. The committee's current median outlook is for a rate above 3% by the end of 2022.

*Source: U.S. Treasury*

- **Inflation:** Consumer price changes have accelerated rapidly as the Consumer Price Index jumped 2.6% for the three months ending May. For the one-year period, the CPI is up 8.5%. The 10-year breakeven inflation rate decreased to 2.34% in June versus 2.83% in March.

*Source: Dept. of Labor (BLS), U.S. Treasury*

- **Employment:** Jobs growth has slowed but remains solid, with an average of 408k jobs/month added during the three months ending in May. The unemployment rate held steady during the quarter, equaling 3.6%. Reported job openings remain high with nearly two job openings for every available worker.

*Source: Dept. of Labor (BLS)*

### U.S. Fixed Income Markets

The U.S. Treasury yield curve was up across all maturities during the quarter, most noticeably in the short end, leading to a flatter curve. The 10-year Treasury yield ended the quarter at 3.02%, up 68 basis points from March. Credit spreads widened during the quarter including an outsized jump of 163 basis points in June in the high yield market, which had a spread of 5.69% at quarter-end. The Federal Open Market Committee met twice during the quarter, as scheduled, and increased their overnight rate by 0.50% in May and 0.75% in June; targeting a range of 1.50% to 1.75%. Through the Fed's "dot plot," they are messaging that the current intent is for another 175 basis points in increases before the end of 2022. Such an increase would push the rate above 3% for the first time since before the 2008 credit crisis. Public statements from the Federal Reserve grew more pessimistic during the quarter as Fed Chair Jerome Powell stated after the June meeting that controlling inflation at their 2% target, in exchange for a higher unemployment rate, would be a "successful outcome."

# Payden&Rygel

## QUARTERLY PORTFOLIO REVIEW

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### **LA CARE HEALTH PLAN**

**2<sup>nd</sup> Quarter 2022**



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LOS ANGELES | BOSTON | LONDON | MILAN

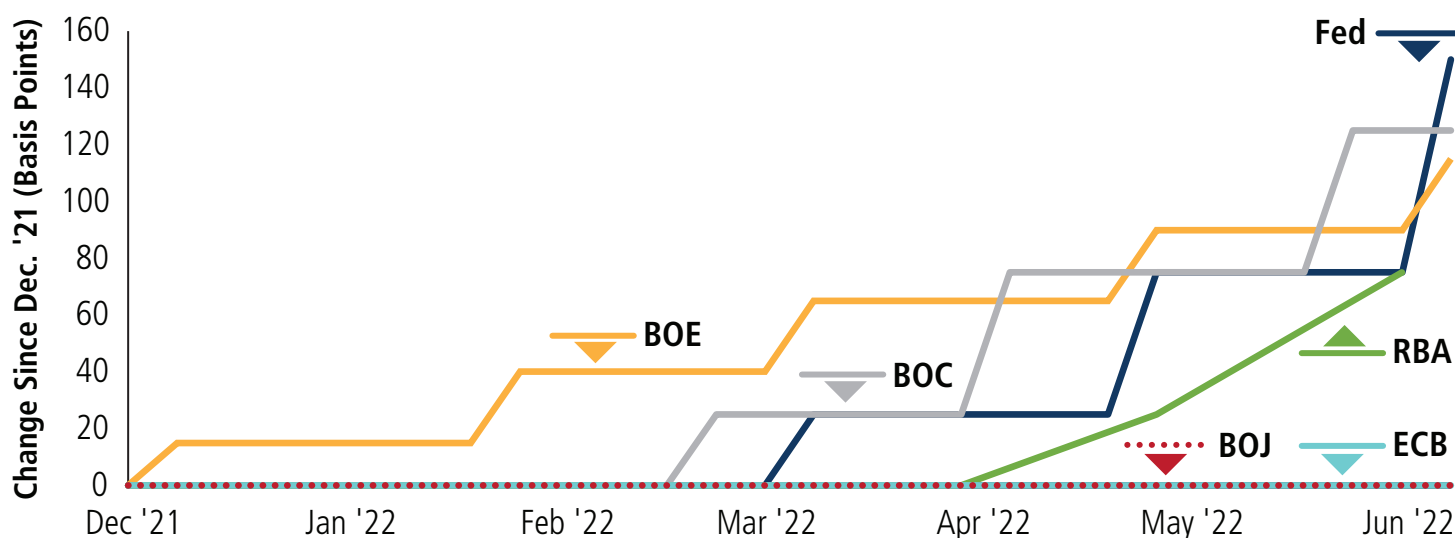


*From the desk of Joan Payden*

- Fixed income markets experienced continued turmoil in the second quarter as inflation accelerated worldwide and global central banks tightened monetary policy in response, sending interest rates up.
- Although the Bank of England (BoE) was one of the first banks to begin raising interest rates, the Federal Reserve (Fed), Bank of Canada (BoC) and Reserve Bank of Australia (RBA) soon followed. The Fed has now increased its policy rate by 150 basis points.
- The European Central Bank (ECB) has not yet raised its policy interest rates but is expected to initiate liftoff in July and hike through year-end.
- The Bank of Japan is one of the only global central banks continuing to maintain an easy monetary policy stance. As a result, the yen has reached a 24-year low relative to the dollar.

## MONETARY POLICY SQUEEZE

### CHANGE IN POLICY INTEREST RATES FOR SELECT GLOBAL CENTRAL BANKS



Source: Central Banks of the U.S., England, Canada, Australia, Europe, and Japan

## MARKET THEMES FOR Q2

Volatility remained elevated in the second quarter of 2022 against the backdrop of rising global inflation, faster central bank tightening, geopolitical tensions, and Covid's knock-on effects to economic growth. After a very bumpy ride, U.S. stocks ended the quarter down even more than Q1, underperforming other developed market equities. Global bond yields were significantly higher, as future monetary policy forecasts are tighter than originally expected. After May's surprise U.S. inflation reading markets priced in, and the Fed delivered, a 75-basis point rate hike. Risk assets sold off broadly during the quarter, with spreads widening as investors started to assess the risk of a recession.

## OUTLOOK

Because many central banks delayed hiking until they were well "behind the curve," monetary policy makers are primed to "overcorrect" as they try to rein in the highest inflation in over four decades. As a result, the path to a "soft landing" for the global economy has become increasingly narrow, and the risk of recession has gone up significantly. Financial conditions have tightened across the board, with the durable goods sector, which includes housing and autos, already showing signs of slowing.

# L.A. CARE HEALTH PLAN COMBINED PORTFOLIO

## Portfolio Review and Market Update – 2nd Quarter 2022

### PORTFOLIO CHARACTERISTICS (As of 6/30/2022)

Market Value	1,110,367,123
Avg Credit Quality	AAA
Avg Duration	0.33
Avg YTM	1.69%

### SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	42,264,551	3.81%
Money Market	108,751,741	9.79%
Treasury	731,027,974	65.84%
Agency	4,194,782	0.38%
Government Related	23,957,333	2.16%
Credit	-	0.00%
ABS/MBS	163,977,097	14.77%
Municipal	36,193,645	3.26%
Total	1,110,367,123	100.0%

### MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	831,987,370	74.93%
90 days - 1 Year	183,156,142	16.50%
1 - 2 Years	49,266,156	4.44%
2 - 5 years	45,957,455	4.14%
Total	1,110,367,123	100.0%

### PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 6/30/2022

	2nd Quarter	YTD 2022	Trailing 1 Year	Trailing 3 Year
<b>Performance</b>				
<b>LA Care - Short-Term Portfolio</b>	<b>0.11</b>	<b>0.02</b>	<b>0.03</b>	<b>0.67</b>
Benchmark*	0.11	0.15	0.17	0.63
<b>LA Care - Extended-Term Portfolio</b>	<b>-0.66</b>	<b>-3.55</b>	<b>-4.15</b>	<b>0.45</b>
Benchmark**	-0.85	-4.19	-4.87	-0.04
<b>LA Care - Combined Portfolio</b>	<b>0.06</b>	<b>-0.21</b>	<b>-0.25</b>	<b>0.67</b>

\* 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 – 2nd Quarter 2022

### PORTFOLIO CHARACTERISTICS (As of 6/30/2022)

Market Value	1,020,545,182
Avg Credit Quality	AAA
Avg Duration	0.17
Avg YTM	1.56%

### SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	41,767,669	4.09%
Money Market	108,751,741	10.66%
Treasury	688,897,979	67.50%
Agency	-	0.00%
Government Related	21,301,892	2.09%
Corporate Credit	-	0.00%
ABS/MBS	148,723,876	14.57%
Municipal	11,102,026	1.09%
Total	1,020,545,182	100.0%

### MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	827,322,408	81.07%
90 days - 1 Year	171,159,252	16.77%
1 - 2 Years	22,063,522	2.16%
2 - 5 years	-	0.00%
Total	1,020,545,182	100.0%

### PORTFOLIO RETURNS

*Periods over one year annualized*

Periods ended 6/30/2022

#### Performance

	2nd Quarter	YTD 2022	Trailing 1 Year	Trailing 3 Year
<b>L.A. Care - Short-Term Portfolio</b>	<b>0.11</b>	<b>0.02</b>	<b>0.03</b>	<b>0.67</b>
Benchmark*	0.11	0.15	0.17	0.63

\* ICE BofA 91 Day Treasury Index



# L.A. CARE HEALTH PLAN EXTENDED TERM PORTFOLIO

## Portfolio Review and Market Update – 2nd Quarter 2022

### PORTFOLIO CHARACTERISTICS (As of 6/30/2022)

Market Value	89,821,941
Avg Credit Quality	AA+
Avg Duration	2.13
Avg YTM	3.14%

### SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	496,883	0.55%
Money Market	-	0.00%
Treasury	42,129,995	46.90%
Agency	4,194,782	4.67%
Government Related	2,655,442	2.96%
Credit	-	0.00%
ABS/MBS	15,253,221	16.98%
Municipal	25,091,619	27.93%
Total	89,821,941	100.0%

### MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	4,664,962	5.19%
90 days - 1 Year	11,996,890	13.36%
1 - 2 Years	27,202,634	30.29%
2 - 5 years	45,957,455	51.17%
Total	89,821,941	100.0%

### PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 6/30/2022

#### Performance

	2nd Quarter	YTD 2022	Trailing 1 Year	Trailing 3 Year
<b>LA Care - Extended-Term Portfolio</b>	<b>-0.66</b>	<b>-3.55</b>	<b>-4.15</b>	<b>0.45</b>
Benchmark**	-0.85	-4.19	-4.87	-0.04

\*\* Bloomberg US Govt 1-5 Yr Bond Index







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### **Multi-Sector**

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**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**

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# L.A. Care Health Plan

NEAM's L.A. Care Board Report



Data as of June 30, 2022

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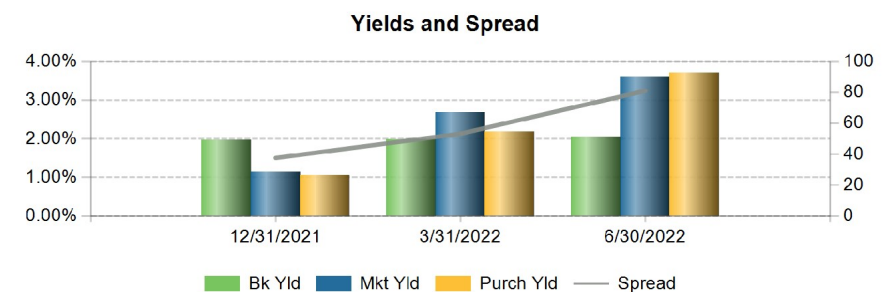
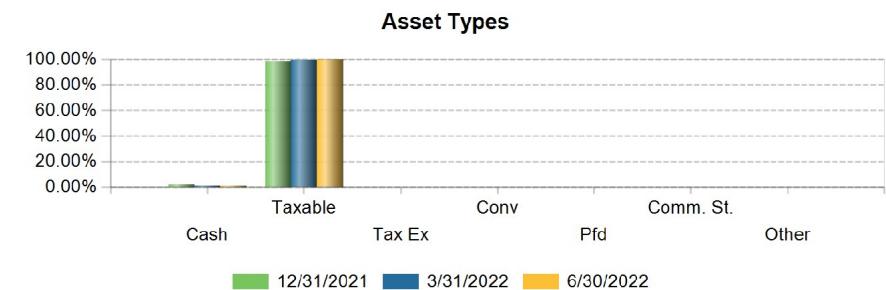
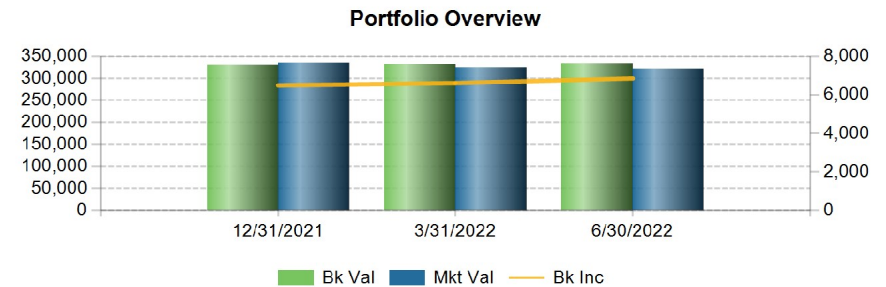


## Portfolio Summary

# L.A. Care Health Plan - Comparative Overview



	12/31/2021	3/31/2022	6/30/2022	Change since 3/31/2022	
Portfolio Overview (000's Omitted)					
Book Value	330,684	332,673	334,071	1,398	
Market Value	334,273	324,007	320,051	(3,957)	
Total Unrealized Gain/Loss	3,589	(8,666)	(14,021)	(5,355)	
Net Gains	5,519	819	70	(749)	
Net Losses	(1,929)	(9,485)	(14,091)	(4,606)	
Realized Gain / Loss	1,024	105	31		
Annualized Book Income	6,490	6,609	6,856	247	
After Tax Book Income	5,127	5,221	5,416	195	
Asset Types					
Cash / Cash Equivalents	1.7%	0.5%	< 0.1%	(0.4%)	
Taxable Fixed Income	98.3%	99.5%	100.0%	0.4%	
Portfolio Yields					
Book Yield (Before Tax)	1.96%	1.99%	2.05%	0.07%	
Book Yield (After Tax)	1.55%	1.57%	1.62%	0.05%	
Market Yield	1.14%	2.68%	3.60%	0.92%	
Fixed Income Analytics					
Average OAD	2.42	2.43	2.35	(0.08)	
Average Life	2.62	2.62	2.55	(0.07)	
Average OAC	6.66	6.89	7.16	0.27	
Average Quality	A+	A+	A+		
144A %	12.43%	15.28%	13.63%	(1.65%)	
Average Purchase Yield	1.06%	2.18%	3.71%	1.53%	
Average Spread Over Tsy	38	53	81	28	
5 Year US Govt On The Run	1.26%	2.46%	3.02%	0.56%	
	12/31/20	12/31/21	03/31/22	06/30/22	Change since 3/31/2022
MV Excl. Acc. Int. Inc.	336,395,862	334,273,290	324,007,405	320,050,615	(3,956,790)
Acc. Int. Inc.	2,500,224	2,394,948	2,154,086	2,468,916	314,830
MV Inc. Acc. Int. Inc.	338,896,087	336,668,238	326,161,491	322,519,531	(3,641,960)

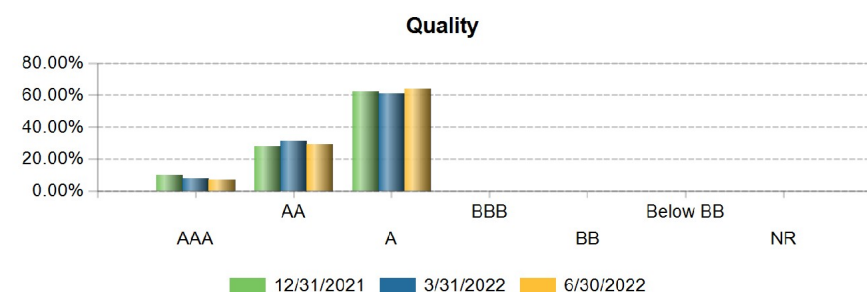
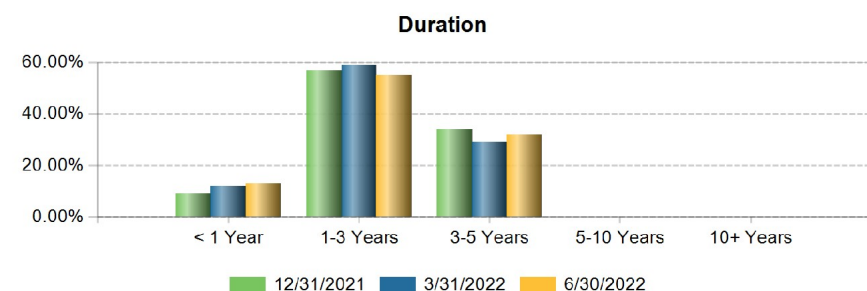
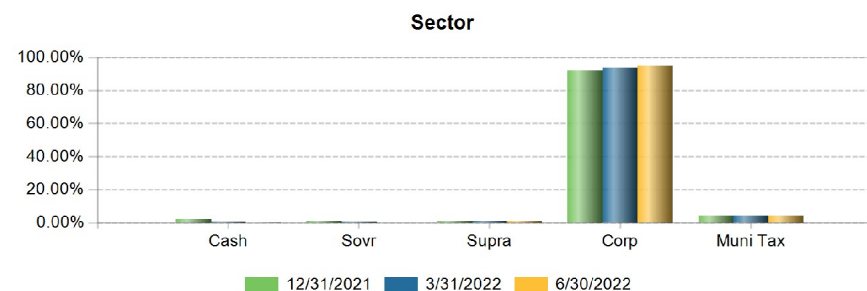


# L.A. Care Health Plan - Fixed Income Summary



	12/31/2021	3/31/2022	6/30/2022	Change since 3/31/2022
<b>Sector</b>				
Cash & Cash Equivalents	2%	< 1%	< 1%	< 0%
Sovereigns	1%	< 1%	-	< 0%
Supranationals	1%	1%	1%	-
Corporates	92%	94%	95%	1%
Municipals - Taxable	4%	4%	4%	-
Fixed Income	100%	100%	100%	
<b>Duration</b>				
< 1 Year	9%	12%	13%	1%
1-3 Years	57%	59%	55%	(4%)
3-5 Years	34%	29%	32%	3%
Average Duration	2.42	2.43	2.35	(0.08)
<b>Quality</b>				
AAA	10%	8%	7%	(1%)
AA	28%	31%	29%	(2%)
A	62%	61%	64%	3%
Average Quality	A+	A+	A+	

Average Portfolio Rating at 6/30/22					
	Moody	S&P	Fitch	Lowest	Highest
Average Rating	A1	A	A+	A	A+





## Activity Report

# L.A. Care Health Plan - Transaction Summary



(000's Omitted)

Purchases	Market Value	%	Spread (Bp)	Book Yld	High	Duration
Corporates	14,867	100.0	81	3.71	A	4.14
Total Purchases	14,867	100.0	81	3.71	A	4.14

Sales	Market Value	%	Realized G/L	Trade / Book Yld	High	Duration
Sovereigns	1,402	12.0	1	1.42 / 1.60	AAA	0.62
Corporates	10,280	88.0	30	1.78 / 2.69	AA-	0.37
Total Sales	11,681	100.0	31	1.74 / 2.56	AA-	0.40





# Performance Report

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



						Annualized				
	Jun 2022	May 2022	Apr 2022	Q2	YTD	12 Month	3 Year	5 Year	Inception	Inc Date
LA Care HealthPlan	(0.78)	0.71	(1.04)	(1.12)	(4.20)	(4.86)	0.76		1.61	Jan 2018
Barclay Bloomberg U.S. Credit: 1-5 Yr A- or better (Highest)	(1.08)	0.85	(1.27)	(1.51)	(5.01)	(5.60)	0.29		1.39	Jan 2018
Difference	0.30	(0.14)	0.23	0.39	0.81	0.74	0.47		0.22	

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

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

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## 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.



# Appendix



## Risk Reports

# 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	140,303	140,303	140,303	-	1.33	1.61	0.08	0.05	0.08	0.04
Supranationals	3,000,000	2,997,504	2,937,666	(59,838)	0.23	2.75	0.79	1.02	0.81	0.92
Corporates	268,287,000	272,257,561	261,400,334	(10,857,227)	2.11	3.64	2.30	6.67	2.52	81.67
144A	46,000,000	45,831,523	43,627,111	(2,204,412)	2.22	3.63	2.66	10.12	2.78	13.63
Municipals - Taxable	12,800,000	12,844,263	11,945,201	(899,062)	0.63	3.34	2.66	8.73	2.74	3.73
<b>Total Portfolio</b>	<b>330,227,303</b>	<b>334,071,154</b>	<b>320,050,615</b>	<b>(14,020,539)</b>	<b>2.05</b>	<b>3.62</b>	<b>2.35</b>	<b>7.16</b>	<b>2.55</b>	<b>100.00</b>

## Rating Analysis - Highest

	% of Portfolio
AAA	7.01
AA	28.70
A	64.29
BBB	-
Below BBB	-
NR	-

<b>Total Fixed Income</b>	<b>100.00</b>
Equity	-

<b>Total</b>	<b>100.00</b>
--------------	---------------

Average Rating: A+

## Scenario Analysis - % of Market

	-300	-200	-100	-50	+50	+100	+200	+300
Cash & Cash Equivale	0.11	0.08	0.08	0.04	(0.04)	(0.08)	(0.17)	(0.25)
Supranationals	2.30	1.69	0.80	0.40	(0.40)	(0.79)	(1.57)	(2.34)
Corporates	6.96	4.73	2.33	1.16	(1.14)	(2.27)	(4.47)	(6.60)
144A	8.22	5.53	2.71	1.34	(1.32)	(2.61)	(5.12)	(7.53)
Municipals - Taxable	8.17	5.51	2.71	1.34	(1.32)	(2.62)	(5.16)	(7.62)
<b>Total Portfolio</b>	<b>7.13</b>	<b>4.84</b>	<b>2.38</b>	<b>1.18</b>	<b>(1.17)</b>	<b>(2.31)</b>	<b>(4.56)</b>	<b>(6.73)</b>

## 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	140,303	0.08	-	-	-	-	-	-	-	-
Supranationals	2,937,666	0.79	-	-	-	-	-	-	-	-
Corporates	261,400,334	0.29	0.61	0.91	0.49	< 0.01	-	-	-	-
144A	43,627,111	0.28	0.30	0.96	1.12	< 0.01	-	-	-	-
Municipals - Taxable	11,945,201	0.03	0.62	1.90	0.11	-	-	-	-	-
<b>Total Portfolio</b>	<b>320,050,615</b>	<b>0.28</b>	<b>0.57</b>	<b>0.95</b>	<b>0.55</b>	<b>&lt; 0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Disclaimers

# Disclaimers



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**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 101.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** Expense Policy AFS-004 “Non-Travel and Other Related Expenses” requires Board approval of funds for non-travel related expenses exceeding \$10,000 per project.

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

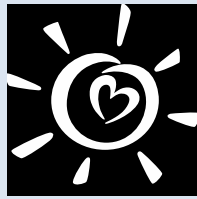
**Background:** In compliance with L.A. Care policy, Board approval is required for funds to support projects that have Non-Travel Meals and Catering and Other expenses exceeding \$10,000. The programs were included as part of the FY 2022-2023 budget, and include Provider Continuing Education, Advocacy Strategy Events, Meetings with Providers and Other External Stakeholders, Business Development, and Staff Training, Recognition and Retention. Projects are listed below:

<b>Proposed Program</b>		<b>Meals and Catering</b>	<b>Other</b>	<b>Total</b>
1	Catering for Health Promoters Program	\$ 31,000	\$ -	\$ <b>31,000</b>
2	Catering for LA Care Consumer Advisory Council(CAC) Member Engagement Sessions	\$ 4,080	\$ 8,000	\$ <b>12,080</b>
3	Catering for LA Care Consumer Members (RCAC/ECAC/BOG)	\$ 75,880	\$ 163,550	\$ <b>239,430</b>
4	Community Benefit Grant Review Committee Meetings	\$ 2,450	\$ 16,000	\$ <b>18,450</b>
5	Credentialing-Peer Review Committee	\$ -	\$ 12,500	\$ <b>12,500</b>
6	Customer Service and QI Performance Improvement Project (PIP) Trainings	\$ 15,300	\$ -	\$ <b>15,300</b>
8	Provider Continuing Education (PCE) Program	\$ 60,300	\$ 99,700	\$ <b>160,000</b>
9	Quarterly joint PICC/PQC Committee	\$ 1,350	\$ 10,080	\$ <b>11,430</b>
<b>Total</b>		<b>\$ 190,360</b>	<b>\$ 309,830</b>	<b>\$ 500,190</b>

**Member Impact:** This motion will allow L.A. Care to foresee improved provider knowledge and engagement on patient experience, leading to improved quality of care for L.A. Care’s members.

**Budget Impact:** The cost was anticipated and included in the approved budget for FY 2022-2023.

**Motion:** To approve the allocation of funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding \$10,000 in the total amount of \$500,190 for FY 2022-2023.



**L.A. Care**  
HEALTH PLAN®

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 102.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** Amend contract (Purchase Order – 0000002984) with OptumInsight, Inc. to perform post-adjudication/pre-payment rule-based claims editing.

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

**Background:** L.A. Care staff requests approval for amendment #1 of SOW #6 (CES Software with Technical Application Managed Services) to increase the contract amount from \$3,411,300 to \$6,559,012 (incremental increase of \$3,147,712) and extend the term through December 31, 2025.

The vendor provides us with post-adjudication/pre-payment rule-based claims editing. L.A. Care needs these services as we are required to take affirmative steps to detect, investigate, and prevent fraud, waste, and/or abuse. See, e.g., 42 U.S.C. § 1396a, 28 CCR § 1300.71. The Payment Integrity team has designed their activities to ensure that federal and state taxpayer dollars are spent appropriately on delivering quality, necessary care, and preventing fraud, waste, and abuse from taking place. To that end, we are implementing initiatives to ensure that:

- Eligibility decisions are made correctly;
- Prospective and enrolled providers meet federal and state participation requirements;
- Services provided to enrollees are medically necessary and appropriate; and
- Provider payments are made in the correct amount and for appropriate services.

We have been contracted with this vendor since December 2017 and are pleased with their work as we are currently generating ~\$22,000,000 of savings on an annual basis as a result of this agreement.

No request for proposal was conducted for this vendor as we have an existing contract and a sole-source justification would allow us to mitigate time, resources, and initiation fees to procure and implement a new vendor.

We are projecting ~\$60,000,000 - ~\$65,000,000 in savings through December 2025 based on the current savings run rate + incremental opportunity projections. The incremental monthly savings derive from the continued growth of the CES program. Based on the associated fixed/licensing fees, we will spend \$3,147,712 throughout the new term of the contract.

**Member Impact:** L.A. Care members will benefit from this motion through reduced Medi-Cal spending thus allowing for additional funds to remain in the Medicaid/Medicare Trust for future services

**Budget Impact:** Vendor commissions related to the extension of this contract are included in the Fiscal Year 2021-2022 budget.

**Board of Governors**

**MOTION SUMMARY**

Motion: To authorize staff to create amendment #1 of SOW #6 to increase the contract amount from \$3,411,300 to \$6,559,012 (incremental increase of \$3,147,712) and extend the term through December 31, 2025. This amendment will allow OptumInsight, Inc. continue to support L.A. Care with Claims Editing services.



**L.A. Care**  
HEALTH PLAN

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 103.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** Amend a contract with Verizon Business (Verizon) to continue to receive main phone (IP toll-free) services.

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

**Background:** L.A. Care utilizes Verizon's contact center network platform to obtain toll-free (1-800 number) services. These services are an essential component that allows communication between L.A. Care and its members, providers, and business partners. This is critical to maintain business continuity and to ensure that services go uninterrupted.

Information Technology (IT) staff recently upgraded the service platform to provide better management, features, and to properly support the current call volume. These services are billed based on actual-minute usage, and so are estimated on a month-to-month basis. Usage is expected to increase, especially during member enrollment. Staff is requesting to increase the current contract amount to accommodate the new platform through the remainder of the contract term which expires in June of 2023.

Monthly fees are estimated at \$110,000/month. In addition, \$600,000 is needed to cover additional member services and membership growth. L.A. Care staff requests approval to amend the contract in the amount of \$1.9 million.

**Member Impact:** This service is the primary means of communication between L.A. Care and its members. The toll-free line provides members with access to their health plan information and member services.

**Budget Impact:** The base cost of the amendment was anticipated and included in the approved budget for the IT department for FY 2021-22; the remaining amount has been included in the IT budget that has been submitted for FY 2022-23.

**Motion:** To authorize staff to amend the contract with Verizon in the amount of \$1.9 million, total contract not to exceed \$2.8 million, to continue to provide toll-free phone services for members, providers, and business partners through June of 2023.



**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 104.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** To amend a contract with UpHealth, Inc. (UpHealth), formerly Thrasys, Inc., to provide ongoing professional services, primarily in the areas of workflow optimization, the CalAIM strategic initiative, and regulatory requirements through July of 2023.

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

**Background:** L.A. Care and Thrasys agreed upon a scope of work on June 18, 2019 that defined a set of core deliverables. Due to the complexities L.A. Care faces with adapting to continuous changes driven by state policy, staff requests additional funding to engage UpHealth to assist L.A. Care in achieving its goals of optimizing workflows and staff efficiencies, primarily driven by the integration of core functions into one system.

**Member Impact:** The realization of the principal objective of integrating Utilization Management, Case Management, and Appeals & Grievances into a single system will provide a robust quality improvement framework that results in high quality care delivery for our members.

**Budget Impact:** The cost of the amendment was anticipated and included in the approved budget for the Information Technology department for FY 2021-22; the remaining amount has been included in the IT budget that has been submitted for FY 2022-23.

**Motion:** To amend the existing contract with UpHealth (formerly Thrasys, Inc.) in the amount of \$2,160,000, total contract not to exceed \$7,843,808, for continued professional services through July 31, 2023.



**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 105.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

**Issue:** Amend existing contracts with Cognizant Technology Solutions (Cognizant) and Solugenix Corporation (Solugenix) for Information Technology (IT) staff augmentation services to continue through March 31, 2023.

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

**Background:** In June, 2015, the Board of Governors approved motion FIN 107.0615, authorizing staff to negotiate contracts with Cognizant, HCL, and Infosys, following a competitive bidding process. In September, 2018, L.A. Care conducted a Request for Proposal (RFP) process that evaluated more than twenty vendors. Cognizant, HCL, Infosys, and Solugenix were selected during that RFP. All of these vendors provided competitive rates and supply resources with the specialized expertise required to support initiatives at L.A. Care. These vendors compete to meet our staff augmentation needs position-by-position, and we adjust the allocation of dollars between these vendors accordingly. Staff is currently requesting to amend the existing contracts with Solugenix and Cognizant.

Vendor	Estimated Increase	Estimated Contract Total
Solugenix	\$3,960,000	\$6,461,804
Cognizant	\$550,000	\$4,801,301
<b>Total</b>	<b>\$4,510,000</b>	<b>\$11,263,105</b>

The total cost of the revised contract agreements with the two vendors is \$4,510,000 through March 31, 2023. The primary strategic programs these resources will support are CalAIM, DSNP, VOICE, and Provider Roadmap, along with several smaller projects to improve L.A. Care's value delivery to our members and internal customers.

**Member Impact:** The services purchased under this agreement will improve L.A. Care's technology delivery capability, which in turn results in enhanced quality and more efficient services to all members.

**Budget Impact:** The cost of the amendment was anticipated and included in the approved IT budget for FY 2021-22; the remaining amount has been included in the IT budget that has been submitted for FY 2022-23.

**Motion:** To authorize staff to amend contracts with Solugenix and Cognizant in an aggregate amount not to exceed a total of \$4,510,000, total contracts not to exceed \$11,263,105, for IT staff augmentation services through March 31, 2023.



August 23, 2022

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

**SUBJECT: CEO Report – September 2022**

As we already look ahead to the end of summer, here at L.A. Care we remain busy and focused as we continue to prepare for a number of different changes that will have an impact on our membership over the next several months.

We are pleased to have officially received final approval for the transition of our Cal Medi-Connect (CMC) product into a Dual-Eligible Special Needs Plan (D-SNP) on January 1, 2023. I am proud of the excellent cross-functional teamwork that happened here at L.A. Care to accomplish this important step.

At the federal level, the passage of the Inflation Reduction Act brought many pieces of good news, including a three-year extension of the enhanced premium subsidies first introduced in the American Rescue Plan and originally slated to expire at the end of this year. These subsidies have reduced the financial burden of purchasing health insurance for so many consumers, including many L.A. Care members, and we applaud their extension.

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

	Since Last CEO Report (7/18/22)	As of 8/23/22
<b>Provider Recruitment Program</b> Physicians hired under PRP <sup>1</sup>	2	141
<b>Provider Loan Repayment Program</b> Active grants for medical school loan repayment <sup>2</sup>	-1	122
<b>Medical School Scholarships</b> Grants for medical school scholarships <sup>3</sup>	—	40
<b>Elevating Community Health</b> Home care worker graduates from CCA's IHSS training program	—	4,889

Notes:

1. The number of physicians fluctuates as physicians are hired and/or leave clinics.
2. 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.
3. The count includes scholarships that have been awarded and announced, not prospective scholar seats.

Below please find organizational updates for August:

### **L.A. Care Releases 25<sup>th</sup> Anniversary Report**

This year marks L.A. Care's 25<sup>th</sup> anniversary and in celebration of this milestone, L.A. Care has produced a document noting the accomplishments and highlights of the last 25 years. The report has been distributed

to community and provider partners, employees, and the Board of Governors. The document, which serves as a reminder of L.A. Care's service to its members and participating provider partners as well as a testament to the success of the two-plan model, is available digitally on L.A. Care's website at [lacare.org/25years](http://lacare.org/25years). The report will be used for advocacy efforts in Sacramento, packaged in briefing kits, and distributed at community events.

### **L.A. Care and Blue Shield of California Promise Provide Funding to Access Books to Bring Mini Libraries to CRCs Throughout L.A. County**

Access Books unveiled a mini library at the L.A. Care/Blue Shield of California Promise Community Resource Center (CRC) in Lynwood, the first of seven mini libraries planned for the year. The libraries will give children and families visiting the CRCs access to thousands of new, high-quality books. L.A. Care and Blue Shield Promise CRCs have provided \$65,000 to Access Books to assist with the creation of the mini libraries and to cover the cost of initial books for the libraries as well as additional books that will be given away to local families. The seven libraries will help support existing family literacy programs and children's activities at CRCs in Lynwood, Metro L.A. (Koreatown), El Monte, Inglewood, Norwalk, Pomona, and Palmdale, bringing a total of 6,200 new books in both English and Spanish. Once the first phase for these seven centers is completed, work will begin to provide similar book collections and other literacy-focused events to the remainder of the seven CRCs.

### **L.A. Care Commits \$55,000 to Human-I-T to Help Close Digital Divide for Low-Income Communities**

L.A. Care has committed \$55,000 to Human-I-T for the 2022 Technology Justice Partnership, which will provide computers, laptops, or tablets to 200 low-income residents in Los Angeles County. Through this partnership, Human-I-T will also help individuals sign up for free or low-cost Internet, and will provide them with digital literacy training. Human-I-T will also participate in a digital literacy event that will provide digital literacy education to up to 250 L.A. Care Consumer Advisory Committee members.

### **L.A. Care Awards \$1.3 Million to the California Association of Food Banks to Assist Thousands with CalFresh Applications**

L.A. Care has awarded \$1.3 million to the California Association of Food Banks (CAFB) to help thousands of low-income individuals and families sign up for the Supplemental Nutrition Assistance Program (SNAP), known as CalFresh in California. L.A. Care's funding will help CAFB provide grants to up to 10 nonprofit organizations across Los Angeles County who will provide outreach and enrollment assistance to at least 5,600 eligible families, or about 17,000 individuals, helping them gain access to nutritious foods. This grant is part of L.A. Care's Community Wellness Initiative, which launched in 2015 and has helped more than 16,400 families secure CalFresh benefits.

### **L.A. Care-Supported KGI Community Medicine Program Enters its Second Year**

L.A. Care has partnered with Keck Graduate Institute (KGI) to offer students from diverse communities the opportunity to participate in the Master of Science in Community Medicine (MSCM) program, a two-year, fully online graduate degree within KGI's School of Community Medicine. This innovative degree program, which is entering its second year, educates future physicians, healthcare providers, and health professionals, helping them to become qualified leaders in community medicine who will go on to careers in healthcare and clinical settings. Graduates will gain the skills to engage their communities, foster strong positive relationships, and understand health priorities.

#### **Attachments**

L.A. Care Elevating The Safety Net Thank You Letter

Cal MediConnect Enrollee Advisory Committee (CMC EAC) Meeting Summary



## Thank You Letter

Dear John Baackes,

I would like to start off by expressing my gratitude, appreciation and honor for being a part of the 25<sup>th</sup> Anniversary LA Care Elevating The Safety Net Ceremony on July 22<sup>nd</sup>. It was easily one of the best days of my life and a time I will never forget. I was also extremely happy to have my family be a part of it. I wanted to say thank you for everything and giving me the opportunity of a lifetime. The LA Care scholarship has changed my life forever and I still wake up everyday grateful and happy to be given this award to live my dream and embark on a journey that will allow me to make a positive impact in my community here in LA and bring quality service to patients who need it most. I am devoted and promise to uphold the core values and standards expected from LA Care, Charles Drew University and UCLA to provide access to quality health care to citizens in underserved and disadvantaged communities as well as join the fight against reducing healthcare disparities affecting our communities. I will work extremely hard every single day and never take anything for granted moving forward. I will strive for excellence and represent LA Care! I am excited to be a part of the LA Care family and will make sure everyone is proud and confident in their decision to select me for this unbelievable honor and award. I would like to give a thank you to Mr. John Baackes, Dr. Calmes, Misty de Lamare, Monica Perkins, Penny Griego, Hector De La Torre, Dr. Richard Seidman, Dr. Carlisle, Shavonda Weber-Christmas and everyone a part of the LA Care team that organized the event and made this all possible. Words can't describe how happy I am, it truly is a dream come true and I mean that to the bottom of my heart. Thank you again for everything!!

Best regards,

-Dupre Orr



# Cal MediConnect

## *Enrollee Advisory Committee*

### CEO Report to the Board of Governors Cal MediConnect Enrollee Advisory Committee (CMC EAC) Meeting Summary

**Meeting Date:** August 16, 2022

**Attendees:** 6 CMC members, via conference call

#### **Meeting Summary**

##### **I. L.A. Care Updates**

- a. Attendees were informed about
  - i. Celebrating L.A. Care Health Plan's 25th Anniversary
  - ii. Elevating the Safety Net Program: provided updates about full-ride scholarships for eight medical school scholars and loan repayment grants for providers who work in the L.A. County safety net
  - iii. Community Resource Centers: in-person classes, back-to-school events and new centers

##### **II. Presentation by Mona Tisdale, Lead Product Solutions Manager, Medicare Product, on Fall Prevention**

- a. A presentation on Fall Prevention, including tips to stay physically active, get enough sleep, stay hydrated and use an assistive device if needed.

##### **III. CCI Ombudsman Report**

- a. Staff reviewed the role of the CCI Ombudsman's office, shared the prevalent issues reported by the Ombudsman, and provided members with the office's contact information.

##### **IV. Close-Out**

- a. Members were provided instructions on how to contact L.A. Care staff if they've encountered any member issues, so that they may be helped by the Member Relations team.
- b. The next CMC EAC meeting is currently scheduled for Thursday, September 29, 2022, from 1:00 pm - 2:00 pm, via conference call.

**June 2022  
Grants & Sponsorships Report  
August 2022 Board of Governors Meeting**

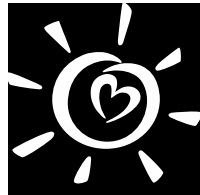
#	Organization Name	Project Description	Grant/ Sponsorship Approval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cumulative Total
1	Adventist Health White Memorial Charitable Foundation	Fundraising Gala	6/24/2022	Sponsorship	\$ -	\$ 5,000	\$ 5,000
2	Faith and Community Empowerment	24th Annual Homeownership Fair	6/2/2022	Sponsorship		\$ 3,000	\$ 3,000
3	Health Matters Clinic	STEM + Health Expo	6/14/2022	Sponsorship	\$ -	\$ 9,500	\$ 9,500
4	Kids in the Spotlight	Kids in the Spotlight - Night of Confidence	6/21/2022	Sponsorship	\$ -	\$ 1,000	\$ 1,000
5	Los Angeles County Medical Association	151st Installation Gala	6/14/2022	Sponsorship	\$ -	\$ 3,500	\$ 3,500
6	SALVA	Annual Fundraising Gala	6/14/2022	Sponsorship	\$ -	\$ 5,000	\$ 5,000
7	WEHO PRIDE	WEHO Pride	6/3/2022	Sponsorship	\$ -	\$ 15,000	\$ 15,000
8	Breastfeeding Task Force of Greater Los Angeles	Builds capacity of My Pediatric Clinic to promote and support culturally congruent lactation education for 350 Black women and increases lactation workforce through student practicum.	6/30/2022	GAAINS I ** Grant	\$ 100,000	\$ -	\$ 100,000
9	California Black Women's Health Project	Builds business capacity of 15 birth workers (doulas, lactation consultants, midwives, advocates) and coordinates Sister Circles for up to 90 African American birthers and nurturers to minimize the impact of racism on birth outcomes.	6/30/2022	GAAINS I Grant	\$ 100,000	\$ -	\$ 100,000
10	Communities Lifting Communities - Cherished Futures	Builds capacity of hospital systems to increase the number of delivery hospitals that are implementing strategies to reduce birth inequities among Black families to at least 20% and to improve Black patients' experience.	6/30/2022	GAAINS I Grant	\$ 150,000	\$ -	\$ 150,000
11	Eisner Health	Delivers intrapartum care and intensive case management to ensure at least 450 high risk Black women receive the right level of care to improve medical outcomes, patient satisfaction, and efficacy for birthers and their newborn.	6/30/2022	GAAINS I Grant	\$ 150,000	\$ -	\$ 150,000
12	Frontline Doulas, Diversity Uplifts Inc.	Builds capacity of doulas to ensure nurturers' conscious and informed connections and communication with healthcare providers by connecting at least 50 new Black nurturers to Black doulas using its virtual health hotline and conducting bi-monthly mentorship and training opportunities for Black doulas.	6/30/2022	GAAINS I Grant	\$ 150,000	\$ -	\$ 150,000
13	PHFE- WIC CinnaMoms	Builds capacity of WIC staff to provide breastfeeding support and resources for 1000 moms, including 150 new African American nurturers through training to increase awareness of the root causes of health inequities.	6/30/2022	GAAINS I Grant	\$ 100,000	\$ -	\$ 100,000
14	Project Joy	Builds service system capacity to reduce stress and improve mental, physical, and financial health, including birth equity, for up to 150 Black nurturers through culturally affirming educational, therapeutic, and training services for Black birthers and nurturers.	6/30/2022	GAAINS I Grant	\$ 100,000	\$ -	\$ 100,000

#	Organization Name	Project Description	Grant/ Sponsorship Approval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cumulative Total
15	St. John's Community Health	Builds capacity to establish culturally affirming clinical environments for at least 250 Black birthers, nurturers, and their babies through 20 pre- and post-natal group sessions to improve patient resilience and reduce stress and depressive symptoms.	6/30/2022	GAAINS I Grant	\$ 150,000	\$ -	\$ 275,000
16	Community Health Alliance of Pasadena (ChapCare)	Launches a Dental Assistant Apprenticeship Program to address dental workforce shortages and expanding ChapCare's ability to provide 1,300 additional dental services per year to 650 new dental patients at its three dental clinics.	6/15/2022	Ad Hoc Grant	\$ 150,000	\$ -	\$ 150,000
17	MLK Community Health	Establishes Diabetes Management Center of Excellence (DMCE) to address disproportionately high rates of diabetes among South Los Angeles residents and to prevent the onset of diabetes through a targeted health promotion campaign.	6/17/2022	Ad Hoc Grant	\$ 250,000	\$ -	\$ 250,000
18	Westside Infant and Family Network	Provides psychotherapeutic, case management, and other social supports to families with young children scoring positive for Adverse Childhood Experiences (ACEs) and establishes the Los Angeles Resilience Network to disseminate best practices for buffering the effects of positive ACEs screening.	6/17/2022	Ad Hoc Grant	\$ 100,000	\$ -	\$ 100,000
<b>Total of grants and sponsorships approved in June 2022</b>					<b>\$ 1,150,000</b>	<b>\$ 42,000</b>	<b>\$ 542,000</b>
<p>* Per the Community Health Investment Fund (CHIF) grant agreements, the first half of the grant award is released upon receipt of a fully executed agreement. The second half of grant award is released upon expenditure of the first payment and completion of at least half of the entire project's objectives, as detailed in semiannual progress report submissions.</p> <p>** GAAINS - Generating African American Infant &amp; Nurturers Survival</p>							

**July 2022**  
**Grants & Sponsorships Report**  
**September 2022 Board of Governors Meeting**

#	Organization Name	Project Description	Grant/ Sponsorship Approval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cumulative Total
1	Alzheimer's Association	Making Memories Festival	7/27/2022	Sponsorship	\$ -	\$ 5,000	\$ 5,000
2	ChapCare	National Health Center Week	7/19/2022	Sponsorship	\$ -	\$ 1,000	\$ 1,000
3	Comprehensive Community Health Centers	National Health Center Week	7/19/2022	Sponsorship	\$ -	\$ 10,000	\$ 10,000
4	Dimondale Adolescent Care Facility	Back to School Giveaway	7/20/2022	Sponsorship	\$ -	\$ 2,500	\$ 2,500
5	Eisner Health	National Health Center Week	7/19/2022	Sponsorship	\$ -	\$ 5,000	\$ 5,000
6	Garfield Health Center	Back to School Fair	7/11/2022	Sponsorship	\$ -	\$ 2,000	\$ 2,000
7	Institute for High Quality Care	Quality Improvement Summit Series	7/20/2022	Sponsorship	\$ -	\$ 2,000	\$ 2,000
8	Keck School of Medicine of USC	4th Annual LA Street Medicine Symposium	7/20/2022	Sponsorship	\$ -	\$ 3,500	\$ 3,500
9	Ohana Center	Empowerment, Art, Resiliency, Teaching & Healing (EARTH) Program Fall Wellness Jubilee	7/11/2022	Sponsorship	\$ -	\$ 5,000	\$ 5,000
10	Peggy Beatrice Foundation	Back to School & Serve-A-Soul events	7/20/2022	Sponsorship	\$ -	\$ 15,000	\$ 15,000
11	Project Angel Food	Lead with Love Telethon	7/19/2022	Sponsorship	\$ -	\$ 10,000	\$ 10,000
12	Sole of the CommUNITY	Back to School event	7/27/2022	Sponsorship	\$ -	\$ 1,500	\$ 1,500
13	South Central Family Health Center	National Health Center Week	7/19/2022	Sponsorship	\$ -	\$ 1,500	\$ 1,500
14	South LA Cafe Community Foundation	Food Distribution events	7/11/2022	Sponsorship	\$ -	\$ 15,000	\$ 30,000
15	State of Reform	State of Reform Conference	7/19/2022	Sponsorship		\$ 7,500	\$ 7,500

16	United Friends of the Children	Food Distribution & Housing	7/19/2022	Sponsorship	\$ -	\$ 15,000	\$ 35,000
17	USC Suzanne Dworak-Peck School of Social Work	Brain Health Awareness Day & Farmers Market	7/27/2022	Sponsorship	\$ -	\$ 20,000	\$ 20,000
18	Venice Family Clinic	National Health Center Week-COVID-19 Vaccinations	7/19/2022	Sponsorship	\$ -	\$ 10,000	\$ 10,000
	California Association of Food Banks	Supports up to 10 Los Angeles County nonprofits to assist at least 5,600 low-income individuals and families to apply for the CalFresh program.	7/28/2022	Ad Hoc Grant	\$ 1,300,000	\$ -	\$ 1,300,000
	Liberty Hill Foundation	Supports the Stay Housed LA Network to prevent evictions for up 52,800 housing insecure tenants in LA County.	7/28/2022	Ad Hoc Grant	\$ 500,000	\$ -	\$ 500,000
	PHFE fiscal agent for LANES	Modernize LANES' health information exchange platform and interoperability infrastructure to the Google Big Query cloud-based platform.	7/28/2022	Ad Hoc Grant	\$ 500,000	\$ -	\$ 500,000
Total of grants and sponsorships approved in July 2022					\$ 2,300,000	\$ 131,500	\$ 2,466,500
* Per the Community Health Improvement Fund (CHIP) grant agreements, the first half of the grant award is released upon receipt of a fully executed agreement. The second half of grant award is released upon expenditure of the first payment and completion							



**L.A. Care**  
HEALTH PLAN®

## **Chief Medical Officer Report August 2022**

### **COVID Update**

While the number of cases of COVID-19 is decreasing globally, nationally and locally, transmission rates, morbidity and mortality remain high. If death rates remain at current levels, more than 700,000 people would die annually worldwide and over 140,000 in the United States. Los Angeles County remains in the high community level with high rates of community transmission, and masking still strongly recommended in indoor public places. Efforts continue to promote vaccination and boosters, and to increase vaccine uptake in the more recently eligible age cohorts and among race and ethnic groups with lower immunization rates. During the first week in August, nearly 2,800 L.A. Care members were reported with COVID infection, 173 were hospitalized, and 12 died due to COVID.

### **Monkeypox**

The U.S. Centers for Disease Control (CDC) has declared the current outbreak of Monkeypox cases a Public Health Emergency. There have been over 28,000 cases in 88 countries reported to date, including 81 countries that have not historically reported known cases. In the United States, there are now more than 7,500 cases reported in all but two states, and nearly 500 cases in Los Angeles County. Over 70% of cases in Los Angeles County are in White and Latinx individuals, with 11% in Black/African Americans, and 5% among Asians.

Human to human spread of monkeypox infection occurs primarily through close, intimate contact with someone who has monkeypox. In Los Angeles County, 99% of reported cases have been in men, and 85% within the LGBTQ+ community, 2% among straight or heterosexuals, and 14% of unknown sexual orientation. The California Department of Public Health has assessed the current risk of getting monkeypox among the general population as very low.

People can reduce their risk of infection by avoiding close, skin-to-skin contact with people who have a rash that looks like monkeypox, avoid contact with objects and materials that a person with monkeypox has used, and attention to good hand hygiene practices. At this time, access to testing and vaccination for monkeypox is limited. The goal set by the Los Angeles County Department of Public Health is to administer a first dose of vaccine to as many people at increased risk for monkeypox exposure as quickly as possible. As the vaccine supply increases, Public Health will make second doses available. The current priority in Los Angeles County is to offer vaccine to gay or bisexual men and transgender adults with increased risk of infection.

## Quality Improvement

The 2022 Fight the Flu Campaign kick-off meeting was held in June, with all stakeholder business units. We are exploring use of text messaging for this year's campaign, and also considering offering COVID vaccination at the vaccination events we are planning for this fall.

Final HEDIS Measurement Year (MY) 2021 results have been submitted and a summary will be presented to the Board Compliance & Quality (C&Q) Committee on August 18th. Now that the HEDIS submission is completed, Quality Performance Management (QPM) Staff are conducting outreach to our network provider practices. The goal of these visits is to educate providers and their office staff on HEDIS and Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures for Prospective HEDIS MY2022 with the focus on Controlling Blood Pressure (CBP), Prenatal and Postpartum Care (PPC), Childhood Immunization Status (CIS), Lead Screening for Children (LSC) and Well Child Visits (W30).

Other efforts to continuously improve HEDIS performance include a collaborative effort with Health Net to help practices identify and close gaps in care using a common platform, our Transform L.A. practice transformation program, and our collaboration with the Department of Health Care Services (DHCS) Population Health Management Initiative (PHMI), a partnership between DHCS, Kaiser, and the California Primary Care Association (CPCA) to offer technical assistance and other support to 30+ Federally Qualified Health Centers (FQHCs) statewide (14 in Los Angeles County) to improve their Population Health Management (PHM) programs and ability to achieve better outcomes. We are also awaiting details regarding DHCS plans to contract with a vendor to provide a PHM Service platform and we are in discussion with the Local Health Plans of California (LHPC) regarding the 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.

L.A. Care's internal PHM team is revising our PHM Program Description, integrating the new Social Determinants of Health (SDOH) and Health Equity National Committee for Quality Assurance (NCQA) requirements. The team is also monitoring the changes coming to the Initial Health Assessment (IHA) process when the CalAIM PHM program goes live in January 2023. The proposal is to change the name to Initial Health Visit, remove the Staying Healthy Assessment (SHA) requirement and integrate this requirement with the Health Information Form (HIF) assessment.

Maintaining NCQA compliance is a perpetual process. Feedback from a recent review of compliance with NCQA standards was completed and shared with all stakeholders. Assembly Bill 133 requires "on or before January 1, 2026 a health care service plan and its subcontracted health service plans shall have and maintain National Committee for Quality Assurance (NCQA) accreditation." This bill would require attaining NCQA accreditation for our PASC-SEIU and LACC-D (off exchange) products in addition to our other products (Medi-Cal (MCLA), Cal MediConnect (CMC), and Covered CA (LACC). Staff are assessing the level of effort and practicality of pursuing accreditation for these products, each presenting unique challenges, and are



in discussions with the Local Health Plans of California and the Department of Managed Health Care (DMHC) in an effort to add some caveats and exclusions to this legislation.

## **Health Equity**

Additional cohorts of the L.A. Care management team have completed Anti-Racism training with more sessions planned. There is ongoing work to improve our ability to capture and utilize Sexual Orientation and Gender Identity (SOGI) data. This will also be a requirement in our next NCQA accreditation survey. Other efforts include the following:

- Member Equity Council goals for 2022 continue to be advanced. Working to include equity and discrimination questions into CG-CAHPS survey this year. Meeting to discuss final CG-CAHPS questions is upcoming (Component 1: Member Voice).
- L.A. Care is currently planning a training, proposed for September, on LGBTQ+ health disparities and Sexual Orientation and Gender Identity (SOGI) data collection for providers, allied staff and internal staff. Training will cover topics including gender pronouns, creating gender inclusive messaging and discussing importance of collecting sexual orientation and gender identity (SOGI) data (Metric 4: Systemic Change).
- Met with IMI Midwifery collaborative leads on 7/18 to discuss project goals and how L.A. Care can assist. (Component 5: Equitable Health).

## **Social Determinants of Health (SDOH)**

All Plan Letter (APL) 21-009 requires providers to submit (SDOH) Z-codes to L.A. Care. A plan to educate providers on submitting and using SDOH data is being developed and executed. We continue to meet with internal and external partners to collaborate on SDOH coding and education. Provider communications, fax blast and newsletter articles covering this new requirement are set to go out Fall 2022. We have introduced the APL and collection of SDOH data to the Incentives workgroup and have developed a new SDOH VIIP metric, reporting only, for providers. An upcoming meeting with the CCALAC QI Roundtable to discuss the topics of SDOH data collection. This work falls under Component 2 of Member Equity Council goals, SDOH collection.

## **Health Education & Cultural Linguistic Services (HECLS)**

- Several work streams are continuing on the implementation of the DHCS (APL) 22-002 focusing on Alternative Formats (AF) data collection, sharing of data and AF fulfillment. Additional deliverables were submitted to DHCS in June.
- The Race and Ethnicity enterprise wide data remediation project continues. Current efforts focusing on crosswalk validation and collection of regulatory requirements.
- In collaboration with Quality Performance Management, the provider cultural responsiveness survey questions are incorporated in the Provider Satisfaction Survey. The survey is slated to launch in September 2022.
- Development of a Black/African-American focused pregnancy resource is in progress. Final draft approved internally. The resource sheet will be incorporated into the Health Education program mailings and available online.

## **Stars Excellence**

### **Medicare and Commercial/Marketplace Exchange Stars Strategy:**

L.A. Care continues to build our internal team, infrastructure and strategy to enable us to achieve the best possible Stars scores for our Covered CA and future D-SNP products. We recently received a report from a consultant hired to assist in the development of our strategy and to identify prioritized needs and opportunities to improve our performance. A new Senior Director of Stars Excellence has been hired and a Stars Steering Committee has been formed to oversee and drive these efforts.

## **CalAIM**

Program implementation continues since the initial launch in January 2022, with additional Community Support Services launched in July and more to come in January 2023. The Enhanced Care Management (ECM) provider network continues to expand, with the additional of 5 new providers in July and the review of 15 additional applications for potential new providers in January 2023. Ongoing training is offered every 2 weeks along with an ad-hoc webinar addressing the new populations of focus, members eligible for Long Term Care and at Risk of Institutionalization and Nursing Home Residents Transitioning to the Community, which go live in January, 2023.

A major milestone was reached on June 30th, by which time approximately 22,000 ECM enrollees that were grandfathered into the program upon the transition of the Health Homes program to ECM needed to have a questionnaire completed and submitted by their ECM providers in order for them to graduate from the program or be re-enrolled. We have received graduation assessments for approximately 20,000 members and continue to work with ECM providers to ensure submission of outstanding graduation assessments to appropriately disposition grandfathered members. The vast majority of members were reauthorized for ongoing ECM services.

## **Pharmacy Update**

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

- Program Expansion: Along with the additional 2 pharmacies added into the next cohort of CRMC participating pharmacies (bringing the total to 17 participating pharmacies), the CRMC program will also be expanding clinical criteria by adding additional cohorts alongside the current Diabetes Cohort, which would target:
  - Behavioral Health – pending roll-out
  - Cardiovascular Disease - officially rolled out 7/20/22
  - Medication Adherence/MTM (specific to LACC/CMC) – Currently enrolling, as of 7/20/2022, 4 members have been enrolled into this cohort
- As of 7/18/22, we have 460 members engaged in the program. Among the 460 members, 242 members are within the Antelope Valley and South LA region.
- Current Performance, as of 2/28/22:
  - Average A1c reduction of 3.3%, with baseline A1c of 11.6%\*
  - Average SBP ↓ 34mmHg and average DBP ↓ 11mmHg\*

- 89.4% of members with diabetes are on a statin if not otherwise contraindicated

*\*Data is for members that have had 5+ visits with a CRMC Pharmacist*

- The CRMC Program was selected by the Centers for Disease Control and Prevention (CDC) as one of three programs to be showcased for its innovative uses of telehealth to prevent and manage cardiovascular disease. The program will go through a rigorous evaluation and will be presented to a national audience in the future.

#### **Medication Adherence – Pack4U**

The pharmacy team is working with a new vendor, Pack4U, to start a pilot program that provides medication dispensing devices to members in their homes to monitor and improve their medication adherence. The devices are equipped with Bluetooth connectivity and built in cameras for telehealth functionality, to dispense medications and engage with members. The pilot program is planned to run from July to December 2022, with a goal of enrolling 100 non-adherent CMC members with qualifying chronic diseases.

# Board of Governors

## Executive Community Advisory Committee

### Meeting Minutes – June 8, 2022

1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Senior Staff
<p>Russell Mahler, <i>RCAC 1 Chair ***</i>  Estela Lara, <i>RCAC 2 Chair</i>  Cynthia Conteas-Wood, <i>RCAC 3 Chair, ECAC Vice-Chair</i>  Silvia Poz, <i>RCAC 4 Chair</i>  Maria Sanchez, <i>RCAC 5 Chair</i>  Andria McFerson, <i>RCAC 6 Chair</i>  Fátima Vázquez, <i>RCAC 7 Chair, ECAC Chair</i>  Ana Romo, <i>RCAC 8 Chair</i>  Tonya Byrd, <i>RCAC 9 Chair</i>  Damares O Hernández de Cordero, <i>RCAC 10 Chair *</i>  Maria Angel Refugio, <i>RCAC 11 Chair</i>  Deaka McClain, <i>At Large Member</i>  Lluvia Salazar, <i>At-Large Member</i></p> <p><i>* Excused Absent    ** Absent</i>  <i>***Present with technical issues</i></p>	<p>Pablo De La Puente, Interpreter  Mary Hernandez-Castellanos, Interpreter  Isaac Ibarlucea, Interpreter  Eduardo Kogan, Interpreter  Alex Mendez, Interpreter  Katelynn Mory, Closed Captioner  Ruth Nuno, Interpreter</p> <p>Gisele Brigido, Public  Carrie Broadus, Public  Randall Nixon, Public  Maria Teresa Rebaja, <i>RCAC 1, Public</i>  Cecilia Cruz, <i>RCAC 9, Public</i>  Johnny Chua, <i>RCAC 11, Public</i></p> <p>Felicia Divinity, County of Los Angeles, Public  Aravinda Edussuriya, County of Los Angeles  Selwyn Hollins, County of Los Angeles, Public</p>	<p>Hilda Pérez, <i>Member, Board of Governors</i>  Layla Gonzalez, <i>Advocate, Board of Governors</i>  John Baackes, <i>Chief Executive Office, L.A. Care</i>  Richard Seidman, <i>M.D, Chief Medical Officer, L.A. Care</i>  Miriam Admasu, <i>Department Assistant, CO&amp;E</i>  Malou Balones, <i>Board Specialist, Board Services</i>  Kristina Chung, <i>Community Outreach Field Specialist, CO&amp;E</i>  Idalia De La Torre, <i>Field Specialist Supervisor, CO&amp;E</i>  Auleria Eakins, <i>Manager, CO&amp;E</i>  Hilda Herrera, <i>Community Outreach Field Specialist, CO&amp;E</i>  Linda Merckens, <i>Senior Manager, Board Services</i>  Frank Meza, <i>Community Outreach Field Specialist, CO&amp;E</i>  Nicole Moussa, <i>Manager, Technical Information, Pharmacy &amp; Formulary</i>  Cindy Pozos, <i>Community Outreach Field Specialist, CO&amp;E</i>  Jose Ricardo Rivas, <i>Community Outreach Field Specialist, CO&amp;E</i>  Victor Rodriguez, <i>Board Specialist III, Board Services</i>  Prity Thanki, <i>Local Government Advisor, Government Affairs</i>  Martin Vicente, <i>Community Outreach Field Specialist, CO&amp;E</i>  Diane Webber, <i>Product Solutions Manager</i></p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	<p>Chairperson Fatima Vazquez advised the public to please recheck these directions for updates prior to the start of the meeting.</p> <p>She announced that this meeting will be conducted in accordance with the provisions of the Ralph M. Brown Act, allowing members of the Executive Community Advisory Committee, members of the public and staff to participate via teleconference, because State and Local</p>	

	<p>officials are recommending measures to promote social distancing. Accordingly, members of the public should join this meeting via teleconference as follows:  <a href="https://us06web.zoom.us/j/81484744951">https://us06web.zoom.us/j/81484744951</a></p> <p>Teleconference Call –In information/Site  Call-in number: 1-415-655-0002 Participants Access Code: 2491 245 5780 (English)  Call-in number: 1-415-655-0002 Participants Access Code: 2488 567 0002 (Spanish)</p> <p>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.</p> <p>Attendees who log on using the URL above will be able to use “chat” during the meeting for public comment. Attendees must be logged into Zoom to use the “chat” feature. The log in information is at the top of the meeting Agenda. This is a new function during the meeting so public comments can be made live and direct.</p> <ol style="list-style-type: none"> <li>1. The “chat” will be available during the public comment periods before each item.</li> <li>2. To use the “chat” during public comment periods, look at the bottom of the screen for the icon that has the word, “chat” on it.</li> <li>3. Click on the chat icon. It will open a window.</li> <li>4. Select “Everyone” in the To: window.</li> <li>5. Type the public comment in the box.</li> <li>6. After hitting the enter key, the message is sent and everyone can see it.</li> <li>7. The chat message, text, voicemail, or email must indicate if the submitter wishes to be identified or remain anonymous, and must also include the name of the item to which the comment relates.</li> <li>8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.</li> </ol> <p>Your comments can also be sent by text, voicemail, or email. If we receive your comments by 10:00 a.m. on June 8, 2022, it will be provided to the members of the Executive Community Advisory Committee at the beginning of the meeting. The chat message, 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 VIII Public Comments on the Agenda.</p> <p>Once the meeting has started public comments should be submitted prior to the time the Chair announces public comments for each agenda item and staff will read those comments for up to three minutes. Chat messages submitted during the public comment period for</p>	
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	<p>each agenda item will be read for up to three minutes. If your public comment agenda is not related to any of the agenda item topics, your public comment will be read for up to 3 minutes at item VIII Public Comments on the agenda.</p> <p>These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.</p> <p>Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section of the agenda.</p> <p>The purpose of public comment is that it is an opportunity for members of the public to inform the governing body about their views. The Executive Community Advisory Committee appreciates hearing the input as it considers the business on the Agenda.</p> <p>All votes in a teleconferenced meeting shall be conducted by roll call.</p> <p>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 &amp; Engagement staff prior to the meeting for assistance by text (323) 541-7900 or by email to <a href="mailto:COEpubliccomments@lacare.org">COEpubliccomments@lacare.org</a>.</p> <p>Goals for today's meeting:</p> <ol style="list-style-type: none"> <li>1. Receive an update from L.A. Care's Chief Medical Officer.</li> <li>2. Receive an update from L.A. Care's Chief Executive Officer.</li> <li>3. Receive an update from Government Affairs Department.</li> <li>4. Receive recommendations from the ECAC ad-hoc committee – Disability Awareness Month.</li> <li>5. Receive recommendations from the ECAC ad-hoc committee – African American Health Disparities.</li> <li>6. Receive a presentation on the County of Los Angeles Delete the Divide.</li> </ol> <p>Chairperson Vazquez read the ECAC Meeting Ground Rules and Meeting Guidelines.</p> <p>Meeting Ground Rules</p> <ul style="list-style-type: none"> <li>• We treat each other with respect</li> <li>• We raise our virtual hand icon and wait to be called on</li> <li>• We lower our virtual hand icon when done speaking</li> <li>• Only one member speaks at a time</li> <li>• We speak up when something is wrong or not working: we confront issues not people</li> <li>• We do not personally attack each other</li> </ul>	
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	<p>Meeting Guidelines</p> <ul style="list-style-type: none"> <li>• ECAC Members will have three (3) minutes to speak on each agenda item</li> <li>• The ECAC Chair can reduce the time to two (2) minutes if time is limited</li> <li>• The three (3) or two (2) minutes allotment will be consecutive and may include questions, comments, and/or anecdotes as long as they fall within the time limit</li> <li>• If time is limited and ECAC members are unable to make a comment or ask a question, the member/s will be asked to forward their comment or question to CO&amp;E staff for follow-up</li> <li>• The response will be recorded in the ECAC meeting minutes for that meeting</li> <li>• The L.A. Care staff schedule to provide an update or present during the ECAC meeting will be timed to ensure they stay within their allotted time.</li> </ul> <p>Chairperson Vazquez called the meeting to order at 10:16 a.m.</p>	
<b>APPROVE MEETING AGENDA</b>	<p>Chairperson Vazquez advised that Member Ana Romo, <i>RCAC 8 Chair</i>, will not be reporting and the report will be given by Member Andria McFerson, <i>RCAC 6 Chair</i>.</p> <p>Member McFerson stated that she spoke at the Board meeting about getting back to the Brown Act and how comments should be made. Public comments can be after an agenda item is discussed. They need proper input from people that it affects. She noted that there may be people that can't read the material.</p> <p><b>The Agenda for today's meeting was approved with the changes noted above.</b></p>	<b>Approved by roll call. 12 AYES (Byrd, Contreas-Wood, Lara, Mahler, McClain, McFerson, Poz, Romo, Salazar, Sanchez, Refugio, Vazquez)</b>
<b>APPROVE MEETING MINUTES</b>	<p>Member Deaka McClain, <i>At Member-Large</i>, noted that on page 13, the sentence where it reads "Human IT (HIT) can reach out to people who don't have that capability", it should read "Can Human IT (HIT) reach out to them?" She noted that it was meant as a question.</p> <p><b>The May 11, 2022 meeting minutes were approved with the corrections noted above.</b></p>	<b>Approved by roll call. 12 AYES</b>
<b>STANDING ITEMS</b>		
<b>UPDATE FROM CHIEF MEDICAL OFFICER</b>	<p>Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, reported:</p> <p>He said that the COVID-19 pandemic is not over, and there is still high transmission of the disease. Most people experience mild to moderate infections. Some people, particularly those that are not vaccinated or boosted, are still getting serious disease. If trends continue to increase, there is a chance that the health care delivery system can be overwhelmed. Hospitalizations have gone from 200 per day to 500 per day. He encouraged masking, which is no longer mandatory except in places like healthcare settings and transportation</p>	

	<p>hubs. On planes, trains, Ubers, taxis, et cetera, masking is strongly recommended in indoor public places. He still wears a mask in indoor places even though he is vaccinated and has received two booster doses. The new variants are more contagious and people who are vaccinated and boosted can still get infected.</p> <p>If people get infected, who have a high-risk condition, like obesity, diabetes, heart disease, lung disease, or are pregnant, there are now medications that can be taken by mouth within the first five days of infection that can significantly reduce your risk of serious disease and hospitalization. L.A. Care has information posted on the website. Members can contact their doctor, look on the L.A. Care website or the County's website to find places where they can be tested and treated with these medications. Testing positivity rates are still increasing, and the good news is that deaths have remained relatively stable.</p> <p>He gave a brief update about the nation's baby formula shortage. The federal government has relaxed the limitations on which formulas people in the Women's, Infant and Children's program (WIC) can buy at stores. They've significantly relaxed the limits so that people have a choice of many more different formulas and that makes the shortages less severe. He encouraged people to reach out to their doctor and look on the L.A. Care website.</p> <p>Monkey Pox</p> <p>He noted that the Monkey Pox disease is a known disease. It's not new and unknown like COVID-19 was. Monkey pox is nothing like COVID-19 and he asked that people not be overly alarmed by it. There are only about 800 cases worldwide, and most of the cases are in Africa or in Europe. There are 20 cases here in the United States, including five cases known in California. Monkey pox can cause severe disease. There have been no deaths associated with this recent outbreak anywhere outside of Africa. It can cause fever, fatigue, muscle weakness, muscle pain and a characteristic rash. Most of the cases have been in men who have sex with men, but it is not exclusive to that community of people.</p> <p>PUBLIC COMMENTS</p> <p><b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>Good morning Dr. Seidman, my name is Elizabeth Cooper, I would like to ask you to address the issues of the booster shot for the seniors and people with disabilities, will there be a potential side effects for future booster shots, if this population chooses to receive the booster shots in the future.</i></p> <p>Dr. Seidman responded that booster shots are being recommended for college students and groups above age 12 now. What's incredible about these new generation of vaccines and the vaccines for COVID-19, is that the side effects from the vaccines have been mild and short-term. The way he looks at the decisions about getting vaccinated or getting boosted is</p>	
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	<p>he knows the absolute risk of not getting vaccinated and not getting boosted. That includes getting COVID-19 and a risk of potentially dying from it, particularly for seniors and people with disabilities, depending on the disability. Those that are vaccinated and boosted have lower risk.</p> <p>Member McFerson thanked Dr. Seidman his report and she noted the information was very beneficial. She asked how \$304 million in Governor Gavin Newsom’s budget will make health coverage more affordable for families. She stated that she commented during the Board meeting that L.A. Care is now working with the Affordable Housing Authority. She volunteered today at a hospital to give out food to the community, in an area where people will really need food and they don't know how they would eat from day-to-day. She noted that there were sick people that couldn't go to work, just all kinds of different things having to do with disabled people and seniors. She suggested that there be someone there to assist people with signing up for Medi-Cal. She asked Dr. Seidman about his thoughts on that. Dr. Seidman responded that Mr. Baackes will be speaking about that during his agenda item.</p> <p>Member Cynthia Contreas-Wood, <i>RCAC 3 Chair</i>, thank Dr. Seidman for presenting great information. She wonders if he has a sense of what it will look like in the future for how the vaccine will be administered, also for people that are immunocompromised. Everyone is trying to figure out what the ultimate vaccine will be. She asked if he has a sense if it will be every six months potentially or maybe every year. Dr. Seidman responded that he is unsure. There is much research being done and he expects that a periodic booster, similar to the annual flu shot against influenza. The scientists are working towards an annual booster or an annual vaccine against COVID-19. There is also research being done about the sort of vaccine that wouldn't be specific to COVID-19 or any specific variant of COVID-19, but would be effective against a much broader class of coronaviruses. That doesn't exist yet but the science is working on developing more effective vaccines that will provide protection for a longer period of time. He encouraged people to get the vaccines that are available now if they are eligible.</p>	
<b>UPDATE FROM CHIEF EXECUTIVE OFFICER</b>	<p>John C. Baackes, <i>Chief Executive Officer</i>, gave the following update:</p> <p>Gun Violence Resolution (<i>A copy of the resolution can be obtained from CO&amp;E.</i>)</p> <p>Mr. Baackes spoke about L.A. Care's response to the horrific gun violence in the United States. L.A. Care, and particularly he and Dr. Seidman, think this is a public health issue. The issue frequently is side-tracked over defending the Second Amendment when addressing it as a public health issue. At the Board Meeting last week a resolution was considered that calls for L.A. Care to be a leading advocate for gun safety legislation as a public health issue. Regardless of the Second Amendment, there is nothing that would prevent this society from passing bans on assault rifles or raising the age to purchase these types of guns, to call for red flag laws and many other preventive things. L.A. Care’s</p>	

representation of a quarter of the population of Los Angeles County makes it L.A. Care's responsibility to take a leadership position. Without counting mass shootings, there were 40,000 gun deaths last year in the United States. The Board unanimously approved that resolution. He noted three items that he would like to address today:

- Supporting the ban on military-style assault weapons and high-capacity magazines.
- Supporting background checks on all gun buyers
- Supporting additional funding and efforts for addressing mental health.

Embedded in the last one is also probably a call for a red flag law where people are considered dangerous to themselves or to others can be reported and, depending on how the rules work, their weapons confiscated. He wanted to bring this to ECAC's attention because as L.A. Care begins to mobilize a program to actualize this, he has asked James Kyle, MD, MDiv, Chief of Equity and Quality Medical Director, Quality Improvement, to make health disparities the top of L.A. Care's agenda in its equity outreach, to view this as another health disparity and public health issue. First L.A. Care is going to educate itself and everyone else about what the current gun laws here are in California and nationally. Then, it will be reaching out across the county to similarly situated organizations who have a stake in this so agenda can be developed for legislation at both the state and the federal level. ECAC is one of those organizations. There may be letter writing campaigns and all sorts of efforts. He thinks L.A. Care should be a voice for this issue. He noted that many Medi-Cal members suffer from acts of gun violence.

#### PUBLIC COMMENT

**Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:**  
*Good morning Mr. John Baackes, first I would like to wish you and your staff a happy Father's Day. I would like to encourage more Culturally Diverse fathers to get involved in L.A. Care. Mr. Baackes, I would like to thank you for bringing up the recommendation for Gun Safety, I think it is very important but I would also like to bring concern that voting is important because those kind of issues likes guns, healthcare are public policy issues will depend upon an informed and voting electorate. Also, Mr. Baackes as a parent of an L.A. Care member, regarding the senior and people with disability committee, I received a letter from an L.A. Care staff informing me that my son was still a part of the coordinated care initiative. As a member, I am truly disappointed and concerned that he had no opportunity to participate. This letter was received on May 20, 2022. Please inquire and investigate, and if not ok, but please take notice to the two-member Board representatives, Hilda Perez, and Layla Delgado-Gonzalez, and also to Deaka McClain, Estella Lara, Dr. Eakins and Francisco Oaxaca. Finally, Community Outreach was doing a good job regarding seniors and person with*

*disabilities prior to the changes. Thank you very much and I look forward to your input. Also, those I mentioned please take notice.*

Mr. Baackes responded that staff has noted Ms. Cooper's concerns.

Member Lara thanked Mr. Baackes and the Board for raising this issue. She noted that the guns are the problem, especially military style rifles. She thinks it is important for L.A. Care to do this work. As members, they should get involved when he wants them to write letters to support this motion. She said that RCAC members can write their legislators. She noted that this affects public health, especially the youth that are affected by this. This issue is unacceptable and she thinks they need to really do something about it instead of just talking about it like legislators do. They try to deflect the real issue here from the manufacturers because that's what they're doing and that's incorrect. Mr. Baackes thanked Member Lara for her comments. He noted that there are too many guns in the United States: over 400 million for only 330 million people. That means there are multiple guns per person. The US has 40 percent of all the privately held guns in the world. Last year 21 million guns were sold in the US.

Member McFerson thanked Mr. Baackes for his update. She appreciates him fighting against gun violence. She thinks there needs to be some sort of collaboration with the committee members due to the fact that they are in the community and are most impacted by this issue. She noted that some people use guns for work, hunting, and for fun. Some gun laws work and some do not. L.A. Care definitely needs to tackle that first. She said that L.A. Care needs to work with the AHA on hunger prevention. She helped them distribute food. They collaborated with UCLA to distribute food to the community, and it was mostly seniors and disabled and people who were low-income that had nothing. They can also work with the Department of Social Services to provide other services and sign people up for healthcare that people didn't know they could access. People were spending money on that as opposed to buying food. Mr. Baackes asked Member McFerson to email her question about the budget to him and he will work on getting her a response.

Hilda Perez, *Member Representative, Board of Governors*, asked Mr. Baackes for more information about the new Deputy Chief Financial Officer. Mr. Baackes responded that L.A. Care did not have a Deputy Chief Financial Officer and it needed to have someone in case Marie Montgomery, *Chief Financial Officer*, decided to retire.

Member Lluvia Salazar, *At-Large Member*, stated that she agrees with gun control. She said that L.A. Care should also support a campaign against bullying in schools. She thinks it is a big problem because it affects mental health. She noted that it was an issue in the mass shooting in Texas. Children also commit suicide due to bullying and she thinks L.A. Care should spread awareness. Mr. Baackes responded that both issues are related and one of the

	<p>issues of mental health that he would like to emphasize is that many Second Amendment defenders will say it's the people that are the issue. There is a big mental health issue. Up to half of the homeless population are dealing with mental health issues and now there is trauma suffered by children and adults during COVID-19, particularly those that are isolated. The problem is that there aren't enough mental health professionals to address all these issues at the same time. Getting rid of guns will help, so that people don't have the opportunity to express frustrations with gun violence.</p> <p>Member McClain thanked him for having staff reach out to her in regards to her request at the last ECAC meeting. She is arranging for other people with disabilities to be part of a Call the Car meeting. She thanked him for looking at gun violence as a public health concern. She asked if L.A. Care will be advocating about this at the federal level. She noted that it would be a good idea to make a resolution about bullying, mental health, and trying to get more mental health professionals to accommodate the situation. She is bothered that every time there is a shooting some are quick to say that it is a mental health issue. She asked why does this happen and asked if L.A. Care can do something about this stigma. Mr. Baackes responded that implementing the resolution will be tackled at both the state and federal levels. California has more reasonable gun safety laws, but there are still gaps. The federal gun laws are terrible. L.A. Care is going to educate itself and craft an agenda.</p>	
<b>UPDATE FROM GOVERNMENT AFFAIRS</b>	<p>Prity Thanki, <i>Local Government Advisor II, Government Affairs</i>, gave a Government Affairs Update (<i>A copy of the report can be obtained from CO&amp;E.</i>).</p> <p>State Budget Update</p> <p>On May 13, Governor Gavin Newsom released a \$300.7 billion budget proposal for the 2022-23 fiscal year, known as the "May Revise". It contains updated spending/revenue estimates and updated priorities for the state budget proposal that the Governor released in January 2022.</p> <p>The Legislature will have until June 15 to pass a budget bill. The spending plan is generally spread out across multiple bills, including "trailer bills" which contain many budget provisions and details. There is no deadline for the budget trailer bills. This adds a level of complexity and uncertainty to the budget process. The Governor must take action by June 30. Once the budget is signed by the Governor, it goes into effect on July 1. The budget year runs from July 1 through June 30.</p> <p><i>Highlights of the May Revise impacting L.A. Care Members:</i></p> <p>Inflation Relief Plan</p> <p>The May Revise includes \$18.1 million spending package to help Californians with rising inflation. The centerpiece of the proposal is \$11.5 billion in tax refunds. This includes</p>	

	<p>sending \$400 checks to every eligible registered vehicle owner, capped at two checks per person. The package also includes:</p> <ul style="list-style-type: none"> <li>• \$2.7 billion for emergency rental assistance</li> <li>• \$1.4 billion to help pay utility bills</li> <li>• \$933 million for hospital and nursing home staff</li> <li>• \$750 million for free public transit</li> <li>• \$304 million to make health coverage more affordable for families</li> <li>• \$439 million to pause the diesel sales tax</li> <li>• \$157 million to waive child care fees for low-income families</li> </ul> <p>The proposal also expects that the state's minimum wage will increase to \$15.50 per hour, effective January 1, 2023.</p> <p>Medi-Cal Caseload Estimates</p> <p>The May Revise assumes that the Medi-Cal caseload will peak at 14.46 million residents in 2022-23, which represents a 0.6 percent increase.</p> <p>Expansion of Coverage</p> <p>The May Revise includes the Governor's January proposal to expand Medi-Cal eligibility to undocumented immigrants ages 26 to 49, the last group of income-eligible undocumented immigrants in California who have been excluded from comprehensive Medi-Cal coverage. The implementation would occur no sooner than January 1, 2024.</p> <p>Elimination of Medi-Cal Premiums</p> <p>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 (Targeted Low Income Children Program (OTLICP), all State Children's Health Insurance Programs (CHIP), and the 250% Working Disabled Program).</p> <p>Medi-Cal Redeterminations</p> <p>During the pandemic, Medi-Cal beneficiaries did not have to go through the annual redetermination process. Once the federal government declares the end of the Public Health Emergency, Medi-Cal eligibility redeterminations will resume. The current federal Public Health Emergency declaration is through July 15, 2022, and the May Revise contains funding to assist counties with the first redeterminations completed in 2022. The first individuals no longer eligible for Medi-Cal could leave the program in November 2022, with redeterminations progressing gradually over the following 12 months.</p> <p>Presumptive Eligibility for Individuals 65+, Blind or Disabled</p>	
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	<p>The May Revise proposes to permanently extend and continue Medi-Cal presumptive eligibility for older adults and individuals who are blind or disabled. This is already permanent for other populations, and gives eligible older adults and individuals who are blind or disabled instant Medi-Cal eligibility for a limited time.</p> <p><b>Doula Services</b> The May Revise contains additional funding to increase the reimbursement rates for doula services that will be provided as a preventive Medi-Cal benefit in January 2024. It includes personal support services for pregnant individuals and families throughout the pregnancy, labor, and postpartum period.</p> <p><b>Health Enrollment Navigators</b> The May Revise adds one-time funding to Health Enrollment Navigators to assist in outreach, application assistance, enrollment, and retention for difficult-to-reach populations, including the implementation of Health4All.</p> <p><b>Community Health Workers</b> 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.</p> <p><b>Cognitive Health Assessments</b> The May Revise contains funding for Medi-Cal to cover an annual cognitive health assessment (a screening for dementia and Alzheimer’s Disease) for individuals 65 or older, if they are ineligible for such service under Medicare. This benefit was passed into law last year and will start July 1, 2022.</p> <p><b>California Food Assistance Program (CFAP)</b> The State of California provides state-funded food stamps through the California Food Assistance Program (CFAP) for qualified non-citizens who do not qualify for federal benefits. The May Revise maintains the Governor’s January proposal seeking to expand CFAP to all low-income residents ages 55 and over, regardless of immigration status. The budget proposes to allocate about \$35 million for initial planning and allocates about \$113 million annually starting in the 2025-26 budget year for the full expansion.</p> <p><b>Housing &amp; Homelessness</b> The May Revise proposes a \$2.5-billion-dollar increase for housing and homelessness programs from last year for multi-year investments to build housing and behavioral health housing. The May Revise includes funding for Homekey projects, interim housing and to accelerate affordable housing production and conversions of retail space in downtown corridors.</p>	
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	<p><i>(Government Affairs will continue to monitor and provide key updates on the budget process as it related to RCAC Members.)</i></p> <p><b>PUBLIC COMMENT</b></p> <p><b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>Thank you Ms. Thanki for representing L.A. Care, Government Affairs Department, but I do agree that members should be involved in addressing L.A. Care issues through their elected officials because Dr. Booth made a comment about members should get involved and I agree with her comment.</i></p> <p>Member McFerson thanked Ms. Thanki for her report. She asked if the budget was going to affect health coverage for L.A. Care members. She suggested that L.A. Care work with other organizations to give out food at community resource centers (CRC). She noted that she volunteered at a hospital to do that. L.A. Care assisted in having the EBT onsite to provide services. She said that L.A. Care is doing it and helping people. But she would like to see the Department of Social Services there so they can reach out to people that need coverage. Ms. Thanki thanked Member McFerson for her comments and noted that the Department of Social Services is available at all CRCs to assist people with any concerns related to CalFresh or any other resources. She knows that staff at the CRCs are working hard to partner with organizations to get information out.</p> <p>Ms. Perez asked about Advocacy Day. Ms. Thanki responded that everyone is eager to bring back advocacy day, she thinks it's on hold due to COVID-19. She has had discussions with CO&amp;E about bringing it back next year. Auleria Eakins, <i>EdD, Manager, CO&amp;E</i>, stated that they are looking at possibly bringing back advocacy day in 2023 and noted that the public health emergency was recently extended.</p>	
<b>BOARD MEMBER REPORT</b>	<p>Hilda Perez, <i>Member Representative, Board of Governors</i>, and Layla Gonzalez, <i>Member Advocate, Board of Governors</i>, reported <i>(a copy of the report can be obtained from CO&amp;E)</i>:</p> <p>Ms. Gonzalez said that the Board of Governors met on June 2. Meeting materials are available on L.A. Care's website, and the motions list is available from COE staff. She thanked all of the RCAC members that joined this Board meeting and all the past ECAC and BOG meetings. If members need assistance with virtual meetings, please reach out to CO&amp;E staff. Dr. Seidman urged everyone to continue wearing masks and washing their hands. She sent her heartfelt best wishes to anyone that has been affected by the pandemic. She thanked Mr. Baackes and Dr. Seidman for their reports today. As part of the CEO report at the Board meeting, A.J. Lopez, <i>Director, Provider Contracts and Relationship Management, Provider Network Management</i>, and his team gave an update about member transportation and Call the Car. The report will be presented at ECAC at a later date.</p>	

In her financial report Ms. Montgomery presented the first report on L.A. Care's grant initiatives and support for the community. The funding is more than \$500 million, with about two thirds expended since 2014. There is over \$60 million in support of the Community Resource Centers since 2007. L.A. Care's programs have benefited the safety net providers and community programs, which, in turn, benefit all of Los Angeles County and L.A. Care's members. The list of motions approved at the board and committee meetings is available from CO&E or Board Services. The next Board meeting is scheduled on July 28.

Ms. Perez stated that June is a big month because of Father's Day, which is a holiday honoring fatherhood and paternal bonds as well as the influence of fathers in society. Juneteenth will also be celebrated on the same day as Father's Day. She noted that June is also Asian American Pacific Heritage Month. She encouraged everyone to visit L.A. Care's social media platforms to obtain important information about the topics they discuss. She encouraged members to stay up to date with all L.A. Care events such as food pantries and asked members to reach out to CO&E staff to get this information.

#### PUBLIC COMMENT

**Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:**  
*I would like the Board members, Layla and Hilda, to make note of my comments on the agenda today, It's too often we the members who do not have a chance since the pandemic to get out our input and concerns when the RCACs are not meeting. It is so important to recognize the importance of the Regional Consumer Advisory Committee and staff. I hope that you continue to support their participation and public comments to the Board etc.*

Member McFerson thanked the Board members for their update. She wanted to speak about the RCACs participating and some of the things Mr. Baackes spoke about like gun violence and the fight towards changing gun laws. She noted that there needs to be better laws regarding women and their own personal bodies and fighting for abortion laws. Some women don't have the capacity to carry kids. Many people take medication and it may affect their children negatively. She noted that they need to bring RCAC meetings back. She asked what can they do to make them more accessible. Ms. Perez thanked Ms. McFerson for her participation and said it is always a pleasure to hear her ideas. She also believes in RCAC participation. She noted that CO&E staff has conducted meetings to get an idea of who is able to participate virtually. She said that she receives calls and emails to remind her about the meetings. They are working on ways that RCAC members can participate in the meetings. She noted that people can write their questions in the chat and there are also closed captions. She has been advocating for members of the Children's



	Health Consultants Advisory Committee to participate at the Board meeting. She noted that it is important for members to speak up so the Board so the Board listens to their voice as well.	
<b>COMMUNICATION AND COMMUNITY RELATIONS DEPARTMENT UPDATE</b>	<p>Auleria Eakins, Ed. D, <i>Manager, CO&amp;E</i>, gave the Communications and Community Relations update (<i>a copy of the report can be obtained from CO&amp;E</i>).</p> <ul style="list-style-type: none"> <li>• Community Resource Centers (CRC) offer a Wealth of Wellness, health education, parenting, nutrition, exercise, assistance with benefits and more. She encouraged members to go on line or call for more information on monthly offerings.</li> <li>• Food Security continues to be a focus. The Inglewood CRC will have a Food Pantry this month. In partnership with Allies for Every Child, they welcome the community to pick up a bag of free, assorted groceries at the Resource Center on Monday, June 27 from 1:00pm to 3:30pm or until supplies last.</li> <li>• Lynwood CRC will have an on-site Food Pantry on Friday, June 24 from 10:00am – 2:00pm.</li> <li>• All CRCs will be conducting Back to School events over the summer: <ul style="list-style-type: none"> <li>- Saturday, July 9 Pomona</li> <li>- Friday, July 15 Lynwood</li> <li>- Saturday, July 16 Boyle Heights</li> <li>- Friday, July 22 Palmdale</li> <li>- Saturday, July 23 Pacoima</li> <li>- Friday, July 29 East L.A.</li> <li>- Saturday, July 30 El Monte</li> <li>- Saturday, July 30 Metro L.A.</li> <li>- Friday, August 5 Inglewood</li> <li>- Saturday, August 6 Norwalk</li> <li>- Saturday, August 13 Wilmington</li> </ul> </li> <li>• The Norwalk CRC location is now staffed and open.</li> <li>• El Monte CRC location is also now staffed and open.</li> <li>• Long Beach CRC location is still under construction and on track to be completed by late June/early July.</li> <li>• Westside location is also under construction and expected to be completed by October.</li> </ul> <p>Human I-T Partnership L.A. Care has entered into a partnership with Human I-T and will be working with the ECAC chairs and Community Partners to assist with identifying organizations within individual regions that work with low-income communities who may benefit from this</p>	

	<p>partnership. She asked they provide the names of organizations to their Field Specialist prior to June 30 by phone or email.</p> <p>ECAC Budget</p> <p>Last year ECAC Chairs were asked to provide input on programs and projects that they would like to see during the 2021-2022 fiscal year. CO&amp;E is now planning for FY 2022-2023 and is asking ECAC chairs to provide input in the same manner. The input will help inform strategic plans for the new fiscal year which starts October 1, 2022. There are four quadrants: training for ECAC members, Social Determinants of Health, training for RCAC Members, and Other. All input must be submitted by Monday, June 13, to your respective Field Specialist.</p> <p>PUBLIC COMMENT</p> <p><b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>Hi Dr. Eakins, I hope in the coming months that the RCACs would meet again on ZOOM, I felt like we were a family, we didn't always agree but we were able to discuss issues and connect with one another. I hope that you, all the staff, and the members are well.</i></p> <p>Ms. Perez said that she is happy to see so many departments working toward a single objective, such as mental health awareness. Health promoters have the opportunity to participate at many events, especially the CRC food pantries. Some events provide detergent and dish soap. The pandemic has affected people in many different ways including economically. She has been advocating for the registration process at CRC events to be faster. iPads could be provided to volunteers by Communications and Community Relations. Dr. Eakins will convey the message to Francisco Oaxaca, <i>Chief, Communications and Community Relations.</i></p> <p>Member McFerson said that her suggestion about robo calls would be a good opportunity for RCAC members to do outreach, this will take some work away from CO&amp;E staff. They can be robo calls for all events including at CRCs. She noted that there is a program that provides resources and then follows up with people to make sure the services were beneficial, and refer them to proper people in order to adhere to their necessities as well. Dr. Eakins said that L.A. Care is regulated by the state and there are rules around how L.A. Care can communicate with robo calls, and she will pass the message along. She advised that she will provide information in regard to the Inglewood CRC grand opening once it becomes available. She noted that there are many changes going on with COVID, and more information will be provided once it becomes available.</p>	
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<b>MEMBER ISSUES</b>	<p>Member McFerson stated that she feels they need to have more outreach to undocumented about health care coverage. With that being said, they have information at the CRCs and other sites that give away free food and different things like that. It would be a better way to make sure that they get coverage for people who need coverage that did not know was available, such as Seniors that need subsidies and different things like that. She thinks it is important to have food drive events and provide “homeless bags” for those without a means to prepare food. Homeless access bags at the food events can include cans of chili or beans.</p> <p>Ms. Perez encouraged members to reach out to staff if they need help. She is concerned that not everyone is computer or tech savvy or has access to computers. Idalia De La Torre, <i>Field Specialist Supervisor, CO&amp;E</i>, responded that staff continues to reach out via monthly phone calls to help with any concerns.</p> <p>Member Salazar said that someone contacted her in regards to the at-home COVID tests. She asked how many tests can parents receive per child? Ms. De La Torre asked Member Salazar to please reach out to member services for individual assistance.</p>	
<b>OLD BUSINESS</b>		
<b>ECAC AD HOC COMMITTEE – DISABILITY AWARENESS MONTH</b>	<p>Member Deaka McClain, <i>ECAC At-Large member</i>, gave an update about the ECAC ad hoc committee on Disability Awareness Month.</p> <p>The ad-hoc committee’s purpose is to make recommendations to ECAC on a virtual education program that focuses on disability awareness and the community.</p> <p>The ad-hoc committee members met and recommend the following topics for inclusion during Disability Awareness held in March 2023:</p> <ul style="list-style-type: none"> <li>• Disability 101 (examples: addressing the hidden and visible disabilities, addressing the different types of disabilities, do’s and don’ts when encountering people with disabilities)</li> <li>• Access to care for the disabled community (example: medical services accessible to those with disabilities)</li> <li>• How to be an advocate and raise awareness for issues impacting the disabled community</li> <li>• Resources that includes organizations that deal specifically with the disabled community</li> </ul> <p>She asked the committee if they would like to move forward with the recommendations made by the ad-hoc committee.</p> <p>Member McFerson asked if she can get a brief synopsis on what they are supposed to do. She is not sure what is being done with this. Ms. De La Torre stated that Member McClain provided the recommendations made by the ad hoc committee and they are now moving into voting to approve the recommendations. Member McFerson said she asked Ms. De La</p>	

	<p>Torre for a brief synopsis. Member McClain responded that Ms. De La Torre summed it up. They will now take a vote on the recommendations.</p> <p><b>PUBLIC COMMENT</b>  <b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>Hi Deaka, as a parent of an L.A. Care member with special needs, I appreciate your suggestion and recommendations etc., but I do feel that the members and families who are part of L.A. Care should be a part of this as well, and because you represent the seniors and people with disabilities.</i></p> <p>Member McClain asked staff, “Is the public not invited to these meetings?” Ms. De La Torre responded that all RCAC members and the public can attend ECAC.</p> <p>The committee voted to approve the recommendations.</p>	<p><b>Approved by roll call.</b>  <b>11 AYES</b> (Byrd, Contreas-Wood, Lara, Mahler, McClain, Poz, Romo, Salazar, Sanchez, Refugio, Vazquez)</p> <p><b>1 ABSTENTION</b>  <b>McFerson</b></p>
<p><b>ECAC AD HOC COMMITTEE – AFRICAN AMERICAN HEALTH DISPARITIES</b></p>	<p>Member McFerson, <i>RCAC 6 Chair</i>, gave an update about ECAC’s ad hoc committee on African American Health Disparities.</p> <p>The ad-hoc committee purpose is to make recommendations on African American Health Disparities to be shared with L.A. Care’s Equity Steering Committee staff. The ad-hoc committee members recommend the following topics for future discussion with L.A. Care’s Equity Steering Committee staff:</p> <ul style="list-style-type: none"> <li>• Chronic Health Issues (example: hypertension and diabetes)</li> <li>• Health Access</li> <li>• Preventive Care</li> <li>• Health Equity and Inclusion</li> <li>• Mental Health</li> <li>• Timely payment to providers</li> <li>• Medicaid/Medicare Discrimination (example: mistreatment of patients with public insurance, low reimbursement rates for providers who see Medicaid/Medicare patients)</li> <li>• Food Security (example: Food desert – not having access to healthy food in low-income communities)</li> </ul> <p>Member McFerson asked the committee if they would like to move forward with the recommendations made by the ad hoc committee.</p> <p><b>PUBLIC COMMENT</b>  <b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>As an L.A. Care member of African American Heritage, those issues are important but I would like to see the committee take a vote and bring it before the</i></p>	

*ECAC committee. I don't disagree with the title of this ad-hoc and I can understand both sides, but bring it before the committee and take a vote instead of creating an ad-hoc to do this. I do feel it should be added to the agenda, and it would be more effective because the ECAC committee has to vote on it anyway.*

*(Member Lara and Member Poza left the meeting.)*

Member McClain said that they reached out to Ms. Cooper and she does not believe she understands. The committee is doing what she is asking.

Member McFerson said that she would like to make some recommendations in order to adhere to what Ms. Cooper was saying. Basically, it says, health disparities shared with L.A. Care's equity steering committee staff. The original motion was to be shared with the staff but also to involve all of our RCAC members to receive input from them.

Dr. Eakins said that she has some concerns because the ad hoc met and they had a full agreement on the report as was written and she is not sure they can make changes at this point. Ms. De La Torre responded that the ad hoc committee met with that intent and they are now voting to approve the recommendations. Dr. Eakins recommended that they move forward with the ad hoc's intent and nothing outside of that. She pointed out to Member McFerson that the intent of the ad hoc is up on the screen.

Member McFerson stated that she heard the recommendation and it was due to the original motion that was filed that not only the equity steering committee staff but also RCAC members as well. The original motion would entail those things. For future reference if they need to have another ad-hoc to discuss that before making those recommendations they can do that as well.

Member McClain said she is in agreement with Member McFerson.

Member McFerson said that from the very beginning she asked for the RCAC Members to participate.

Dr. Eakins responded that they can vote on the recommendations with the changes.

Ms. De La Torre asked for clarification on the recommendations. Member McClain responded that they are recommending to the steering committee but also recommending these recommendations be shared with RCAC members. Member McFerson agreed.

Dr. Eakins stated that there are no set dates for the reconvening of the RCACs at the moment and asked when this information will get back to the steering committee. She noted that the only group that has set meeting dates is ECAC. She questioned how they will get this information out to the RCACs.

**Approved by roll call.  
10 AYES (Byrd,  
Conteas-Wood,**

	<p>Member McClain asked ECAC how they would share this information to the RCACs.</p> <p>Member Cynthia Contreas-Wood, <i>RCAC 3 Chair</i>, said that there are probably pieces of this that haven't gone completely into how they will do this and it sounds like they need more review of that. If they want to vote today on the piece that doesn't go as far as how they will get it out to our RCACs. Staff is right, the RCACs are not meeting right now.</p> <p>Member McFerson said that would be a separate motion. She thinks they should wait until the RCACs reconvene.</p> <p>Chairperson Vazquez called for a roll call vote on the recommendations.</p>	<p><b>Mahler, McClain, McFerson, Romo, Salazar, Sanchez, Refugio, Vazquez)</b>  <i>(Member Lara and Member Poz left the meeting and did not cast a vote.)</i></p>
<b>NEW BUSINESS</b>		
<p><b>COUNTY OF LOS ANGELES DELETE THE DIVIDE</b></p>	<p>Selwyn Hollins, <i>Director, County of Los Angeles, Internal Services Department</i>, gave a presentation about County of Los Angeles Delete the Divide team <i>(A copy of the presentation can be obtained from CO&amp;E.)</i>.</p> <p><b>PUBLIC COMMENT</b></p> <p><b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>I, Ms. Cooper agree with technology but I also agree that people get so consumed by technology, but it's more important to connect with the people.</i></p> <p>Member Perez thanked Mr. Hollins for his patience and for attending ECAC. She asked if people need a social security number to participate in this program, either in the training to get a job or in looking for a subsidy for internet access. Mr. Hollins responded that to be a member the program people only need to live in an underserved community impacted by the digital divide. There are a number of ways to qualify for the subsidy and don't necessarily need a social security number. There are a number of programs that people can automatically qualify for.</p> <p>Member McFerson said that she really appreciates him taking the time out to update ECAC on this. She has spoken many times about how they need IT access, people need access to actually do these things and also the equipment in order to do so. Some people who have ADHD, who have memory issues like her. She has had brain surgery so she can speak on different things having to do with the disparities that people go through when it comes to this new virtual world that people are dealing with. She really appreciates him taking the time out to update ECAC on this program and for showing so much love to the community.</p>	

FUTURE AGENDA ITEMS		
	<p>Chairperson Vasquez would like to receive a presentation about Durable Medical Equipment. She believes this will be very beneficial to all ECAC members.</p> <p>Member McFerson said she would like an update on the income that the RCACs received and what they have done with the \$5,000 each RCAC was allotted. She would like to receive information about the RCACs restarting and the grand opening of the Inglewood CRC.</p>	
PUBLIC COMMENTS		
PUBLIC COMMENT	<p><b>Submitted by Elizabeth Cooper, RCAC 2 Member, on June 7, 2022 via phone call:</b>  <i>Members of the ECAC, L.A. Care staff, and the public, I'm so thankful today that we have a different organization, and that we the people can speak on our views. That is why I try to be so informed. I want to thank each and every one of you who listen to my public comments whether you agree or disagree. I feel it's a privilege to be a part of L.A. Care, and I do hope you appreciate our democracy here particular in our great state of California. All of you have a father or have been a father figures, give them the acknowledgment they should have. God bless each and every one of you.</i></p> <p>Member McFerson said that Ms. Cooper was saying that she doesn't feel that the motion that she was speaking of was carried out properly. She was given a hard time just due to the fact that it was not done properly. She feels that the ad hocs are just an ad hoc. They need to have more RCAC involvement. She is here for one purpose only and that's to make sure that the RCAC member, the community, everyone who needs services, get it. She speaks for them. If she gets a hard time from either staff or ECAC, it's not going to stop her from fighting, because she is here for one purpose and one purpose only. If she gets some sort of hard time for filing a motion or doing some things that they're really supposed to do, then that is okay, it's not going to stop her from fighting. She has been there working and doing things like that so she understands that there is a process both ways. Where many people who may have a whole lot of income may not understand.</p>	
ADJOURNMENT	<p>Chairperson Vazquez thanked the interpreters, L.A. Care staff, and the public for attending. The meeting was adjourned at 1:46 p.m.</p>	

**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 7/13/22



# Legislative Matrix

Last Updated: August 23, 2022

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## Post Appropriations Suspense File Legislative Matrix

The following is a list of the legislation currently tracked by Government Affairs that has been introduced during the 2021-2022 Legislative Session and is of interest to L.A. Care. This matrix includes the priority bills, that could have a direct impact on L.A. Care's operations and also bills of interest, which could have an indirect impact or are of significance to L.A. Care's strategic interests. Additionally, the list of gun safety legislation at the state and federal level is included at the end of the matrix.

If there are any questions, please contact Cherie Compartore, Director of Government Affairs at [ccompartore@lacare.org](mailto:ccompartore@lacare.org).

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## Bills by Issue

### 2022 Legislation (72)



#### Title

Civil damages: medical malpractice.

#### Description

AB 35, Reyes. Civil damages: medical malpractice. Existing law, referred to as the Medical Injury Compensation Reform Act of 1975 (MICRA), prohibits an attorney from contracting for or collecting a contingency fee for representing any person seeking damages in connection with an action for injury or damage against a health care provider based upon alleged professional negligence in excess of specified limits. This bill would recast those provisions and base the amount of contingency fee that may be contracted for upon whether recovery is pursuant to settlement agreement and release of all claims executed before a civil complaint or demand for arbitration is filed, or pursuant to settlement, arbitration, or judgment after a civil complaint or demand for arbitration is filed, as specified. The bill would add and revise definitions for these purposes. Existing law provides that in any action against a health care provider based upon professional negligence, the injured plaintiff is entitled to recover noneconomic losses to compensate for pain, suffering, inconvenience, physical impairment, disfigurement, and other nonpecuniary damage. Existing law limits the amount of damages for noneconomic losses in an action for injury against a health care provider based on professional negligence to \$250,000. This bill would remove the \$250,000 limit on noneconomic damages and expand the recast provisions to include an action for injury against a health care institution, as defined. The bill would increase the applicable limitation based upon whether the action for injury involved wrongful death. The bill would specify that these limitations would increase by \$40,000 each January 1st for 10 years and beginning on January 1, 2034, the applicable limitations on noneconomic damages for personal injury and for wrongful death would be adjusted for inflation on January 1st of each year by 2%. Existing law specifies that in any action for injury or damages against a provider of health care services, a superior court shall, at the request of either party, enter a judgment ordering that money damages or its equivalent for future damages of the judgment creditor be paid in whole or in part by periodic payments rather than by a lump-sum payment if the award equals or exceeds \$50,000. This bill would increase the minimum amount of the judgment required to request periodic payments to \$250,000. Existing law makes statements, writings, or benevolent gestures expressing sympathy or a general sense of benevolence relating to the pain, suffering, or death of a person involved in an accident and made to that person, or to the family of that person, inadmissible as evidence of an admission of liability in a civil action. This bill would specify that sta... (click bill link to see more).

#### Primary Sponsors

Eloise Reyes, Tom Umberg, Marc Berman, Bob Hertzberg, John Laird, Mark Stone

**Title**

Local health department workforce assessment.

**Description**

AB 240, as amended, Rodriguez. Local health department workforce assessment. Existing law establishes the State Department of Public Health to implement various programs throughout the state relating to public health, including licensing and regulating health facilities, control of infectious diseases, and implementing programs relating to chronic health issues. Existing law authorizes the department to implement the required programs through, or with the assistance of, local health departments. Existing law requires the department, after consultation with and approval by the California Conference of Local Health Officers, to establish standards of education and experience for professional and technical personnel employed in local health departments and for the organization and operation of the local health departments. This bill would require the department to conduct an evaluation of the adequacy of the local health department infrastructure and to make recommendations for future staffing, workforce needs, and resources, in order to accurately and adequately fund local public health. The bill would authorize the department to contract with an appropriate and qualified entity to conduct the evaluation. The bill would exempt the department from specific provisions relating to public contracting with regard to this requirement. The bill would require the department to report the findings and recommendations of the evaluation to the appropriate policy and fiscal committees of the Legislature on or before July 1, 2025. The bill would also require the department to convene an advisory group, composed of representatives from public, private, and tribal entities, as specified, to provide input on the selection of the entity that would conduct the evaluation. The bill would further require the advisory group to provide technical assistance and subject matter expertise to the selected entity. The bill would make its provisions contingent on sufficient funding and repeal its provisions on January 1, 2027.

**Primary Sponsors**

Freddie Rodriguez

#### Title

Medi-Cal: county organized health system: Orange County Health Authority.

#### Description

AB 498, as amended, Quirk-Silva. Medi-Cal: county organized health system: Orange County Health Authority. Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which health care services are provided to qualified, low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law authorizes a county board of supervisors, by ordinance, to establish a commission to negotiate an exclusive contract with the department and to arrange for the provision of health care services under the Medi-Cal program. This system of services provided by or through a county under these provisions is known as a county organized health system. Pursuant to this authority, the County of Orange, by ordinance, established a commission, known as the Orange County Health Authority, or CalOptima, to provide health care services under the Medi-Cal program. Existing law codifies the establishment of the Orange County Health Authority and vests governance of the authority in a 10-member governing body. Existing law prescribes the membership of the governing body, which includes, among others, 2 members of the Board of Supervisors of the County of Orange, one member who is a current or former hospital administrator, and one member who is a representative of a community clinic. Existing law requires a member of the governing body to serve a 4-year term, except for a member who is a member of the Board of Supervisors of the County of Orange, who is required to serve a one-year term. Existing law prohibits a member of the governing body, except for a member of the Board of Supervisors of the County of Orange, from serving more than 2 consecutive terms. This bill would prohibit an individual who served a one-year term on the governing body as a member of the board of supervisors from being appointed to serve a 4-year term under any of the other categories within 12 months of the expiration of their one-year term. Under existing law, the voting members are nominated by the Orange County Health Care Agency and are appointed by a majority vote of the board of supervisors. This bill would require the board of supervisors to consult with stakeholders in the County of Orange, as specified, for purposes of identifying qualified individuals to be considered as members of the governing body. Existing law requires members of the governing body to, among other things, strive to improve health care quality, promote prevention and wellness, ensure the provision of cost-effective health and mental health care services, and reduce health disparities. This bill would require the members of the governing body to ensure the provision of cost-effective behavioral ... (click bill link to see more).

#### Primary Sponsors

Sharon Quirk-Silva

#### Title

Integrated School-Based Behavioral Health Partnership Program.

#### Description

AB 552, as amended, Quirk-Silva. Integrated School-Based Behavioral Health Partnership Program. Existing law requires the governing board of any school district to give diligent care to the health and physical development of pupils and authorizes the governing board of a school district to employ properly certified persons for the work. The School-based Early Mental Health Intervention and Prevention Services for Children Act of 1991 authorizes the Director of Health Care Services, in consultation with the Superintendent of Public Instruction, to award matching grants to local educational agencies to pay the state share of the costs of providing school-based early mental health intervention and prevention services to eligible pupils at schoolsites of eligible pupils, subject to the availability of funding each year. This bill would authorize the Integrated School-Based Behavioral Health Partnership Program, which the bill would establish, to provide prevention and early intervention for, and access to, behavioral health services for pupils. The bill would authorize a county behavioral health agency and the governing board or governing body of a local educational agency to agree to collaborate on conducting a needs assessment on the need for school-based mental health and substance use disorder services, and implement an integrated school-based behavioral health partnership program, to develop a memorandum of understanding outlining the requirements for the partnership program, and to enter into a contract for mental health or substance use disorder services. As part of a partnership program, the bill would require a county behavioral health agency to provide, through its own staff or through its network of contracted community-based organizations, one or more behavioral health professionals that meet specified contract, licensing, and supervision requirements, and who have a valid, current satisfactory background check, to serve pupils with serious emotional disturbances or substance use disorders, or who are at risk of developing a serious behavioral health condition. The bill would require a local educational agency to provide school-based locations, including space at schools, appropriate for the delivery of behavioral health services, and would additionally authorize these services to be provided through telehealth or through appropriate referral. The bill would require parents and guardians to be notified of, and contacted for information related to, these services by local educational agencies, as provided. The bill would establish processes for delivering services, and would specify the types of services, including prevention, intervention, and brief initial intervention services, as specified, that may be provided... (click bill link to see more).

#### Primary Sponsors

Sharon Quirk-Silva

**Title**

Health care practitioners: electronic prescriptions.

**Description**

AB 852, as amended, Wood. Health care practitioners: electronic prescriptions. Existing law requires health care practitioners authorized to issue prescriptions to have the capability to issue electronic data transmission prescriptions and requires a pharmacy, pharmacist, or other practitioner authorized to dispense or furnish a prescription to have the capability to receive electronic data transmission prescriptions. Existing law requires those health care practitioners to issue a prescription as an electronic data transmission prescription except under certain circumstances, including that the electronic prescription is unavailable due to a temporary technological or electrical failure. Existing law requires a pharmacy that receives an electronic prescription from a prescribing health care practitioner who has issued a prescription but has not dispensed the medication to, at the request of the patient, immediately transfer or forward the electronic prescription to an alternative pharmacy designated by the requester. This bill would prohibit a pharmacy, pharmacist, or other practitioner authorized to dispense or furnish a prescription from refusing to dispense or furnish an electronic prescription solely because the prescription was not submitted via, or is not compatible with, their proprietary software. The bill would authorize a pharmacy, pharmacist, or other authorized practitioner to decline to dispense or furnish an electronic prescription submitted via software that fails to meet any one of specified criteria, including compliance with the federal Health Insurance Portability and Accountability Act of 1996. The bill would establish additional exceptions to the requirement that health care practitioners issue a prescription as an electronic data transmission prescription, including for a prescriber who registers with the California State Board of Pharmacy and states that they satisfy one or more criteria, including that they issue 100 or fewer prescriptions per calendar year. The bill would make specified exceptions to the requirement for a pharmacy to immediately transfer an electronic prescription to an alternative pharmacy upon request of the patient, including if the action would result in a violation of any state or federal law.

**Primary Sponsors**

Jim Wood

## Title

California Health Care Quality and Affordability Act.

## Description

AB 1130, as amended, Wood. California Health Care Quality and Affordability Act. Existing law generally requires the State Department of Public Health to license, inspect, and regulate health facilities, including hospitals. Existing law requires health facilities to meet specified cost and disclosure requirements, including maintaining an understandable written policy regarding discount payments and charity. Existing law establishes the Department of Health Care Access and Information (HCAI) to oversee various aspects of the health care market, including oversight of hospital facilities and community benefit plans. Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act), provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Violation of the Knox-Keene Act is a misdemeanor. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires each department to develop and adopt regulations to ensure that enrollees and insureds have access to needed health care services in a timely manner. Existing law requires that health care service plans and health insurers submit rates to their regulating entity for review. This bill would establish, within HCAI, the Office of Health Care Affordability to analyze the health care market for cost trends and drivers of spending, develop data-informed policies for lowering health care costs for consumers and purchasers, set and enforce cost targets, and create a state strategy for controlling the cost of health care and ensuring affordability for consumers and purchasers. The bill would also establish the Health Care Affordability Board, composed of 8 members, appointed as prescribed. The bill would require the board to establish a statewide health care cost target, as defined, for the 2025 calendar year, and specific targets for each health care sector, including fully integrated delivery system sector and geographic region, and for an individual health care entity, as appropriate, for the 2028 calendar year. The bill, commencing in 2026, would require the office to take progressive actions against health care entities for failing to meet the cost targets, including performance improvement plans and escalating administrative penalties. The bill would establish the Health Care Affordability Fund for the purpose of receiving and, upon appropriation by the Legislature, expending revenues collected pursuant to the provisions of the bill. The bill would require the office to set standards for various health care metrics, including health care quality and equity, alternative payment models, primary care and behavioral health investment... (click bill link to see more).

## Primary Sponsors

Jim Wood

## Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:49 PM  
Support: Western Center on Law and Poverty

#### Title

Reproductive rights.

#### Description

AB 1242, as amended, Bauer-Kahan. Reproductive rights.

(1) Existing law authorizes a judge to enter an ex parte order authorizing interception of wire or electronic communications within the territorial jurisdiction of the court. Existing law also authorizes a peace officer to apply for, and a magistrate to issue, an order, or extension of an order, authorizing or approving the installation and use of a pen register or trap and trace device. This bill would prohibit the issuance of an ex parte order authorizing interception of wire or other electronic communication or an order, or extension of an order, authorizing or approving the installation and use of a pen register or trap and trace device for the purpose of investigating or recovering evidence of a prohibited violation. The bill would define "prohibited violation" for this purpose as a violation of a law that creates liability for, or arising out of, either prohibiting, facilitating, or obtaining an abortion or intending or attempting to provide, facilitate, or obtain an abortion that is lawful under California law. Existing law provides for the issuance of a search warrant upon specified grounds. This bill would prohibit the issuance of a search warrant for any item or items that pertain to an investigation into a prohibited violation. Existing law requires a California corporation that provides electronic communication services or remote computing services to the general public to comply with a warrant issued by another state to produce records that would reveal the identity of the customers using those services, data stored by, or on behalf of, the customer, the customer's usage of those services, the recipient or destination of communications sent to or from those customers, or the content of those communications as if that warrant had been issued by a California court. This bill would require an out-of-state warrant for the records listed above to include an attestation that the evidence sought is not related to an investigation into, or enforcement of, a prohibited violation. The bill would prohibit the production of records by a California corporation when the corporation knows or should know that the warrant relates to an investigation into, or enforcement of, a prohibited violation. (2) Existing law includes a declaration of the Legislature that every individual possesses a fundamental right of privacy with respect to reproductive decisions, including the fundamental right to choose to bear a child or obtain an abortion. Existing law prohibits the state from denying or interfering with a woman's fundamental right to choose to bear a child or obtain an abortion prior to viability of the fetus, as defined, or when necessary to protect her life or health. Existing...

(click bill link to see more).

#### Primary Sponsors

Rebecca Bauer-Kahan, Mia Bonta, Cristina Garcia

#### Title

Public social services: hearings.

#### Description

AB 1355, as amended, Levine. Public social services: hearings. Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services and under which health care services are provided to qualified low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes hearing procedures for an applicant for, or recipient of, public social services who is dissatisfied with certain actions regarding those services to request a hearing from the State Department of Social Services or the State Department of Health Care Services, as applicable, under specified circumstances. After an administrative law judge has held a hearing and issued a proposed decision, within 30 days after the department has received a copy of the administrative law judge's proposed decision, or within the 3 business days for an expedited resolution of an appeal of an adverse benefit determination for a Medi-Cal managed care plan beneficiary, as specified, existing law authorizes the director to take specified action under prescribed timeframes. These actions include adopting the decision in its entirety, deciding the matter themselves on the record, including the transcript, with or without taking additional evidence, or ordering a further hearing to be conducted by the director or another administrative law judge on their behalf. Under existing law, failure of the director to take certain actions is deemed an affirmation of the proposed decision. This bill would instead authorize the director to adopt the decision in its entirety, decide the matter on the record after reviewing the transcript or recording of the hearing without taking additional evidence, or order a further hearing to be conducted by the director or another administrative law judge on their behalf that affords the parties the opportunity to present and respond to additional evidence. The bill would clarify that a proposed decision would be deemed affirmed and adopted if the director fails to take prescribed action, and would require the director's alternated decision to contain a statement of the facts and evidence, including references to the applicable provisions of law and regulations, and the analysis that supports their decision.

#### Primary Sponsors

Marc Levine

#### Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:45 PM  
Support: Western Center on Law and Poverty (Sponsor)



#### Title

Abortion: civil actions.

#### Description

AB 1666, Bauer-Kahan. Abortion: civil actions. Existing law provides that every individual possesses a fundamental right of privacy with respect to their personal reproductive decisions. Existing law prohibits the state from denying or interfering with the right to choose or obtain an abortion before the fetus is viable, or when the abortion is necessary to protect the life or health of the pregnant person. Existing law requires an abortion to be performed by a specified licensed or certified health care provider and prohibits an abortion from being performed on a viable fetus if continuation of the pregnancy did not pose a risk to the life or health of the pregnant person. The United States Constitution generally requires a state to give full faith and credit to the public acts, records, and judicial proceedings of every other state. Existing law sets forth procedures by which a person may enforce a judgment for the payment of money issued by the court of a state other than California. This bill would declare another state's law authorizing a civil action against a person or entity that receives or seeks, performs or induces, or aids or abets the performance of an abortion, or who attempts or intends to engage in those actions, to be contrary to the public policy of this state. The bill would prohibit the application of that law to a case or controversy heard in state court, and would prohibit the enforcement or satisfaction of a civil judgment received under that law. The bill would declare these provisions to be severable. This bill would declare that it is to take effect immediately as an urgency statute.

#### Primary Sponsors

Rebecca Bauer-Kahan

## Title

Mental health and substance use disorder treatment.

## Description

AB 1859, as amended, Levine. Mental health and substance use disorder treatment. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires an individual or small group health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2017, to include coverage for essential health benefits, which include mental health services. Existing law, the Lanterman-Petris-Short Act, sets forth procedures for the involuntary detention, for up to 72 hours for evaluation and treatment, of a person who, as a result of a mental health disorder, is a danger to others or to themselves or is gravely disabled. This bill would require a health care service plan or a health insurer, for a health care service plan contract or a health insurance policy issued, amended, or renewed on or after July 1, 2023, that includes coverage for mental health services to, among other things, approve the provision of medically necessary treatment of a mental health or substance use disorder for persons who are screened, evaluated, and detained for treatment and evaluation under the Lanterman-Petris-Short Act. The bill would prohibit a noncontracting provider of covered mental health or substance use disorder treatment from billing the previously described enrollee or insured more than the cost-sharing amount the enrollee or insured would pay to a contracting provider for that treatment. Under the bill, if an enrolled or insured is referred for a followup appointment for mental health services on a voluntary basis pursuant to the Lanterman-Petris-Short Act, the bill would require the health care service plan or health insurer to process the referral as a request for an appointment and offer appointments within specified timeframes, and if an appointment is not available in network that meets the geographic and timely access standards set by law, arrange coverage to ensure the delivery of medically necessary out-of-network services, to the extent possible, to meet those geographic and timely access standards. Because a willful violation of the bill's requirement by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by... (click bill link to see more).

## Primary Sponsors

Marc Levine

## Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:10 PM

Oppose: CA. Assoc. of Health Plans

#### Title

Prior authorization and step therapy.

#### Description

AB 1880, as amended, Arambula. Prior authorization and step therapy. Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene), provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law authorizes a health care service plan or health insurer to require step therapy if there is more than one drug that is appropriate for the treatment of a medical condition, as specified. Existing law requires a health care service plan or health insurer to expeditiously grant a step therapy exception request if the health care provider submits justification and supporting clinical documentation, as specified. Under existing law, if a health care service plan or other related entity fails to notify a prescribing provider of its coverage determination within a prescribed time period after receiving a prior authorization or step therapy exception request, the prior authorization or step therapy exception request is deemed approved for the duration of the prescription. Existing law excepts contracts entered into under specified medical assistance programs from these time limit requirements. Existing law permits a health care provider or prescribing provider to appeal a denial of a step therapy exception request for coverage of a nonformulary drug, a prior authorization request, or a step therapy exception request, consistent with the current utilization management processes of the health care service plan or health insurer. Existing law also permits an enrollee or insured, or the enrollee's or insured's designee or guardian, to appeal a denial of a step therapy exception request for coverage of a nonformulary drug, prior authorization request, or step therapy exception request by filing a grievance under a specified provision. This bill would require health care service plan's or health insurer's utilization management process to ensure that an appeal of a denial of an exception request is reviewed by a clinical peer of the health care provider or prescribing provider, as specified. The bill would define the term "clinical peer" for these purposes. The bill would require health care service plans and health insurers that require step therapy or prior authorization to maintain specified information for at least 10 years, including, but not limited to, the number of exception requests for coverage of a nonformulary drug, step therapy exception requests, and prior authorization requests received by the plan or insurer, and, upon request, to provide the information in a deidentified format to the Department of Manage... (click bill link to see more).

#### Primary Sponsors

Joaquin Arambula

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:12 PM

Support: Arthritis Foundation (Co-Sponsor), the California Rheumatology Alliance (Co-Sponsor), and the Crohn's and Colitis Foundation (Co-Sponsor) Oppose: CA. Assoc. of Health Plans

**Title**

Medi-Cal benefits: violence prevention services.

**Description**

AB 1929, Gabriel. Medi-Cal benefits: violence prevention services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes a schedule of benefits under the Medi-Cal program, including various mental health services. Existing federal law authorizes, at the option of the state, preventive services, as defined, that are recommended by a physician or other licensed practitioner of the healing arts. This bill would add violence prevention services, as defined, as a covered benefit under Medi-Cal, subject to medical necessity and utilization controls. The bill would authorize the department to implement, interpret, or make specific that provision by means of all-county letters, plan letters, or plan or provider bulletins, or similar instructions until regulations are adopted. The bill would limit its implementation only to the extent that any necessary federal approvals are obtained and federal financial participation is not otherwise jeopardized. The bill would require the department to post on its internet website the date upon which violence prevention services may be provided and billed.

**Primary Sponsors**

Jesse Gabriel, Mike Gipson

## Title

Medi-Cal: comprehensive perinatal services.

## Description

AB 1930, as amended, Arambula. Medi-Cal: comprehensive perinatal services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including comprehensive perinatal services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, a pregnant individual or targeted low-income child who is eligible for, and is receiving, health care coverage under any of specified Medi-Cal programs is eligible for full-scope Medi-Cal benefits for the duration of the pregnancy and for a period of one year following the last day of the individual's pregnancy. This bill, during the one-year postpregnancy eligibility period, and as part of comprehensive perinatal services under Medi-Cal, would require the department to cover additional comprehensive perinatal assessments and individualized care plans and to provide additional visits and units of services in an amount, duration, and scope that are at least proportional to those available on July 27, 2021, during pregnancy and the initial 60-day postpregnancy period in effect on that date. The bill would require the department to collaborate with the State Department of Public Health and a broad stakeholder group to determine the specific number of additional comprehensive perinatal assessments, individualized care plans, visits, and units of services to be covered. The bill would require the department to seek any necessary federal approvals to cover preventive services that are recommended by a physician or other licensed practitioner and that are rendered by a nonlicensed perinatal health worker in a beneficiary's home or other community setting away from a medical site, as specified. The bill would also require the department to seek any necessary federal approvals to allow a nonlicensed perinatal health worker rendering those preventive services to be supervised by (1) an enrolled Medi-Cal provider that is a clinic, hospital, community-based organization (CBO), or licensed practitioner, or (2) a CBO that is not an enrolled Medi-Cal provider, so long as an enrolled Medi-Cal provider is available for Medi-Cal billing purposes. The bill would condition implementation of the provisions above on an appropriation by the Legislature and on receipt of any necessary federal approvals and the availability of federal financial participation.

## Primary Sponsors

Joaquin Arambula

## Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:50 PM  
Support: Western Center on Law and Poverty

**Title**

Telehealth: dental care.

**Description**

AB 1982, as amended, Santiago. Telehealth: dental care. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires contract between a health care service plan or health insurer and a health care provider to require the plan or insurer to reimburse the provider for the diagnosis, consultation, or treatment of an enrollee, subscriber, insured, or policyholder appropriately delivered through telehealth services on the same basis and to the same extent as the same service through in-person diagnosis, consultation, or treatment. Existing law requires a health care service plan or health insurer that offers a service via telehealth to meet specified conditions, including, that the health care service plan or health insurer disclose to the enrollee or insured the availability of receiving the service on an in-person basis or via telehealth. This bill would require a health care service plan or health insurer covering dental services that offers a service via telehealth through a third-party corporate telehealth provider, as defined, to disclose to the enrollee or insured the impact of third-party telehealth visits on the patient's benefit limitations, including frequency limitations and the patient's annual maximum. The bill would also require those plans and insurers to submit specified information for each product type. Because a willful violation of the bill's requirements relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Miguel Santiago

#### Title

Medi-Cal: behavioral health: individuals with vision loss.

#### Description

AB 1999, as amended, Arambula. Medi-Cal: behavioral health: individuals with vision loss. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including certain behavioral health services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would require the department to establish a pilot project to provide funding for targeted outreach by participating counties to Medi-Cal beneficiaries who are blind or have low vision, regarding behavioral health services that are covered by the Medi-Cal program. The bill would require that the pilot project be implemented in at least 6 counties that have agreed to participate, with at least one of those counties being in northern California, one in central California, and one in southern California, as specified. The bill would require the participating counties to conduct outreach, as specified, and report certain information to the department and the Legislature no later than December 31, 2025. The bill would make related legislative findings. The bill would condition implementation of the pilot project on an appropriation by the Legislature, receipt of any necessary federal approvals, and the availability of federal financial participation.

#### Primary Sponsors

Joaquin Arambula

#### Title

Medi-Cal: monthly maintenance amount: personal and incidental needs.

#### Description

AB 2077, as amended, Calderon. Medi-Cal: monthly maintenance amount: personal and incidental needs. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Qualified individuals under the Medi-Cal program include medically needy persons and medically needy family persons who meet the required eligibility criteria, including applicable income requirements. Existing law requires the department to establish income levels for maintenance need at the lowest levels that reasonably permit a medically needy person to meet their basic needs for food, clothing, and shelter, and for which federal financial participation will still be provided under applicable federal law. In calculating the income of a medically needy person in a medical institution or nursing facility, or a person receiving institutional or noninstitutional services from a Program of All-Inclusive Care for the Elderly organization, the required monthly maintenance amount includes an amount providing for personal and incidental needs in the amount of not less than \$35 per month while a patient. Existing law authorizes the department to increase, by regulation, this amount as necessitated by increasing costs of personal and incidental needs. This bill would increase the monthly maintenance amount for personal and incidental needs from \$35 to \$80, commencing on July 1, 2024, or on the date that any necessary federal approvals are obtained, whichever is later. The bill would also condition implementation of this amount increase on an express appropriation in the annual Budget Act or another statute for the purposes of the bill and federal financial participation being available and not otherwise jeopardized. The bill would require the department to implement these provisions through all-county letters or similar instructions until regulations are adopted.

#### Primary Sponsors

Lisa Calderon

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:15 PM

Support: L.A. Care, Local Health Plans of California, California Senior Legislature (sponsor), Support California Senior Legislature (sponsor), Alzheimer's Association State Policy Office, California Long-term Care Ombudsman Association, California Advocates for Nursing Home Reform, California Hospital Association, California PACE Association, Justice in Aging



#### Title

Disclosure of information: reproductive health and foreign penal civil actions.

#### Description

AB 2091, as amended, Mia Bonta. Disclosure of information: reproductive health and foreign penal civil actions. (1) Existing law provides that every individual possesses a fundamental right of privacy with respect to their personal reproductive decisions. Existing law prohibits the state from denying or interfering with a person's right to choose or obtain an abortion prior to viability of the fetus, or when the abortion is necessary to protect the life or health of the person. Existing law requires a health insurer to take specified steps to protect the confidentiality of an insured's medical information, and prohibits an insurer from disclosing medical information related to sensitive health care services to the policyholder or any insureds other than the protected individual receiving care. Existing law generally prohibits a provider of health care, a health care service plan, or a contractor from disclosing medical information regarding a patient, enrollee, or subscriber without first obtaining an authorization, unless a specified exception applies, including that the disclosure is in response to a subpoena. Existing law prohibits an employer from using or disclosing medical information that it possesses pertaining to its employees without the patient having first signed an authorization, unless a specified exception applies, including that the disclosure is compelled by judicial or administrative process or by any other specific provision of law. Existing law authorizes a California court or attorney to issue a subpoena if a foreign subpoena has been sought in this state. This bill would prohibit compelling a person to identify or provide information that would identify or that is related to an individual who has sought or obtained an abortion in a state, county, city, or other local criminal, administrative, legislative, or other proceeding if the information is being requested based on another state's laws that interfere with a person's right to choose or obtain an abortion or a foreign penal civil action, as defined. The bill would authorize the Insurance Commissioner to assess a civil penalty, as specified, against an insurer that has disclosed an insured's confidential medical information. The bill would prohibit a provider of health care, a health care service plan, a contractor, or an employer from releasing medical information that would identify an individual or related to an individual seeking or obtaining an abortion in response to a subpoena or a request or to law enforcement if that subpoena, request, or the purpose of law enforcement for the medical information is based on, or for the purpose of enforcement of, either another state's laws that interfere with a person's rights to choose or obtain... (click bill link to see more).

#### Primary Sponsors

Mia Bonta

State  
CA

Bill Number  
AB 2117

Status  
In Senate

Position  
Monitor

#### Title

Mobile stroke units.

#### Description

AB 2117, as amended, Gipson. Mobile stroke units. Existing law provides for the licensure and regulation of health facilities by the State Department of Public Health, and defines various types of health facilities for those purposes. This bill would define “mobile stroke unit” to mean a multijurisdictional mobile facility that serves as an emergency response critical care ambulance under the direction and approval of a local emergency medical services (EMS) agency, and as a diagnostic, evaluation, and treatment unit, providing radiographic imaging, laboratory testing, and medical treatment under the supervision of a physician in person or by telehealth, for patients with symptoms of a stroke, to the extent consistent with any federal definition of a mobile stroke unit, as specified.

#### Primary Sponsors

Mike Gipson

#### Organizational Notes

Last edited by Joanne Campbell at Apr 22, 2022, 2:34 PM  
Oppose: (removed) California Association of Health Plans

**Title**

Health care coverage: dependent adults.

**Description**

AB 2127, Santiago. Health care coverage: dependent adults.

Existing law establishes the Health Insurance Counseling and Advocacy Program (HICAP) in the California Department of Aging to provide Medicare beneficiaries and those imminently eligible for Medicare with counseling and advocacy regarding health care coverage options. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires an individual health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2023, that provides dependent coverage to make dependent coverage available to a qualified dependent parent or stepparent. Existing law requires a plan, an insurer, or the California Health Benefit Exchange to provide an applicant seeking to add a dependent parent or stepparent with written notice about HICAP at the time of solicitation and on the application. This bill would clarify that a health care service plan, a health insurer, or a solicitor is required to provide an individual with the name, address, and telephone number of the local HICAP program and the statewide HICAP telephone number at the time of solicitation and, for a plan or insurer, on the application. Because a violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The bill would state the intent of the Legislature to ensure an individual is informed of and understands their specific rights and health care options before enrolling a Medicare-eligible or enrolled dependent parent or stepparent in individual health care coverage. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Miguel Santiago

**Title**

Reproductive health care.

**Description**

AB 2134, as amended, Akilah Weber. Reproductive health care. Existing law, the Reproductive Privacy Act, prohibits the state from denying or interfering with a person's right to choose or obtain an abortion prior to viability of the fetus, or when the abortion is necessary to protect the life or health of the person. The act defines "abortion" as a medical treatment intended to induce the termination of a pregnancy except for the purpose of producing a live birth. Existing law establishes the Department of Health Care Access and Information to oversee and administer various health programs. Existing law establishes the Medi-Cal program, under which qualified low-income individuals receive health care services. Existing law establishes a schedule of benefits under the Medi-Cal program and provides for various services, including comprehensive clinical family planning services that are rendered through the Family Planning, Access, Care, and Treatment (Family PACT) Waiver Program. This bill would establish the California Reproductive Health Equity Program within the Department of Health Care Access and Information to ensure abortion and contraception services are affordable for and accessible to all patients and to provide financial support for safety net providers of these services. The bill would authorize a Medi-Cal enrolled provider to apply to the department for a grant, and a continuation award after the initial grant, to provide abortion and contraception at no cost to an individual with a household income at or below 400% of the federal poverty level who is uninsured or has health care coverage that does not include both abortion and contraception, and who is not eligible to receive both abortion and contraception at no cost through the Medi-Cal and Family PACT programs. The bill would establish the California Reproductive Health Equity Fund, a continuously appropriated fund, to provide this grant funding. The bill would require the department to conduct an annual evaluation of the program and report its findings to the Legislature. By creating a continuously appropriated fund, the bill would make an appropriation. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires group health care service plan contracts and disability insurance policies to cover contraceptive services and methods without cost sharing, as specified. Existing law authorizes a religious employer to request a contract or policy that does not include contraception... (click bill link to see more).

**Primary Sponsors**

Akilah Weber, Cristina Garcia, Anna Caballero

#### Title

Mental health: information sharing.

#### Description

AB 2144, as amended, Ramos. Mental health: information sharing. Existing law, the Children's Civil Commitment and Mental Health Treatment Act of 1988, authorizes a minor, if they are a danger to self or others, or they are gravely disabled, as a result of a mental health disorder, and authorization for voluntary treatment is not available, upon probable cause, to be taken into custody and placed in a facility designated by the county and approved by the State Department of Health Care Services as a facility for 72-hour treatment and evaluation of minors. Existing law, the Lanterman-Petris-Short Act, also authorizes the involuntary commitment and treatment of persons with specified mental health disorders. Under the act, if a person, as a result of a mental health disorder, is a danger to self or others, or is gravely disabled, the person may, upon probable cause, be taken into custody and placed in a facility designated by the county and approved by the State Department of Health Care Services for up to 72 hours for assessment, evaluation, and crisis intervention, or placement for evaluation and treatment. Existing law prohibits a person detained pursuant to the Lanterman-Petris-Short Act because the person is a danger to self or others, from owning, possessing, controlling, receiving, or purchasing, or attempting to own, possess, control, receive, or purchase, any firearm. In order for the Department of Justice to determine the eligibility of the person to own, possess, control, receive, or purchase a firearm, existing law requires each designated facility, within 24 hours of admitting an individual subject to that prohibition, to submit a report to the Department of Justice that contains specified information, including the identity of the person. This bill would require the Department of Justice to provide to the State Department of Health Care Services, in a secure format, a copy of reports submitted pursuant to those provisions on a quarterly basis. The bill would also require the State Department of Health Care Services to share the information it receives from the Department of Justice and designated facilities with county mental health or behavioral health departments on a quarterly basis. The bill would also require a designated facility to submit a quarterly report to the State Department of Health Care Services that identifies people admitted to the facility pursuant to the Lanterman-Petris-Short Act because the person is gravely disabled and minors admitted pursuant to the Children's Civil Commitment and Mental Health Treatment Act of 1988 who are younger than 13 years of age. The bill would require the designated facility to include in the report the same information required to be reported to the Depart... (click bill link to see more).

#### Primary Sponsors

James Ramos

**Title**

Birthing Justice for California Families Pilot Project.

**Description**

AB 2199, as amended, Wicks. Birthing Justice for California Families Pilot Project. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department to convene a workgroup to examine the implementation of the Medi-Cal doula benefit, as specified. Existing law also requires the department, no later than July 1, 2024, to publish a report that addresses the number of Medi-Cal recipients utilizing doula services and identifies barriers that impede access to doula services, among other things. This bill would establish the Birthing Justice for California Families Pilot Project, which would include a 3-year grant program to provide grants to specified entities, including community-based doula groups, to provide full-spectrum doula care to members of communities with high rates of negative birth outcomes who are not eligible for Medi-Cal and incarcerated people. The bill would require the State Department of Public Health to take specified actions with regard to awarding grants, including awarding grants to selected entities on or before January 1, 2024. The bill would require a grant recipient to use grants funds to pay for the costs associated with providing full-spectrum doula care to eligible individuals and establishing, managing, or expanding doula services. The bill would require a grant recipient, in setting the payment rate for a doula being paid with grant funds, to comply with specified parameters, including that the payment rate not be less than the Medi-Cal reimbursement rate for doulas or the median rate paid for doula care in existing local pilot projects providing doula care in California, whichever is higher. The bill would require the department to utilize a portion of the funds allocated for administrative purposes to arrange for or provide, at no cost to the participants, training on the core competencies for doulas to people who want to become doulas, and community-based doulas in need of additional training to maintain competence, and who are from communities experiencing the highest burden of birth disparities in the state. The bill would require the department, on or before January 1, 2027, to submit a report to the appropriate policy and fiscal committees of the Legislature on the expenditure of funds and relevant outcome data for the pilot project. The bill would repeal these provisions on January 1, 2028.

**Primary Sponsors**

Buffy Wicks

## Title

CalWORKs and CalFresh: work requirements.

## Description

AB 2300, as amended, Kalra. CalWORKs and CalFresh: work requirements. (1) Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families and individuals. Existing law generally requires a recipient of CalWORKs benefits who is 16 years of age or older to participate in welfare-to-work activities as a condition of eligibility for aid. Existing law exempts certain persons from the welfare-to-work activities, including a child attending an elementary, secondary, vocational, or technical school on a full-time basis. Existing law, however, prohibits a person who is 16 or 17 years of age, or a custodial parent who is under 20 years of age, who loses this exemption from requalifying for the exemption by attending school as a required activity. This bill would remove that prohibition, thereby allowing that person to requalify for benefits by attending school on a full-time basis. Existing law prohibits sanctions from being applied for a failure or refusal to comply with program requirements if, among other reasons, the employment, offer of employment, activity, or other training for employment discriminates on specified bases or involves conditions that are in violation of applicable health and safety standards, or the employment or offer of employment exceeds the daily or weekly hours of work customary to the occupation. This bill would additionally prohibit sanctions from being applied for a failure or refusal to comply with program requirements if the recipient provides documentation that the anticipated hours would be so unpredictable for that specific recipient that they would not allow the recipient to anticipate compliance with program requirements related to the job, or if the recipient provides documentation that the scheduled hours exhibit a pattern of unpredictability for that specific recipient so that the recipient cannot anticipate compliance with program requirements related to the job. The bill would also prohibit sanctions from being applied if the recipient states that the employment or offer of employment fails to comply with the Healthy Workplaces, Healthy Families Act of 2014, that the recipient experienced sexual harassment or other abusive conduct at the workplace, or that the recipient's rights under specified laws were violated. The bill would require the county human services agency, when an applicant or recipient reports refusing any offer of employment, reducing hours, voluntarily quitting any employment, or being discharged from any employment, to provide the applicant or recipient with information regarding workplace rights generally, as specified, and would ... (click bill link to see more).

## Primary Sponsors

Ash Kalra

## Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:48 PM  
Support: Western Center on Law and Poverty (Sponsor)

**Title**

Children's psychiatric residential treatment facilities.

**Description**

AB 2317, as amended, Ramos. Children's psychiatric residential treatment facilities. Existing law, the California Community Care Facilities Act, provides for the licensing and regulation of community care facilities, including a children's crisis residential program, by the State Department of Social Services, and defines a children's crisis residential program to mean a facility licensed as a short-term residential therapeutic program and approved by the State Department of Health Care Services, or a county mental health plan, to operate a children's crisis residential mental health program to serve children experiencing mental health crises as an alternative to psychiatric hospitalization. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services, including specified mental health and substance use disorder services. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing federal Medicaid regulations provide for inpatient psychiatric services for individuals under 21 years of age in psychiatric facilities, as prescribed. This bill would require the State Department of Health Care Services to license and establish regulations for psychiatric residential treatment facilities, which the bill would define as a licensed residential facility operated by a public agency or private nonprofit organization that provides psychiatric services, as prescribed under the Medicaid regulations, to individuals under 21 years of age, in an inpatient setting. The bill would require the department to establish regulations for the facilities that include, among other things, the implementation of a plan for transitioning each admitted child from the program to their home and community.

**Primary Sponsors**

James Ramos



**Title**

Reproductive health care pilot program.

**Description**

AB 2320, as amended, Cristina Garcia. Reproductive health care pilot program. Existing law establishes the California Health and Human Services Agency, which includes the State Department of Public Health, among other state departments, and is charged with the administration of health, social, and other human services. This bill, subject to an appropriation by the Legislature in the annual Budget Act or another statute for these purposes and until January 1, 2028, would require the agency, or an entity designated by the agency, to establish and administer a pilot program to direct funds to primary care clinics that provide reproductive health care services in 5 counties. The bill would require a participating primary care clinic to implement at least one of a number of specified activities to improve health care delivery for marginalized patients, and to annually report to the agency over 2 years regarding its efforts and progress with those activities. The bill would require the agency to report to the Legislature on the program on or before June 1, 2026.

**Primary Sponsors**

Cristina Garcia, Mike Gipson

## Title

Lead poisoning prevention: laboratory reporting.

## Description

AB 2326, as amended, Reyes. Lead poisoning prevention: laboratory reporting. Existing law, the Childhood Lead Poisoning Prevention Act of 1991, requires the State Department of Public Health to adopt regulations establishing a standard of care at least as stringent as the most recent federal Centers for Disease Control and Prevention (CDC) screening guidelines, whereby all children are evaluated for risk of lead poisoning by health care providers during each child's periodic health assessment. Existing law requires a laboratory that performs a blood lead analysis on a specimen of human blood drawn in California to report specified information to the State Department of Public Health for each analysis on every person tested and requires other specified information to be reported when the laboratory has that information. Existing law authorizes the department to fine a laboratory that knowingly fails to meet the reporting requirements. This bill would, beginning on July 1, 2023, require the laboratory to report additional information, including the National Provider Identifier (NPI) of the health care provider that ordered the analysis, the Clinical Laboratory Improvement Amendments (CLIA) number and the NPI of the laboratory, and the person's race, ethnicity, and pregnancy status. The bill would require a laboratory to request all of the required information from the health care provider who obtained the blood sample or ordered the test, but would waive the laboratory's reporting requirement when the health care provider cannot, or will not, provide the requested information. Existing law requires the laboratory to report within 3 working days if the result of the blood lead analysis is a blood lead level equal to or greater than 10 micrograms of lead per deciliter of blood and within 30 working days if the blood lead level is lower than that threshold. This bill would make the threshold for reporting within 3 working days the most recent CDC reference level for an elevated blood lead level. Existing law requires that all information reported be confidential, except that the department is authorized to share the information for the purpose of surveillance, case management, investigation, environmental assessment, environmental remediation, or abatement with the local health department, environmental health agency, or building department, and with the State Department of Health Care Services for the purpose of determining whether children enrolled in Medi-Cal are being screened for lead poisoning and receiving appropriate related services. This bill would authorize the department to share the information for purposes of care coordination as well. The bill would authorize the department to share the information with specified health ... (click bill link to see more).

## Primary Sponsors

Eloise Reyes, Cristina Garcia

## Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:50 PM  
Support: Western Center on Law and Poverty

#### Title

Prescription drug coverage.

#### Description

AB 2352, as amended, Nazarian. Prescription drug coverage. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or health insurance policy that provides coverage for outpatient prescription drugs to cover medically necessary prescription drugs and subjects those policies to certain limitations on cost sharing and the placement of drugs on formularies. Existing law limits the maximum amount an enrollee or insured may be required to pay at the point of sale for a covered prescription drug to the lesser of the applicable cost-sharing amount or the retail price, and requires that payment to apply to the applicable deductible. This bill would require a health care service plan or health insurer that provides prescription drug benefits and maintains one or more drug formularies to furnish specified information about a prescription drug upon request by an enrollee or insured, or their prescribing provider. The bill would require the plan or insurer to respond in real time to that request and ensure the information is current no later than one business day after a change is made. The bill would prohibit a health care service plan or health insurer from, among other things, restricting a prescribing provider from sharing the information furnished about the prescription drug or penalizing a provider for prescribing, administering, or ordering a lower cost or clinically appropriate alternative drug. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

#### Primary Sponsors

Adrin Nazarian

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:16 PM  
Oppose Unless Amended: CA. Assoc. of Health Plans

#### Title

Medi-Cal: continuous eligibility.

#### Description

AB 2402, as amended, Blanca Rubio. Medi-Cal: continuous eligibility. Existing law establishes the Medi-Cal program, which is

administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, beginning no earlier than January 1, 2025, a child under 5 years of age is continuously eligible for Medi-Cal, including without regard to income, until the child reaches 5 years of age, subject to specified circumstances. Existing law makes this provision contingent on obtaining all necessary federal approvals, an appropriation, and a determination by the department that systems have been programmed to implement certain provisions. Existing law establishes the County Health Initiative Matching Fund, administered by the department, through which an applicant county, county agency, a local initiative, or a county organized health system that provides an intergovernmental transfer, as specified, is authorized to submit a proposal to the department for funding for the purpose of providing comprehensive health insurance coverage to certain children. For purposes of eligibility, existing law requires the child to meet specified citizenship and immigration status requirements, that their family income be at or below 317% of the federal poverty level or, at the option of the applicant, at or below 411% of the federal poverty level, and that the child not qualify for Medi-Cal with no share of cost or for other certain Medi-Cal programs. This bill would require, beginning no earlier than January 1, 2025, that the application also specify that the applicant will provide continuous eligibility for a child under the program until the child is 5 years of age if the child is not determined to be eligible for Medi-Cal during that time, except as specified. The bill would condition implementation of this provision on receipt of any necessary federal approvals, an appropriation, and a determination by the department, as described above. The bill would also remove the above-described reference to citizenship and immigration status requirements. Because counties are required to make Medi-Cal eligibility determinations, and to the extent that this bill would expand Medi-Cal eligibility, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state... (click bill link to see more).

#### Primary Sponsors

Blanca Rubio

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:17 PM

Support: L.A. Care, Local Health Plans of California, Western Center on Law and Poverty, The Children's Partnership (cosponsor), First 5 Center for Children's Policy (cosponsor), First 5 Association of California (cosponsor), Children Now (cosponsor), March of Dimes (cosponsor), Maternal and Child Health Access (cosponsor), National Health Law Program (cosponsor), Access Reproductive Justice, California Alliance of Child and Family Services, California Catholic Conference, California Pan-Ethnic Health Network, California Rural Legal Assistance Foundation, INC., CaliforniaHealth+ Advocates, Children's Specialty Care Coalition, Community Clinic Association of Los Angeles County, Community Health Initiative of Orange County, County Behavioral Health Directors Association, Friends Committee on Legislation of California, Health Access California, National Association of Social Workers, California Chapter, National Health Law Program, Nurse - Family Partnership, United Ways of California

**Title**

Martin Luther King, Jr. Community Hospital.

**Description**

AB 2426, as amended, Gipson. Martin Luther King, Jr. Community Hospital. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law provides that Medi-Cal funding be made available to a new hospital, now known as the Martin Luther King, Jr. Community Hospital, to serve the population of South Los Angeles. This bill would require the department, in consultation with the hospital, to create a directed payment program in Medi-Cal managed care for outpatient hospital services to provide that total Medi-Cal managed care reimbursement received for services is approximately equal to the hospital's costs for those services, as specified. The bill would establish funding provisions if those minimum reimbursements required under the program would result in payments above the level of compensation the hospital would have otherwise received, and if a nonfederal share is necessary with respect to the additional compensation. The bill would require that the hospital's projected costs be based on specified principles. The bill would also require the department, in consultation with the hospital, to develop an alternative mechanism for ensuring inpatient services payment levels from Medi-Cal managed care plans, as specified. The bill would authorize the department to develop value-based quality directed payment, for use in payments to the hospital. The bill would authorize the department to implement those provisions by means of, among other things, all-facility letters. The bill would require the department to obtain federal approvals or waivers as necessary to implement those provisions, to obtain federal matching funds to the maximum extent permitted by federal law, and would condition the implementation of those provisions on obtaining federal approval. This bill would make related findings and declarations. The bill would also make the implementation of its provisions contingent upon appropriation by the Legislature. This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Los Angeles.

**Primary Sponsors**

Mike Gipson

**Organizational Notes**

Last edited by Joanne Campbell at Apr 14, 2022, 10:52 PM

Support: L.A. Care, Martin Luther King, Jr. Community Hospital (sponsor), Black Beauty and Wellness Foundation, Black Business Association, Boys & Girls Club Metro Los Angeles, Brotherhood Crusade, Cal State Dominguez Hills, California Black Women's Health Project, Charles R. Drew University of Medicine and Science, Community Coalition, Congress for Racial Equality - California, Forgiving for Living, Inc., Forgotten Children Inc., Girls Club of Los Angeles, Impact Enterprises Global, Inc., Inner City Youth Orchestra of Los Angeles, International Association of Chiefs of Police, Kappa Alpha Psi Western Region Province, Los Angeles Metropolitan Churches, Los Angeles Sentinel, Los Angeles Urban League, National Action Network – Los Angeles Chapter, National Association for the Advancement of Colored People – Los Angeles, National Coalition of 100 Black Women, Parents of Watts, Positive Results Corporation, Sanctuary of Hope, Southern Christin Leadership Conference of Southern California, Southside Coalition of Community Health Centers, St. Anne's Family Services, The Baptist Ministers Conference, The Latin Link, UNITE HERE Local 11, United Voices of Literacy, Watts Labor Community Action Committee, Willowbrook Inclusion Network

### Title

Open meetings: local agencies: teleconferences.

### Description

AB 2449, as amended, Blanca Rubio. Open meetings: local agencies: teleconferences. Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. The act authorizes a legislative body to take action on items of business not appearing on the posted agenda under specified conditions. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the ... (click bill link to see more).

### Primary Sponsors

Blanca Rubio

## Title

Health care coverage: human papillomavirus.

## Description

AB 2516, as amended, Aguiar-Curry. Health care coverage: human papillomavirus. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2002, to provide coverage for an annual cervical cancer screening test, including a human papillomavirus (HPV) screening test that is approved by the federal Food and Drug Administration (FDA). Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services and under which health care services are provided to low-income individuals pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law also establishes the Family Planning, Access, Care, and Treatment (Family PACT) Program, administered by the Office of Family Planning within the department, under which comprehensive clinical family planning services are provided to a person who has a family income at or below 200% of the federal poverty level, and who is eligible to receive these services. This bill would expand the coverage requirement for an annual cervical cancer screening test to disability insurance policies that provide coverage for hospital, medical, or surgical benefits and would require a health care service plan contract or disability insurance policy that provides coverage for hospital, medical, or surgical benefits issued, amended, or renewed on or after January 1, 2023, to provide coverage without cost sharing for the HPV vaccine for persons for whom the vaccine is FDA approved. Because a willful violation of the bill's requirements relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The bill would also expand comprehensive clinical family planning services under the Family PACT Program to include the HPV vaccine for persons for whom it is FDA approved. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

## Primary Sponsors

Cecilia Aguiar-Curry

## Organizational Notes

Last edited by Joanne Campbell at Apr 22, 2022, 2:29 PM

Oppose: California Association of Health Plans

#### Title

California Health Benefit Exchange: financial assistance.

#### Description

AB 2530, as amended, Wood. California Health Benefit Exchange: financial assistance. (1) Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Under existing regulations, an individual may enroll in a plan through the Exchange in a special enrollment period that is triggered if the individual loses other coverage due to termination of employment or reduction in the number of hours of employment. Existing law requires the Exchange, until January 1, 2023, to administer a program to provide health care coverage financial assistance to California residents with household incomes at or below 600% of the federal poverty level. This bill, upon appropriation by the Legislature, would require the Exchange to administer a program of financial assistance beginning July 1, 2023, to help Californians obtain and maintain health benefits through the Exchange if they lose employer-provided health care coverage as a result of a labor dispute. Under the bill, if specified eligibility requirements are met, an individual who has lost minimum essential coverage from an employer or joint labor management trust fund as a result of a strike, lockout, or other labor dispute would receive the same premium assistance and cost-sharing reductions as an individual with a household income of 138.1% of the federal poverty level, and, beginning January 1, 2024, would also not pay a deductible for any covered benefit if the standard benefit design for a household income of 138.1% of the federal poverty level has zero deductibles. (2) The Personal Income Tax Law, in modified conformity with federal law, generally defines "gross income" as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income for purposes of computing tax liability. This bill would exclude from gross income any subsidy amount received pursuant to the above-described program of financial assistance.

#### Primary Sponsors

Jim Wood, Ash Kalra

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:18 PM

Oppose Unless Amended: CA. Assoc. of Health Plans Support: CA Labor Fed. LA County Labor Fed. UNITE HERE Teamsters UFCW SEIU California Conference Board of the Amalgamated Transit Union California Conference of Machinists The Utility Workers Union of America The Engineers and Scientists of California



State <b>CA</b>	Bill Number <b>AB 2581</b>	Status <b>In Senate</b>	Position <b>Monitor</b>
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#### Title

Health care coverage: mental health and substance use disorders: provider credentials.

#### Description

AB 2581, as amended, Salas. Health care coverage: mental health and substance use disorders: provider credentials. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law also provides for the regulation of disability insurers by the Department of Insurance. Existing law requires a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2021, that provides hospital, medical, or surgical coverage to provide coverage for medically necessary treatment of mental health and substance use disorders, under the same terms and conditions applied to other medical conditions, as specified. For provider contracts issued, amended, or renewed on and after January 1, 2023, this bill would require a health care service plan or disability insurer that provides coverage for mental health and substance use disorders and credentials health care providers of those services for the health care service plan's or disability insurer's networks, to assess and verify the qualifications of a health care provider within 60 days after receiving a completed provider credentialing application. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

#### Primary Sponsors

Rudy Salas

State <b>CA</b>	Bill Number <b>AB 2585</b>	Status <b>Enacted</b>	Position <b>Monitor</b>
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#### Title

Nonpharmacological pain management treatment.

#### Description

AB 2585, McCarty. Nonpharmacological pain management treatment. Existing law sets forth the Pain Patient's Bill of Rights, which grants a patient who suffers from severe chronic intractable pain the option to request or reject the use of any or all modalities to relieve their pain. This bill would make related findings and declarations, including that the health care system should encourage the use of evidence-based nonpharmacological therapies for pain management.

#### Primary Sponsors

Kevin McCarty

**Title**

Reproductive and sexual health inequities.

**Description**

AB 2586, as amended, Cristina Garcia. Reproductive and sexual health inequities. Existing law establishes the State Department of Public Health to implement and administer various programs relating to public health. Existing law requires the department to develop a coordinated state strategy for addressing the health-related needs of women, including implementation of goals and objectives for women's health. This bill would require the department to convene a working group with specified membership to examine the root causes of reproductive health and sexual health inequities in the state. The bill would require the working group to submit a report to the Legislature on or before January 1, 2024, with recommendations of how to meaningfully address, decrease, or eliminate reproductive health and sexual health inequities that cover specified topics, including barriers to abortion access and contraception. The bill would establish the California Reproductive Justice and Freedom Fund and would require the department, upon appropriation by the Legislature, to award grants to eligible community-based organizations over a 3-year period. The bill would require a grant recipient to use grant funds to implement a program or fund an existing program that provides and promotes medically accurate, comprehensive reproductive and sexual health education. The bill would also make related findings and declarations.

**Primary Sponsors**

Cristina Garcia, Luz Rivas, Mike Gipson

**Title**

Air ambulance services.

**Description**

AB 2648, as amended, Wilson. Air ambulance services. Existing law imposes a penalty of \$4 until December 1, 2022, upon every conviction for a violation of the Vehicle Code or a local ordinance adopted pursuant to the Vehicle Code, other than a parking offense. Existing law requires the court that imposed the fine to transfer the revenues collected to the Treasurer for deposit into the Emergency Medical Air Transportation and Children's Coverage Fund. Existing law requires the assessed penalty to continue to be collected, administered, and distributed until exhausted or until December 31, 2023, whichever occurs first. Under existing law, moneys remaining unexpended and unencumbered in the fund on December 31, 2023, are to be transferred to the General Fund. These provisions remain operative until July 1, 2024, and are repealed effective January 1, 2025. This bill would change the date on which moneys remaining unexpended and unencumbered in the fund are to be transferred to the General Fund to June 30, 2024. The bill would make the above-described provisions inoperative on July 1, 2025, and would repeal them as of January 1, 2026.

**Primary Sponsors**

Lori Wilson, Tim Grayson

#### Title

Information Practices Act of 1977.

#### Description

AB 2677, as amended, Gabriel. Information Practices Act of 1977. Existing law, the Information Practices Act of 1977, prescribes a set of requirements, prohibitions, and remedies applicable to agencies, as defined, with regard to their collection, storage, and disclosure of personal information, as defined. Existing law exempts from the provisions of the act counties, cities, any city and county, school districts, municipal corporations, districts, political subdivisions, and other local public agencies, as specified. This bill would, beginning January 1, 2024, recast those provisions to include, among other things, genetic information, IP address, online browsing history, and location information, if reasonably capable of identifying or describing an individual, within the definition of “personal information,” and revise the definition of “regulatory agency” to include the Financial Industry Regulatory Authority, for the act’s purposes. The bill would make other technical, nonsubstantive, and conforming changes. Existing law requires an agency to establish rules of conduct for persons involved in the design, development, operation, disclosure, or maintenance of records containing personal information and instruct those persons with respect to specified rules relevant to the act. This bill would require that those rules established by the agency be consistent with applicable provisions of the State Administrative Manual and the State Information Management Manual. The bill would prohibit an agency from using records containing personal information for any purpose or purposes other than the purpose or purposes for which that personal information was collected or generated, except as required by state or federal law. Existing law prohibits an agency from disclosing any personal information in a manner that would link the information disclosed to the individual to whom it pertains, except under specified circumstances. Existing law requires an agency, for disclosures of specified records, to keep an accurate accounting of the date, nature, and purpose of the disclosure, and the name, title, and business address of the person or agency to whom the disclosure was made. This bill would revise the circumstances that may allow the disclosure of personal information in a manner that links or reasonably could link the information disclosed to the individual to whom it pertains, define “privacy board” for these purposes, and would make conforming changes. The bill would also revise the circumstances and types of records that would require agencies to keep an accurate accounting of the disclosure of that record. Existing law makes an intentional violation of any provision of the act, or of any rules or regulations adopted unde... (click bill link to see more).

#### Primary Sponsors

Jesse Gabriel

**Title**

Medi-Cal: Community Health Navigator Program.

**Description**

AB 2680, as amended, Arambula. Medi-Cal: Community Health Navigator Program. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires that counties administer public social services, including Medi-Cal. Existing law also authorizes a county to collaborate with a community-based organization to maintain up-to-date contact information in order to assist with timely submission of annual reaffirmation forms, among others. This bill, commencing January 1, 2023, would require the department to create the Community Health Navigator Program to make direct grants to qualified community-based organizations, as defined, to conduct targeted outreach, enrollment, retention, and access activities for Medi-Cal-eligible individuals and families. The bill would specify the basis for issuing a grant, including specified factors in the applicant's service area. The bill would authorize the department to contract with one or more private foundations to assist the department with administering the grant application and allocation process. The bill would require the department to contract with specified providers to furnish training and technical assistance to grant recipients. The bill would also require the department to coordinate and partner with Covered California and counties that elect to participate, on an approach for outreach, enrollment, retention, and access activities for marketing to eligible individuals, including facilitation of quarterly meetings on enrollment and access barriers and solutions, among other requirements. The bill would become operative only upon an express appropriation in the annual Budget Act or another statute for the purposes of the bill.

**Primary Sponsors**

Joaquin Arambula

## Title

Medi-Cal: community health workers and promotores.

## Description

AB 2697, as amended, Aguiar-Curry. Medi-Cal: community health workers and promotores. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various delivery systems, including fee-for-service and managed care. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would require the department to implement a community health workers (CHW) and promotores benefit under the Medi-Cal program, subject to receipt of any necessary federal approvals and the availability of federal financial participation. Under the bill, CHW and promotores services would be preventive services, as defined under federal law, available for Medi-Cal beneficiaries in the managed care or fee-for-service delivery system. Under the bill, CHW and promotores services would be designed for the purposes of preventing disease, disability, and other health conditions or their progression, prolonging life, and promoting physical and behavioral health and efficiency. The bill would require CHW and promotores, as defined, to provide health education, navigation, and advocacy, as specified. The bill would require the department, in collaboration with CHW and promotores stakeholders, to implement and evaluate the benefit, including the development of detailed policy guidance, letters, manuals, and other documents. If the benefit is implemented, the bill would require a Medi-Cal managed care plan to develop an annual outreach and education plan for enrollees and another for providers, including notices and materials containing specified information about the CHW and promotores benefit. The bill would require these outreach and education efforts to, among other things, meet cultural and linguistic appropriateness standards and be subject to review and approval by the department, as specified. The bill would also require a Medi-Cal managed care plan, on or before July 1, 2023, and every 3 years thereafter, to conduct an assessment of CHW and promotores capacity and enrollee need, and to share the assessments with the department, including specified data. The bill would require the department, on or before October 1, 2023, and every 3 years thereafter, to review the outreach and education plans and assessments, and would require the department, on or before January 1, 2024, and every 3 years thereafter, to annually publish an analysis of the CHW and promotores benefit on its internet website, including specified data.

## Primary Sponsors

Cecilia Aguiar-Curry

## Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:51 PM  
Support: Western Center on Law and Poverty

## Title

Medi-Cal: alternate health care service plan.

## Description

AB 2724, Arambula. Medi-Cal: alternate health care service plan. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various delivery systems, including managed care pursuant to Medi-Cal managed care plan contracts. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would authorize the department to enter into one or more comprehensive risk contracts with an alternate health care service plan (AHCSP), as defined, to serve as a primary Medi-Cal managed care plan for certain eligible beneficiaries in geographic regions designated by the department, as specified. The bill would authorize the department to contract with an AHCSP as a Medi-Cal managed care plan in any geographic region of the state for which federal approval is available, for which the AHCSP maintains appropriate licensure or an approved exemption from the Department of Managed Health Care, and in which the AHCSP already provides commercial coverage in the individual, small group, or large group market. The bill would, among other things, prohibit the AHCSP from denying enrollment to any of those eligible beneficiaries, unless the department or the Department of Managed Health Care has ordered the AHCSP to cease enrollment in an applicable service area. The bill would require the contract with the AHCSP to include the same standards and requirements, except with respect to enrollment, as for other Medi-Cal managed care plans, as specified. The bill would require the Health Care Options Program, which is an entity overseen by the department for Medi-Cal managed care education and enrollment, to disenroll any member of an AHCSP if the member meets any one of the reasons for disenrollment enumerated in certain regulations, except as specified. The bill would require the AHCSP to enter into a memorandum of understanding (MOU) with the department, which would include specified standards or requirements and the AHCSP's commitment to increase enrollment of new Medi-Cal members and any requirements related to the AHCSP's collaboration with and support of applicable safety net providers. The bill would require the department to post the MOU and a specified implementation report on its internet website. The bill would require the AHCSP, as part of the MOU, to work with federally qualified health centers (FQHCs) in AHCSP service areas selected by the AHCSP and the department, at the request of the FQHC, to provide assistance with population health management and clinical transformation. The bill would require the department and the AHCSP to identify the highest need... (click bill link to see more).

## Primary Sponsors

Joaquin Arambula

## Organizational Notes

Last edited by Cherie Compartore at Apr 13, 2022, 11:17 PM

Oppose: L.A. Care, Local Health Plans of California, California State Association of Counties, Central Coast Alliance for Health (Public Plan), Inland Empire Health Plan (Public Plan), Santa Clara Family Health Plan (Public Plan), Humboldt County, Mariposa County, Mendocino County, Plumas County, Colusa County, Monterey County, Santa Barbara County, San Mateo County, Ventura County, Sonoma County, San Luis Obispo County,

State CA	Bill Number AB 2727	Status Passed Senate	Position Support
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#### Title

Medi-Cal: eligibility.

#### Description

AB 2727, as amended, Wood. Medi-Cal: eligibility. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law prohibits the use of an assets or resources test for individuals whose financial eligibility for Medi-Cal is determined based on the application of a modified adjusted gross income (MAGI) standard, as specified. Existing law prohibits the use of resources, including property or other assets, to determine Medi-Cal eligibility for applicants or beneficiaries whose eligibility is not determined using the MAGI-based financial methods, and requires the department to seek federal authority to disregard all resources as authorized by the flexibilities provided under federal law. Existing law conditions implementation of that provision on the Director of Health Care Services determining that systems have been programmed for those disregards and their communicating that determination in writing to the Department of Finance, no sooner than January 1, 2024. Existing law also conditions implementation of that provision on receipt of any necessary federal approvals and the availability of federal financial participation. Existing law states the intent of the Legislature to provide, to the extent practicable, through the Medi-Cal program, for health care for those aged and other persons, including family persons who lack sufficient annual income to meet the costs of health care, and whose other assets are so limited that their application toward the costs of that care would jeopardize the person or family's future minimum self-maintenance and security. This bill would, commencing on the date that the resource disregards are implemented, remove from that statement of legislative intent the above-described assets as an eligibility criterion. The bill would also refer to residents of the state and make other changes to that statement.

#### Primary Sponsors

Jim Wood

#### Organizational Notes

Last edited by Joanne Campbell at Apr 14, 2022, 3:52 PM  
Support: L.A. Care, Western Center on Law and Poverty



#### Title

Racial Equity Advisory and Accountability Commission.

#### Description

SB 17, as amended, Pan. Racial Equity Advisory and Accountability Commission. Existing law establishes an Office of Health Equity in the State Department of Public Health for purposes of aligning state resources, decisionmaking, and programs to accomplish certain goals related to health equity and protecting vulnerable communities. Existing law requires the office to develop department-wide plans to close the gaps in health status and access to care among the state's diverse racial and ethnic communities, women, persons with disabilities, and the lesbian, gay, bisexual, transgender, queer, and questioning communities, as specified. Existing law requires the office to work with the Health in All Policies Task Force to assist state agencies and departments in developing policies, systems, programs, and environmental change strategies that have population health impacts by, among other things, prioritizing building cross-sectoral partnerships within and across departments and agencies to change policies and practices to advance health equity. Existing law establishes the Task Force to Study and Develop Reparation Proposals for African Americans, with a Special Consideration for African Americans Who are Descendants of Persons Enslaved in the United States to, among other things, identify, compile, and synthesize the relevant corpus of evidentiary documentation of the institution of slavery that existed within the United States and the colonies. Existing law requires the task force to submit a written report of its findings and recommendations to the Legislature. This bill, until January 1, 2030, would establish in state government a Racial Equity Advisory and Accountability Commission. The bill would authorize the commission, among other things, to hire administrative, technical, and other personnel as may be necessary for the performance of its duties, including an executive director to organize, administer, and manage the operations of the commission. The bill would task the commission with coordinating, analyzing, developing, evaluating, and recommending strategies for advancing racial equity across state agencies, departments, and the office of the Governor. The bill would require the commission, in consultation with state agencies, departments, and public stakeholders, as appropriate, to develop a statewide Racial Equity Framework that includes a strategic plan with policy and inclusive practice recommendations, guidelines, theory of change, goals, and benchmarks to reduce racial inequities, promote racial equity, and address individual, institutional, and structural racism. The bill would also require the commission, in consultation with state agencies and departments, to establish methodologies, a syste... (click bill link to see more).

#### Primary Sponsors

Richard Pan, Joaquin Arambula

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:21 PM

Support - L.A. Care, L.A. Board of Supervisors, Community Clinic Association of Las Angeles County, California Assoc. of Public Hospitals, County Welfare Directors Association

State	Bill Number	Status	Position
CA	SB 154	Enacted	Monitor

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**Title**

Budget Act of 2022.

**Description**

SB 154, Skinner. Budget Act of 2022. This bill would make appropriations for the support of state government for the 2022–23 fiscal year. This bill would declare that it is to take effect immediately as a Budget Bill.

**Primary Sponsors**

Nancy Skinner

## Title

Health.

## Description

SB 184, Committee on Budget and Fiscal Review. Health. (1) Existing federal law, the Patient Protection and Affordable Care Act (PPACA), enacts various health care market reforms. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Existing law, until January 1, 2023, requires the Exchange to administer a program of health care coverage financial assistance to help low-income and middle-income Californians. Existing law exempted the program design of financial assistance and a related regulation, standard, criterion, procedure, determination, rule, notice, guideline, or any other guidance established or issued by the Exchange or Franchise Tax Board from the Administrative Procedure Act until January 1, 2022. This bill would indefinitely extend the above-described financial assistance program and Administrative Procedure Act exemptions. (2) Existing law generally requires the State Department of Public Health to license, inspect, and regulate health facilities, including hospitals. Existing law requires health facilities to meet specified cost and disclosure requirements, including maintaining an understandable written policy regarding discount payments and charity. Existing law establishes the Department of Health Care Access and Information (HCAI) to oversee various aspects of the health care market, including oversight of hospital facilities and community benefit plans. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires each department to develop and adopt regulations to ensure that enrollees and insureds have access to needed health care services in a timely manner. Existing law requires that health care service plans and health insurers submit rates to their regulating entity for review. This bill would establish, within HCAI, the Office of Health Care Affordability to analyze the health care market for cost trends and drivers of spending, develop data-informed policies for lowering health care costs for consumers and purchasers, set and enforce cost targets, and create a state strategy for controlling the cost of health care and ensuring affordability for consumers and purchasers. The bill would also establish the Health Care Affordability Board, composed of 8 members, appointed as prescribed, and the Health Care Affordability Advisory Com... (click bill link to see more).

## Primary Sponsors

Senate Committee on Budget and Fiscal Review

**Title**

Health care coverage: timely access to care.

**Description**

SB 225, as amended, Wiener. Health care coverage: timely access to care. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan or health insurer that provides or arranges for the provision of hospital or physician services to comply with specified timely access to care requirements, including ensuring that its network has adequate capacity and availability of licensed health care providers to offer enrollees and insureds appointments that meet specified timeframes. Existing law authorizes the department director to take enforcement action against health care plans that fail to comply with these provisions, including assessing administrative penalties. This bill would require a health care service plan or health insurer to incorporate timely access to care standards into its quality assurance systems and incorporate specified processes. The bill would authorize the Department of Managed Health Care to develop methodologies to demonstrate appointment wait time compliance and averages. The bill would authorize the Department of Managed Health Care and the Department of Insurance to take compliance or disciplinary action, review and adopt standards concerning the availability of health care to ensure enrollees and insureds have timely access to care, and make recommendations to the Legislature if the Department of Managed Health Care or the Department of Insurance finds that health care service plans or health insurers and providers have difficulty meeting the standards the departments develop. The bill would require the director to consider, as an aggravating factor when assessing administrative penalties, if harm to an enrollee has occurred as a result of plan noncompliance. The bill would clarify that the timely access to care provisions do not alter requirements or standards for Medi-Cal managed care plans, except as specified. The bill would also make technical and conforming changes. By imposing new requirements on health care service plans, the willful violation of which would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Scott Wiener

**Title**

Medi-Cal: Short-Term Community Transitions program.

**Description**

SB 281, as amended, Dodd. Medi-Cal: Short-Term Community Transitions program. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing federal law establishes the Money Follows the Person Rebalancing Demonstration, which is designed to achieve various objectives with respect to institutional and home- and community-based long-term care services provided under state Medicaid programs. Under the Money Follows the Person Rebalancing Demonstration, an eligible individual is required to meet prescribed qualifications, including that they have resided in an inpatient facility for at least 60 consecutive days. Existing law requires the department to provide services consistent with the Money Follows the Person Rebalancing Demonstration for transitioning eligible individuals out of an inpatient facility who have resided in that setting for fewer than 60 days. Existing law requires the department to cease to enroll beneficiaries under these provisions commencing January 1, 2023, and to cease providing these services commencing January 1, 2024. Existing law repeals these provisions on January 1, 2025. This bill would instead require the department to cease to enroll beneficiaries commencing January 1, 2026, and to cease providing those services commencing January 1, 2027. The bill would extend the repeal date of those provisions to January 1, 2028.

**Primary Sponsors**

Bill Dodd

#### Title

Contraceptive Equity Act of 2022.

#### Description

SB 523, as amended, Leyva. Contraceptive Equity Act of 2022.

(1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law establishes health care coverage requirements for contraceptives, including, but not limited to, requiring a health care service plan, including a Medi-Cal managed care plan, or a health insurance policy issued, amended, renewed, or delivered on or after January 1, 2017, to cover up to a 12-month supply of federal Food and Drug Administration approved, self-administered hormonal contraceptives when dispensed at one time for an enrollee or insured by a provider or pharmacist, or at a location licensed or authorized to dispense drugs or supplies. This bill, the Contraceptive Equity Act of 2022, would make various changes to expand coverage of contraceptives by a health care service plan contract or health insurance policy issued, amended, renewed, or delivered on and after January 1, 2024, including requiring a health care service plan or health insurer to provide point-of-sale coverage for over-the-counter FDA-approved contraceptive drugs, devices, and products at in-network pharmacies without cost sharing or medical management restrictions. The bill would require health care service plans and insurance policies offered by public or private institutions of higher learning that directly provide health care services only to its students, faculty, staff, administration, and their respective dependents, issued, amended, renewed, or delivered, on or after January 1, 2024, to comply with these contraceptive coverage requirements. The bill would also require coverage for clinical services related to the provision or use of contraception, as specified. The bill would revise provisions applicable when a covered, therapeutic equivalent of a drug, device, or product is deemed medically inadvisable by deferring to the provider, as specified. This bill would also prohibit a health care service plan contract or disability insurance policy issued, amended, renewed, or delivered on or after January 1, 2024, with certain exceptions, from imposing a deductible, coinsurance, copayment, or any other cost-sharing requirement on vasectomy services and procedures, as specified, under conditions similar to those applicable to other contraceptive coverage. This bill would require a health benefit plan or contract with the Board of Public Relations of the Public Employees' Retirement System to provide coverage for contraceptives and vasectomies consi... (click bill link to see more).

#### Primary Sponsors

Connie Leyva

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:31 PM

Oppose: CA. Assoc. of Health Plans

**Title**

Health care: prescription drugs.

**Description**

SB 838, as amended, Pan. Health care: prescription drugs. Existing law, the California Affordable Drug Manufacturing Act of 2020, requires the California Health and Human Services Agency (CHHSA) to enter into partnerships, in consultation with other state departments as necessary to, among other things, increase patient access to affordable drugs. Existing law requires CHHSA to enter into such partnerships to produce or distribute at least one form of insulin, if a viable pathway for manufacturing a more affordable form of insulin exists at a price that results in savings. Existing law, for the purposes of implementing the California Affordable Drug Manufacturing Act of 2020, until December 31, 2027, permits CHHSA and its departments to enter into exclusive or nonexclusive contracts on a bid or negotiated basis. This bill would require CHHSA to establish metrics to measure progress and efficiency, and remedies in the case those metrics are not met, and include those metrics and remedies in any contract entered into pursuant to these provisions. The bill would eliminate the viability requirement for the manufacturing of insulin pursuant to these provisions and would require any partnership, among other things, to consider guaranteeing priority access to insulin supply for the state. This bill would require, upon appropriation by the Legislature, the development of a California-based manufacturing facility for insulin with the intent of creating high-skill, high-paying jobs within the state.

**Primary Sponsors**

Richard Pan

## Title

Health care service plans: discipline: civil penalties.

## Description

SB 858, as amended, Wiener. Health care service plans: discipline: civil penalties. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law authorizes the Director of the Department of Managed Health Care to take disciplinary measures, including the imposition of civil penalties, against a licensee when the director determines that the licensee has committed an act or omission constituting grounds for disciplinary action, as specified. Under existing law, a person who violates the act, or a rule or order adopted or issued under the act, is generally liable for a civil penalty not to exceed \$2,500 per violation. Existing law also includes various provisions that assess specific civil and administrative penalties for certain violations. Fines and penalties under the act are deposited into the Managed Care Administrative Fines and Penalties Fund, and used, upon appropriation by the Legislature, for designated purposes. This bill would increase the base amount of the civil penalty from \$2,500 per violation to not more than \$25,000 per violation, and would authorize a lower, proportionate penalty for specialized dental and vision health care service plans. Under the bill, the civil penalty base amount would be adjusted annually commencing January 1, 2028, and every 5 years thereafter, as specified. The bill would double the minimum and maximum amounts of the civil and administrative penalties described above, and, commencing January 1, 2028, and every 5 years thereafter, adjust these civil and administrative penalties, as specified. The bill would authorize the director to impose a corrective action plan to require future compliance with the act, under certain circumstances. If a health care service plan fails to comply with the corrective action plan in a timely manner, the bill would require the department to monitor the health care service plan through medical surveys, financial examinations, or other means necessary to ensure timely compliance, and would specify that failure to timely comply with a corrective action plan is grounds for disciplinary action. The bill would require the director, when assessing administrative and civil penalties against a health care service plan, to determine the appropriate amount of the penalty for each violation, based upon consideration of specified factors, such as the nature, scope, and gravity of the violation, whether the violation is an isolated incident, and the amount of the penalty necessary to deter similar violations in the future.

## Primary Sponsors

Scott Wiener

## Organizational Notes

Last edited by Joanne Campbell at Aug 11, 2022, 6:21 PM

Oppose: CA. Assoc. of Health Plans, CA Department of Finance Support: Western Center on Law and Poverty



**Title**

Minors: vaccine consent.

**Description**

SB 866, as amended, Wiener. Minors: vaccine consent. Existing law prescribes various circumstances under which a minor may consent to their medical care and treatment without the consent of a parent or guardian. These circumstances include, among others, authorizing a minor 12 years of age or older who may have come into contact with an infectious, contagious, or communicable disease to consent to medical care related to the diagnosis or treatment of the disease, if the disease or condition is one that is required by law or regulation to be reported to the local health officer, or is a related sexually transmitted disease, as may be determined by the State Public Health Officer. This bill would additionally authorize a minor 15 years of age or older to consent to vaccines that meet specified federal agency criteria. The bill would authorize a vaccine provider, as defined, to administer a vaccine pursuant to the bill, but would not authorize the vaccine provider to provide any service that is otherwise outside the vaccine provider's scope of practice.

**Primary Sponsors**

Scott Wiener, Richard Pan, Buffy Wicks

## Title

Biomarker testing.

## Description

SB 912, as amended, Limón. Biomarker testing. (1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plan contract or health insurance policy issued, amended, delivered, or renewed on or after July 1, 2000, to provide coverage for all generally medically accepted cancer screening tests, and prohibits that contract or policy issued, amended, delivered, or renewed on or after July 1, 2022, from requiring prior authorization for biomarker testing for certain enrollees or insureds. Existing law applies the provisions relating to biomarker testing to Medi-Cal managed care plans, as prescribed. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after July 1, 2023, to provide coverage for biomarker testing, including whole genome sequencing, for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of an enrollee's or insured's disease or condition if the test is supported by medical and scientific evidence, as prescribed. The bill would specify that it does not require a health care service plan or health insurer to cover biomarker testing for screening purposes unless otherwise required by law. The bill would subject restricted use of biomarker testing for the purpose of diagnosis, treatment, or ongoing monitoring of a medical condition to state and federal grievance and appeal processes. This bill would apply these provisions relating to biomarker testing to the Medi-Cal program, including Medi-Cal managed care plans, as specified. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. (2) Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law includes Rapid Whole Genome Sequencing as a covered benefit for any Medi-Cal beneficiary who is one year of age or younger and is receiving inpatient hospital services in an intensive care unit. Subject to the extent that federal financial participation is available and not otherwise jeopardized, and any necessary federal approvals have been obtained, this bill would expand the Medi-Cal schedule of benefits to include bi... (click bill link to see more).

## Primary Sponsors

Monique Limon

## Organizational Notes

Last edited by Joanne Campbell at Jun 24, 2022, 8:30 PM  
Oppose Unless Amended: CA. Assoc. of Health Plans

#### Title

Gender-affirming care.

#### Description

SB 923, as amended, Wiener. Gender-affirming care. (1) Existing law establishes the Transgender Wellness and Equity Fund, administered by the Office of Health Equity within the State Department of Public Health, for the purpose of grant funding focused on coordinating trans-inclusive health care for individuals who identify as transgender, gender nonconforming, or intersex. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various health care delivery systems, including managed care. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes the California Program of All-Inclusive Care for the Elderly (PACE program) to provide community-based, long-term care services for older individuals under the Medi-Cal State Plan. Under existing law, certain entities that exclusively serve PACE participants are exempt from licensure by the State Department of Public Health and are subject to oversight and regulation as PACE organizations by the State Department of Health Care Services. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. This bill would require a Medi-Cal managed care plan, a PACE organization, a health care service plan, or a health insurer, and delegated entities, as specified, to require its staff to complete evidence-based cultural competency training for the purpose of providing trans-inclusive health care, as defined, for individuals who identify as transgender, gender diverse, or intersex (TGI). The bill would specify the required components of the training and would make use of any training curricula subject to approval by the respective departments. The bill would require an individual to complete a refresher course if a complaint has been filed, and a decision has been made in favor of the complainant, against that individual for not providing trans-inclusive health care, or on a more frequent basis if deemed necessary. The bill would require the respective departments to develop and implement procedures, and would authorize them to impose sanctions, to ensure compliance with the above-described provisions. The bill would also require the departments to track and monitor complaints received by the departments related to trans-inclusive health care and to publicly report this data, as specified. Because a violation of these new requi... (click bill link to see more).

#### Primary Sponsors

Scott Wiener, Cristina Garcia

#### Organizational Notes

Last edited by Joanne Campbell at Aug 11, 2022, 6:22 PM

Sponsor: California LGBTQ Health and Human Services Network, Equality California, National Health Law Program, and Western Center on Law & Poverty Oppose Unless Amended: CA. Assoc. of Health Plans, CA Department of Finance

## Title

California Health Benefit Exchange: affordability assistance.

## Description

SB 944, as amended, Pan. California Health Benefit Exchange: affordability assistance. Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Existing law requires the Exchange, in consultation with stakeholders and the Legislature, to develop options for providing cost-sharing reduction subsidies to reduce cost sharing for low- and middle-income Californians, and requires the Exchange to report the developed options on or before January 1, 2022. Existing law requires the options to include, among other things, options for all Covered California enrollees with income up to 400 percent of the federal poverty level to reduce cost sharing, including copays, deductibles, coinsurance, and maximum out-of-pocket costs. This bill would require the Exchange to implement those options for providing health care affordability assistance. The bill would require the affordability assistance to reduce cost-sharing, including copays, coinsurance, and maximum out-of-pocket costs, if specified enhanced federal premium subsidies are made available for the 2023 and 2024 calendar years, and to eliminate deductibles for all benefits to the extent feasible. The bill would require the Exchange to adopt standard benefit designs consistent with these specifications. Existing law requires the Exchange to administer a program of health care coverage financial assistance to help low-income and middle-income Californians. Existing law authorizes this program to provide financial assistance to California residents with household incomes at or below 600% of the federal poverty level, and to provide other appropriate subsidies designed to make health care coverage more accessible and affordable for individuals and households. This bill would require the program to provide that financial assistance and other appropriate subsidies if funded through an appropriation.

## Primary Sponsors

Richard Pan, Jim Wood

## Organizational Notes

Last edited by Joanne Campbell at Aug 23, 2022, 1:51 PM

Support if Amended: CA. Assoc. of Health Plans Support: Western Center on Law and Poverty and Health Access

**Title**

Federally qualified health centers and rural health clinics: visits.

**Description**

SB 966, as amended, Limón. Federally qualified health centers and rural health clinics: visits. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including federally qualified health center (FQHC) services and rural health clinic (RHC) services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, to the extent that federal financial participation is available, FQHC and RHC services are reimbursed on a per-visit basis, as specified. This bill would require the department to seek any necessary federal approvals and issue appropriate guidance to allow an FQHC or RHC to bill, under a supervising licensed behavioral health practitioner, for an encounter between an FQHC or RHC patient and an associate clinical social worker or associate marriage and family therapist when certain requirements are met, including that the visit is billed under the supervising licensed behavioral health practitioner of the FQHC or RHC.

**Primary Sponsors**

Monique Limon, Rudy Salas

**Organizational Notes**

Last edited by Joanne Campbell at Apr 22, 2022, 5:47 PM

Support: Local Health Plans of California, California Health+ Advocates (co-sponsored), California Association of Marriage and Family Therapists (co-sponsored)

#### Title

Health care coverage: tax returns: information sharing authorization and outreach.

#### Description

SB 967, Hertzberg. Health care coverage: tax returns: information sharing authorization and outreach. Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Existing law requires every California resident, their spouse, and their dependents to be enrolled in and maintain minimum essential coverage for each month, except as specified, and requires the Exchange to administer a financial assistance program to help low-income and middle-income Californians access affordable health care coverage through the Exchange until January 1, 2023. Existing law requires the Franchise Tax Board to provide specified information to the Exchange regarding individuals who do not maintain minimum essential coverage, and requires the Exchange to annually conduct outreach and enrollment efforts with those individuals. Existing law requires the Franchise Tax Board (board) to disclose to the Exchange individual income tax return information, as described, for purposes of conducting this outreach and enrollment effort to those individuals. This bill would require the Exchange to annually conduct outreach and enrollment efforts to individuals who indicate on their individual income tax returns that they are interested in no-cost or low-cost health care coverage. The bill would require the board to include, on or after January 1, 2023, a checkbox for a taxpayer to indicate on their individual income tax return that they are interested in no-cost or low-cost health care coverage and authorize the board to share information from their tax return with the Exchange for purposes of conducting outreach and enrollment efforts to these taxpayers.

#### Primary Sponsors

Bob Hertzberg, Joaquin Arambula

**Title**

Health care coverage: diagnostic imaging.

**Description**

SB 974, as amended, Portantino. Health care coverage: diagnostic imaging. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract issued, amended, delivered, or renewed on or after January 1, 2000, or an individual or group policy of disability insurance or self-insured employee welfare benefit plan to provide coverage for mammography for screening or diagnostic purposes upon referral by specified professionals. Under existing law, mammography performed pursuant to those requirements or that meets the current recommendations of the United States Preventive Services Task Force is provided to an enrollee or an insured without cost sharing. This bill would require a health care service plan contract, an individual or group policy of disability insurance that provides hospital, medical, or surgical coverage, or a self-insured employee welfare benefit plan issued, amended, or renewed on or after January 1, 2023, to provide coverage without imposing cost sharing for screening mammography and medically necessary diagnostic breast imaging, including diagnostic breast imaging following an abnormal mammography result and for an enrollee or insured indicated to have a risk factor associated with breast cancer. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Anthony Portantino, Laura Friedman, Cristina Garcia

**Organizational Notes**

Last edited by Cherie Compartore at Apr 11, 2022, 6:22 PM

Oppose: CA. Assoc. of Health Plans

## Title

California Cancer Care Equity Act.

## Description

SB 987, as amended, Portantino. California Cancer Care Equity Act. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various health care delivery systems, including managed care pursuant to Medi-Cal managed care plan contracts. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would require a Medi-Cal managed care plan to make a good-faith effort to include in its contracted provider network at least one National Cancer Institute (NCI)-designated comprehensive cancer center, site affiliated with the NCI Community Oncology Research Program (NCORP), or qualifying academic cancer center, as defined, located within the beneficiary's county of residence or as otherwise specified, and ensure that any beneficiary diagnosed with a complex cancer diagnosis, as defined, is eligible to request a referral to any of those centers within 15 business days of the diagnosis, unless the beneficiary selects a different cancer treatment provider. This bill, to the extent necessary federal approvals are obtained and federal financial participation is available, would, among other things, also require a Medi-Cal managed care plan to comply with additional requirements relating to contracting and eligible enrollees' ability to request a referral to access services, including, allowing any eligible enrollee diagnosed with a complex cancer diagnosis to request a referral to receive services through any of those centers. The bill would require a Medi-Cal managed care plan to provide notice to an enrollee of their right to request a referral to access care through any of those centers, as specified, and would require the department, in consultation with others, to develop a standard process for notifying enrollees of their right to request a referral to access cancer treatment care through any of those centers. The bill would, beginning January 1, 2023, require each applicable Medi-Cal managed care plan to reimburse a provider of any of those centers furnishing services to a Medi-Cal beneficiary with a complex cancer diagnosis enrolled in that plan, and require each center to accept the payment amount for those services, with the amount being set by the department upon consultation with the plans and centers if the plan and center do not otherwise have an agreed-upon contracted rate. The bill would authorize the department to implement, interpret, or make specific the provisions by means of all-county letters or similar guidance, until any necessary regulations are adopted. The bill would require the department to develop a process for ... (click bill link to see more).

## Primary Sponsors

Anthony Portantino

## Organizational Notes

Last edited by Joanne Campbell at Jun 27, 2022, 7:36 PM

Oppose: CA. Assoc. of Health Plans(REMOVED), Local Health Plans of California Support: Western Center on Law and Poverty



#### Title

Health coverage: mental health and substance use disorders.

#### Description

SB 999, as amended, Cortese. Health coverage: mental health and substance use disorders. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, requires the Department of Managed Health Care to license and regulate health care service plans and makes a willful violation of the act a crime. Existing law also requires the Department of Insurance to regulate health insurers. Existing law requires a health care service plan or disability insurer, as specified, to base medical necessity determinations and the utilization review criteria the plan or insurer, and any entity acting on the plan's or insurer's behalf, applies to determine the medical necessity of health care services and benefits for the diagnosis, prevention, and treatment of mental health and substance use disorders, on current generally accepted standards of mental health and substance use disorder care. This bill would require a health care service plan and a disability insurer, and an entity acting on a plan's or insurer's behalf, to ensure compliance with specific requirements for utilization review, including that a health care service plan and a disability insurer, or an entity acting on the plan's or insurer's behalf, maintain telephone access during California business hours for a health care provider to request authorization for mental health and substance use disorder care and conduct peer-to-peer discussions regarding specific issues related to treatment. Because a willful violation of the requirements governing a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

#### Primary Sponsors

Dave Cortese

#### Organizational Notes

Last edited by Joanne Campbell at Aug 11, 2022, 6:23 PM

Oppose: CA. Assoc. of Health Plans, CA Department of Finance

#### Title

Enhanced Clinically Integrated Program for Federally Qualified Health Centers.

#### Description

SB 1014, as amended, Hertzberg. Enhanced Clinically Integrated Program for Federally Qualified Health Centers. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, federally qualified health center (FQHC) services are covered benefits under the Medi-Cal program, to be reimbursed on a per-visit basis, as specified, to the extent that federal financial participation is obtained. Existing federal law authorizes a state plan to provide for payment in any fiscal year to an FQHC for specified services in an amount that is determined under an alternative payment methodology (APM) if it is agreed to by the state and the FQHC and results in a payment to the FQHC of an amount that is at least equal to the amount otherwise required to be paid to the FQHC. Existing state law requires the department to authorize an APM pilot project for FQHCs that agree to participate, for implementation with respect to a county for a period of up to 3 years. This bill would require the department to authorize a new supplemental payment program for FQHCs pursuant to federal law, or as specified, to be named the Enhanced Clinically Integrated Program (ECIP). Under the bill, ECIP funding would be subject to an appropriation. The bill would require the department to request an amount, as necessary to fund, implement, and maintain ECIP at sufficient capacity, on an ongoing basis in future fiscal years. Under the bill, participation in ECIP would be optional for FQHCs, funding under ECIP would be provided in addition to all other funding received by FQHCs, as specified, and participation in ECIP would result in total payments to participating FQHCs that are greater than the prospective payment system (PPS) rate otherwise required to be paid to the FQHC. The bill would, subject to an appropriation, require the department, no later than July 1, 2023, to make funding available for the purpose of direct compensation of health center workers. The bill would require ECIP to improve quality and access to care by allocating funds, if appropriated, to FQHCs that meet certain standards relating to wage thresholds and commitment to participation in bona fide labor-management cooperation committees (LMCCs), as specified. The bill would set forth various requirements for funding allocations to, and uses by, participating FQHCs. The bill would require the department to develop eligibility criteria, an application process, a fund distribution process, reporting requirements, and a methodology for adjusting funding allo... (click bill link to see more).

#### Primary Sponsors

Bob Hertzberg, Wendy Carrillo, Ash Kalra

**Title**

Medi-Cal managed care plans: mental health benefits.

**Description**

SB 1019, as amended, Gonzalez. Medi-Cal managed care plans: mental health benefits. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various delivery systems, including fee-for-service and managed care. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires a Medi-Cal managed care plan to provide mental health benefits covered in the state plan, excluding those benefits provided by county mental health plans under the Specialty Mental Health Services Waiver. Under existing law, nonspecialty mental health services covered by a Medi-Cal managed care plan include, among other things, individual and group mental health evaluation and treatment, psychological testing, and psychiatric consultation, as specified. This bill would require a Medi-Cal managed care plan, no later than January 1, 2024, to conduct annual outreach and education for its enrollees, based on a plan that the Medi-Cal managed care plan develops and submits to the department, as specified, regarding the mental health benefits that are covered by the Medi-Cal managed care plan. The bill would require a Medi-Cal managed care plan to also conduct annual outreach and education, based on a plan that it develops, to inform primary care providers regarding those mental health benefits. The bill would require that the outreach and education plan for the enrollees be informed by stakeholder engagement, the Medi-Cal managed care plan's Population Needs Assessment, and a utilization assessment, as specified, and that the plan meet cultural and linguistic appropriateness standards and incorporate best practices in stigma reduction. The bill would require the department to review the new or updated outreach and education plan and to approve or modify it within 180 calendar days since submission to ensure specified conditions are met, and to consult with stakeholders to develop the standards for the review and approval. The bill would condition implementation of the outreach and education plan on the department's approval. The bill would require each Medi-Cal managed care plan to publicly post its approved outreach and education plan and its utilization assessment, as specified. The bill would require the department, once every 3 years, to assess enrollee experience with mental health benefits covered by Medi-Cal managed care plans, as specified. The bill would require the department, no later than January 1, 2024, to adopt survey tools and methodologies relating to the assessment of consumer experience, including best practice methods for data collection a... (click bill link to see more).

**Primary Sponsors**

Lena Gonzalez

**Organizational Notes**

Last edited by Joanne Campbell at Apr 14, 2022, 3:55 PM

Support: CPEHN (Sponsor), API Equality-LA Bakersfield American Indian Health Project California Alliance of Child and Family Services Central Valley Immigrant Integration Collaborative Children Now Maternal and Child Health Access National Association of Social Workers, California Chapter Racial and Ethnic Mental Health Disparities Coalition, Western Center on Law and Poverty

**Title**

CalWORKs: pregnancy and homeless assistance.

**Description**

SB 1083, as amended, Skinner. CalWORKs: pregnancy and homeless assistance. Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families and individuals. Existing law requires \$47 per month to be paid to a pregnant person qualified for CalWORKs aid to meet special needs resulting from pregnancy, and requires county human services agencies to refer all these recipients of aid to a local provider of the California Special Supplemental Nutrition Program for Women, Infants, and Children. This bill would, among other things, also require county human services agencies to refer those recipients to perinatal home visiting services administered by county public health agencies, county human services agencies, or applicable county home visiting providers. Existing law provides for homeless assistance to a homeless family seeking shelter when the family is eligible for CalWORKs aid, and provides that a family is considered homeless for these purposes when, among other things, the family has received a notice to pay rent or quit. Existing law limits eligibility for temporary shelter assistance and permanent housing assistance to 16 cumulative calendar days of temporary assistance and one payment of permanent assistance every 12 months, except as specified. This bill would, among other things, require temporary homeless assistance to be granted on the date of application, and would require permanent homeless assistance eligibility to be determined immediately upon notification to the county human services agency by an assistance unit that they are homeless. This bill would exclude from the maximum days of benefits limits an eligible family that includes a pregnant person, and would prohibit temporary or permanent homeless assistance from being terminated until the end of the 7th month after pregnancy is ended for a person who is eligible for the assistance due to their pregnancy status and then experiences the end of their pregnancy. The bill would also provide that any period of time in which an individual receives temporary or permanent homeless assistance for which they are not also receiving a monthly grant shall not be counted against the CalWORKs time limit. By imposing duties on counties that administer CalWORKs, the bill would impose a state-mandated local program. Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program. This bill would instead provide that the continuous appropriation would not be made for purposes of implementing these provisions. The California Constitution requires the state to reimburse local ag... (click bill link to see more).

**Primary Sponsors**

Nancy Skinner

**Organizational Notes**

Last edited by Joanne Campbell at Apr 14, 2022, 3:46 PM  
Support: Western Center on Law and Poverty (Sponsor)

**Title**

Public employee retirement systems: prohibited investments: Turkey.

**Description**

SB 1089, as amended, Wilk. Public employee retirement systems: prohibited investments: Turkey. The California Constitution grants the retirement board of a public employee retirement system plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement fund and system. The California Constitution qualifies this grant of powers by reserving to the Legislature the authority to prohibit investments if it is in the public interest and the prohibition satisfies standards of fiduciary care and loyalty required of a retirement board. Existing law prohibits the boards of administration of the Public Employees' Retirement System and the State Teachers' Retirement System from making investments in certain countries and in thermal coal companies, as specified, subject to the boards' plenary authority and fiduciary responsibility for investment of moneys and administration of the systems. Existing law, upon the passage of a federal law that imposes sanctions on the government of Turkey for failure to officially acknowledge its responsibility for the Armenian Genocide, prohibits the boards of administration of the Public Employees' Retirement System and the State Teachers' Retirement System from making additional or new investments, or renewing existing investments, of public employee retirement funds in an investment vehicle in the government of Turkey that is issued by the government of Turkey or that is owned by the government of Turkey. Existing law repeals the above-described prohibited investment and reporting provisions on January 1, 2025, or if a determination is made by the board, the Department of State, the Congress of the United States, or another appropriate federal agency that the government of Turkey has officially acknowledged its responsibility for the Armenian Genocide, whichever occurs first. This bill would change the January 1, 2025, sunset date to January 1, 2035.

**Primary Sponsors**

Scott Wilk

#### Title

Open meetings: orderly conduct.

#### Description

SB 1100, Cortese. Open meetings: orderly conduct. (1) Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Existing law requires every agenda for regular meetings of a local agency to provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item, that is within the subject matter jurisdiction of the legislative body. Existing law authorizes the legislative body to adopt reasonable regulations to ensure that the intent of the provisions relating to this public comment requirement is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. Existing law authorizes the members of the legislative body conducting the meeting to order the meeting room cleared and continue in session, as prescribed, if a group or groups have willfully interrupted the orderly conduct of a meeting and order cannot be restored by the removal of individuals who are willfully interrupting the meeting. This bill would authorize the presiding member of the legislative body conducting a meeting or their designee to remove, or cause the removal of, an individual for disrupting the meeting. The bill, except as provided, would require removal to be preceded by a warning to the individual by the presiding member of the legislative body or their designee that the individual's behavior is disrupting the meeting and that the individual's failure to cease their behavior may result in their removal. The bill would authorize the presiding member or their designee to then remove the individual if the individual does not promptly cease their disruptive behavior. The bill would define "disrupting" for this purpose. (2) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect. (3) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirement... (click bill link to see more).

#### Primary Sponsors

Dave Cortese, Evan Low

**Title**

Abortion services.

**Description**

SB 1142, as amended, Caballero. Abortion services. Existing law, the Reproductive Privacy Act, prohibits the state from denying or interfering with a person's right to choose or obtain an abortion prior to viability of the fetus, or when the abortion is necessary to protect the life or health of the person. The act defines "abortion" as a medical treatment intended to induce the termination of a pregnancy except for the purpose of producing a live birth. Existing law establishes the Commission on the Status of Women and Girls. Under existing law, the commission has the power and authority necessary to carry out the duties imposed by law. Existing law requires the commission to study certain policy areas, as described, for the purpose of examining any laws, practices, or conditions concerning or affecting women and girls which impose special limitations or burdens upon them or upon society, or which limit or tend to limit opportunities available to women and girls. This bill would require the California Health and Human Services Agency, or an entity designated by the agency, to establish an internet website where the public can find information on abortion services in the state. The bill would require the agency to also develop, implement, and update as necessary, a statewide educational and outreach campaign to inform the public on how to access abortion services in the state. The bill would establish the Abortion Practical Support Fund and would require the commission to administer the Abortion Practical Support Fund for the purpose of providing grants, upon appropriation by the Legislature, to increase patient access to abortion and for research to support equitable access to abortion. Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

**Primary Sponsors**

Anna Caballero, Nancy Skinner, Cristina Garcia

**Title**

Medi-Cal: time and distance standards for managed care services.

**Description**

SB 1180, as amended, Pan. Medi-Cal: time and distance standards for managed care services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services, either through a fee-for-service or managed care delivery system. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes, until January 1, 2023, certain time and distance and appointment time standards for specified Medi-Cal managed care covered services, consistent with federal regulations relating to network adequacy standards, to ensure that those services are available and accessible to enrollees of Medi-Cal managed care plans in a timely manner, as specified. This bill would extend the operation of those standards to January 1, 2026, and would require the department to seek input from stakeholders, as specified, prior to January 1, 2025, to determine what changes are needed to these provisions.

**Primary Sponsors**

Richard Pan



**Title**

Confidentiality of Medical Information Act: school-linked services coordinators.

**Description**

SB 1184, as amended, Cortese. Confidentiality of Medical Information Act: school-linked services coordinators. Existing law, the Confidentiality of Medical Information Act, prohibits a provider of health care, a health care service plan, or contractor from disclosing medical information, as defined, regarding a patient of the provider of health care or an enrollee or subscriber of the health care service plan without first obtaining an authorization, except as prescribed. The act authorizes a provider of health care or a health care service plan to disclose medical information in certain circumstances, including by authorizing disclosure to providers of health care, health care service plans, contractors, or other health care professionals or facilities for purposes of diagnosis or treatment of the patient. This bill would additionally authorize a provider of health care or a health care service plan to disclose medical information to a school-linked services coordinator, as prescribed. The bill would define the term “school-linked services coordinator” as an individual located on a school campus or under contract by a county behavioral health provider agency for the treatment and health care operations and referrals of students and their families that holds any of certain credentials, including a services credential with a specialization in pupil personnel services, as specified. This bill would incorporate additional changes to Section 56.10 of the Civil Code proposed by AB 2526 to be operative only if this bill and AB 2526 are enacted and this bill is enacted last.

**Primary Sponsors**

Dave Cortese

**Title**

Medi-Cal: pharmacogenomic testing.

**Description**

SB 1191, as amended, Bates. Medi-Cal: pharmacogenomic testing. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of covered benefits under the Medi-Cal program. This bill, to be known as the Utilizing Pharmacogenomics to Greatly Reduce Adverse Drug Events (UPGRADE) Act, would add pharmacogenomic testing as a covered benefit under Medi-Cal. The bill would define pharmacogenomic testing as laboratory genetic testing, by a laboratory with specified licensing, accreditation, and certification, to identify how a person's genetics may impact the efficacy, toxicity, and safety of medications. The bill would cover the benefit under Medi-Cal if a medication is being considered for use, or is already being administered, and is approved for use, in treating a Medi-Cal beneficiary's condition and is known to have a gene-drug or drug-drug-gene interaction that has been demonstrated to be clinically actionable, as specified, if the test is ordered by an enrolled Medi-Cal clinician or pharmacist. The bill would authorize the department to implement the above-described provisions through all-county or plan letters, or similar instructions, until the department promulgates regulations.

**Primary Sponsors**

Pat Bates

#### Title

Health care coverage: maternal and pandemic-related mental health conditions.

#### Description

SB 1207, as amended, Portantino. Health care coverage: maternal and pandemic-related mental health conditions. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of that act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plans and health insurers to provide specified mental health and substance use disorder coverage, and requires a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2021, that provides hospital, medical, or surgical coverage to provide coverage for medically necessary treatment of mental health and substance use disorders, under the same terms and conditions applied to other medical conditions, as specified. Existing law requires health care service plans and health insurers, by July 1, 2019, to develop, consistent with sound clinical principles and processes, a maternal mental health program designed to promote quality and cost-effective outcomes, as specified. This bill would make findings and declarations relating to the effect of the COVID-19 pandemic on mental health in California and the importance of outreach, education, and access to quality mental health treatment. The bill would extend the deadline for establishment of the maternal mental health program to July 1, 2023. The bill would revise the requirements of the program to include quality measures to encourage screening, diagnosis, treatment, and referral. The bill also would encourage health care service plans and health insurers to include coverage for doulas, incentivize training opportunities for contracting obstetric providers, and educate enrollees and insureds about the program. Because a violation of the bill by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

#### Primary Sponsors

Anthony Portantino

#### Organizational Notes

Last edited by Cherie Compartore at Apr 15, 2022, 5:38 PM  
Oppose: CA. Assoc. of Health Plans

**Title**

Los Angeles County Abortion Access Safe Haven Pilot Program.

**Description**

SB 1245, as amended, Kamlager. Los Angeles County Abortion Access Safe Haven Pilot Program. Existing law, the Reproductive Privacy Act, provides that every individual possesses a fundamental right of privacy with respect to their personal reproductive decisions, including the fundamental right to choose to bear a child or to choose and to obtain an abortion. This bill would establish, subject to appropriation by the Legislature, the Los Angeles County Abortion Access Safe Haven Pilot Program for the purpose of expanding and improving access to reproductive and sexual health care, including abortion, in the County of Los Angeles. The bill would require any funds allocated for the Los Angeles County Abortion Access Safe Haven Pilot Program to be used by the County of Los Angeles to administer a pilot project to support innovative approaches and patient-centered collaborations to expand and improve access to sexual and reproductive health care and to maintain a financial reporting system. The bill would authorize the funds to be used for implementing recommendations from the County of Los Angeles, including building secure infrastructure, among other things. The bill would require the County of Los Angeles to provide an annual report to the Legislature on the projects and collaborations funded by the program.

**Primary Sponsors**

Sydney Kamlager

## Title

Health information.

## Description

SB 1419, as amended, Becker. Health information. (1) Existing law generally requires a health care professional at whose request a test is performed to provide or arrange for the provision of the results of a clinical laboratory test to the patient who is the subject of the test if so requested by the patient, in oral or written form. Existing law requires those results to be disclosed in plain language and in oral or written form, except the results may be disclosed in electronic form if requested by the patient and if deemed most appropriate by the health care professional who requested the test. Existing law requires a patient's consent to receive their laboratory results by internet posting or other electronic means and requires those results to be disclosed to the patient in a reasonable time period, but only after the results have been reviewed by a health care professional and if access to the results is restricted by use of a secure personal identification number when the results are disclosed to the patient. This bill would define "test" for these purposes to apply to both clinical laboratory tests and imaging scans, such as x-rays, magnetic resonance imaging, ultrasound, or other similar technologies and would also make conforming changes. The bill would remove the requirement that a health care professional review the results before the results are disclosed to the patient by internet posting or other electronic means. (2) Existing law establishes procedures for providing access to health care records or summaries of those records by patients and those persons having responsibility for decisions respecting the health care of others. Under existing law, any adult patient of a health care provider, any minor patient authorized by law to consent to medical treatment, and any patient's personal representative is entitled to inspect patient records upon presenting to the health care provider a request for those records and upon payment of reasonable costs, except as specified. A patient who is a minor is entitled to inspect patient records pertaining only to health care of a type for which the minor is lawfully authorized to consent. Existing law also prohibits the representative of a minor from inspecting the minor's patient records under certain circumstances, including with respect to which the minor has a right of inspection. This bill would additionally prohibit the representative of a minor from inspecting the minor's patient records when the records relate to certain services, including medical care related to the prevention or treatment of pregnancy, as specified. (3) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plan... (click bill link to see more).

## Primary Sponsors

Josh Becker

#### Title

Health care coverage.

#### Description

SB 1473, as amended, Pan. Health care coverage. (1) Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan or health insurer to provide a special enrollment period for individual health benefit plans offered through the Exchange from December 16 of the preceding calendar year to January 31 of the benefit year, inclusive, for policy years beginning on or after January 1, 2020. Under existing law, February 1 of the benefit year is the effective coverage date for individual health benefit plans offered outside and through the Exchange that are selected from December 16 to January 31, inclusive. This bill would eliminate the above-described special enrollment period for individual health benefit plans offered through the Exchange for policy years on or after January 1, 2023, and would instead create an annual enrollment period from November 1 of the preceding calendar year to January 31 of the benefit year, inclusive. The bill would specify that the effective date of coverage for individual health benefit plans offered outside and through the Exchange would be no later than January 1 of the benefit year for plan selection made from November 1 to December 31 of the preceding calendar year, inclusive, and would be no later than February 1 of the benefit year for plan selection made from January 1 to January 31 of the benefit year, inclusive. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. (2) Existing law requires a health care service plan contract or a disability insurance policy that provides coverage for hospital, medical, or surgical benefits, excluding a specialized health care service plan contract or health insurance policy, to cover the costs of testing and immunization for COVID-19, or a future disease when declared a public health emergency by the Governor, and prohibits the contract or policy from impos... (click bill link to see more).

#### Primary Sponsors

Richard Pan

#### Organizational Notes

Last edited by Joanne Campbell at Jun 24, 2022, 8:26 PM  
California Association of Health Plans: Oppose

**Title**

COVID-19 testing in schools: COVID-19 testing plans.

**Description**

SB 1479, as amended, Pan. COVID-19 testing in schools: COVID-19 testing plans. Existing law appropriates funds to the State Department of Public Health for various programs related to the safe reopening of schools during the COVID-19 pandemic, including funds to support COVID-19 testing in schools allocated from the federal American Rescue Plan Act of 2021 and funds from the General Fund for the Safe Schools For All Team to coordinate technical assistance, community engagement, increased transparency, and enforcement by the appropriate entity for public school health and safety during the COVID-19 pandemic. Existing law authorizes certain school apportionments to be used for any purpose consistent with providing in-person instruction for any pupil participating in in-person instruction, including, but not limited to, COVID-19 testing, as provided. Existing law prescribes public health reporting requirements related to COVID-19 for local educational agencies, including the development of a COVID-19 safety plan, as provided. This bill would require the State Department of Public Health to coordinate specified school district, county office of education, and charter school COVID-19 testing programs that are currently federally funded or organized under the California COVID-19 Testing Task Force, as provided. The bill would authorize the department to provide supportive services, including technical assistance, vendor support, guidance, monitoring, and testing education, related to testing programs for teachers, staff, and pupils to help schools reopen and keep schools operating safely for in-person learning. The bill would also encourage the department to expand its contagious, infectious, or communicable disease testing guidance and other public health mitigation efforts to include prekindergarten and childcare centers, as provided. This bill would require each local educational agency, defined to mean a school district, county office of education, or charter school, after consulting with its local health department, as defined, to create a COVID-19 testing plan, or adopt the State Department of Public Health's framework, as defined, that is consistent with guidance from the department, as provided. The bill would require each local educational agency to publish the testing plan on its internet website. The bill would authorize each local educational agency to designate one staff member to report information on its COVID-19 testing program to the department, as provided. The bill would require that all COVID-19 testing data be in a format that facilitates a simple process by which parents and local educational agencies may report data to the department or a local health department, as provided. By imposing n... (click bill link to see more).

**Primary Sponsors**

Richard Pan

## Title

Firearms: unserialized firearms.

## Description

AB 1621, Gipson. Firearms: unserialized firearms. (1) Existing law defines a firearm precursor part as a component of a firearm that is necessary to build or assemble a firearm and is either an unfinished handgun frame or a specified unfinished receiver, receiver tube, or receiver flat. Under existing law, commencing July 1, 2022, a firearm precursor part is required to be sold through a licensed firearm precursor part vendor, as specified. This bill would redefine a firearm precursor part as any forging, casting, printing, extrusion, machined body or similar article that has reached a stage in manufacture where it may readily be completed, assembled or converted to be used as the frame or receiver of a functional firearm, or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled or converted. This bill would extend the definition of a firearm to include a firearm precursor part for the purposes of most criminal and regulatory provisions related to the possession, sale, and transfer of a firearm, including provisions which do not apply to a frame or receiver under existing law. The bill would repeal provisions relating to the sale of firearm precursor parts through a licensed precursor part vendor, and would prohibit the sale, transfer, or possession of an unserialized firearm precursor part, except as specified. The bill would create a process by which a person may apply to the department for a determination that a particular item or kit is or is not a firearm precursor part. (2) Existing law requires a person that is manufacturing a firearm or assembling a firearm from unserialized components, to apply to the Department of Justice for a unique mark of identification and to affix that mark to the firearm, as specified. This bill would require any person in possession of an unserialized firearm to apply to the department for a unique mark of identification and to affix that mark to the firearm before January 1, 2024. The bill would, commencing on January 1, 2024, explicitly prohibit the possession or transfer of a firearm without a serial number or mark of identification. The bill would authorize a new resident of the state to, within 60 days after arrival in the state, request a unique mark or identification for any unserialized firearm that is otherwise valid to possess in the state. The bill would also prohibit the possession, sale, transfer, or use of specified firearms manufacturing equipment, with exceptions for specified entities, including the Armed Forces of the United States, the National Guard, and law enforcement, as specified. The bill would declare its provisions to be severable. (3) Existing law prohibits a person from purc... (click bill link to see more).

## Primary Sponsors

Mike Gipson, Al Muratsuchi, Phil Ting



**Title**

Medi-Cal benefits: violence prevention services.

**Description**

AB 1929, Gabriel. Medi-Cal benefits: violence prevention services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes a schedule of benefits under the Medi-Cal program, including various mental health services. Existing federal law authorizes, at the option of the state, preventive services, as defined, that are recommended by a physician or other licensed practitioner of the healing arts. This bill would add violence prevention services, as defined, as a covered benefit under Medi-Cal, subject to medical necessity and utilization controls. The bill would authorize the department to implement, interpret, or make specific that provision by means of all-county letters, plan letters, or plan or provider bulletins, or similar instructions until regulations are adopted. The bill would limit its implementation only to the extent that any necessary federal approvals are obtained and federal financial participation is not otherwise jeopardized. The bill would require the department to post on its internet website the date upon which violence prevention services may be provided and billed.

**Primary Sponsors**

Jesse Gabriel, Mike Gipson

**Title**

Firearms: manufacturers.

**Description**

AB 2156, Wicks. Firearms: manufacturers. Existing federal law requires a manufacturer of firearms to be licensed by the federal government. Existing state law requires any federally licensed firearms manufacturer that produces 50 or more firearms in the state in a calendar year to also be licensed as a manufacturer by the state. A violation of this requirement is punishable as a misdemeanor. This bill would expand this prohibition to prohibit any person, regardless of federal licensure, from manufacturing firearms in the state without being licensed by the state. The bill would also decrease the manufacturing threshold requiring state licensure from 50 or more firearms in a calendar year to 4 or more firearms in a calendar year. The bill would also prohibit any person, unless licensed as a firearm manufacturer, from manufacturing any firearm or precursor part by means of a 3D printer, as defined. By expanding the application of an existing crime, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Buffy Wicks

**Title**

Firearms: prohibited persons.

**Description**

AB 2239, Maienschein. Firearms: prohibited persons. Existing law prohibits a person convicted of a felony from possessing a firearm. Existing law prohibits a person convicted of certain specified misdemeanors from possessing a firearm for a period of 10 years after that conviction. This bill would include in this prohibition a misdemeanor conviction for child abuse or elder abuse, as specified, that occurs on or after January 1, 2023. The bill would also remove an erroneous cross-reference. By expanding the application of an existing crime, this bill would impose a state-mandated local program. This bill would incorporate additional changes to Section 29805 of the Penal Code proposed by AB 1621 to be operative only if this bill and AB 1621 are enacted and this bill is enacted last. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Brian Maienschein

#### Title

School safety: homicide threats.

#### Description

SB 906, Portantino. School safety: homicide threats. Existing law requires school districts and county offices of education to be responsible for the overall development of a comprehensive school safety plan for each of their schools operating a kindergarten or any of grades 1 to 12, inclusive. Existing law requires a comprehensive school safety plan to include, among other things, the development of procedures for conducting tactical responses to criminal incidents, including procedures related to individuals with guns on school campuses. Existing law prohibits school employees from conducting a body cavity search or visual inspection under the clothing of a pupil, as provided. Under existing law, pupil and pupil property searches at a schoolsite by school officials are generally justified at their inception if reasonable grounds suggest a search will lead to relevant evidence. This bill would require, on or before July 1, 2023, the State Department of Education, in consultation with relevant local educational agencies, civil rights groups, and the Department of Justice, to develop model content that includes, at a minimum, content that informs parents or guardians of California's child access prevention laws and laws relating to the safe storage of firearms. The bill would require, commencing with the 2023–24 school year, local educational agencies maintaining kindergarten or any of grades 1 to 12, inclusive, to, informed by the model content, include information related to the safe storage of firearms in an annual notification provided to the parents or guardians of pupils. The bill would require a school official whose duties involve regular contact with pupils in any of grades 6 to 12, inclusive, as part of a middle school or high school, and who is alerted to or observes any threat or perceived threat to immediately report the threat or perceived threat to law enforcement, as provided. The bill would require, with the support of the local educational agency, the local law enforcement agency or schoolsite police, as applicable, to immediately conduct an investigation and threat assessment, as specified. The bill would require the investigation and threat assessment to include a review of the firearm registry of the Department of Justice and, if justified by a reasonable suspicion that it would produce evidence related to the threat or perceived threat, a schoolsite search. By imposing additional duties on local educational agencies, the bill would impose a state-mandated local program. Under the bill, a local educational agency serving pupils in kindergarten or any of grades 1 to 12, inclusive, and a school of a local educational agency, is immune from civil liability for any damages allegedly caused by, ... (click bill link to see more).

#### Primary Sponsors

Anthony Portantino, Mike Gipson, Jacqui Irwin

#### Title

Firearms: private rights of action.

#### Description

SB 1327, Hertzberg. Firearms: private rights of action. Existing law provides that, with certain exceptions, any person who, within this state, manufactures or causes to be manufactured, distributes, transports, or imports into the state, keeps for sale, or offers or exposes for sale, or who gives or lends any assault weapon or any .50 BMG rifle, as defined, is guilty of a felony. Existing law also provides that, subject to certain exceptions, a person, corporation, or dealer who sells, supplies, delivers, or gives possession of a firearm precursor part, as defined, is guilty of a crime. This bill would create a private right of action for any person against any person who, within this state, (1) manufactures or causes to be manufactured, distributes, transports, or imports into the state, or causes to be distributed or transported or imported into the state, keeps for sale or offers or exposes for sale, or gives or lends any firearm lacking a serial number required by law, assault weapon, or .50 BMG rifle; (2) purchases, sells, offers to sell, or transfers ownership of any firearm precursor part that is not a federally regulated firearm precursor part; or (3) is a licensed firearms dealer and sells, supplies, delivers, or gives possession or control of a firearm to any person under 21 years of age, all subject to certain exceptions, as specified. The bill would make these provisions inoperative upon invalidation of a specified law in Texas, and would repeal its provisions on January 1 of the following year. This bill would also state that all statutes regulating or prohibiting firearms shall not be construed to repeal any other statute regulating or prohibiting firearms, in whole or in part, unless the statute specifically states that it is repealing another statute. The bill would state that every statute that regulates or prohibits firearms is severable in each application to any particular person or circumstance and that any statute found to be unconstitutional by a court shall remain enforceable as to any application that would not be unconstitutional.

#### Primary Sponsors

Bob Hertzberg, Anthony Portantino, Mike Gipson, Phil Ting

State	Bill Number	Status	Position
CA	SB 1384	Passed Assembly	Support

#### Title

Firearms: dealer requirements.

#### Description

SB 1384, Min. Firearms: dealer requirements. Existing law prohibits any person from selling, leasing, or transferring any firearm unless the person is licensed as a firearms dealer, as specified. Existing law prescribes certain requirements and prohibitions for licensed firearms dealers. A violation of any of these requirements or prohibitions is grounds for forfeiture of a firearms dealer's license. This bill would require a licensed firearm dealer to have a digital video surveillance system on their business premises, as specified, and would require that dealer to carry a policy of general liability insurance, as specified.

#### Primary Sponsors

Dave Min

State	Bill Number	Status	Position
US	HR 8	In Senate	Support

#### Title

Bipartisan Background Checks Act of 2021

#### Description

Bipartisan Background Checks Act of 2021 This bill establishes new background check requirements for firearm transfers between private parties (i.e., unlicensed individuals). Specifically, it prohibits a firearm transfer between private parties unless a licensed gun dealer, manufacturer, or importer first takes possession of the firearm to conduct a background check. The prohibition does not apply to certain firearm transfers or exchanges, such as a gift between spouses in good faith.

#### Primary Sponsors

Mike Thompson

**Title**

Enhanced Background Checks Act of 2021

**Description**

Enhanced Background Checks Act of 2021 (Sec. 2) This bill revises background check requirements applicable to proposed firearm transfers from a federal firearms licensee (e.g., a licensed gun dealer) to an unlicensed person. Specifically, it increases the amount of time, from 3 business days to a minimum of 10 business days, that a federal firearms licensee must wait to receive a completed background check prior to transferring a firearm to an unlicensed person. (This type of transaction is often referred to as a default proceed transaction.) If a submitted background check remains incomplete after 10 business days, then the prospective purchaser may submit a petition for a final firearms eligibility determination. If an additional 10 days elapse without a final determination, then the federal firearms licensee may transfer the firearm to the prospective purchaser. (Sec. 3) The Government Accountability Office must report on the extent to which the changes have prevented firearms transfers to prohibited persons. (Sec. 4) The Federal Bureau of Investigation must report on the number of petitions it receives for final federal firearms determinations. (Sec. 5) The Department of Justice, in consultation with the National Resource Center on Domestic Violence and Firearms, must report on further amendments to the background check process that would likely reduce the risk of death or great bodily harm to victims of domestic violence, domestic abuse, dating partner violence, sexual assault, and stalking.

**Primary Sponsors**

Jim Clyburn

State  
US

Bill Number  
HR 2377

Status  
In Senate

Position  
Support

#### Title

Federal Extreme Risk Protection Order Act of 2021

#### Description

Federal Extreme Risk Protection Order Act of 2022 This bill authorizes and establishes procedures for federal courts to issue federal extreme risk protection orders. Additionally, the bill establishes grants to support the implementation of extreme risk protection order laws at the state and local levels, extends federal firearms restrictions to individuals who are subject to extreme risk protection orders, and expands related data collection. Extreme risk protection order laws, or red flag laws, generally allow certain individuals (e.g., law enforcement officers or family members) to petition a court for a temporary order that prohibits an at-risk individual from purchasing and possessing firearms. Among its provisions, the bill \* authorizes a family or household member, or a law enforcement officer, to petition for a federal extreme risk protection order with respect to an individual who poses a risk to themselves or others; \* directs the Department of Justice to establish a grant program to help states, local governments, Indian tribes, and other entities implement extreme risk protection order laws; \* extends federal restrictions on the receipt, possession, shipment, and transportation of firearms and ammunition to individuals who are subject to extreme risk protection orders; and \* requires the Federal Bureau of Investigation to compile records from federal, tribal, and state courts and other agencies that identify individuals who are subject to extreme risk protection orders.

#### Primary Sponsors

Lucy McBath



State	Bill Number	Status	Position
US	HR 7910	In Senate	Support

#### Title

Protecting Our Kids Act

#### Description

Protecting Our Kids Act This bill makes various changes to federal firearms laws, including to establish new criminal offenses and to expand the types of weapons and devices that are subject to regulation. Among the changes, the bill \* generally prohibits the sale or transfer of certain semiautomatic firearms to individuals who are under 21 years of age; \* establishes new federal criminal offenses for gun trafficking and related conduct; \* establishes a federal statutory framework to regulate ghost guns (i.e., guns without serial numbers); \* establishes a framework to regulate the storage of firearms on residential premises at the federal, state, and tribal levels; \* subjects bump stocks to regulation under federal firearms laws; \* generally prohibits the import, sale, manufacture, transfer, and possession of large capacity ammunition feeding devices; and \* requires the Department of Justice to report on the demographic data of persons who are determined to be ineligible to purchase a firearm based on a background check performed by the national instant criminal background check system.

#### Primary Sponsors

Jerry Nadler

State	Bill Number	Status	Position
US	S 529	In Senate	Support

#### Title

Background Check Expansion Act

#### Description

Background Check Expansion Act This bill establishes new background check requirements for firearm transfers between private parties (i.e., unlicensed individuals). Specifically, it prohibits a firearm transfer between private parties unless a licensed gun dealer, manufacturer, or importer first takes possession of the firearm to conduct a background check. The prohibition does not apply to certain firearm transfers, such as a gift between spouses in good faith.

#### Primary Sponsors

Chris Murphy

# BOARD OF GOVERNORS

## Executive Committee

### Meeting Minutes – June 28, 2022

1055 West 7<sup>th</sup> Street, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

#### Members

Hector De La Torre, *Chairperson*  
Al Ballesteros, *Vice Chairperson*  
Ilan Shapiro MD, MBA, FAAP, FACHE, *Treasurer*  
Stephanie Booth, MD, *Secretary*  
Hilda Perez

#### Management/Staff

John Baackes, *Chief Executive Officer*  
Terry Brown, *Chief of Human Resources*  
Augustavia Haydel, *General Counsel*  
James Kyle, MD, *Chief of Equity & Quality Medical Director*  
Tom MacDougall, *Chief Technology & Information Officer*  
Thomas Mapp, *Chief Compliance Officer*  
Marie Montgomery, *Chief Financial Officer*  
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
<b>CALL TO ORDER</b>	<p>Hector De La Torre, <i>Chairperson</i>, called to order the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee meetings at 2:16 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>The Chairperson will invite public comment before the Committee starts to discuss an 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.</li> </ul> <p>He provided information on how to submit a comment live and directly using the "chat" feature.</p>	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today's meeting was approved.	<b>Approved unanimously by roll call. 5 AYES</b> (Ballesteros, Booth, De La Torre, Perez, and Shapiro)
<b>PUBLIC COMMENT</b>	There were no public comments.	
<b>APPROVE MEETING MINUTES</b>	The minutes of the May 24, 2022 meeting were approved as submitted.	<b>Approved unanimously by roll call. 5 AYES</b>
<b>CHAIRPERSON'S REPORT</b>	There was no report from the Chairperson.	
<b>Government Affairs Update</b>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> <li>The proposed AB 2724 bill would enable Kaiser to directly contract with California Department of Health Care Services (DHCS) for the Medi-Cal program. The bill was passed by the State Assembly and the State Senate Health Committee, with some amendments. One amendment includes language around rates, that acuity would be considered for all health plans. An amendment was also considered to address behavioral health compliance concerns with a readiness assessment, and required a report from DHCS to the public two years after Kaiser begins serving Medi-Cal beneficiaries in 2024. It is not felt that the protections that were adopted are sufficient to protect the safety net, but L.A. Care is pleased that all of the Senate Health Committee members expressed serious concerns, particularly with the behavioral health portions. L.A. Care will continue working with the Kaiser union (NUHW) representing Kaiser's mental health providers that are also opposed to the legislation. The Governor weighed in again with the State Senate and with the labor union representatives, showing the priority of this bill with the Governor and DHCS. Many of L.A. Care's concerns about the bill have not been addressed. DHCS has not</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>shared details on how it will be implemented. L.A. Care will continue to work on it through this year and into 2023.</p> <p>John Baackes, <i>Chief Executive Officer</i>, added that those opposed to the Kaiser contract were pleased with the attention paid to the objections as the legislation was being considered. The DHCS Director was actively lobbying for the bill, which seemed to signal that proponents of the bill were alarmed by the opposition. The local initiative health plans have solid grounds for opposing the bill and Mr. Baackes believes there will be negative repercussions for the safety net, even with the two safeguard amendments that were included in the bill. There will be continued communication to raise awareness of these concerns.</p> <p>Board Member Booth expressed concern about unfair business practices in this situation. Mr. Baackes noted that since the Kaiser contract was announced, there has been concern about the appearance of close collaboration by state Medi-Cal regulators with one contractor. It appears that DHCS is giving a more favorable position to Kaiser than other current Medi-Cal contractors. DHCS, California Primary Care Association and Kaiser appear to be linked in some aspects of the implementation of the new California Advancing and Improving Medi-Cal (CalAIM) program, precluding involvement with other Medi-Cal health plans. This has led to concerns that there are further developments yet to be revealed to the public.</p> <p>Chairperson De La Torre noted that he is hearing that there is still pressure to put this into a budget trailer bill, which would bypass the legislature. Ms. Compartore has heard similar information but has also heard that the legislation is planned to be presented for a vote at the same time as the budget trailer bill. Chairperson de La Torre noted that with the amendments, AB 2724 would need to be voted on again by the State Assembly, so the pressure to include it in the budget trailer bill may be the alternative to avoid that legislative action.</p> <p>Ms. Compartore continued her report:</p> <ul style="list-style-type: none"> <li>• The Governor reached agreement with legislative leadership on the proposed state Budget. A main Budget bill is expected to pass this week along with 27 trailer bills. The Governor is expected to sign that legislation as soon as he receives it. There had been a delay in the Budget negotiations over how to distribute relief funding to Californians for escalating fuel costs. The legislature proposed a rebate to registered car owners. The Governor disagreed with that proposal and instead the relief will be</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>distributed in a stimulus payment to taxpayers, regardless of vehicle ownership. On average, a California taxpayer will receive approximately \$1,000. The State Budget includes \$205 million to subsidize costs of providing abortions, paying providers, and providing assistance with costs for room and board to people coming into California from out of state to get an abortion. There are no significant changes in the Budget for Medi-Cal. The Budget includes funding for Covered California in premium tax credit or cost sharing subsidies, depending on whether the federal tax credit is extended. L.A. Care is tracking this issue.</p> <ul style="list-style-type: none"> <li>• Medi-Cal benefits have been approved starting no later than January 1, 2024, for residents ages 26 to 49 regardless of immigration status.</li> <li>• The State Budget includes \$100 million for California to develop a low-cost insulin.</li> <li>• The California Office of Healthcare Affordability will be established in this State Budget, with the stated purpose of monitoring and setting cost targets for health plans, physician groups and hospitals. Data is being collected on costs through Medi-Cal and Covered California. The cost data could be helpful in the future for showing that Medi-Cal rates are much lower than for commercial health plans. As of 2026, health plans in California could be fined for not meeting the cost targets.</li> <li>• Government Affairs staff member Joanne Campbell, <i>Health Care Policy Specialist II</i>, held 14 meetings recently with members of the Los Angeles County Legislative Delegation to discuss L.A. Care and its investments in the community, such as Elevating the Safety Net. Other issues discussed included the pending expiration of the federal Advance Premium Tax Credit (APTC). There is strong support from the delegation, but the attention of Congressional Representatives is focused on other issues at this time, and it seems APTC is not a priority and will not be included in legislation. Mr. Baackes' recent letter on gun safety and mental health issues was also discussed. The letter was sent to every member in the U.S. Congress.</li> </ul> <p>Board Member Booth thanked Ms. Compartore for her report. Regarding SB 1384, she noted that controlling guns can help in controlling violence, but it is unlikely to happen, in her opinion. This legislation is asking firearms dealers to have a digital video surveillance system and keep the records for a year, as well as a general liability insurance policy. Board Member Booth doesn't think that having liability insurance will help curtail violence. She believes that it should be established that regulations which will be imposed will actually help with the issue of violence. This legislation proposes an unfunded mandate for collection of information, which is burdensome. She does not think L.A. Care should support this legislation. Board Member Booth asked about AB</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>2426, and Ms. Compartore noted this is a bill specific to Martin Luther King Jr. Community Hospital. L.A. Care supports this bill because it would bring additional funding to the hospital.</p> <p>Board Member Booth also noted that AB 1929 establishes a community violence prevention and recovery program for Medi-Cal beneficiaries, which she feels will be delegated to health plans. This is another unfunded mandate, and the implementation will be imposed on health plans.</p>	
<b>CHIEF EXECUTIVE OFFICER REPORT</b>	<p>Mr. Baackes reported:</p> <ul style="list-style-type: none"> <li>• In May, Medi-Cal enrollment is available to eligible residents under the age of 50, regardless of immigration status. L.A. Care has over 16,000 new members in this category in June, and expects 92,000 more members in July, the majority of whom are expected to be undocumented residents over the age of 50. It was anticipated that L.A. Care would enroll 70-80,000, and it seems we will have more than that. Most of the newly-eligible enrollees have previously been treated through the My Health LA program, and at federally qualified health centers (FQHC) and Los Angeles County Department of Health Services (DHS) sites. The enrollees will now have the option of selecting Medi-Cal network health care providers. L.A. Care is welcoming the new members.</li> <li>• The State Budget proposal under consideration by the California Legislature includes expansion of coverage to residents ages 27-49 regardless of immigration status, with enrollment to begin no later than January 1, 2024. There are estimated to be over 800,000 people who will become eligible statewide. L.A. Care expects additional enrollment of around 140,000.</li> <li>• On January 1, 2024, if Kaiser is successful in contracting as a Medi-Cal health plan, L.A. Care's current Kaiser members would be transitioned.</li> <li>• The Medi-Cal eligibility redetermination process is expected to resume when the public health emergency is lifted. The public health emergency currently lasts through July 15, but it is expected to be extended another 90 days and may be extended to April 2023. L.A. Care is closely monitoring the variety of factors which will influence the level of member enrollment.</li> <li>• L.A. Care is planning a 25<sup>th</sup> Anniversary event on July 22, 2022, at the Charles R. Drew University campus. The eight new L.A. Care scholars will be announced at this event.</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>Approve Community Health Investment Fund Grants</p> <ul style="list-style-type: none"> <li>California Association of Food Banks</li> </ul>	<p><i>(Member Shapiro left the meeting.)</i></p> <p>Chairperson De La Torre invited comment from Board Members on the process for approving Community Health Investment Fund grants. Board Member Booth suggested that approval of grants is beneficial for the community L.A. Care serves and it seems appropriate to consider grant approvals at the regular Board of Governors meetings. There was no objection to the proposed update to the process. Staff will provide the revised process for consideration at a future meeting.</p> <p>Shavonda Webber-Christmas, <i>Director, Community Benefits</i>, summarized the information included in the meeting materials. There are three motions presented for consideration, and all are part of the CHIF allocation which was approved by the Board.</p> <p>The first motion will support the California Association of Food Banks (CAFB) for \$1.3 million to administer the sixth Community Wellness Initiative (CWI). CAFB will award, support, and provide technical assistance to up to 10 nonprofits to perform CalFresh outreach and enrollment assistance to up to 5,600 eligible families, approximately 17,000 individuals facing food insecurity in Los Angeles County. CAFB was a grantee last year for the same program. The program has shown to be more efficient than directly-operated grants in prior years. CAFB provides an impressive amount of support to the individual grantees. In just three months, more than 1,000 families were supported in the application for CalFresh benefits, on track to help 154 more households per month more than the prior directly operated cohort. CAFB also provided training opportunities and a learning collaborative for the agencies participating in providing services to the community, including L.A. Care health plan members.</p> <p><b><u>Motion EXE 100.0722</u></b></p> <p><b>To award up to \$1,300,000 to the California Association of Food Banks to support up to 10 grants to Los Angeles County nonprofits, provide training and technical assistance on CalFresh outreach, and enhance grantees' enrollment assistance to CalFresh eligible individuals and families, including L.A. Care members.</b></p>	
<ul style="list-style-type: none"> <li>Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for</li> </ul>	<p>Ms. Webber Christmas described a proposal for support of the Los Angeles Network for Enhanced Services (LANES). The proposed funds will enhance the capacity and modernize LANES' county-wide health information exchange platform and interoperability infrastructure. The project will support the California Advancing and Innovating Medi-Cal (CalAIM) program by connecting and facilitating care coordination across entities providing clinical, behavioral, and social service in real time. LANES' data</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Enhanced Services (LANES)	<p>repository contains clinical and behavioral data for an estimated nine million unique patients, including 1.2 million L.A. Care members.</p> <p>Board Member Ballesteros commented that LANES is a great solution to exchange patient information in real time. LANES is in the process of trying to bring additional Los Angeles County hospitals into the health information exchange (HIE). In order to make LANES more robust it might need assistance in bringing on those hospitals, so the system can have more complete patient information. Mr. Baackes agreed there is an effort to bring more providers into the LANES HIE. Manifest MedEx is another nonprofit HIE organization which began in the Inland Empire. LANES has a better operating system. In the CalAIM and other legislative initiatives around health care, there is a data exchange framework which requires providers, except county operated sites, to join an HIE by January 31, 2023. This will boost participation in the HIE networks.</p> <p>Board Member Booth asked about interoperability between the HIEs. Mr. Baackes indicated that there is an effort to develop a statewide HIE which will include the local HIEs.</p> <p><b><u>Motion EXE 101.0722</u></b>  <b>To award up to \$500,000 to Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for Enhanced Services (LANES) to modernize LANES health information exchange platform and interoperability infrastructure.</b></p>	<p><b>Motions EXE 100, EXE 101 and EXE 102 were simultaneously approved unanimously by roll call. 4 AYES (Ballesteros, Booth, De La Torre and Perez)</b></p>
<ul style="list-style-type: none"> <li>Liberty Hill Foundation (EXE 102)</li> </ul>	<p>The third motion is for support of infrastructure development and program sustainability for the Liberty Hill Foundation's Stay Housed LA Network, which consists of thirteen community-based organizations offering eviction prevention services. Stay Housed L.A. is the largest eviction prevention and defense program in the country, and serves tenants across Los Angeles County who are at risk of losing their housing, a critical social determinant of health. Through recent contracts with the County of Los Angeles and the City of LA, Stay Housed LA administers a countywide public awareness campaign, and eviction prevention services, including targeted housing outreach, education, tenant navigation, as well as non-legal pre-litigation services. L.A. Care's housing stability initiative has provided support for legal services. The community based organizations in the Stay Housed LA Network are subcontracted to serve tenants in Los Angeles County, host a specific number of educational workshops, and to provide navigation services for individual tenants in vulnerable communities.</p>	




AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Board Member Booth asked about the cost efficiencies based on assisting 52,800 tenants. Ms. Webber Christmas indicated that L.A. Care's grant of \$500,000 will provide support for those tenants. Other funding will provide support for up to 500,000 people in Los Angeles County. Board Member Booth thanked Ms. Webber-Christmas for including the cost efficiency data and commended the program for its cost effectiveness.</p> <p><b><u>Motion EXE 102.0722</u></b>  <b>To award up to \$500,000 to the Liberty Hill Foundation to support infrastructure development and program sustainability of its Stay Housed LA Network to prevent evictions through education and advocacy services for housing insecure tenants throughout LA County, including L.A. Care members.</b></p>	
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for July 28, 2022 Board of Governors Meeting.</p> <ul style="list-style-type: none"> <li>• June 2, 2022 Board of Governors Meeting Minutes</li> <li>• ImageNet, LLC Contract Amendment</li> <li>• OptumInsight, Inc. Contract Amendment</li> <li>• Health Management Systems Contract Amendment</li> <li>• Toney Healthcare Consulting Contract Amendment</li> <li>• Cognizant Technology Solutions Contract Amendment</li> <li>• Cognizant Technology Solutions for Hosting Services for L.A. Care's core systems</li> <li>• California Association of Food Banks Grant Funding</li> <li>• Public Health Foundation Enterprises dba Heluna Health as fiscal agenda for Los Angeles Network for Enhanced Services Grant Funding</li> <li>• Liberty Hill Foundation Grant Funding</li> </ul>	<p><b>Approved unanimously by roll call. 4 AYES</b></p>
<b>PUBLIC COMMENTS</b>	There were no public comments.	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Executive Committee meeting was adjourned at 3:10 p.m.</p> <p>Ms. Haydel 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 3:12 p.m.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>Plan Partner Rates</li> <li>Provider Rates</li> <li>DHCS Rates</li> </ul> <p>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: <i>June 2024</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable)</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Three Potential Cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul>	
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 4:05 p.m. No reportable actions were taken during the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 4:05 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:  
  
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Hector De La Torre, *Chair*  
Date: 8/23/2022 | 10:12 PM PDT



**L.A. Care**  
HEALTH PLAN®

# **FY 2021-22 9+3 Forecast**

## **FY 2022-23 Budget**

**Board of Governors Meeting**  
**September 1, 2022**

# Agenda

## **FY 2021-22 YTD Performance**

- June 2022 Membership
- June 2022 Financial Performance
- 3+9 Forecast vs. 9+3 Forecast – Financial Comparison and Variance Walk

## **FY 2021-22 9+3 Forecast & FY 2022-23 Budget**

- Membership Trend, Assumptions, and Projections
- Budget Assumptions – Revenue & Healthcare Costs
- Financial Performance Comparison
- Administrative Expenses by Category
- Community Programs
- Operating Margin by Segment
- Opportunities/Risks/Key Initiatives
- Balance Sheet Comparison
- Board Designated Funds
- TNE & Days of Cash On-Hand Comparison

## **FY 2022-23 Capital Projects and Programs**

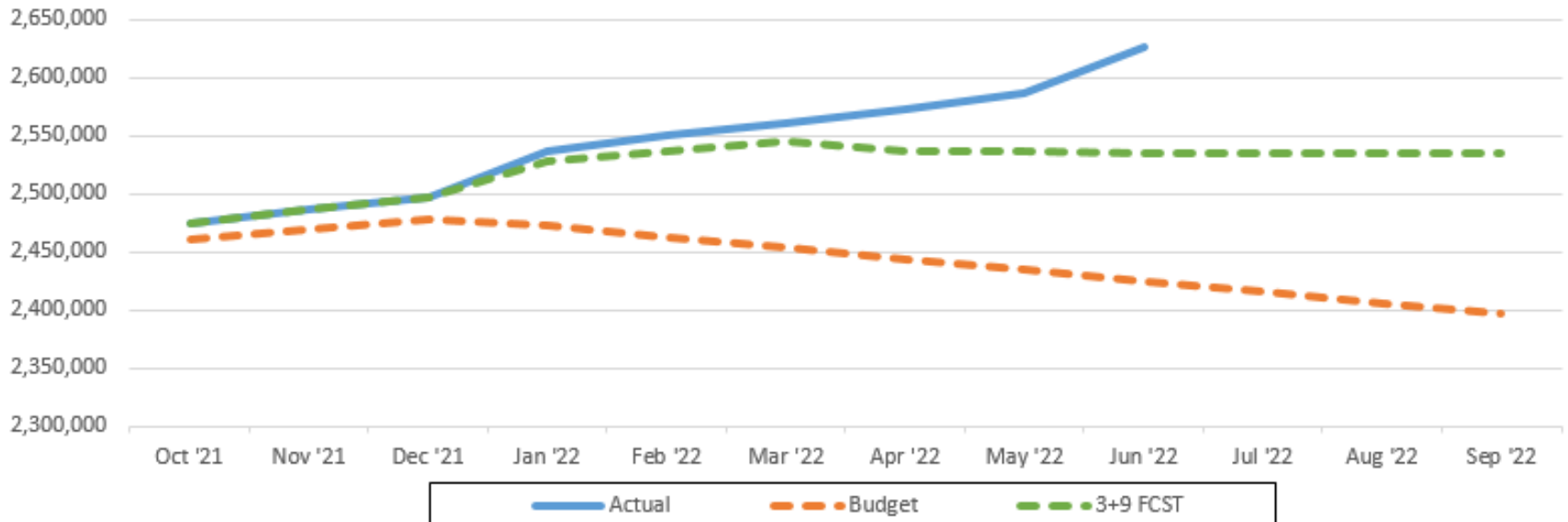
### **Informational Items**

- Monthly Investment Transactions
- Quarterly Internal Policy Reports

# Membership

for the 9 months ended June 2022

Sub-Segment	June 2022			Year-to-Date		
	Actual	3+9 FCST	Variance	Actual	3+9 FCST	Variance
Plan Partners	1,106,692	1,071,444	35,248	9,736,727	9,643,977	92,750
SPD/CCI	244,726	241,401	3,325	2,145,315	2,165,981	(20,666)
TANF/MCE	1,090,614	1,044,923	45,691	9,395,281	9,281,904	113,377
CMC	17,416	17,825	(409)	162,899	163,262	(363)
Commercial	166,159	159,909	6,250	1,448,562	1,418,516	30,046
<b>Consolidated</b>	<b>2,625,607</b>	<b>2,535,503</b>	<b>90,104</b>	<b>22,888,784</b>	<b>22,673,639</b>	<b>215,145</b>



# Consolidated Financial Performance

for the month of June 2022

<b>(\$ in Thousands)</b>	<b>Actual</b>	<b>3+9 FCST</b>	<b>Variance</b>
Member Months	2,625,607	2,535,503	90,104
Total Revenues	\$783,787	\$758,743	\$25,044
Total Healthcare Expenses	\$754,476	\$698,495	(\$55,981)
Operating Margin	\$29,311	\$60,248	(\$30,938)
Total Admin Expenses	\$37,607	\$39,863	\$2,255
Income/(Loss) from Operations	(\$8,296)	\$20,386	(\$28,682)
Non-Operating Income (Expense)	(\$3,990)	(\$4,742)	\$752
Net Surplus (Deficit)	(\$12,287)	\$15,644	(\$27,931)

# Consolidated Financial Performance

for the 9 months ended June 2022

(\$ in Thousands)	Actual	3+9 FCST	Variance
Member Months	22,888,784	22,673,639	215,145
Total Revenues	\$6,827,051	\$6,983,497	(\$156,446)
Total Healthcare Expenses	\$6,360,443	\$6,501,138	\$140,695
Operating Margin	\$466,608	\$482,359	(\$15,751)
Total Admin Expenses	\$384,363	\$364,762	(\$19,601)
Income/(Loss) from Operations	\$82,245	\$117,597	(\$35,352)
Non-Operating Income (Expense)	(\$38,898)	(\$35,852)	(\$3,046)
Net Surplus (Deficit)	\$43,346	\$81,745	(\$38,399)

# Consolidated Financial Performance

## 3+9 Forecast vs 9+3 Forecast

(\$ in Thousands)	FY 2021-22		
	3+9 Forecast	9+3 Forecast	Variance
Member Months	30,279,199	31,044,265	765,066
Total Revenues	\$9,224,272	\$9,303,737	\$79,465
Total Healthcare Expenses	\$8,574,412	\$8,694,111	(\$119,700)
Operating Margin	\$649,861	\$609,626	(\$40,235)
Total Admin Expenses	\$484,175	\$518,638	(\$34,463)
Income/(Loss) from Operations	\$165,686	\$90,988	(\$74,698)
Non-Operating Income (Expense)	(\$54,684)	(\$66,050)	(\$11,366)
Net Surplus (Deficit)	\$111,001	\$24,938	(\$86,064)

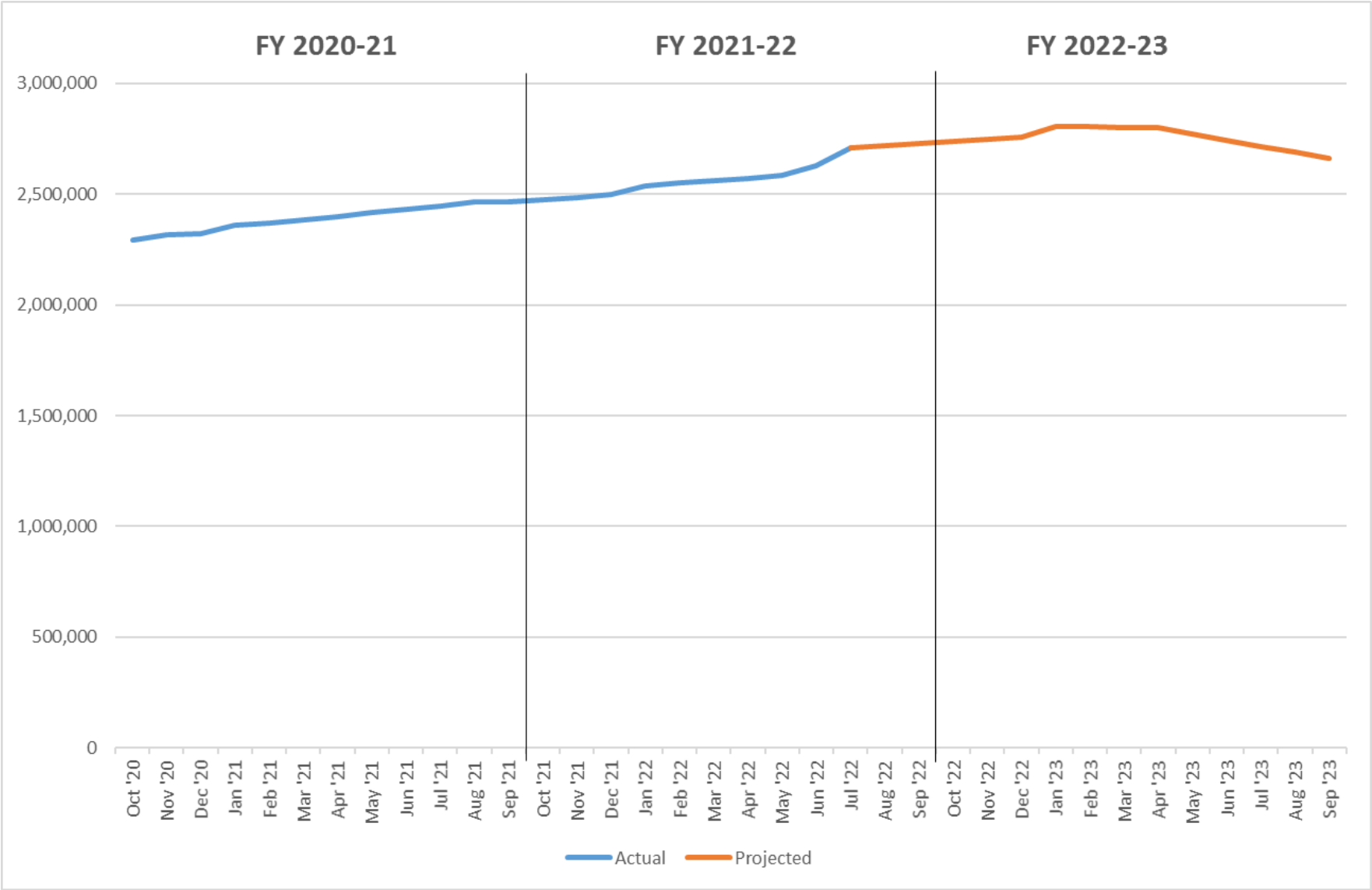


# Variance Walk – 3+9 Forecast vs 9+3 Forecast

(\$ in thousands)

	Revenue	Healthcare Costs	Admin/Non-Ops	Net Surplus
<b>3+9 Forecast</b>	<b>\$9,224,272</b>	<b>\$8,574,412</b>	<b>\$538,859</b>	<b>\$111,001</b>
Volume Impact on Operating Margin	\$199,457	(\$186,041)	\$0	\$13,416
Prop 56 Risk Corridor (SFY 18-19 & Bridge Period)	(\$279,569)	\$264,027	\$0	(\$15,542)
HHIP Revenue	\$14,106	\$0	\$0	\$14,106
INST rate re-estimation (retro to Jan '22)	\$109,693	(\$17,854)	\$0	\$91,839
Deceased member adjustment (retro to 2011)	(\$6,528)	\$1,390	\$0	(\$5,138)
Vaccination Incentive Program	\$16,092	(\$10,282)	\$0	\$5,810
CalAim IPP	\$14,832	\$0	\$0	\$14,832
Revenue Corridor (CCI and CMC-MediCal)	\$9,278	\$0	\$0	\$9,278
ECM and MOT Risk Corridor	(\$9,539)	\$12,087	\$0	\$2,548
LACC 2021 RAF True-Up (-\$14.4M revenue net \$3.9M cap exp & \$1.5M shared risk)	(\$14,400)	\$5,400	\$0	(\$9,000)
CMC Medicare QW and RAF adjustments	\$23,364	(\$13,234)	\$0	\$10,129
Corrected Claims Recovery Accrual	\$0	\$48,729	\$0	\$48,729
Incurred Claims unfavorability	\$0	(\$162,860)	\$0	(\$162,860)
CBAS unfavorability	\$0	(\$51,765)	\$0	(\$51,765)
Pharmacy favorability	\$0	\$4,379	\$0	\$4,379
Provider Incentive favorability (excl. Vaccine Incentive)	\$0	(\$8,470)	\$0	(\$8,470)
Shared Risk unfavorability (excl. CMC & LACC RAF adj.)	\$0	(\$8,201)	\$0	(\$8,201)
Admin unfavorability (incl. -\$55M for regulatory fines)	\$0	\$0	(\$34,463)	(\$34,463)
Non-Operating unfavorability	\$0	\$0	(\$11,366)	(\$11,366)
Other	\$2,678	\$2,996	\$0	\$5,674
<b>Total Variance</b>	<b>\$79,464</b>	<b>(\$119,700)</b>	<b>(\$45,828)</b>	<b>(\$86,064)</b>
<b>9+3 Forecast</b>	<b>\$9,303,737</b>	<b>\$8,694,111</b>	<b>\$584,688</b>	<b>\$24,938</b>

# Membership Trend



# FY 2022-23 Budget Assumptions - Membership

- FY 2022-23 Budget assumes PHE will end Oct 13, 2022 with monthly redeterminations to start in October and disenrollments beginning in February 2023.
- The projected membership loss for FY 2022-23 Budget vs FY 21-22 9+3 Forecast is expected to be 67,000 members or 2.47 percent, with member months growing approximately 2 million or 6.42 percent.
- Medi-Cal membership is projected to drop 13% annually (1.08% per month) beginning in Feb 2023 and through end of the fiscal year. These losses will be offset somewhat by the enrollment of 104,000 additional members due to the CalAIM mandatory managed care initiative. This will begin in Jan 2023 and spread out over the next four months.
- LACC & CMC/D-SNP are modeled to include retention and new membership driven by enhanced subsidies and broker support.

# Membership: 2022-23 Projections

Segment	Membership				Member Months			
	FY 2021-22 9+3 Forecast	FY 2022-23 Budget	Variance	%	FY 2021-22 9+3 Forecast	FY 2022-23 Budget	Variance	%
Plan Partners	1,111,425	1,078,590	(32,835)	-3.0%	13,121,450	13,417,149	295,700	2.3%
MCLA	1,435,096	1,407,891	(27,205)	-1.9%	15,764,890	17,501,999	1,737,109	11.0%
CMC/D-SNP	16,939	17,462	523	3.1%	213,983	205,647	(8,336)	-3.9%
LACC	115,000	125,000	10,000	8.7%	1,339,031	1,470,000	130,969	9.8%
PASC-SEIU	50,087	49,608	(479)	-1.0%	604,911	597,923	(6,988)	-1.2%
Elimination*		(17,462)	(17,462)			(156,484)	(156,484)	
Total	2,728,547	2,661,089	(67,458)	-2.5%	31,044,265	33,036,235	1,991,970	6.4%

\*D-SNP members included in MCLA membership for Medi-Cal under CCI beginning January 2023

# FY 2022-23 Budget Assumptions - Revenue

- **Medi-Cal:**
  - Rate increase of 3.5% eff January 2023
  - Continue SNF 10% increase through October 2023
  - Rates for Unsatisfactory Immigration Status/Satisfactory Immigration Status (UIS/SIS) for 2023 are the same rates
- **D-SNP:**
  - Revenue for CY 2023 based on Bid
- **LACC:**
  - Revenue for CY 2023 in line with the rate filing and assume no change in RAF

# FY 2022-23 Budget Assumptions – Healthcare Costs

- FFS Cost
  - Run rate based on July 2021 – December 2021 (except CBAS)
  - Trends:
    - Inpatient: 3%
    - Outpatient: 1%
    - LTC: 3%
    - Rx: 7%
    - Continue 10% SNF Increase
- CBAS:
  - Run rate based on April 2022-Jun 2022 and applied 0% trend.
  - Budget assumes services return to in-center with decreased utilization.
- Capitation Contracts
  - Assumes a similar mix for shared risk and dual risk members compared to run rate.
- D-SNP
  - Assume bid costs and split between IP/OP/Rx/Cap
- LACC CY23 RAF at 0.75 for risk adjusted capitation contracts

# FY 2021-22 9+3 vs FY 2022-23 Budget

	FY 2021-22 (9+3)		FY 2022-23		Fav/(Unfav)	
	Forecast		Budget		Budget	
(\$ in thousands)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
<b>Member Months</b>	31,044,265		33,036,235		1,991,970	
<b>Total Revenues</b>	<b>\$9,303,737</b>	<b>\$299.69</b>	<b>\$10,165,331</b>	<b>\$307.70</b>	<b>\$857,921</b>	<b>\$7.92</b>
<b>Medical Expense</b>						
Capitation	\$4,899,062	\$157.81	\$5,588,834	\$169.17	(\$689,772)	(\$11.36)
Inpatient Claims	\$1,217,321	\$39.21	\$1,328,343	\$40.21	(\$111,022)	(\$1.00)
Outpatient Claims	\$824,581	\$26.56	\$911,847	\$27.60	(\$87,266)	(\$1.04)
Skilled Nurse Facility	\$996,831	\$32.11	\$1,131,534	\$34.25	(\$134,703)	(\$2.14)
Community-Based Adult Services	\$294,372	\$9.48	\$274,564	\$8.31	\$19,808	\$1.17
Multipurpose Senior Services Program	\$2,201	\$0.07	\$0	\$0.00	\$2,201	\$0.07
Pharmacy	\$271,361	\$8.74	\$134,956	\$4.09	\$136,405	\$4.66
PPG Shared Risk	\$21,366	\$0.69	\$21,367	\$0.65	(\$1)	\$0.04
Provider Incentive	\$83,016	\$2.67	\$85,584	\$2.59	(\$2,567)	\$0.08
Medical Administrative Expenses	\$84,001	\$2.71	\$97,498	\$2.95	(\$13,497)	(\$0.25)
<b>Total Medical Expenses</b>	<b>\$8,694,111</b>	<b>\$280.06</b>	<b>\$9,574,526</b>	<b>\$289.82</b>	<b>(\$880,414)</b>	<b>(\$9.76)</b>
<b>MCR (%)</b>	<b>93.4%</b>		<b>94.2%</b>		<b>-0.7%</b>	
<b>Operating Margin</b>	<b>\$609,626</b>	<b>\$19.64</b>	<b>\$590,806</b>	<b>\$17.88</b>	<b>(\$18,820)</b>	<b>(\$1.75)</b>

# FY 2021-22 9+3 vs FY 2022-23 Budget

	FY 2021-22 (9+3)		FY 2022-23		Fav/(Unfav)	
	Forecast		Budget		Budget	
(\$ in thousands)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
<b>Total Operating Expenses</b>						
Salaries and Benefits	\$245,315	\$7.90	\$271,693	\$8.22	(\$26,378)	(\$0.32)
Temporary Labor and Recruitment	\$10,377	\$0.33	\$3,150	\$0.10	\$7,227	\$0.24
Professional Fees	\$26,020	\$0.84	\$28,846	\$0.87	(\$2,825)	(\$0.03)
Purchased Services	\$127,218	\$4.10	\$135,636	\$4.11	(\$8,419)	(\$0.01)
Advertising and Promotions	\$7,482	\$0.24	\$11,796	\$0.36	(\$4,314)	(\$0.12)
Business Fees and Insurance	\$35,837	\$1.15	\$56,995	\$1.73	(\$21,158)	(\$0.57)
Occupancy and Leases	\$21,508	\$0.69	\$22,965	\$0.70	(\$1,457)	(\$0.00)
Supplies and Other	\$97,036	\$3.13	\$45,333	\$1.37	\$51,703	\$1.75
Medical Administrative Expenses	(\$77,180)	(\$2.49)	(\$89,133)	(\$2.70)	\$11,953	\$0.21
Depreciation and Amortization	\$25,025	\$0.81	\$22,809	\$0.69	\$2,216	\$0.12
<b>Total Operating Expenses</b>	<b>\$518,638</b>	<b>\$16.71</b>	<b>\$510,090</b>	<b>\$15.44</b>	<b>\$8,548</b>	<b>\$1.27</b>
<i>Admin Ratio(%)</i>	<i>5.6%</i>		<i>5.0%</i>		<i>0.6%</i>	
<b>Income (Loss) from Operations</b>	<b>\$90,988</b>	<b>\$2.93</b>	<b>\$80,716</b>	<b>\$2.44</b>	<b>(\$10,272)</b>	<b>(\$0.49)</b>
<i>Margin before Non Operating Inc (Exp) %</i>	<i>1.0%</i>		<i>0.8%</i>		<i>-0.2%</i>	
<b>Non Operating Income (Expense)</b>						
Other Income (Expense)	(\$48,139)	(\$1.55)	(\$33,036)	(\$1.00)	\$15,103	\$0.55
Interest Income, net	\$11,088	\$0.36	\$32,402	\$0.98	\$21,314	\$0.62
Realized Gain/(Loss) on Invest	(\$22)	(\$0.00)	\$0	\$0.00	\$22	\$0.00
Unrealized Gain/ (Loss) on Invest	(\$28,977)	(\$0.93)	\$0	\$0.00	\$28,977	\$0.93
<b>Total Non-Operating Income (Expense)</b>	<b>(\$66,050)</b>	<b>(\$2.13)</b>	<b>(\$634)</b>	<b>(\$0.02)</b>	<b>\$65,416</b>	<b>\$2.11</b>
<b>Net Surplus (Deficit)</b>	<b>\$24,938</b>	<b>\$0.80</b>	<b>\$80,082</b>	<b>\$2.42</b>	<b>\$55,144</b>	<b>\$1.62</b>
<i>Margin (%)</i>	<i>0.3%</i>		<i>0.8%</i>		<i>0.5%</i>	



# FY 2022-23 Admin Expenses by Category

<b>Admin Exp (\$ in 000's)</b>	<b>FY 2021-22 9+3 Forecast</b>	<b>FY 2022-23 Budget</b>	<b>Fav/(Unfav)</b>
Salaries and Benefits	\$ 245,315	\$ 271,693	\$ (26,378)
Temporary Labor and Recruitment	10,377	3,150	7,227
Professional Fees	26,020	28,846	(2,825)
Purchased Services	127,218	135,636	(8,419)
Advertising and Promotions	7,482	11,796	(4,314)
Business Fees and Insurance	35,837	56,995	(21,158)
Occupancy and Leases	21,508	22,965	(1,457)
Supplies and Other	97,036	45,333	51,703
Medical Administrative Expenses	(77,180)	(89,133)	11,953
Depreciation and Amortization	25,025	22,809	2,216
<b>Total Operating Expenses as reported</b>	<b>\$ 518,638</b>	<b>\$ 510,090</b>	<b>\$ 8,548</b>
Adj: Regulatory fines	(55,000)	-	(55,000)
Adj: PCORI fees	20,537	-	20,537
Adj: Navitus fees	(6,229)	-	(6,229)
<b>Total Op Exp as adjusted</b>	<b>\$ 477,946</b>	<b>\$ 510,090</b>	<b>\$ (32,144)</b>
<b>Y-O-Y increase as adjusted</b>			<b>7%</b>

# FY 2022-23 Community Programs

<b>Community Health Improvement Programs</b> (dollars in thousands)	<b>Forecast*</b> <b>FY 2021-22</b>	<b>Budget</b> <b>FY 2022-23</b>
<b>Community Health Investment Fund (CHIF)</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Elevating the Safety Net</b>		
Medical Degree Program	5,000	-
Medical School Scholarship	3,114	3,370
Physician Loan Repayment Program	7,958	4,000
Provider Recruitment Program	6,000	4,000
Residency Support Program	6,778	-
National Medical Fellowship	150	-
Subtotal	<b>29,000</b>	<b>11,370</b>
<b>Blue Shield Promise Grant <sup>(1)</sup></b>	<b>17,000</b>	<b>10,499</b>
<b>Community Resource Centers</b>	<b>14,791</b>	<b>17,610</b>
<b>First 5 L.A. Grant <sup>(2)</sup></b>	<b>275</b>	<b>472</b>
<b>Community Programs</b>		
eManagement & CTAP	405	-
Community Clinic Program /SCOPE Plan	495	490
Community Benefits Program	747	874
Promotoras/Health Promoter Program	257	334
Sponsorships / In-Kind	1,100	1,150
Subtotal	<b>3,004</b>	<b>2,848</b>
<b>Total</b>	<b>74,070</b>	<b>\$52,799</b>

\*Forecast is based on 9+3

Note 1: Excludes Blue Shield Promise Grant Revenue of \$ 11.5M in the 9+3 Forecast and \$6.3M in the FY22-23 Budget

Note 2: Excludes First 5 L.A. Grant Revenue of \$0.2M in the 9+3 Forecast and \$0.5M in the FY22-23 Budget

# FY 2022-23 Operating Margin by Segment

	(\$ in Thousands)						
	Medi-Cal Plan Partners	Medi-Cal SPD/CCI	Medi-Cal TANF/MCE	CMC	D-SNP	Commercial	Total
Revenue	\$3,402,231	\$2,424,137	\$3,323,814	\$82,075	\$216,989	\$716,085	\$10,165,331
Healthcare Exp.	\$3,232,106	\$2,328,951	\$3,154,375	\$63,772	\$194,638	\$600,684	\$9,574,526
Operating Margin	\$170,125	\$95,186	\$169,439	\$18,302	\$22,352	\$115,402	\$590,806
Budget MCR %	95.0%	96.1%	94.9%	77.7%	89.7%	83.9%	94.2%
Forecast MCR%	95.7%	94.5%	92.4%	86.3%	N/A	87.2%	93.4%

# Opportunities & Risks

## Opportunities

- Overall rate increase is higher than 3.5% given changes to countywide average blend, risk adjustment methodology and UIS rating
- Higher than expected LACC membership growth due to pricing position
- Further improvement in CBAS utilization
- CalAIM Incentive Payment Program (IPP) and Housing and Homelessness Incentive Program (HHIP)
- Claims expenses are lowered through contracting and UM
- Move more members into Dual Risk pods

## Risks

- CBAS utilization does not improve as expected despite the return of services to in-center
- Covid testing costs for retroactive periods (SB 510)
- FFS trends higher than projected due to inflation and higher proportion of UIS members

# Balance Sheet Comparison

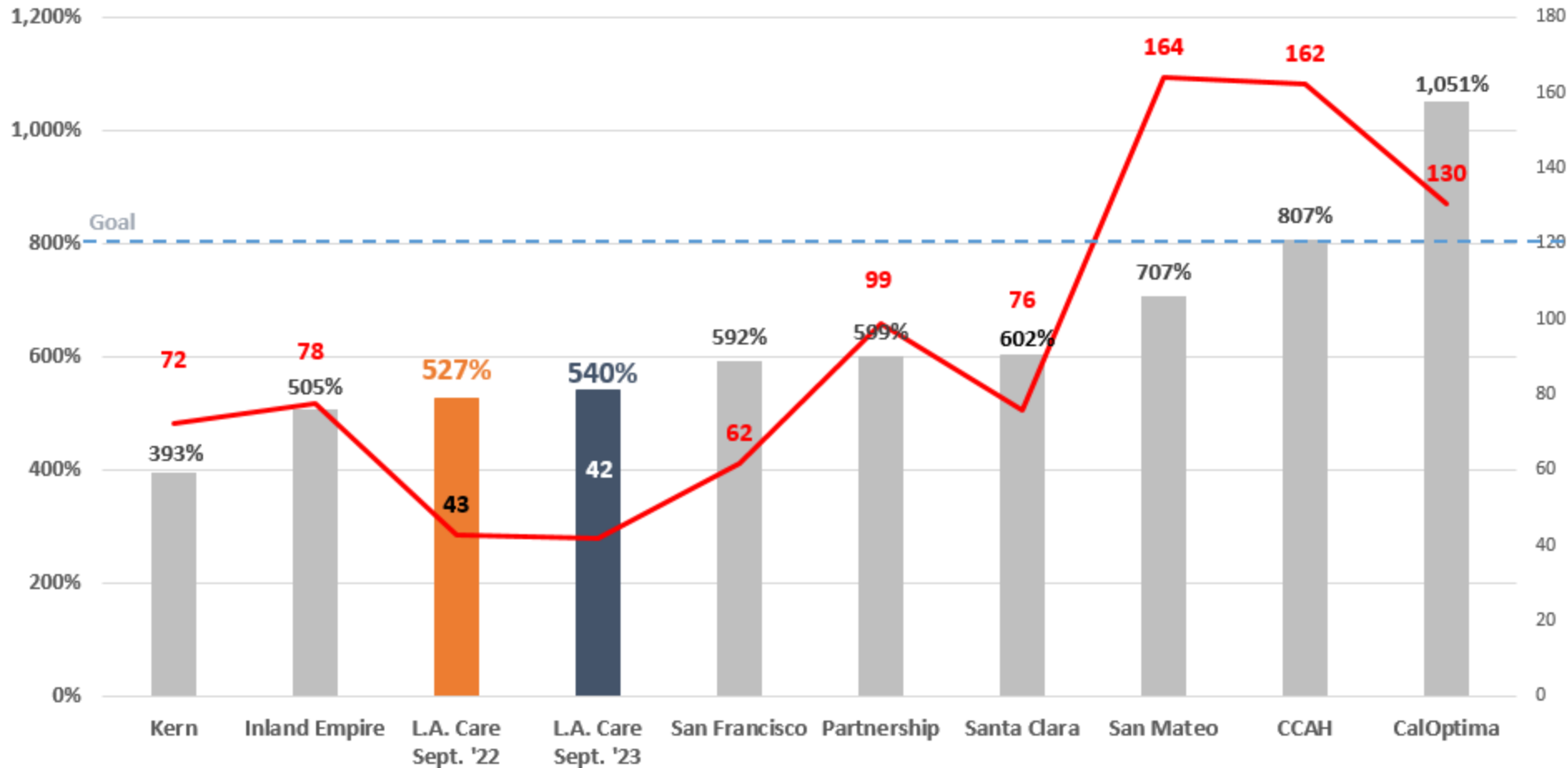
	FY 2021-22 9+3 Forecast	FY 2022-23 Budget	Variance
( \$ in thousands)			
<b>Current Assets</b>			
Cash & cash equivalents	\$ 1,069,240	\$ 1,086,123	\$ 16,883
Investments, at fair value	1,063,588	1,045,990	(17,598)
Other current assets	3,082,865	3,364,365	281,500
<b>Total current assets</b>	<b>5,215,693</b>	<b>5,496,478</b>	<b>280,785</b>
Capital and non-current assets	107,471	129,179	21,708
<b>Total Assets</b>	<b>5,323,164</b>	<b>5,625,657</b>	<b>302,493</b>
<b>Current Liabilities</b>			
Medical and providers payable	3,269,440	3,619,033	349,593
Reserves for claims	731,525	621,443	(110,082)
Other current liabilities	245,630	229,130	(16,500)
<b>Total current liabilities</b>	<b>4,246,595</b>	<b>4,469,606</b>	<b>223,011</b>
Non-Current Liabilities	2,176	1,576	(600)
<b>Total Liabilities</b>	<b>4,248,771</b>	<b>4,471,182</b>	<b>222,411</b>
<b>Fund Equity</b>			
Invested in Capital Assets	105,725	128,033	22,308
Board Designated Funds	107,644	118,644	11,000
Unrestricted Net Assets	625,599	693,298	67,698
TNE (130% of Required)	235,425	214,500	(20,925)
<b>Total Fund Equity</b>	<b>1,074,393</b>	<b>1,154,475</b>	<b>80,082</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 5,323,164</b>	<b>\$ 5,625,657</b>	<b>\$ 302,493</b>

# Board Designated Funds

Forecast as of September 30, 2022

<i>(\$ in thousands)</i>	<u>Contribution</u>	<u>Expenditure</u>	<u>Balance at 09/30/22</u>
<b>Prior to 2014</b>	225,624	(225,624)	(0)
<b>2014 - Present</b>			
<b>I. Community Health Investment</b>			
CHIF Ad Hoc	6,105	(4,424)	1,681
Oral Health Initiative	3,050	(3,050)	-
Tranquada	5,150	(4,200)	950
Safety Net	15,225	(13,590)	1,635
Access to Service	10,300	(4,020)	6,280
Social/Health determinants	13,100	(12,629)	471
LACDHC Flex housing subsidy	20,000	(20,000)	-
<b>Total</b>	<u>72,930</u>	<u>(61,913)</u>	<u>11,017</u>
<b>II. Workforce Development Initiative</b>			
Medical School Scholarship	18,511	(18,511)	-
Medical School Loan Repayment	18,000	(18,000)	-
Primary Care Leadership Program	8,260	(8,260)	-
Residency Support Program	12,232	(12,232)	-
Health Careers Intern and Fellowship Program	800	(800)	-
Provider Recruitment Programs	22,665	(22,665)	-
Undesignated	74,532	-	74,532
<b>Total</b>	<u>155,000</u>	<u>(80,468)</u>	<u>74,532</u>
<b>III. CRC Maintenance and Expansion</b>	48,300	(26,205)	22,095
<b>Grand Total</b>	<u><b>\$ 501,854</b></u>	<u><b>\$ (394,210)</b></u>	<u><b>\$ 107,644</b></u>

# TNE & Days of Cash On-Hand Comparison



• The above percentages are based on March 2022 DMHC Quarterly filings, unless noted otherwise.



**L.A. Care**  
HEALTH PLAN®

# FY 2022-23 Capital Projects and Programs

**CONFIDENTIAL**





# FY 2022-23 Capital Projects and Programs

## L.A. Care Health Plan Capital Projects Fiscal Year 2022-2023

(dollars in thousands)

Project Description	Business Owner	Capital Expense	Operating Expense	Total
CalAIM	Health Services	\$ 1,024	\$ 226	\$ 1,250
Care Catalyst - New HS Clinical System	Ops/Health Services	2,696	1,462	4,158
Clinic Based Assignment and FQHC APM	Provider/Health Services	1,180	635	1,816
CMS Interoperability Mandate	I.T.	1,264	557	1,821
DSNP Product Launch	Product	1,102	1,004	2,106
Edifecs Program	Ops	150	90	240
Oracle Upgrade	I.T.	1,934	1,090	3,024
Performance Optimization Program (Enterprise & Network)	EPO/Ops	2,252	1,240	3,492
Portals Strategy	Product	1,300	700	2,000
Provider Roadmap	Provider	2,051	2,428	4,479
QNXT Insourcing	I.T.	3,676	1,257	4,933
SAP/ERP	Finance	2,816	704	3,520
Security Enhancements Initiative	I.T.	1,100	275	1,375
Transparency in Coverage/No Surprises	Product	650	350	1,000
VOICE	Customer Service/Ops	3,901	694	4,596
Leasehold Improvements	Facilities	18,020	-	18,020
<b>Total Capital Projects</b>		<b>\$ 45,117</b>	<b>\$ 12,711</b>	<b>\$ 57,829</b>

# Portfolio Program Descriptions

## CalAIM

L.A. Care's staged implementation of the Department of Health Care Services (DHCS) program to improve quality outcomes and drive delivery system transformation through value based initiatives, modernization of systems, and payment reform. This program expands case management and delivers non-traditional, lower-cost services to address Social Determinants of Health (SDOH).

## Care Catalyst – New Health Services Clinical System

A multi-year program focused on replacing L.A. Care's Care Management platform to better meet members' care coordination needs. Utilization Managements (UM) capabilities have transitioned to the new platform. Current work focuses on platform optimizations for added efficiency and scalability. Population health management (PHM) and enhancements for Appeals and Grievances (A&G) are areas of upcoming focus.

## Clinic Based Assignment and FQHC APM

Enhancements to better manage the association between health plan members and community clinics in L.A. Care's systems. This functionality is to improve the experience of members receiving care in community clinics, as well as the providers serving them. It is also foundational to the implementation of the Alternative Payment Methodology (APM), which would enhance how clinics are compensated for care provided to members.



# Portfolio Program Descriptions

## **CMS Interoperability Mandate**

L.A. Care is making a multi-phase investment in provider and member data portability in accordance with CMS requirements. Current investments focus on patient access and provider directory APIs to improve information accessibility and drive better health outcomes. Future work will focus on payer-to-payer interfaces to ensure timely and efficient benefits coordination and transitions.

## **DSNP Product Launch**

Under the California Advancing and Innovating Medi-Cal (CalAIM) initiative, the California Department of Health Care Services (DHCS) is transitioning Cal MediConnect (CMC) and the Coordinated Care Initiative (CCI) to a statewide Managed Long-Term Services and Supports (MLTSS) and Dual Eligible Special Needs Plan (D-SNP) structure. L.A. Care is developing and deploying a fully integrated D-SNP product and sun-setting its existing CMC product in the 4th calendar quarter of 2022.

## **Encounters & Risk Adjustment / EDIFECS**

Through several phased implementations L.A. Care is adding capabilities to its encounter data management system. Recent implementations have included the Edge Server, which improved the quality, quantity, and frequency of encounter submissions to CMS. Current improvements are focused on data produced for risk adjustment, and future work is expected to focus on improved extraction of encounter data for regulatory audiences and internal end-users.



# Portfolio Program Descriptions

## Oracle Upgrade

To ensure security and robust functionality, this initiative is to upgrade L.A. Care's Oracle database infrastructure and extend the life of the asset.

## Performance Optimization Program (Enterprise & Network)

This initiative is building data management and reporting tools to support L.A. Care's Enterprise Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring of the performance of non-delegated enterprise functions. NPOP monitors the performance of all entities in L.A. Care's service delivery model across lines of business.

## Portals Strategy

Target improvements in L.A. Care's portal infrastructure serving members and providers.

## Provider Roadmap

This is a multi-year, cross-functional program focused on improving L.A. Care's provider data quality and management, including enhancements to data intake, standardization and validation, storage, reporting, and operational use. Improvements are targeted at both technical infrastructure and business processes.

## QNXT Insourcing

L.A. Care is making progressive investments in its claims platform, with current work focused on the scalability and flexibility of development and test environments. This work is to improve the performance and cost-effectiveness of L.A. Care's claims infrastructure.



# Portfolio Program Descriptions

## SAP/ERP – Finance System

L.A. Care is continuing its implementation of SAP for financial management functions. After the successful deployment of Revenue Automation and the ERP including Accounts Payable, General Ledger, Cash Automation, Managerial Reporting, Project Costs/Allocations and Fixed Assets, current work is focused on modernizing Budgeting and Forecasting, Financial Reporting and Analytics, Procurement Management and implementing a Broker Commission system. The SAP/ERP strategic project is expected to complete the original project scope by the end of the next fiscal year.

## Security Enhancements Initiative

The Security Enhancement Project makes infrastructure and process changes to improve the overall security posture for L.A. Care IT. This includes reviewing existing network design, virtualization architecture, and security tooling to ensure it meets and exceeds modern security standards and best practices. This project will also introduce tools to automate patching and endpoint configuration to enable L.A. Care to maintain its security posture.

## Transparency in Coverage/No Surprises

L.A. Care is deploying functionality to support two federal requirements. Plans in the individual and large group market are required by the CMS Transparency in Coverage Final Rule to make available certain data/information pertaining to cost-sharing, cost of services, and aggregated out-of-network claims data, provided on a per provider, per service basis.

Additionally, the No Surprise Act prohibits balance billing of members for receiving out-of-network care. The rule also requires plans to provide an advance Explanation of Benefits (EOB) for covered services for in/out of network providers and/or facilities, as requested.

# Portfolio Program Descriptions

## VOICE Program

This is a multi-year modernization of L.A. Care's customer service infrastructure, focused on improving the quality and efficiency of member services. This includes upgrades for PCI compliance (protecting the privacy of payment information), as well as improvements in telephonic caller authentication, self-service telephonic features, member call back features, and customer relationship management (CRM) applications for member- and provider-facing services.



# Questions & Considerations

## Motion FIN 106

- To accept the Financial Report for the nine months ended June 30, 2022.

## Motion FIN 107

- To recommend the draft FY 2022-23 Capital and Operating Budget for Board Consideration.

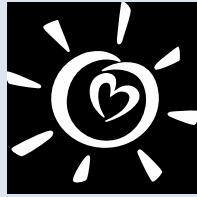
# Informational Items

## Investment Transactions

- As of June 30, 2022, L.A. Care's total investment market value was \$1.8B
  - \$1.4 billion managed by Payden & Rygel
  - \$73 million in Local Agency Investment Fund
  - \$254 million in Los Angeles County Pooled Investment Fund

## Quarterly Internal Policies Report





**L.A. Care**  
HEALTH PLAN®

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 106.0922

**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 June 2022.

**Background:** N/A

**Member Impact:** N/A

**Budget Impact:** N/A

**Motion:** To accept the Financial Reports for June 2022, as submitted.



**L.A. Care**  
HEALTH PLAN®

Financial Performance  
June 2022  
(Unaudited)

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**Overall**

The combined member months are 22.9 million year-to-date, which is 215,145 member months favorable to the 3+9 forecast. The performance is a surplus of \$43.3 million or 0.6% of revenue and is \$38.4 million unfavorable to the 3+9 forecast. The unfavorability is driven by higher skilled nursing facility costs and outpatient claims but partially offset by lower inpatient claims. Other unfavorable items include a final shared risk true-up for calendar year 2021, LACC RAF true-up for CY 2021, and higher operating expenses as a result of regulatory fines totaling \$55 million but offset in part by an adjustment to a governmental fee incurred related to LACC and PASC-SEIU members for prior periods. These unfavorable items are partially offset by CMC Medicare quality withhold earnings for calendar year 2020 and timing of the provider incentives expenses accrual. The unfavorable variance in revenues and favorable variance in capitation expenses are driven by the reconciliation of the Prop 56 risk corridor for SFY 18-19 and the Bridge Period, which reduces \$280 million in revenues and \$264 million in capitation expenses. The previously accrued liability due to providers for Prop 56 is now a payable due to DHCS under the risk corridor provision.

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**Medi-Cal Plan Partners**

The member months are 9.7 million, which is 92,750 member months favorable to the 3+9 forecast. The performance is a surplus of \$38.7 million and is \$11.5 million unfavorable to the forecast. The unfavorability is due to higher operating expenses as a result of the regulatory fines. Partially offsetting the unfavorability is the timing in provider incentives expense accrual. The reconciliation for Prop 56 risk corridor related to SFY 18-19 and the Bridge Period reduces revenues by \$188 million with a corresponding decrease in capitation expenses.

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**Medi-Cal SPD-CCI**

The member months are 2.1 million which is 20,666 member months unfavorable to the 3+9 forecast. The performance is a deficit of \$17.1 million and is \$54.0 million unfavorable to the forecast. The unfavorability is due to higher skilled nursing facility costs and outpatient claims; but partially offset by lower inpatient claims and higher pharmacy rebates. Higher operating expenses as a result of the regulatory fines also contribute to the unfavorable variance in surplus. The reconciliation for Prop 56 risk corridor related to SFY 18-19 and the Bridge Period reduces revenues by \$11 million and capitation expenses by \$9 million.

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**Medi-Cal TANF-MCE**

The member months are 9.4 million, which is 113,377 member months favorable to the 3+9 forecast. The performance is a surplus of \$20.0 million and is \$7.3 million unfavorable to the forecast. The unfavorability is driven by higher outpatient claims, skilled nursing facility costs and operating expenses as a result of the regulatory fines. Partially offsetting these unfavorable variances are lower inpatient claims and higher pharmacy rebates. The unfavorable variance in revenues and favorable variance in capitation expenses are driven by the reconciliation of the Prop 56 risk corridor for SFY 18-19 and the Bridge Period, which reduces revenues by \$81 million and capitation expenses by \$67 million.

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**Cal MediConnect (CMC)**

The member months are 162,899, which is 363 member months unfavorable to the 3+9 forecast. The performance is a surplus of \$9.0 million and is \$6.6 million favorable to the forecast. The favorability is driven by lower inpatient claims, CY 2021 and 2022 RAF adjustments, and the quality withhold earnings for calendar year 2020 for Medicare. Partially offsetting these favorable variances are the shared risk final true-up for calendar year 2021 and higher skilled nursing facility costs.

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**Commercial**

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 1.4 million, which is 30,046 member months favorable to the 3+9 forecast. The performance is a surplus of \$23.0 million and is \$12.7 million favorable to the forecast due to lower operating expenses driven by the adjustment to a governmental fee incurred related to LACC and PASC-SEIU members for prior periods and higher membership than forecasted. The shared risk final true-up for calendar year 2021 also contributes to the surplus. However, the CY 2021 RAF true-up for LACC partially reduces the net surplus.

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## Consolidated Operations Income Statement (\$ in thousands)

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast			
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM		
2,625,607		2,535,503		90,104		Membership Member Months		22,888,784		22,673,639		215,145	
						Revenue							
\$ 783,787	\$ 298.52	\$ 758,743	\$ 299.25	\$ 25,044	\$ (0.73)	Capitation		\$ 6,827,051	\$ 298.27	\$ 6,983,497	\$ 308.00	\$ (156,446)	\$ (9.73)
\$ 783,787	\$ 298.52	\$ 758,743	\$ 299.25	\$ 25,044	\$ (0.73)	Total Revenues		\$ 6,827,051	\$ 298.27	\$ 6,983,497	\$ 308.00	\$ (156,446)	\$ (9.73)
						Healthcare Expenses							
\$ 430,142	\$ 163.83	\$ 422,001	\$ 166.44	\$ (8,141)	\$ 2.61	Capitation		\$ 3,603,807	\$ 157.45	\$ 3,805,319	\$ 167.83	\$ 201,512	\$ 10.38
\$ 113,871	\$ 43.37	\$ 101,205	\$ 39.91	\$ (12,667)	\$ (3.45)	Inpatient Claims		\$ 889,694	\$ 38.87	\$ 964,288	\$ 42.53	\$ 74,594	\$ 3.66
\$ 94,556	\$ 36.01	\$ 83,876	\$ 33.08	\$ (10,680)	\$ (2.93)	Outpatient Claims		\$ 778,781	\$ 34.02	\$ 728,386	\$ 32.12	\$ (50,395)	\$ (1.90)
\$ 90,212	\$ 34.36	\$ 66,623	\$ 26.28	\$ (23,589)	\$ (8.08)	Skilled Nursing Facility		\$ 728,060	\$ 31.81	\$ 635,751	\$ 28.04	\$ (92,309)	\$ (3.77)
\$ 13,770	\$ 5.24	\$ 9,584	\$ 3.78	\$ (4,186)	\$ (1.46)	Pharmacy		\$ 239,444	\$ 10.46	\$ 240,328	\$ 10.60	\$ 884	\$ 0.14
\$ 4,863	\$ 1.85	\$ 7,533	\$ 2.97	\$ 2,670	\$ 1.12	Provider Incentives and Shared Risk		\$ 60,642	\$ 2.65	\$ 62,730	\$ 2.77	\$ 2,088	\$ 0.12
\$ 7,062	\$ 2.69	\$ 7,673	\$ 3.03	\$ 611	\$ 0.34	Medical Administrative Expenses		\$ 60,016	\$ 2.62	\$ 64,336	\$ 2.84	\$ 4,320	\$ 0.22
\$ 754,476	\$ 287.35	\$ 698,495	\$ 275.49	\$ (55,982)	\$ (11.87)	Total Healthcare Expenses		\$ 6,360,444	\$ 277.88	\$ 6,501,138	\$ 286.73	\$ 140,694	\$ 8.84
96.3%		92.1%		-4.2%		MCR(%)		93.2%		93.1%		-0.1%	
\$ 29,310	\$ 11.16	\$ 60,248	\$ 23.76	\$ (30,938)	\$ (12.60)	Operating Margin		\$ 466,607	\$ 20.39	\$ 482,359	\$ 21.27	\$ (15,752)	\$ (0.89)
\$ 37,607	\$ 14.32	\$ 39,863	\$ 15.72	\$ 2,255	\$ 1.40	Total Operating Expenses		\$ 384,363	\$ 16.79	\$ 364,762	\$ 16.09	\$ (19,601)	\$ (0.71)
4.8%		5.3%		0.5%		Admin Ratio(%)		5.6%		5.2%		-0.4%	
\$ (8,297)	\$ (3.16)	\$ 20,386	\$ 8.04	\$ (28,683)	\$ (11.20)	Income (Loss) from Operations		\$ 82,244	\$ 3.59	\$ 117,597	\$ 5.19	\$ (35,353)	\$ (1.59)
\$ (1,442)	\$ (0.55)	\$ (5,408)	\$ (2.13)	\$ 3,966	\$ 1.58	Other Income/(Expense), net		\$ (19,015)	\$ (0.83)	\$ (36,889)	\$ (1.63)	\$ 17,873	\$ 0.80
\$ 1,656	\$ 0.63	\$ 666	\$ 0.26	\$ 989	\$ 0.37	Interest Income, net		\$ 9,116	\$ 0.40	\$ 6,472	\$ 0.29	\$ 2,644	\$ 0.11
\$ 4	\$ 0.00	\$ -	\$ -	\$ 4	\$ 0.00	Realized Gain / Loss		\$ (22)	\$ (0.00)	\$ 26	\$ 0.00	\$ (48)	\$ (0.00)
\$ (4,208)	\$ (1.60)	\$ -	\$ -	\$ (4,208)	\$ (1.60)	Unrealized Gain / Loss		\$ (28,977)	\$ (1.27)	\$ (5,462)	\$ (0.24)	\$ (23,515)	\$ (1.03)
\$ (3,990)	\$ (1.52)	\$ (4,742)	\$ (1.87)	\$ 752	\$ 0.35	Total Non-Operating Income (Expense)		\$ (38,898)	\$ (1.70)	\$ (35,852)	\$ (1.58)	\$ (3,046)	\$ (0.12)
						Net Surplus (Deficit)		\$ 43,346	\$ 1.89	\$ 81,745	\$ 3.61	\$ (38,399)	\$ (1.71)
-1.6%		2.1%		-3.6%		Margin(%)		0.6%		1.2%		-0.5%	

### Membership Member Months

### Revenue

Capitation

### Total Revenues

### Healthcare Expenses

Capitation

Inpatient Claims

Outpatient Claims

Skilled Nursing Facility

Pharmacy

Provider Incentives and Shared Risk

Medical Administrative Expenses

### Total Healthcare Expenses

MCR(%)

### Operating Margin

### Total Operating Expenses

Admin Ratio(%)

### Income (Loss) from Operations

Other Income/(Expense), net

Interest Income, net

Realized Gain / Loss

Unrealized Gain / Loss

### Total Non-Operating Income (Expense)

### Net Surplus (Deficit)

Margin(%)



## MediCal Plan Partners Income Statement (\$ in thousands)

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
1,106,692		1,071,444		35,248							
						<b>Membership</b>					
						Member Months					
						9,736,727		9,643,977		92,750	
						<b>Revenue</b>					
						Capitation					
\$ 261,963	\$ 236.71	\$ 258,319	\$ 241.09	\$ 3,644	\$ (4.39)	\$ 2,246,934	\$ 230.77	\$ 2,399,465	\$ 248.80	\$ (152,531)	\$ (18.04)
<b>\$ 261,963</b>	<b>\$ 236.71</b>	<b>\$ 258,319</b>	<b>\$ 241.09</b>	<b>\$ 3,644</b>	<b>\$ (4.39)</b>	<b>\$ 2,246,934</b>	<b>\$ 230.77</b>	<b>\$ 2,399,465</b>	<b>\$ 248.80</b>	<b>\$ (152,531)</b>	<b>\$ (18.04)</b>
						<b>Total Revenues</b>					
						<b>Healthcare Expenses</b>					
						Capitation					
\$ 245,411	\$ 221.75	\$ 242,997	\$ 226.79	\$ (2,414)	\$ 5.04	\$ 2,112,211	\$ 216.93	\$ 2,261,082	\$ 234.46	\$ 148,871	\$ 17.52
\$ 0	\$ 0.00	\$ -	\$ -	\$ (0)	\$ (0.00)	\$ (0)	\$ (0.00)	\$ 0	\$ 0.00	\$ 0	\$ 0.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ (0.00)	\$ (0)	\$ (0.00)	\$ 1	\$ 0.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,620	\$ 1.46	\$ 3,011	\$ 2.81	\$ 1,391	\$ 1.35	\$ 14,001	\$ 1.44	\$ 22,382	\$ 2.32	\$ 8,381	\$ 0.88
\$ 1,224	\$ 1.11	\$ 1,350	\$ 1.26	\$ 126	\$ 0.15	\$ 10,411	\$ 1.07	\$ 11,104	\$ 1.15	\$ 693	\$ 0.08
<b>\$ 248,255</b>	<b>\$ 224.32</b>	<b>\$ 247,358</b>	<b>\$ 230.86</b>	<b>\$ (897)</b>	<b>\$ 6.54</b>	<b>\$ 2,136,621</b>	<b>\$ 219.44</b>	<b>\$ 2,294,568</b>	<b>\$ 237.93</b>	<b>\$ 157,946</b>	<b>\$ 18.49</b>
94.8%		95.8%		1.0%		95.1%		95.6%		0.5%	
						<b>Operating Margin</b>					
\$ 13,708	\$ 12.39	\$ 10,961	\$ 10.23	\$ 2,747	\$ 2.16	\$ 110,312	\$ 11.33	\$ 104,897	\$ 10.88	\$ 5,415	\$ 0.45
						<b>Total Operating Expenses</b>					
\$ 6,238	\$ 5.64	\$ 6,572	\$ 6.13	\$ 334	\$ 0.50	\$ 67,129	\$ 6.89	\$ 58,390	\$ 6.05	\$ (8,739)	\$ (0.84)
2.4%		2.5%		0.2%		3.0%		2.4%		-0.6%	
						<b>Income (Loss) from Operations</b>					
\$ 7,470	\$ 6.75	\$ 4,389	\$ 4.10	\$ 3,081	\$ 2.65	\$ 43,184	\$ 4.44	\$ 46,508	\$ 4.82	\$ (3,324)	\$ (0.39)
<b>\$ (1,026)</b>	<b>\$ (0.93)</b>	<b>\$ 688</b>	<b>\$ 0.64</b>	<b>\$ (1,714)</b>	<b>\$ (1.57)</b>	<b>\$ (4,491)</b>	<b>\$ (0.46)</b>	<b>\$ 3,720</b>	<b>\$ 0.39</b>	<b>\$ (8,211)</b>	<b>\$ (0.85)</b>
						<b>Total Non-Operating Income (Expense)</b>					
						<b>Net Surplus (Deficit)</b>					
\$ 6,444	\$ 5.82	\$ 5,077	\$ 4.74	\$ 1,367	\$ 1.08	\$ 38,693	\$ 3.97	\$ 50,228	\$ 5.21	\$ (11,535)	\$ (1.23)
2.5%		2.0%		0.5%		1.7%		2.1%		-0.4%	
						<b>Margin(%)</b>					



## SPD-CCI Income Statement (\$ in thousands)

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
244,726		241,401		3,325							
\$ 201,656	\$ 824.01	\$ 181,918	\$ 753.60	\$ 19,738	\$ 70.41						
<b>\$ 201,656</b>	<b>\$ 824.01</b>	<b>\$ 181,918</b>	<b>\$ 753.60</b>	<b>\$ 19,738</b>	<b>\$ 70.41</b>						
\$ 26,801	\$ 109.52	\$ 24,531	\$ 101.62	\$ (2,271)	\$ (7.90)						
\$ 26,487	\$ 108.23	\$ 35,509	\$ 147.09	\$ 9,022	\$ 38.86						
\$ 48,197	\$ 196.94	\$ 44,027	\$ 182.38	\$ (4,170)	\$ (14.56)						
\$ 75,497	\$ 308.49	\$ 56,026	\$ 232.09	\$ (19,471)	\$ (76.41)						
\$ (251)	\$ (1.03)	\$ -	\$ -	\$ 251	\$ 1.03						
\$ 986	\$ 4.03	\$ 219	\$ 0.91	\$ (766)	\$ (3.12)						
\$ 2,382	\$ 9.73	\$ 2,495	\$ 10.34	\$ 113	\$ 0.60						
<b>\$ 180,099</b>	<b>\$ 735.92</b>	<b>\$ 162,807</b>	<b>\$ 674.43</b>	<b>\$ (17,292)</b>	<b>\$ (61.50)</b>						
89.3%		89.5%		0.2%							
\$ 21,558	\$ 88.09	\$ 19,112	\$ 79.17	\$ 2,446	\$ 8.92						
\$ 11,903	\$ 48.64	\$ 13,513	\$ 55.98	\$ 1,610	\$ 7.34						
5.9%		7.4%		1.5%							
\$ 9,654	\$ 39.45	\$ 5,599	\$ 23.19	\$ 4,055	\$ 16.26						
\$ 11,690	\$ 47.77	\$ 265	\$ 1.10	\$ 11,425	\$ 46.67						
<b>\$ 21,344</b>	<b>\$ 87.22</b>	<b>\$ 5,864</b>	<b>\$ 24.29</b>	<b>\$ 15,480</b>	<b>\$ 62.92</b>						
10.6%		3.2%		7.4%							
<b>Membership</b>											
Member Months						2,145,315		2,165,981		(20,666)	
<b>Revenue</b>											
Capitation						\$ 1,741,491	\$ 811.76	\$ 1,709,578	\$ 789.29	\$ 31,913	\$ 22.48
<b>Total Revenues</b>						<b>\$ 1,741,491</b>	<b>\$ 811.76</b>	<b>\$ 1,709,578</b>	<b>\$ 789.29</b>	<b>\$ 31,913</b>	<b>\$ 22.48</b>
<b>Healthcare Expenses</b>											
Capitation						\$ 201,785	\$ 94.06	\$ 205,240	\$ 94.76	\$ 3,455	\$ 0.70
Inpatient Claims						\$ 343,154	\$ 159.95	\$ 352,182	\$ 162.60	\$ 9,028	\$ 2.64
Outpatient Claims						\$ 402,337	\$ 187.54	\$ 380,117	\$ 175.49	\$ (22,221)	\$ (12.05)
Skilled Nursing Facility						\$ 613,980	\$ 286.20	\$ 540,530	\$ 249.55	\$ (73,450)	\$ (36.64)
Pharmacy						\$ 46,629	\$ 21.74	\$ 49,526	\$ 22.87	\$ 2,897	\$ 1.13
Provider Incentives and Shared Risk						\$ 10,899	\$ 5.08	\$ 5,072	\$ 2.34	\$ (5,827)	\$ (2.74)
Medical Administrative Expenses						\$ 19,683	\$ 9.18	\$ 20,740	\$ 9.58	\$ 1,056	\$ 0.40
<b>Total Healthcare Expenses</b>						<b>\$ 1,638,467</b>	<b>\$ 763.74</b>	<b>\$ 1,553,407</b>	<b>\$ 717.18</b>	<b>\$ (85,060)</b>	<b>\$ (46.56)</b>
<b>MCR(%)</b>						<b>94.1%</b>		<b>90.9%</b>		<b>-3.2%</b>	
<b>Operating Margin</b>						<b>\$ 103,025</b>	<b>\$ 48.02</b>	<b>\$ 156,172</b>	<b>\$ 72.10</b>	<b>\$ (53,147)</b>	<b>\$ (24.08)</b>
<b>Total Operating Expenses</b>						<b>\$ 128,250</b>	<b>\$ 59.78</b>	<b>\$ 120,369</b>	<b>\$ 55.57</b>	<b>\$ (7,881)</b>	<b>\$ (4.21)</b>
<b>Admin Ratio(%)</b>						<b>7.4%</b>		<b>7.0%</b>		<b>-0.3%</b>	
<b>Income (Loss) from Operations</b>						<b>\$ (25,225)</b>	<b>\$ (11.76)</b>	<b>\$ 35,803</b>	<b>\$ 16.53</b>	<b>\$ (61,028)</b>	<b>\$ (28.29)</b>
<b>Total Non-Operating Income (Expense)</b>						<b>\$ 8,164</b>	<b>\$ 3.81</b>	<b>\$ 1,115</b>	<b>\$ 0.51</b>	<b>\$ 7,049</b>	<b>\$ 3.29</b>
<b>Net Surplus (Deficit)</b>						<b>\$ (17,061)</b>	<b>\$ (7.95)</b>	<b>\$ 36,918</b>	<b>\$ 17.04</b>	<b>\$ (53,979)</b>	<b>\$ (25.00)</b>
<b>Margin(%)</b>						<b>-1.0%</b>		<b>2.2%</b>		<b>-3.1%</b>	



### **TANF-MCE Income Statement (\$ in thousands)**

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
1,090,614		1,044,923		45,691							
						Membership					
						Member Months		9,395,281		9,281,904	
						Revenue					
						Capitation		\$ 2,150,602 \$ 228.90		\$ 2,203,041 \$ 237.35	
						Total Revenues		\$ 2,150,602 \$ 228.90		\$ 2,203,041 \$ 237.35	
						Healthcare Expenses					
						Capitation		\$ 1,007,563 \$ 107.24		\$ 1,062,725 \$ 114.49	
						Inpatient Claims		\$ 421,695 \$ 44.88		\$ 468,665 \$ 50.49	
						Outpatient Claims		\$ 298,567 \$ 31.78		\$ 282,615 \$ 30.45	
						Skilled Nursing Facility		\$ 93,789 \$ 9.98		\$ 81,059 \$ 8.73	
						Pharmacy		\$ 103,114 \$ 10.98		\$ 107,442 \$ 11.58	
						Provider Incentives and Shared Risk		\$ 25,099 \$ 2.67		\$ 24,044 \$ 2.59	
						Medical Administrative Expenses		\$ 27,225 \$ 2.90		\$ 29,193 \$ 3.15	
						Total Healthcare Expenses		\$ 1,977,052 \$ 210.43		\$ 2,055,743 \$ 221.48	
						MCR(%)		91.9%		93.3%	
						Operating Margin		\$ 173,550 \$ 18.47		\$ 147,297 \$ 15.87	
						Total Operating Expenses		\$ 140,531 \$ 14.96		\$ 123,317 \$ 13.29	
						Admin Ratio(%)		6.5%		5.6%	
						Income (Loss) from Operations		\$ 33,019 \$ 3.51		\$ 23,980 \$ 2.58	
						Total Non-Operating Income (Expense)		\$ (13,060) \$ (1.39)		\$ 3,319 \$ 0.36	
						Net Surplus (Deficit)		\$ 19,959 \$ 2.12		\$ 27,299 \$ 2.94	
						Margin(%)		0.9%		1.2%	



## CMC Income Statement (\$ in thousands)

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
17,416		17,825		(409)		162,899		163,262		(363)	
						Membership					
						Member Months					
						Revenue					
						Capitation					
\$ 27,802	\$ 1,596.36	\$ 25,610	\$ 1,436.71	\$ 2,192	\$ 159.65	\$ 251,343	\$ 1,542.94	\$ 231,951	\$ 1,420.73	\$ 19,392	\$ 122.21
\$ 27,802	\$ 1,596.36	\$ 25,610	\$ 1,436.71	\$ 2,192	\$ 159.65	\$ 251,343	\$ 1,542.94	\$ 231,951	\$ 1,420.73	\$ 19,392	\$ 122.21
						Total Revenues					
						Healthcare Expenses					
						Capitation					
\$ 11,297	\$ 648.64	\$ 10,630	\$ 596.36	\$ (666)	\$ (52.28)	\$ 103,790	\$ 637.14	\$ 98,106	\$ 600.91	\$ (5,684)	\$ (36.23)
\$ 3,793	\$ 217.77	\$ 5,889	\$ 330.38	\$ 2,096	\$ 112.61	\$ 47,274	\$ 290.21	\$ 59,489	\$ 364.38	\$ 12,215	\$ 74.17
\$ 3,238	\$ 185.92	\$ 2,543	\$ 142.66	\$ (695)	\$ (43.26)	\$ 24,765	\$ 152.02	\$ 23,756	\$ 145.51	\$ (1,009)	\$ (6.52)
\$ 2,369	\$ 136.03	\$ 1,306	\$ 73.24	\$ (1,063)	\$ (62.79)	\$ 19,428	\$ 119.26	\$ 13,834	\$ 84.73	\$ (5,594)	\$ (34.53)
\$ 2,668	\$ 153.20	\$ 1,240	\$ 69.55	\$ (1,428)	\$ (83.65)	\$ 10,694	\$ 65.65	\$ 8,303	\$ 50.86	\$ (2,391)	\$ (14.79)
\$ 877	\$ 50.34	\$ 971	\$ 54.46	\$ 94	\$ 4.12	\$ 17,192	\$ 105.54	\$ 7,688	\$ 47.09	\$ (9,504)	\$ (58.45)
\$ 165	\$ 9.45	\$ 305	\$ 17.09	\$ 140	\$ 7.64	\$ 1,706	\$ 10.47	\$ 2,257	\$ 13.82	\$ 551	\$ 3.35
\$ 24,406	\$ 1,401.35	\$ 22,883	\$ 1,283.74	\$ (1,523)	\$ (117.61)	\$ 224,849	\$ 1,380.30	\$ 213,432	\$ 1,307.30	\$ (11,416)	\$ (72.99)
87.8%		89.4%		1.6%		89.5%		92.0%		2.6%	
						Operating Margin					
\$ 3,396	\$ 195.01	\$ 2,727	\$ 152.97	\$ 670	\$ 42.04	\$ 26,494	\$ 162.64	\$ 18,519	\$ 113.43	\$ 7,975	\$ 49.21
						Total Operating Expenses					
\$ 1,838	\$ 105.56	\$ 1,925	\$ 108.02	\$ 87	\$ 2.46	\$ 17,267	\$ 106.00	\$ 16,209	\$ 99.28	\$ (1,058)	\$ (6.72)
6.6%		7.5%		0.9%		6.9%		7.0%		0.1%	
						Income (Loss) from Operations					
\$ 1,558	\$ 89.45	\$ 801	\$ 44.95	\$ 757	\$ 44.50	\$ 9,227	\$ 56.64	\$ 2,310	\$ 14.15	\$ 6,917	\$ 42.49
						Total Non-Operating Income (Expense)					
\$ (216)	\$ (12.41)	\$ 11	\$ 0.59	\$ (227)	\$ (13.00)	\$ (259)	\$ (1.59)	\$ 62	\$ 0.38	\$ (321)	\$ (1.97)
						Net Surplus (Deficit)					
\$ 1,342	\$ 77.04	\$ 812	\$ 45.54	\$ 530	\$ 31.49	\$ 8,968	\$ 55.05	\$ 2,372	\$ 14.53	\$ 6,596	\$ 40.52
4.8%		3.2%		1.7%		3.6%		1.0%		2.5%	





## Commercial Income Statement (\$ in thousands)

June 2022

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
166,159		159,909		6,250	
\$ 39,660	\$ 238.68	\$ 53,465	\$ 334.35	\$ (13,806)	\$ (95.66)
<b>\$ 39,660</b>	<b>\$ 238.68</b>	<b>\$ 53,465</b>	<b>\$ 334.35</b>	<b>\$ (13,806)</b>	<b>\$ (95.66)</b>
\$ 16,611	\$ 99.97	\$ 20,444	\$ 127.85	\$ 3,833	\$ 27.88
\$ 11,533	\$ 69.41	\$ 8,672	\$ 54.23	\$ (2,861)	\$ (15.18)
\$ 6,213	\$ 37.39	\$ 4,422	\$ 27.65	\$ (1,791)	\$ (9.74)
\$ 93	\$ 0.56	\$ -	\$ -	\$ (93)	\$ (0.56)
\$ 12,194	\$ 73.39	\$ 8,345	\$ 52.18	\$ (3,849)	\$ (21.20)
\$ (862)	\$ (5.19)	\$ 662	\$ 4.14	\$ 1,523	\$ 9.32
\$ 117	\$ 0.70	\$ 125	\$ 0.78	\$ 9	\$ 0.08
<b>\$ 45,898</b>	<b>\$ 276.23</b>	<b>\$ 42,669</b>	<b>\$ 266.84</b>	<b>\$ (3,229)</b>	<b>\$ (9.39)</b>
115.7%		79.8%		-35.9%	
<b>\$ (6,238)</b>	<b>\$ (37.54)</b>	<b>\$ 10,796</b>	<b>\$ 67.51</b>	<b>\$ (17,034)</b>	<b>\$ (105.06)</b>
<b>\$ 5,733</b>	<b>\$ 34.50</b>	<b>\$ 4,854</b>	<b>\$ 30.35</b>	<b>\$ (879)</b>	<b>\$ (4.15)</b>
14.5%		9.1%		-5.4%	
<b>\$ (11,971)</b>	<b>\$ (72.05)</b>	<b>\$ 5,942</b>	<b>\$ 37.16</b>	<b>\$ (17,913)</b>	<b>\$ (109.20)</b>
<b>\$ (95)</b>	<b>\$ (0.57)</b>	<b>\$ (94)</b>	<b>\$ (0.59)</b>	<b>\$ (0)</b>	<b>\$ 0.02</b>
<b>\$ (12,066)</b>	<b>\$ (72.61)</b>	<b>\$ 5,848</b>	<b>\$ 36.57</b>	<b>\$ (17,913)</b>	<b>\$ (109.18)</b>
-30.4%		10.9%		-41.4%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>Membership</b>						
Member Months	1,448,562		1,418,516		30,046	
<b>Revenue</b>						
Capitation	\$ 436,680	\$ 301.46	\$ 439,461	\$ 309.80	\$ (2,781)	\$ (8.35)
<b>Total Revenues</b>	<b>\$ 436,680</b>	<b>\$ 301.46</b>	<b>\$ 439,461</b>	<b>\$ 309.80</b>	<b>\$ (2,781)</b>	<b>\$ (8.35)</b>
<b>Healthcare Expenses</b>						
Capitation	\$ 178,457	\$ 123.20	\$ 178,166	\$ 125.60	\$ (291)	\$ 2.40
Inpatient Claims	\$ 77,572	\$ 53.55	\$ 83,952	\$ 59.18	\$ 6,380	\$ 5.63
Outpatient Claims	\$ 53,113	\$ 36.67	\$ 41,898	\$ 29.54	\$ (11,215)	\$ (7.13)
Skilled Nursing Facility	\$ 863	\$ 0.60	\$ 328	\$ 0.23	\$ (535)	\$ (0.36)
Pharmacy	\$ 79,012	\$ 54.55	\$ 75,058	\$ 52.91	\$ (3,954)	\$ (1.63)
Provider Incentives and Shared Risk	\$ (6,548)	\$ (4.52)	\$ 3,545	\$ 2.50	\$ 10,093	\$ 7.02
Medical Administrative Expenses	\$ 990	\$ 0.68	\$ 1,043	\$ 0.74	\$ 53	\$ 0.05
<b>Total Healthcare Expenses</b>	<b>\$ 383,459</b>	<b>\$ 264.72</b>	<b>\$ 383,989</b>	<b>\$ 270.70</b>	<b>\$ 530</b>	<b>\$ 5.98</b>
MCR(%)	87.8%		87.4%		-0.4%	
<b>Operating Margin</b>	<b>\$ 53,221</b>	<b>\$ 36.74</b>	<b>\$ 55,472</b>	<b>\$ 39.11</b>	<b>\$ (2,252)</b>	<b>\$ (2.37)</b>
<b>Total Operating Expenses</b>	<b>\$ 29,408</b>	<b>\$ 20.30</b>	<b>\$ 44,387</b>	<b>\$ 31.29</b>	<b>\$ 14,979</b>	<b>\$ 10.99</b>
Admin Ratio(%)	6.7%		10.1%		3.4%	
<b>Income (Loss) from Operations</b>	<b>\$ 23,813</b>	<b>\$ 16.44</b>	<b>\$ 11,085</b>	<b>\$ 7.81</b>	<b>\$ 12,728</b>	<b>\$ 8.62</b>
<b>Total Non-Operating Income (Expense)</b>	<b>\$ (851)</b>	<b>\$ (0.59)</b>	<b>\$ (852)</b>	<b>\$ (0.60)</b>	<b>\$ 0</b>	<b>\$ 0.01</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 22,962</b>	<b>\$ 15.85</b>	<b>\$ 10,234</b>	<b>\$ 7.21</b>	<b>\$ 12,728</b>	<b>\$ 8.64</b>
Margin(%)	5.3%		2.3%		2.9%	



## Comparative Balance Sheet

(Dollars in thousands)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
<b>ASSETS</b>												
<b>CURRENT ASSETS</b>												
Total Current Assets	\$4,476,248	\$4,406,866	\$4,782,439	\$4,483,572	\$4,781,058	\$4,475,327	\$5,037,258	\$4,719,524	\$5,474,251	\$4,849,447	\$4,871,908	\$4,873,636
Capitalized Assets - net	\$108,396	\$106,100	\$105,915	\$105,290	\$105,477	\$105,456	\$105,465	\$105,437	\$106,054	\$106,171	\$105,872	\$105,275
<b>NONCURRENT ASSETS</b>	\$3,525	\$3,637	\$3,523	\$3,466	\$3,393	\$3,251	\$3,170	\$3,023	\$2,878	\$2,739	\$2,635	\$2,496
<b>TOTAL ASSETS</b>	<b>\$4,588,169</b>	<b>\$4,516,602</b>	<b>\$4,891,876</b>	<b>\$4,592,328</b>	<b>\$4,889,928</b>	<b>\$4,584,034</b>	<b>\$5,145,893</b>	<b>\$4,827,984</b>	<b>\$5,583,182</b>	<b>\$4,958,357</b>	<b>\$4,980,415</b>	<b>\$4,981,408</b>
<b>LIABILITIES AND FUND EQUITY</b>												
<b>CURRENT LIABILITIES</b>												
Total Current Liability	\$3,550,234	\$3,486,394	\$3,838,981	\$3,516,064	\$3,810,650	\$3,498,864	\$4,025,400	\$3,756,304	\$4,494,782	\$3,883,690	\$3,872,966	\$3,886,281
Long Term Liability	\$2,429	\$2,994	\$3,441	\$3,328	\$3,417	\$2,174	\$2,231	\$2,194	\$3,058	\$2,240	\$2,362	\$2,326
<b>Total Liabilities</b>	<b>\$3,552,663</b>	<b>\$3,489,388</b>	<b>\$3,842,421</b>	<b>\$3,519,391</b>	<b>\$3,814,067</b>	<b>\$3,501,038</b>	<b>\$4,027,631</b>	<b>\$3,758,498</b>	<b>\$4,497,840</b>	<b>\$3,885,929</b>	<b>\$3,875,327</b>	<b>\$3,888,607</b>
<b>FUND EQUITY</b>												
Invested in Capital Assets, net of related debt	\$108,396	\$106,100	\$105,915	\$105,290	\$105,477	\$105,456	\$105,465	\$105,437	\$106,054	\$106,171	\$105,872	\$105,275
Restricted Equity	\$450	\$450	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Minimum Tangible Net Equity	\$202,973	\$204,075	\$200,751	\$201,278	\$202,065	\$203,167	\$203,167	\$205,043	\$204,666	\$205,980	\$203,622	\$203,266
Board Designated Funds	\$97,416	\$93,180	\$91,741	\$103,141	\$100,133	\$89,697	\$88,702	\$86,298	\$125,441	\$124,260	\$113,244	\$110,644
Unrestricted Net Assets	\$626,271	\$623,409	\$650,449	\$662,628	\$667,585	\$684,076	\$720,328	\$672,107	\$648,581	\$635,417	\$681,750	\$673,016
<b>Total Fund Equity</b>	<b>\$1,035,506</b>	<b>\$1,027,214</b>	<b>\$1,049,455</b>	<b>\$1,072,937</b>	<b>\$1,075,861</b>	<b>\$1,082,996</b>	<b>\$1,118,262</b>	<b>\$1,069,486</b>	<b>\$1,085,342</b>	<b>\$1,072,427</b>	<b>\$1,105,088</b>	<b>\$1,092,801</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$4,588,169</b>	<b>\$4,516,602</b>	<b>\$4,891,876</b>	<b>\$4,592,328</b>	<b>\$4,889,928</b>	<b>\$4,584,034</b>	<b>\$5,145,893</b>	<b>\$4,827,984</b>	<b>\$5,583,182</b>	<b>\$4,958,357</b>	<b>\$4,980,415</b>	<b>\$4,981,408</b>
<b>Solvency Ratios</b>												
Working Capital Ratio	1.26	1.26	1.25	1.28	1.25	1.28	1.25	1.26	1.22	1.25	1.26	1.25
Cash to Claims Ratio	0.57	0.55	0.72	0.59	0.66	0.59	0.66	0.54	0.76	0.53	0.53	0.52
Tangible Net Equity Ratio	5.10	5.03	5.23	5.33	5.32	5.33	5.50	5.22	5.30	5.21	5.43	5.38



## Cash Flows Statement (\$ in thousands)

June 2022

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	YTD
<b>Cash Flows from Operating Activities:</b>										
Capitation Revenue	\$ 763,872	\$ 743,782	\$ 830,492	\$ 703,097	\$ 725,391	\$ 761,918	\$ 849,122	\$ 677,365	\$ 731,798	\$ 6,786,837
Other Income (Expense), net	\$ 10,099	\$ (2,297)	\$ (8,057)	\$ (1,229)	\$ (1,606)	\$ (861)	\$ (4,833)	\$ (8,800)	\$ (18,428)	\$ (36,012)
Healthcare Expenses	\$ (769,260)	\$ (685,351)	\$ (854,089)	\$ (606,627)	\$ (673,516)	\$ (767,350)	\$ (709,826)	\$ (677,802)	\$ (721,212)	\$ (6,465,033)
Operating Expenses	\$ (31,084)	\$ (30,643)	\$ (54,724)	\$ (33,016)	\$ (39,706)	\$ (36,746)	\$ (40,221)	\$ (36,080)	\$ (32,777)	\$ (334,997)
<b>Net Cash Provided By Operating Activities</b>	<b>\$ (26,373)</b>	<b>\$ 25,491</b>	<b>\$ (86,378)</b>	<b>\$ 62,225</b>	<b>\$ 10,563</b>	<b>\$ (43,039)</b>	<b>\$ 94,242</b>	<b>\$ (45,317)</b>	<b>\$ (40,619)</b>	<b>\$ (49,205)</b>
<b>Cash Flows from Investing Activities</b>										
Purchase of investments - Net	\$ 70,245	\$ 85,685	\$ (82,191)	\$ 22,709	\$ 511	\$ 32,993	\$ (75,560)	\$ 63,440	\$ (78,466)	\$ 39,366
Purchase of Capital Assets	\$ (1,333)	\$ (2,179)	\$ (1,833)	\$ (1,847)	\$ (1,827)	\$ (2,552)	\$ (1,987)	\$ (1,841)	\$ (1,404)	\$ (16,803)
<b>Net Cash Provided By Investing Activities</b>	<b>\$ 68,912</b>	<b>\$ 83,506</b>	<b>\$ (84,024)</b>	<b>\$ 20,862</b>	<b>\$ (1,316)</b>	<b>\$ 30,441</b>	<b>\$ (77,547)</b>	<b>\$ 61,599</b>	<b>\$ (79,870)</b>	<b>\$ 22,563</b>
<b>Cash Flows from Financing Activities:</b>										
Gross Premium Tax (MCO Sales Tax) - Net	\$ (26,829)	\$ 14,276	\$ 14,596	\$ (26,338)	\$ 14,591	\$ 14,999	\$ (27,892)	\$ 14,981	\$ 30,387	\$ 22,771
Pass through transactions (AB 85, IGT, etc.)	\$ (297,777)	\$ 160,499	\$ (137,249)	\$ 360,537	\$ (395,556)	\$ 762,594	\$ (762,563)	\$ 79	\$ (12,350)	\$ (321,786)
<b>Net Cash Provided By Financing Activities</b>	<b>\$ (324,606)</b>	<b>\$ 174,775</b>	<b>\$ (122,653)</b>	<b>\$ 334,199</b>	<b>\$ (380,965)</b>	<b>\$ 777,593</b>	<b>\$ (790,455)</b>	<b>\$ 15,060</b>	<b>\$ 18,037</b>	<b>\$ (299,015)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>\$ (282,067)</b>	<b>\$ 283,772</b>	<b>\$ (293,055)</b>	<b>\$ 417,286</b>	<b>\$ (371,718)</b>	<b>\$ 764,995</b>	<b>\$ (773,760)</b>	<b>\$ 31,342</b>	<b>\$ (102,452)</b>	<b>\$ (325,657)</b>
Cash and Cash Equivalents, Beginning	\$ 990,897	\$ 708,830	\$ 992,602	\$ 699,547	\$ 1,116,833	\$ 745,115	\$ 1,510,110	\$ 736,350	\$ 767,692	\$ 990,897
<b>Cash and Cash Equivalents, Ending</b>	<b>\$ 708,830</b>	<b>\$ 992,602</b>	<b>\$ 699,547</b>	<b>\$ 1,116,833</b>	<b>\$ 745,115</b>	<b>\$ 1,510,110</b>	<b>\$ 736,350</b>	<b>\$ 767,692</b>	<b>\$ 665,240</b>	<b>\$ 665,240</b>
<b>Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:</b>										
<b>Excess of Revenues over Expenses</b>	<b>\$ 23,481</b>	<b>\$ 2,924</b>	<b>\$ 7,135</b>	<b>\$ 35,266</b>	<b>\$ (48,776)</b>	<b>\$ 15,857</b>	<b>\$ (12,915)</b>	<b>\$ 32,660</b>	<b>\$ (12,287)</b>	<b>\$ 43,345</b>
<b>Adjustments to Excess of Revenues Over Expenses:</b>										
Depreciation	\$ 1,957	\$ 1,991	\$ 1,855	\$ 1,838	\$ 1,856	\$ 1,935	\$ 1,870	\$ 2,139	\$ 2,002	\$ 17,443
Realized and Unrealized (Gain)/Loss on Investments	\$ 2,947	\$ 1,228	\$ 1,261	\$ 5,239	\$ 3,431	\$ 8,064	\$ 4,865	\$ (2,240)	\$ 4,204	\$ 28,999
Deferred Rent	\$ (113)	\$ 90	\$ (1,244)	\$ 57	\$ (37)	\$ 864	\$ (818)	\$ 122	\$ (35)	\$ (1,114)
Gross Premium Tax provision	\$ (280)	\$ (516)	\$ (837)	\$ (2,011)	\$ (1,000)	\$ (1,072)	\$ (1,145)	\$ (1,228)	\$ (1,464)	\$ (9,553)
Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Adjustments to Excess of Revenues over Expenses</b>	<b>\$ 4,511</b>	<b>\$ 2,793</b>	<b>\$ 1,035</b>	<b>\$ 5,123</b>	<b>\$ 4,250</b>	<b>\$ 9,791</b>	<b>\$ 4,772</b>	<b>\$ (1,207)</b>	<b>\$ 4,707</b>	<b>\$ 35,775</b>
<b>Changes in Operating Assets and Liabilities:</b>										
Capitation Receivable	\$ (47,907)	\$ (64,579)	\$ 25,121	\$ 216,121	\$ (45,704)	\$ (35,458)	\$ (16,558)	\$ (76,816)	\$ (50,909)	\$ (96,689)
Interest and Non-Operating Receivables	\$ 164	\$ (19)	\$ (209)	\$ 176	\$ (8)	\$ 160	\$ (3,566)	\$ (177)	\$ (15,869)	\$ (19,348)
Prepaid and Other Current Assets	\$ 1,810	\$ (964)	\$ (971)	\$ 3,108	\$ (4,076)	\$ (3,123)	\$ 3,114	\$ (12,423)	\$ (41,482)	\$ (55,007)
Accounts Payable and Accrued Liabilities	\$ 68	\$ 6,440	\$ (10,195)	\$ (19,850)	\$ 56,020	\$ 2,273	\$ (4,736)	\$ 4,043	\$ 3,084	\$ 37,147
Subcapitation Payable	\$ 36,845	\$ 75,826	\$ (105,110)	\$ (147,776)	\$ 29,226	\$ (43,177)	\$ 22,211	\$ 47,892	\$ 88,495	\$ 4,432
MediCal Adult Expansion Payable	\$ 37,928	\$ (40)	\$ (171)	\$ (114)	\$ (54)	\$ 467	\$ 1,149	\$ (1,796)	\$ (16,056)	\$ 21,313
Deferred Capitation Revenue	\$ (898)	\$ (567)	\$ 1,353	\$ 4,098	\$ 1,887	\$ 1,339	\$ 74,023	\$ (23,679)	\$ (1,080)	\$ 56,476
Accrued Medical Expenses	\$ (2,474)	\$ 2,920	\$ 625	\$ (44,258)	\$ 6,593	\$ 9,589	\$ (706)	\$ (15,643)	\$ (7,568)	\$ (50,922)
Reserve for Claims	\$ 12,037	\$ 9,596	\$ 9,601	\$ 11,579	\$ 17,754	\$ 138	\$ 25,330	\$ (11,345)	\$ 6,199	\$ 80,889
Reserve for Provider Incentives	\$ (92,318)	\$ (9,394)	\$ (16,679)	\$ (483)	\$ (7,007)	\$ (1,061)	\$ 2,371	\$ 11,716	\$ 3,458	\$ (109,397)
Grants Payable	\$ 380	\$ 555	\$ 2,087	\$ (765)	\$ 458	\$ 166	\$ (247)	\$ 1,458	\$ (1,311)	\$ 2,781
<b>Net Changes in Operating Assets and Liabilities</b>	<b>\$ (54,365)</b>	<b>\$ 19,774</b>	<b>\$ (94,548)</b>	<b>\$ 21,836</b>	<b>\$ 55,089</b>	<b>\$ (68,687)</b>	<b>\$ 102,385</b>	<b>\$ (76,770)</b>	<b>\$ (33,039)</b>	<b>\$ (128,325)</b>
<b>Net Cash Provided By Operating Activities</b>	<b>\$ (26,373)</b>	<b>\$ 25,491</b>	<b>\$ (86,378)</b>	<b>\$ 62,225</b>	<b>\$ 10,563</b>	<b>\$ (43,039)</b>	<b>\$ 94,242</b>	<b>\$ (45,317)</b>	<b>\$ (40,619)</b>	<b>\$ (49,205)</b>



**L.A. Care**  
HEALTH PLAN

**Board of Governors**  
**MOTION SUMMARY**

**Date:** September 1, 2022

**Motion No.** FIN 107.0922

**Committee:** Finance & Budget

**Chairperson:** Ilan Shapiro MD, MBA, FAAP, FACHE

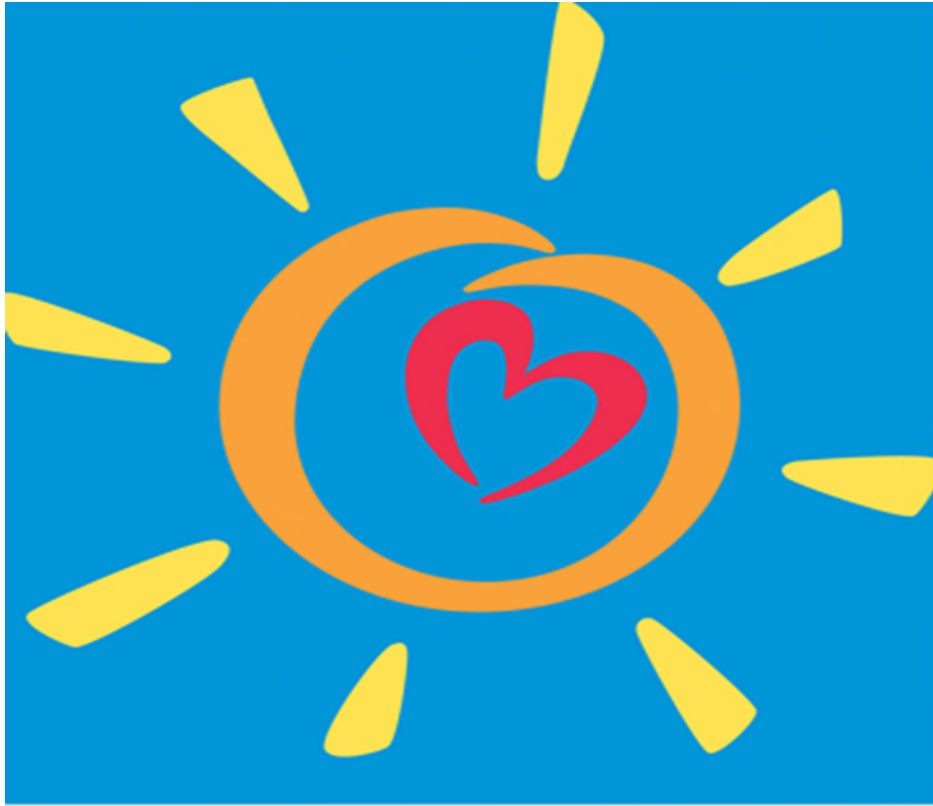
**Issue:** Recommend the draft FY 2022-23 Operating and Capital Budget for Board consideration.

**Background:** Please see the Budget documents for detailed information.

**Member Impact:** The annual Capital and Operating Budget outlines the appropriate use of revenue 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.

**Budget Impact:** Not applicable.

**Motion:** To approve the Fiscal Year 2022-23 Operating and Capital Budget, as submitted.



**L.A. Care**  
H E A L T H P L A N®

**OPERATING AND CAPITAL BUDGET  
FISCAL YEAR 2022-23**

**Board of Governors  
September 1, 2022**

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# EXECUTIVE SUMMARY

## Environmental Overview

### **COVID-19**

COVID-19 continues to affect our health care system and economy. COVID-19 has impacted Los Angeles County significantly, with more than 3.3 million cases and more than 32,000 deaths as of August 10, 2022. New cases, hospitalizations, and deaths have decreased dramatically as more of the population has become vaccinated. However, cases persist due to fast-spreading variants. In addition, racial/ethnic disparities exist. The mortality rate (age-adjusted death rate due to COVID-19 per 100K population) was 456 and 314 for Hispanic/Latino and Black residents respectively, compared to 197 and 180 for Asian and White residents, respectively. The mortality rate for poor areas (30-100% area poverty) was 527 per 100K residents compared to 174 per 100K residents in areas with less than 10 percent poverty.

L.A. Care data shows that 61 percent of our members have been vaccinated against COVID-19. Rates are higher among older members, with 75 percent of members aged 65 and older having been vaccinated. Among Asian members, 76 percent have been vaccinated compared to only 47 percent of Black/African American members. We are working with external partners to address the severe ethnic/racial disparities in vaccination rates.

COVID-19 had reduced routine healthcare utilization and increased use of telehealth services. While in-person visits have resumed and telehealth usage has declined, we expect that telehealth will continue as a regular part of care. During this period of COVID, plans have been required to pay for services such as testing and treatment, but vaccine costs have been and will continue to be covered by the Department of Health Services (DHCS). The end of the Public Health Emergency may result in changes in responsibility for some of these costs. L.A. Care participated in the COVID-19 incentive program during the current fiscal year and will continue to promote the benefits of vaccination to its members.

### **Medi-Cal**

During the COVID-related Public Health Emergency, Medi-Cal redeterminations have been suspended, meaning that people who might have lost coverage during their renewal period have been kept on Medi-Cal. Our Medi-Cal membership has grown and has not experienced the normal fluctuations of members churning on and off of coverage. Once the Public Health Emergency is lifted, redeterminations will resume and we anticipate losing Medi-Cal members, however, the timing is not clear. The Public Health Emergency, currently slated to end October 13, 2022, has been extended multiple times although we do expect it to be lifted sometime during the upcoming fiscal year. If the PHE expires in October 2022, DHCS must resume its annual redeterminations resulting in disenrollment starting in February 2023. The redetermination process and disenrollment will be gradual over a 14-month period. We are actively working on a campaign to educate members on how to retain their Medi-Cal during the redetermination period.

Our Medi-Cal membership has also grown as a result of the State's expansion of Medi-Cal to include income-eligible undocumented individuals aged 50 and over beginning May 1, 2022. We received a large membership increase in July 2022 and while growth will obviously not continue at that pace, membership growth is expected to continue as undocumented residents age into eligibility. The Governor also signed SB 184, which expands Medi-Cal to undocumented residents aged 26-49 who are income-eligible, however this won't take effect until 2024. Once this takes effect, all income-eligible residents will be Medi-Cal eligible regardless of immigration status, making universal access to healthcare coverage a reality.

Another factor that will affect Medi-Cal is the State-wide reprocurement. The State issued a request for proposal (RFP) for the commercial plans in the Two-Plan model. If a new commercial plan is selected for Los Angeles County, particularly if it's a large commercial plan, they may aggressively compete for market share or may have quality ratings that would affect the auto-assignment algorithm, potentially affecting our market share. Although the announcement of the commercial plan is targeted for August 2022, it won't take effect until January 1, 2024. In addition, while L.A. Care does not have to compete in the reprocurement process, there will be new Medi-Cal contract requirements that will pertain to both L.A. Care and the commercial plan.

Finally, our Medi-Cal membership will be reduced because of AB 2724, which allows DHCS to contract directly with Kaiser for Medi-Cal managed care. L.A. Care will lose Kaiser's 250,000 members, along with the revenue and health care costs associated with those members. Removing Kaiser from L.A. Care's quality score calculation may also affect our overall quality rating which in turn affects auto-assignment. Although Kaiser's members comprise a small fraction of L.A. Care's total membership, its quality ratings are very high. This will take effect in 2024.

Another large change to Medi-Cal which began in FY 2021-22 was California Advancing and Innovating Medi-Cal (CalAIM) implementation. CalAIM is a federal waiver proposal that transforms Medi-Cal in many ways. CalAIM's goals are to manage member risk while addressing social determinants of health, reduce complexity and increase flexibility of Medi-Cal, and improve quality outcomes and the delivery system. Components that began on January 2022 include Enhanced Care Management (ECM) which replaces the Health Homes Program and Whole Person Care, Community Supports (CS) including medically supportive foods or housing supports, and the Major Organ Transplant (MOT) benefit. Effective January 1, 2022, in support of the CalAIM initiative, L.A. Care implemented ECM, CS which includes Housing Navigation, Tenancy and Sustaining Services, Recuperative Care, and Medically Tailored Meals, and MOT benefits. On July 1, 2022, four additional CS services were added including Housing Deposits, Sobering Centers, Respite Services, and Personal Care and Homemaker Services. Another component of the CalAIM initiative starting January 1, 2022 is the mandatory managed care enrollment provision which requires beneficiaries in certain voluntary or excluded aid codes that are currently enrolled in Medi-Cal fee-for-service (FFS) to transition to and enroll in Medi-Cal managed care plan. The State also implemented the Medi-Cal Pharmacy transition in 2022, shifting responsibility from health plans to the State and administered by its pharmacy vendor.

### **L.A. Care Covered**

COVID-19 has also affected Covered California and our L.A. Care Covered product. Most significantly, the American Rescue Plan, signed into law in March 2021, increased the premium assistance that subscribers could receive. In many cases, members pay little to no premiums. On August 16, 2022, President Joe Biden signed the Inflation Reduction Act into law, which extends enhanced Affordable Care Act subsidies for another three years through December 31, 2025. As price is a driver for which plan members select, continuation of this assistance is important to L.A. Care and our current and prospective members.

Also, in the next fiscal year, SB 260 will go into effect which defaults people losing Medi-Cal coverage into the lowest cost Covered California silver plan in the member's rating region. Currently, L.A. Care occupies that position so Medi-Cal membership loss may be offset by L.A. Care Covered membership gain. For 2023, L.A. Care will continue to be the lowest cost silver plan in both rating regions, which will be advantageous for growth and reinforces the value of having a public plan on the exchange.

### **Medicare**

The upcoming fiscal year will see the transition of L.A. Care's existing product for dual-eligible members, Cal MediConnect, to a D-SNP. The State is sunseting Cal MediConnect in 2022, requiring plans to offer a D-SNP in order to continue serving the dual-eligible population. L.A. Care is actively working to launch the D-SNP, called L.A. Care Medicare Plus, and transition its Cal MediConnect members in addition to marketing to new members. Transition will begin in October 2022 for a January 2023 effective date.



## Operating Assumptions

The proposed Operating Budget for FY 2022-23 outlines the financial resources and personnel needed to meet L.A. Care's operational and strategic objectives established for the coming year. The primary focus of the budget is on enhancing the partnership with our network providers in delivering quality care to our members. The budget also emphasizes the need to support our operations and business needs and align our information technology spending to meet operational improvements for health services and provider relationships.

As COVID-19 outbreaks continue to evolve, the US Department of Health and Human Services has repeatedly renewed the Public Health Emergency (PHE) since implementing it in January 2020. The PHE is currently set to expire on October 13, 2022. The end date of the PHE will have significant implications for Medi-Cal enrollees as it will end the continuous enrollment requirement and the redetermination process will resume. Our projected membership for FY 2022-23 assumes the PHE declaration will end on October 13, 2022, which is the latest available information, with disenrollment to begin in February 2023.

As discussed earlier, L.A. Care implemented ECM, CS and MOT benefits in January 2022. Our Medi-Cal membership in January 2022 is higher than the trend as a result of the mandatory managed care enrollment provision. FY 2021-22 9+3 Forecast and FY 2022-23 Budget include the financial impact from these changes. Additionally, in order to support the implementation and expansion of ECM and CS programs, DHCS has implemented a CalAIM Incentive Payment Program (IPP) by incentivizing managed care plans to invest in building provider capacity and delivery system infrastructure. MCPs will only be eligible to receive incentive payments by fulfilling all the requirements of the program. With the aim of meeting the goals and achieving the measures of the program, L.A. Care anticipates to use the incentive payments to fund our ECM and CS providers to support capacity building and infrastructure development. In March 2022, DHCS approved our IPP Program Year 1 Payment 1 submission of which payment was received in April 2022. The financial impact of the IPP, which includes the incentive revenues and the related healthcare and administrative expenses, is included in our FY 2021-22 9+3 Forecast and FY 2022-23 Budget. However, due to the uncertainty of the incentive earnings for IPP Program Year 1 Payment 2, our FY 2022-23 Budget excludes the financial impact of Payment 2 incentives.

In January 2022, the California HCBS Spending Plan, including the Housing and Homelessness Incentive Program (HHIP), was approved by CMS. The HHIP aims to reduce and prevent homelessness by ensuring plans have capacity and partnerships to connect their members to housing services. Medi-Cal managed care plans are able to earn incentive funds for making investments and progress in addressing homelessness and keeping people housed. Although L.A. Care has submitted the Local Homelessness Plan, our FY 2022-23 Budget does not include its impact as we continue to refine the measurement areas and the expected earnings and spending.

After two years of COVID-19 crisis, California's economy is close to pre-pandemic conditions. While the end date of the PHE is uncertain, for purposes of our FY 2022-23 Budget, we assume PHE will end in October 2022 and the resumption of redeterminations will begin, resulting in disenrollment starting in February 2023. The redetermination process and disenrollment will be gradual over a 14 month period. Also, the Budget assumes a 3.5% increase in our classic Medi-Cal rates for calendar year 2023, and the continuation of the 10% LTC rate increase for capitation revenue and healthcare costs through October 2023. Given the financial pressures, we are making every effort to plan and monitor our administrative expenses while, at the same time, provide necessary resources for the CalAIM initiative, DSNP implementation, and most importantly, to ensure regulatory compliance. We will continue to fund our strategic projects and planned technology enhancements to support our infrastructure needs.

L.A. Care organizes its population segments based on risk and reimbursement. Executive Directors are in place to lead these segments and execute on strategic priorities. The segments consist of Plan Partners, TANF-MCE, SPD-CCI, Cal MediConnect through December 2022, D-SNP effective January 2023, and Commercial Products. Community Programs are managed at the direction of the Executive Office.

## Membership

L.A. Care has approximately 2.7 million members budgeted for FY 2022-23, 1.4 million of which are in our MCLA network in TANF-MCE and SPD-CCI segments. The product team continues to work on strategies to promote member retention, outreach, and engagement including enhancing member informing materials and collaborating with County partners to explore opportunities to streamline enrollment and redetermination processes.

Overall, the projected membership reduction between FY 2021-22 Forecast and FY 2022-23 Budget is expected to be 67,000 members or -2.5 percent, with member months growing by 1,992,000 or 6.4 percent. Combined segment membership is projected to be 2,661,089 at September 30, 2023.

MEMBERSHIP BY FISCAL YEAR								
(in thousands)								
	Membership		Change		Member Months		Change	
	FY 21-22	FY 22-23			FY 21-22	FY 22-23	Member	
	Forecast*	Budget	Members	Percent	Forecast*	Budget	Months	Percent
Medi-Cal								
Plan Partners	1,111	1,078	(33)	(3.0%)	13,121	13,417	296	2.3%
TANF-MCE	1,176	1,135	(41)	(3.5%)	12,852	14,194	1,342	10.4%
SPD-CCI	259	273	14	5.4%	2,913	3,308	395	13.5%
Total Medi-Cal	2,546	2,486	(60)	(2.4%)	28,886	30,919	2,033	7.0%
Cal MediConnect	17	-	(17)	(100.0%)	214	49	(165)	(77.0%)
D-SNP	-	17	17	0.0%	-	156	156	0.0%
Commercial								
PASC-SEIU	50	50	(0)	(1.0%)	605	598	(7)	(1.2%)
LACC	115	125	10	8.7%	1,339	1,470	131	9.8%
Elimination**	-	(17)	(17)	0.0%	-	(156)	(156)	0.0%
<b>Total</b>	<b>2,728</b>	<b>2,661</b>	<b>(67)</b>	<b>(2.5%)</b>	<b>31,044</b>	<b>33,036</b>	<b>1,992</b>	<b>6.4%</b>

\*Forecast is based on 9+3

\*\* Beginning January 2023, D-SNP members are included in both D-SNP and CCI since the funding comes from CMS and DHCS

MEMBERSHIP BY SEGMENT									
Fiscal Year 2022-23									
Month	Plan Partner	TANF - MCE	SPD - CCI	CMC	D-SNP	PASC-SEIU	LACC*	Elimination**	Total
Oct-22	1,114,537	1,182,914	259,376	16,597	-	50,047	115,000		2,738,471
Nov-22	1,117,658	1,189,652	259,879	16,387	-	50,006	115,000		2,748,582
Dec-22	1,120,787	1,196,431	260,388	16,179	-	49,966	115,000		2,758,752
Jan-23	1,136,927	1,213,704	280,799	-	17,338	49,927	125,000	(17,338)	2,806,356
Feb-23	1,137,613	1,208,607	282,876	-	17,321	49,887	125,000	(17,321)	2,803,982
Mar-23	1,138,291	1,203,565	284,969	-	17,342	49,847	125,000	(17,342)	2,801,672
Apr-23	1,138,961	1,198,579	287,040	-	17,364	49,807	125,000	(17,364)	2,799,386
May-23	1,126,622	1,185,594	284,139	-	17,384	49,767	125,000	(17,384)	2,771,122
Jun-23	1,114,417	1,172,750	281,270	-	17,405	49,727	125,000	(17,405)	2,743,164
Jul-23	1,102,344	1,160,045	278,431	-	17,424	49,687	125,000	(17,424)	2,715,508
Aug-23	1,090,402	1,147,478	275,622	-	17,444	49,648	125,000	(17,444)	2,688,150
Sep-23	1,078,590	1,135,047	272,844	-	17,462	49,608	125,000	(17,462)	2,661,089
<b>Member Months</b>	<b>13,417,149</b>	<b>14,194,366</b>	<b>3,307,633</b>	<b>49,163</b>	<b>156,484</b>	<b>597,923</b>	<b>1,470,000</b>	<b>(156,484)</b>	<b>33,036,235</b>

\*Includes both LACC and LACC Direct

\*\* Beginning January 2023, D-SNP members are included in both D-SNP and CCI since the funding comes from CMS and DHCS

## Combined Operations & Financials

Combined operations are budgeted to produce a net surplus of \$80.1 million, which includes the \$43.2 million in support of community investments.

Consolidated Statement of Operations								
Fiscal Year 2022-2023								
(dollars in millions)								
	Plan						Community	
	Partners	TANF-MCE	SPD-CCI	CMC	D-SNP	Commercial	Programs*	Total
Revenues	\$3,402.2	\$3,323.8	\$2,424.1	\$82.1	\$217.0	\$716.1	\$0.0	\$10,165.3
Healthcare Expenses	3,232.1	3,154.4	2,329.0	63.8	194.6	600.7	0.0	9,574.6
MCR	95.0%	94.9%	96.1%	77.7%	89.7%	83.9%	n/a	94.2%
<b>Operating Margin</b>	<b>170.1</b>	<b>169.4</b>	<b>95.1</b>	<b>18.3</b>	<b>22.4</b>	<b>115.4</b>	<b>0.0</b>	<b>590.7</b>
Administrative Expenses	81.2	175.3	143.7	14.0	13.8	79.2	2.8	510.0
Administrative Ratio	2.4%	5.3%	5.9%	17.1%	6.4%	11.1%	n/a	5.0%
<b>Gain / (Loss) from Operations</b>	<b>88.9</b>	<b>(5.9)</b>	<b>(48.6)</b>	<b>4.3</b>	<b>8.6</b>	<b>36.2</b>	<b>(2.8)</b>	<b>80.7</b>
Community Investments	0.0	0.0	0.0	0.0	0.0	0.0	(43.2)	(43.2)
Managed Care Tax, Net	4.9	5.2	1.2	0.0	0.0	(1.1)	0.0	10.2
Investment Income, net	12.1	12.2	7.9	0.2	0.0	0.0	0.0	32.4
<b>Net Surplus / (Deficit)</b>	<b>\$105.9</b>	<b>\$11.5</b>	<b>(\$39.5)</b>	<b>\$4.5</b>	<b>\$8.6</b>	<b>\$35.1</b>	<b>(\$46.0)</b>	<b>\$80.1</b>
Margin Ratio	3.1%	0.3%	-1.6%	5.5%	4.0%	4.9%	n/a	0.8%

\*Includes Community Resource Centers, Blue Shield Promise Grant, and First 5 L.A. Grant

## Revenue

### Medi-Cal Capitation Rates (Classic Rating & Non Duals Categories)

The revenue rates are based on CY 2022 rates from the California Department of Health Care Services (DHCS). The CY 2023 rates assume a 3.5% rate increase across all categories of aid.

### Medi-Cal CCI (Non CMC) Dual Eligible Rating Categories

For CY 2022, we used the DHCS rates. For CY 2023, we updated the rates so they are in line with the new Duals rate structure. The SNF 10% fee increase is in place for the entire fiscal year.

### Cal MediConnect

The revenue for this program is based on rates received from DHCS and the Centers for Medicare and Medicaid Services (CMS); current rate levels were projected to FY 2022. The Medi-Cal rates are based on the CY 2022 rates received from DHCS. This program ends in December 2022.

### D-SNP

D-SNP revenue is based on the CY 2023 rates submitted to CMS.

### L.A. Care Covered

L.A. Care Covered revenue is based on the CY 2022 rates and the CY 2023 rates submitted to Covered California.

## **Healthcare Expenses**

Consistent with a maturing health care delivery network, the utilization growth and the health care services delivery have become more complex. L.A. Care's management team remains focused on utilization management processes, provider contracting, and claims payment management. The fundamental goal is guided by the Institute for Healthcare Improvement's (IHI) Triple Aim Framework, (1) improve patient experience, (2) improve health outcomes, and (3) reduce unnecessary health care expenses.

L.A. Care has been building a direct network of contracted doctors. This initiative will allow us to have a more direct dialogue with the physicians who are critical to our mission. Our goal is to support the physicians with actionable data to help them improve the quality outcomes for our members. Key leaders from multiple departments have been involved in building the infrastructure in order to support more members through the direct network.

## **Capitation**

L.A. Care contracts with, and in many cases delegates specific services to, various Risk Bearing Organizations (RBOs) like Independent Practice Associations (IPAs) and Medical Groups, safety-net providers, Federally Qualified Health Centers, and Community Clinics to provide health care services to enrolled members. The risk arrangements with the RBOs vary between shared, dual, and full risk, which define different level of capitation arrangements based on the division of financial responsibility between the RBO and L.A. Care. L.A. Care continues to develop our Direct Network, contracting directly with primary care physicians, specialty care physicians and provider groups either on a capitated or fee-for-service basis. The variety of network arrangements allows us to create alternatives to fit the unique needs of our members.

In addition to what is listed above, L.A. Care also contracts with three other Knox-Keene licensed health plans, referred to as Plan Partners (Anthem, Blue Shield Promise, and Kaiser), to which all managed care services are delegated. The Plan Partners are reimbursed on a capitated PMPM fee basis for each enrolled Medi-Cal member. Furthermore, both Anthem and Blue Shield Promise participate in the plan partner incentive program which rewards plan partners for performance based on targeted metrics.

## **Shared Risk | Provider Incentives**

### ***Shared Risk***

This healthcare expense category consists of the risk pool tied to the shared risk arrangements mentioned in the capitation section above. The shared risk pools are established to encourage appropriate levels of hospital service utilization. L.A. Care enters into a capitation agreement to delegate professional services, but retains the hospital services. Per member per month targets are established with each contracted provider group and the risk pool is calculated based on membership. At the end of each calendar year, L.A. Care compares the actual claims experience to the target pools and surplus amounts are split between the contracted provider groups and L.A. Care.

<b>Provider Incentive Budget</b> <b>FY 2022-23</b> (dollars in thousands)							
Incentive Level Programs	Segments						
	Plan Partners <sup>(1)</sup>	TANF-MCE	SPD-CCI <sup>(2)</sup>	CMC	DSNP	Commercial	Total
Plan Partners	\$11,041	\$0	\$0	\$0	\$0	\$0	\$11,041
PPG	8,005	11,662	1,088	101	304	2,911	24,071
Physician	10,397	13,784	1,274	877	2,630	29	28,991
Member	0	1,116	114	273	519	1,123	3,145
Total <sup>(3)</sup>	\$29,443	\$26,562	\$2,476	\$1,251	\$3,453	\$4,063	\$67,248

Note:

1. Excludes Kaiser

2. CCI members not eligible for incentive level programs

3. The provider incentive total excludes Incentive Payment Program (IPP)

### **L.A. Care Quality Score Investments (Incentives)**

Provider incentives are an essential part of L.A. Care's interventions strategy to advance provider performance, enhance the quality of clinical care and increase member satisfaction. They are designed to augment L.A. Care's collaboration with key business partners, and to align the quality improvement goals of plan partners, IPAs, clinics, and physicians. These programs use industry standard metrics such as Healthcare Effectiveness Data and Information Set (HEDIS) to reward excellent performance and year-over-year improvement. The programs aim to create a business case for provider investment in quality improvement, and promote accountability and value.

### **Plan Partner Quality Score Investments (Incentives)**

The Plan Partner Incentive Program aligns the efforts of L.A. Care with those of its strategic partners as a critical point for improving the outcomes and satisfaction of members. The program continues in measurement year 2022, and rewards plan partners with a broad set of metrics, including HEDIS clinical quality, utilization management, encounter data and member experience. The Plan Partner Incentive Program is fully aligned with the IPA-level program, which provides a strong platform for performance measurement and promotes shared quality improvement strategies between health plans and IPAs.

### **IPA Quality Score Investments (Incentives)**

The Value Initiative for IPA Performance + Pay-for-Performance (VIIP+P4P) Program aims to improve the quality of care for L.A. Care members by measuring, reporting and rewarding IPAs for performance in multiple domains that affect quality of care, including HEDIS, utilization management, encounter data, and member experience. The VIIP+P4P program also encourages and supports lower performing IPAs to develop action plans, which are performance improvement projects with measurable goals. These IPA action plans are reviewed by L.A. Care and plan partner subject matter experts, with updates provided throughout the year to track project progress and goal attainment.

### **Physician Quality Score Investments (Incentives)**

The Physician Pay-for-Performance (P4P) Program provides financial rewards to eligible physicians and community clinics for outstanding performance and year-over-year improvement on multiple HEDIS measures. The program is closely aligned with incentives available to IPAs and plan partners and is designed to improve provider encounter data submission. Development of domains and measures related to physician- and clinic-level utilization

management and member experience are currently being tested for program fit, and may be included in future program years.

L.A. Care also operates a provider incentive in support of completing Medicare Annual Wellness Exams, with the goal of getting pertinent patient medical history to assess wellness and develop preventive care plans. Additionally, L.A. Care operates member incentives to support the priorities related to obtaining vital medical services, to promote health education, and to increase positive member experiences.

## Fee-for-Service Claims

L.A. Care's second largest healthcare expense type, behind capitation, is fee-for-service (FFS) expenses. The category includes inpatient, outpatient, skilled nursing facility, and community-based adult services related to TANF-MCE, SPD-CCI, CMC, D-SNP, and LACC segments. The FY 2022-23 budget is based on the second half of CY 2021 (Jun-21 to Dec-21) cost levels. These costs were trended forward to the budget period with trends observed in the past year varying from zero to low positives (e.g. 0 percent to 10 percent). Explicit adjustments were made to inpatient costs to account for changes in contracting. Various other adjustments were made to account for differences from the base period to budget period, including seasonality. FFS costs continue to be difficult to predict due to the constantly changing healthcare landscape affected by COVID-19, and any significant COVID developments could have an impact on FFS trends across all categories of service.

## Pharmacy

According to Am J Health system for national trends in prescription drugs, overall prescription drug spending is expected to rise by 4.0 percent to 6.0 percent in 2022. This is in line with L.A. Care Pharmacy's trending. Of note, antidiabetic drugs occupy our top category for overall drug spend. The relatively small overall expected increase is due to the continuing trend of lower unit cost of highly utilized generic medications, offsetting the high unit cost of specialty medications which have low utilization due to the rarity of the conditions they treat (L.A. Care's specialty drug spend accounts for 30 percent of overall pharmacy spend even though it represents less than 1 percent of utilization).

After a few years of the COVID-19 pandemic, trends are slowly coming into view and health plans are having to navigate new challenges. We are not yet able to determine which of these changes are here to stay permanently. During the pandemic, many aspects of care were either delayed or abandoned, resulting in delayed diagnoses of specialty conditions. According to Evernorth, "there was a significant decline in cancer screenings and visits to oncology clinics during the pandemic, which resulted in decreased utilization. As we open up post-pandemic, we are expecting a rebound of visits and specialty patients, which would in turn increase specialty drug utilization going forward."

Evernorth's 2021+ onward drug trend reported "for the first time ever, specialty drug spends surpassed 50 percent of overall national pharmacy spend. We expect this trend to continue as specialty spending could increase 10-15 percent over the next few years, influenced mainly by existing medications for inflammatory conditions and new drugs for cancer and rare conditions." Currently, as noted above, L.A. Care's specialty drug spend accounts for 30 percent of overall pharmacy spend even though it represents less than 1 percent of utilization. We expect to see this trend to continue to increase in FY 2022-23 due to an increase in overall utilization and unit cost of specialty medications. As new drugs get approved and indications expanded, the advancement of newer therapies as well as increase in new diagnoses also contribute to this overall trend. Non-specialty overall drug spend decreased in 2021 and 2022 despite an increase in utilization due to lower unit cost of generic medications. By preferring lower cost options, including significant new generic releases, and ensuring proper utilization review management, we can help reduce overall drug spend. By mid-2023, we expect three or four biosimilars for Humira to enter the market, which we hope will alleviate the rising cost for inflammatory conditions. But for cancer and other rare conditions, we may see an increase in pharmacy spend as coverage for self-administered cancer medications are shifted from medical benefits to pharmacy benefits.



## Administrative Expenses

### L.A. Care Health Plan FY 2022-23 General Administrative Cross-Walk

	(A)	(B)	(C=A+B)
	FY 2021-22	Additions/ (Reductions)	FY 2022-23
<i>dollars in thousands</i>	<u>Forecast*</u>	<u>Programs</u>	<u>Budget</u>
Base Line Operations	\$518,638		
<b>Salaries and Benefits</b>			
Increase due to higher budgeted FTE before vacancy factor		32,422	
Increase in vacancy factor		(13,915)	
Increase due to 4.5 percent merit		7,871	
<b>Temporary Labor and Recruitment</b>			
Lower projected spending		(7,227)	
<b>Professional Fees and Purchased Services</b>			
Increase in Healthcare consulting services		2,825	
Decrease in fees due to removal of Pharmacy Benefits for Medi-Cal		(6,229)	
Increase in LACC commission, printing, and other contracted services		14,647	
<b>Advertising and Promotions</b>			
Increase in advertising expenses		4,314	
<b>Business Fees and Occupancy and Leases</b>			
Increase due to adjustment to a governmental fee incurred related to our commercial products for prior periods		20,537	
Increase in software licenses expenses		620	
Increase in lease and facility costs		1,457	
<b>Supplies &amp; Other</b>			
Decrease due to accrual for the regulatory fines in FY21-22		(55,000)	
Increase in external postage and fulfillment		3,297	
<b>Depreciation and Amortization</b>			
Decrease in depreciation due to assets being fully depreciated		(2,216)	
<b>Medical Administrative Expenses</b>			
Increase in Health Services Programs		(11,953)	
<b>Total Administrative Expenses</b>	<u>\$518,638</u>	<u>(\$8,548)</u>	<u>\$510,090</u>

\*Forecast is based on 9+3

## Comparative Administrative Cost – FY 2021-22 vs. FY 2022-23

L.A. Care continues to focus on administrative costs for needed resources and to transform and upgrade our infrastructure in order to efficiently manage the health care services we deliver to our members and to comply with regulatory changes for the products we offer.

The following is a summary of the administrative forecast and budget between the fiscal years:

<b>Administrative Expenses</b>				
Comparative Statement				
	<b>Forecast*</b>		<b>Budget</b>	
(dollars in thousands)	<b>FY 2021-22</b>	<b>PMPM</b>	<b>FY 2022-23</b>	<b>PMPM</b>
FTEs (at year end)	2,072		2,280	
Salaries and Benefits	\$245,315	\$7.90	\$271,693	\$8.22
Temporary Labor and Recruitment	10,377	0.33	3,150	0.10
Professional Fees	26,020	0.84	28,846	0.87
Purchased Services	127,218	4.10	135,636	4.11
Advertising and Promotions	7,482	0.24	11,796	0.36
Business Fees and Insurance	35,837	1.15	56,995	1.73
Occupancy and Leases	21,508	0.69	22,965	0.70
Supplies and Other	97,036	3.13	45,333	1.37
Depreciation and Amortization	25,025	0.81	22,809	0.69
Medical Administrative Expenses	(77,180)	(2.49)	(89,133)	(2.70)
Total Administrative Expenses	<u>\$518,638</u>	<u>\$16.71</u>	<u>\$510,090</u>	<u>\$15.44</u>
Admin Ratio (%)	5.6%		5.0%	

\*Forecast is based on 9+3

Last year, we established a target of a \$15.44 PMPM for administrative expenditures. Our forecast expects that we end the fiscal year at \$16.71 PMPM, an increase of \$1.27 PMPM as compared to the target. The increase in PMPM was driven by regulatory fines totaling \$55 million, increase in Salaries & Benefits driven by higher FTEs, increase in temporary labor to remediate the backlog in UM authorizations and Appeals & Grievances, and increase in administrative costs for the CalAIM and DSNP implementations. Partially offsetting these increases is an adjustment to a governmental fee incurred related to our commercial products for prior periods.

FY 2022-23 administrative PMPM target is set at \$15.44 PMPM, which is \$1.27 lower than the FY 2021-22 9+3 Forecast and flat as compared to the FY 2021-22 Budget. Total administrative expenses increased by \$58 million between FY 2021-22 and FY 2022-23 budget years due to higher Salaries & Benefits and Purchased Services. We will continue to limit the administrative spending and implement cost-reduction opportunities including re-negotiating vendor contracts and reducing FTEs. We will also continue to focus on areas to improve efficiencies to manage administrative expenses below the target. However, it is important to continue investing in technology in order to improve operational efficiencies. We aspire to continue to be a good partner to L.A. County and the State in driving efficiency now that cost pressures have intensified. Our preparation and continued investments in our infrastructure position us for that goal.



## Staffing and Total Cost of Labor

For FY 2022-23, the budgeted FTE totaled to 2,280 which includes actual vacancy factor at the department level but caps at a maximum of 13.2%. For FY 2021-22, the budgeted FTE totaled 1,911 which included an 8.3 percent vacancy factor, an increase in FTE of 369 year-over-year. For FY 2022-23, budgeted Salaries and Benefits totaled to \$271.7 million as compared to FY 2021-22 budget of \$231.5 million, an increase of \$40.2 million due to higher budgeted headcount. The budgets for FY 2022-23 and FY 2021-22 include 4.5 percent and 3.5 percent merit increases for eligible staff, respectively.

In an effort to focus employees on organizational goals and objectives, L.A. Care will reward bonus incentives based on criteria established in its Organizational Incentive Program. The incentive program is not a guaranteed bonus for employees, but rather a reward for excellent performance, at the organizational level as well as at the individual level. Incentive compensation earned by an employee is paid as a lump sum and does not become a part of the employee's base pay rate.

The chart below shows the details of our budgeted staffing:

	Budget Fiscal Year		
	2020-21	2021-22	2022-23
<b>Beginning of the Year</b>	<b>2,362</b>	<b>2,033</b>	<b>1,911</b>
<b>New Positions</b>			
Unfilled positions	(244)		669
Vacancy Factor	(85)	(173)	(300)
Infrastructure support (Other)		51	
<b>Total Additions</b>	<b>(329)</b>	<b>(122)</b>	<b>369</b>
<b>End of the Year</b>	<b>2,033</b>	<b>1,911</b>	<b>2,280</b>

FTE History		
	FTEs (at year end)	FTEs per 000 Members
FY 2018-19 (Actual)	1,969	0.91
FY 2019-20 (Actual)	2,059	0.89
FY 2020-21 (Actual)	1,902	0.77
FY 2021-22 (Forecast)	2,072	0.76
FY 2022-23 (Budget)	2,280	0.86

## L.A. Care Segments

Since March 17, 2020, due to the COVID-19 pandemic and the declaration of a Public Health Emergency (PHE), the Department of Health Care Services (DHCS) suspended negative action or disenrollment of Medi-Cal beneficiaries during the member's redetermination process. In light of DHCS guidance to support continuous, uninterrupted eligibility and with new enrollment, Medi-Cal membership continued to increase year-over-year.

However, for the FY 2022-23 Budget, we assume the PHE declaration will end on October 13, 2022, which is the latest available information, with disenrollment to begin in February 2023.

## Plan Partners

The Plan Partners budget consists of the operating revenue and costs required to support all aid categories under Medi-Cal, delivered through subcontracted Plan Partner (Anthem, Blue Shield of California Promise Health Plan, and Kaiser Permanente) health care networks.

The five-year delegated contracts with the three Plan Partners reflect both capitation rates for the Medi-Cal benefit and a performance incentive program. The agreements with all three Plan Partners were extended for an additional five years to September 2025. However, because of AB 2724 which allows DHCS to contract directly with Kaiser for Medi-Cal managed care, L.A. Care will no longer have Kaiser as one of the Plan Partners effective in 2024.

Plan Partners (with the exception of Kaiser Permanente) will be eligible for an incentive program based on measurement year 2022 (payable in 2023). The incentive is designed to align quality goals among L.A. Care and its subcontracted health plans and target specific performance measures that impact member auto assignment, health outcomes and patient satisfaction. Plan Partners are eligible for an annual per member per month financial incentive for meeting eligibility and performance criteria.

<b>L.A. Care Health Plan Plan Partners Income Statement</b>						
<b>(dollars in thousands)</b>	<b>Forecast*</b>		<b>% of</b>	<b>Budget</b>		<b>% of</b>
	<b>FY21-22</b>	<b>PMPM</b>	<b>Revenue</b>	<b>FY22-23</b>	<b>PMPM</b>	<b>Revenue</b>
<b>Member Months</b>	13,121,450			13,417,149		
<b>Revenue</b>						
Capitation	\$3,063,544	\$233.48	100.0%	\$3,402,231	\$253.57	100.0%
<b>Total Revenues</b>	<b>\$3,063,544</b>	<b>\$233.48</b>	<b>100.0%</b>	<b>\$3,402,231</b>	<b>\$253.57</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$2,883,726	\$219.77	94.1%	\$3,172,583	\$236.46	93.3%
Inpatient Claims	(\$0)	(\$0.00)	0.0%	\$0	\$0.00	0.0%
Outpatient Claims	(\$1)	(\$0.00)	0.0%	\$0	\$0.00	0.0%
Pharmacy	\$0	\$0.00	0.0%	\$0	\$0.00	0.0%
Provider Incentives and Shared Risk	\$31,963	\$2.44	1.0%	\$42,431	\$3.16	1.2%
Medical Administrative Expenses	\$14,808	\$1.13	0.5%	\$17,092	\$1.27	0.5%
<b>Total Healthcare Expenses</b>	<b>\$2,930,495</b>	<b>\$223.34</b>	<b>95.7%</b>	<b>\$3,232,106</b>	<b>\$240.89</b>	<b>95.0%</b>
<b>Operating Margin</b>	<b>\$133,049</b>	<b>\$10.14</b>	<b>4.3%</b>	<b>\$170,125</b>	<b>\$12.68</b>	<b>5.0%</b>

\* Forecast is based on 9+3

## TANF-MCE

Medi-Cal is California's Medicaid program and offers no cost/low cost health coverage for qualified California residents. Medi-Cal is a public health insurance program which provides comprehensive health care services for low-income children, adults, families, seniors, persons with disabilities, children in foster care, pregnant women, and certain undocumented populations, as well as other aid and risk categories.

**Temporary Assistance for Needy Families (TANF)** – A State-based federal cash assistance program for low-income families. TANF replaces the former program known as Aid to Families with Dependent Children (AFDC).

CalWORKs is the name of California's TANF program. TANF programs are designed to help low income families with children achieve economic self-sufficiency. This segment consists primarily of members in family-adult, family-child, and Breast and Cervical Cancer Treatment Program aid categories.

**Medicaid or Medi-Cal Expansion (MCE)** – Starting January 2014, the Affordable Care Act expanded Medi-Cal coverage to adults without children, ages 19-64 may qualify for Medi-Cal. MCE eligibility is based on modified adjusted gross income to low income adults with an annual income lower than 138 percent of the federal poverty level. MCE also allows coverage for parents who would lose coverage under current rules if their income slightly exceeds the federal poverty level.

<b>L.A. Care Health Plan TANF-MCE Income Statement</b>						
(dollars in thousands)	<b>Forecast*</b>		<b>% of</b>	<b>Budget</b>		<b>% of</b>
	<b>FY21-22</b>	<b>PMPM</b>	<b>Revenue</b>	<b>FY22-23</b>	<b>PMPM</b>	<b>Revenue</b>
<b>Member Months</b>	12,851,710			14,194,366		
<b>Revenue</b>						
Capitation	\$2,966,392	\$230.82	100.0%	\$3,323,814	\$234.16	100.0%
<b>Total Revenues</b>	<b>\$2,966,392</b>	<b>\$230.82</b>	<b>100.0%</b>	<b>\$3,323,814</b>	<b>\$234.16</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$1,413,731	\$110.00	47.7%	\$1,716,882	\$120.96	51.7%
Inpatient Claims	\$592,268	\$46.08	20.0%	\$693,563	\$48.86	20.9%
Outpatient Claims	\$409,201	\$31.84	13.8%	\$461,410	\$32.51	13.9%
Skilled Nursing Facility	\$142,462	\$11.09	4.8%	\$202,140	\$14.24	6.1%
Pharmacy	\$103,114	\$8.02	3.5%	\$0	\$0.00	0.0%
Provider Incentives and Shared Risk	\$42,219	\$3.29	1.4%	\$35,231	\$2.48	1.1%
Medical Administrative Expenses	\$37,550	\$2.92	1.3%	\$45,149	\$3.18	1.4%
<b>Total Healthcare Expenses</b>	<b>\$2,740,545</b>	<b>\$213.24</b>	<b>92.4%</b>	<b>\$3,154,375</b>	<b>\$222.23</b>	<b>94.9%</b>
<b>Operating Margin</b>	<b>\$225,847</b>	<b>\$17.57</b>	<b>7.6%</b>	<b>\$169,439</b>	<b>\$11.94</b>	<b>5.1%</b>

\* Forecast is based on 9+3

## SPD-CCI

**Seniors and Persons with Disabilities (SPD)** – As of June 1, 2011 Seniors and Persons with Disabilities (SPD) were transitioned from Medi-Cal fee-for-service into mandatory managed care. Individuals 65 years and older, and/or a person of any age with a disability may qualify for Medi-Cal. SPD eligible members must meet one of the following requirements:

- Aged: Persons 65 years and older
- Blind: Persons who have been declared legally blind by the Social Security Administration or the State Programs – Disability and Adult Programs Division (SP-DAPD)
- Disabled: Persons who have been declared disabled by SP-DAPD

Individuals determined to be disabled under SP-DAPD are considered disabled under Medi-Cal. SPDs may be full scope or partial dual members.

**Coordinated Care Initiative (CCI)** – The Affordable Care Act brought significant growth in Medi-Cal membership through the mandatory enrollment of Dual Eligible beneficiaries (individuals receiving Medi-Cal and Medicare benefits) who are required to join a managed care plan for their Medi-Cal benefits. CCI is the demonstration program developed in conjunction with CMS and California's Department of Health Care Services

to integrate medical care, long-term care, behavioral health care and social services for people eligible for both Medicare and Medi-Cal.

<b>L.A. Care Health Plan SPD-CCI Income Statement</b>						
(dollars in thousands)	Forecast*		% of Revenue	Budget		% of Revenue
	FY21-22	PMPM		FY22-23	PMPM	
<b>Member Months</b>	2,913,180			3,307,633		
<b>Revenue</b>						
Capitation	\$2,339,744	\$803.16	100.0%	\$2,424,137	\$732.89	100.0%
<b>Total Revenues</b>	<b>\$2,339,744</b>	<b>\$803.16</b>	<b>100.0%</b>	<b>\$2,424,137</b>	<b>\$732.89</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$286,271	\$98.27	12.2%	\$354,704	\$107.24	14.6%
Inpatient Claims	\$457,761	\$157.13	19.6%	\$458,734	\$138.69	18.9%
Outpatient Claims	\$549,822	\$188.74	23.5%	\$559,413	\$169.13	23.1%
Skilled Nursing Facility	\$830,038	\$284.93	35.5%	\$925,584	\$279.83	38.2%
Pharmacy	\$46,629	\$16.01	2.0%	\$0	\$0.00	0.0%
Provider Incentives and Shared Risk	\$13,975	\$4.80	0.6%	\$3,766	\$1.14	0.2%
Medical Administrative Expenses	\$27,179	\$9.33	1.2%	\$26,751	\$8.09	1.1%
<b>Total Healthcare Expenses</b>	<b>\$2,211,676</b>	<b>\$759.20</b>	<b>94.5%</b>	<b>\$2,328,951</b>	<b>\$704.11</b>	<b>96.1%</b>
<b>Operating Margin</b>	<b>\$128,069</b>	<b>\$43.96</b>	<b>5.5%</b>	<b>\$95,186</b>	<b>\$28.78</b>	<b>3.9%</b>

\* Forecast is based on 9+3

## Cal MediConnect (CMC)

The Cal MediConnect program is part of California's larger Coordinated Care Initiative (CCI) that integrates qualified dual eligible members' Medicare and Medi-Cal benefits into a single plan and provides additional health risk assessments and care coordination to increase access to appropriate care and services that improve health outcomes and enables the member to age in the home instead of a facility.

The vision of Cal MediConnect is to deliver patient-centered care through a system that is easy to navigate. Under this program both beneficiaries and physicians will experience a streamlined process: one benefit package, one responsible and accountable health plan, and one payer. Beneficiaries will be able to access all the services they need under one health plan.

The Cal MediConnect Plan demonstration was launched in 2014 via a three-way contract between LA. Care, the Centers for Medicare and Medicaid Services (CMS), and the California Department of Health Care Services (DHCS). The demonstration is scheduled to sunset on December 31, 2022. The State has mandated that CMC plans will crosswalk the CMC members into a Dual Eligible Special Needs Plan (D-SNP) on January 1, 2023. This structure will create an "Aligned" D-SNP model where both Medicare and Medicaid coverage is provided within a single MCO that will continue to be supported with the care coordination requirements found within CMC.

<b>L.A. Care Health Plan CMC Income Statement</b>						
<b>(dollars in thousands)</b>	<b>Forecast*</b> <b>FY21-22</b>	<b>PMPM</b>	<b>% of Revenue</b>	<b>Budget FY22-23</b>	<b>PMPM</b>	<b>% of Revenue</b>
<b>Member Months</b>	213,983			49,163		
<b>Revenue</b>						
Capitation	\$336,625	\$1,573.14	100.0%	\$82,075	\$1,669.43	100.0%
<b>Total Revenues</b>	<b>\$336,625</b>	<b>\$1,573.14</b>	<b>100.0%</b>	<b>\$82,075</b>	<b>\$1,669.43</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$133,100	\$622.01	39.5%	\$28,208	\$573.75	34.4%
Inpatient Claims	\$64,064	\$299.39	19.0%	\$15,836	\$322.11	19.3%
Outpatient Claims	\$32,886	\$153.69	9.8%	\$7,957	\$161.85	9.7%
Skilled Nursing Facility	\$23,467	\$109.67	7.0%	\$3,810	\$77.49	4.6%
Pharmacy	\$14,890	\$69.58	4.4%	\$4,132	\$84.05	5.0%
Provider Incentives and Shared Risk	\$19,303	\$90.21	5.7%	\$2,830	\$57.57	3.4%
Medical Administrative Expenses	\$2,680	\$12.52	0.8%	\$1,000	\$20.33	1.2%
<b>Total Healthcare Expenses</b>	<b>\$290,390</b>	<b>\$1,357.07</b>	<b>86.3%</b>	<b>\$63,772</b>	<b>\$1,297.16</b>	<b>77.7%</b>
<b>Operating Margin</b>	<b>\$46,235</b>	<b>\$216.07</b>	<b>13.7%</b>	<b>\$18,302</b>	<b>\$372.28</b>	<b>22.3%</b>

\* Forecast is based on 9+3

## Dual Eligible Special Needs Plan (D-SNP)

The state of California implemented California Advancing and Innovating Medi-Cal (CalAIM), requiring Medi-Cal Managed Care Organizations to establish Dual Eligible Special Needs Plans (D-SNP) effective January 1, 2023. D-SNPs are a type of Medicare Advantage Plan with Part D (MAPD) and are available to those who are eligible for both Medicare and Medi-Cal services. These D-SNP Plans will be implemented with Exclusively Aligned Enrollment (EAE), where beneficiaries enrolled in the D-SNP for Medicare services will be aligned with the same parent organization to also receive their Medi-Cal services.

The Plan is designed to offer dual eligible beneficiaries (Medicare and Medicaid eligible) comprehensive, preventive, quality care through access to contracted health care providers and clinical care teams who are trained and experienced in caring for healthy individuals and individuals with chronic conditions or disabilities.

The plan covers all Medicare-covered Part A and B services, includes Part D benefits, as well as supplemental benefits including: fitness, home-delivered meals, an allowance for over-the-counter medication, supplies and nutritional, a companionship program, a personal emergency response system, vision, acupuncture, chiropractic services and worldwide emergency coverage, which are not available through traditional Fee-For-Service Medicare. Part D cost share will vary based on low income status; however, preferred generic drugs will have no copay.

<b>L.A. Care Health Plan D-SNP Income Statement</b>						
<b>(dollars in thousands)</b>	<b>Forecast*</b>		<b>% of</b>	<b>Budget</b>		<b>% of</b>
	<b>FY21-22</b>	<b>PMPM</b>	<b>Revenue</b>	<b>FY22-23</b>	<b>PMPM</b>	<b>Revenue</b>
<b>Member Months</b>	0			156,484		
<b>Revenue</b>						
Capitation	\$0	\$0.00	0.0%	\$216,989	\$1,386.66	100.0%
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>\$216,989</b>	<b>\$1,386.66</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$0	\$0.00	0.0%	\$93,038	\$594.55	42.9%
Inpatient Claims	\$0	\$0.00	0.0%	\$54,882	\$350.72	25.3%
Outpatient Claims	\$0	\$0.00	0.0%	\$23,333	\$149.11	10.8%
Pharmacy	\$0	\$0.00	0.0%	\$10,940	\$69.91	5.0%
Provider Incentives and Shared Risk	\$0	\$0.00	0.0%	\$8,191	\$52.35	3.8%
Medical Administrative Expenses	\$0	\$0.00	0.0%	\$4,254	\$27.18	2.0%
<b>Total Healthcare Expenses</b>	<b>\$0</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>\$194,638</b>	<b>\$1,243.82</b>	<b>89.7%</b>
<b>Operating Margin</b>	<b>\$0</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>\$22,352</b>	<b>\$142.84</b>	<b>10.3%</b>

\* There is no forecast because effective date of this Program is January 1, 2023.

## Commercial Products

**PASC-SEIU** program provides health care for the in-home supportive services (IHSS) workers in Los Angeles County. Among the administrative services provided are: claims processing, member services, COBRA/Cal-COBRA billing and information technology services. The PASC-SEIU Homecare Workers Health Care Plan (PASC-SEIU Plan) transitioned from CHP to L.A. Care in February 2012.

**L.A. Care Covered (LACC)** program started in January 2014, L.A. Care Health Plan is one of many health plans designated to offer health insurance on the California State Exchange known as Covered California. L.A. Care Covered offers all metal coverage levels (Platinum, Gold, Silver, and Bronze) and a Catastrophic Plan for enrollees within Los Angeles County in Regions 15 and 16 on the Exchange. Consistent with its mission, L.A. Care focuses on outreach and enrollment activities to communities that are at or below 250 percent of the Federal Poverty Level (FPL).

Accomplishments like achieving the #1 price position and implementing the American Rescue Plan (ARP) led to 2022 being a successful year. As a result of the American Rescue Plan, 42 percent of the L.A. Care Covered membership had a zero premium. L.A. Care enrolled over twenty-four thousand new L.A. Care Covered members and renewed over 96 percent of our existing membership. On August 16, 2022, President Joe Biden signed the Inflation Reduction Act into law, which extends enhanced Affordable Care Act subsidies for another three years through December 31, 2025. Additionally, for 2023, L.A. Care will continue to be the lowest cost silver plan in both rating regions. The projected membership for FY 2022-23 totaled 125,000 members, the largest L.A. Care Covered membership enrollment since the inception of the product.

L.A. Care Health Plan Commercial Income Statement						
(dollars in thousands)	Forecast* FY21-22	PMPM	% of Revenue	Budget FY22-23	PMPM	% of Revenue
<b>Member Months</b>	1,943,942			2,067,923		
<b>Revenue</b>						
Capitation	\$597,432	\$307.33	100.0%	\$716,085	\$346.28	100.0%
<b>Total Revenues</b>	<b>\$597,432</b>	<b>\$307.33</b>	<b>100.0%</b>	<b>\$716,085</b>	<b>\$346.28</b>	<b>100.0%</b>
<b>Healthcare Expenses</b>						
Capitation	\$240,888	\$123.92	40.3%	\$284,061	\$137.37	39.7%
Inpatient Claims	\$103,229	\$53.10	17.3%	\$105,329	\$50.93	14.7%
Outpatient Claims	\$70,590	\$36.31	11.8%	\$73,658	\$35.62	10.3%
Skilled Nursing Facility	\$863	\$0.44	0.1%	\$0	\$0.00	0.0%
Pharmacy	\$106,733	\$54.91	17.9%	\$119,884	\$57.97	16.7%
Provider Incentives and Shared Risk	(\$3,077)	(\$1.58)	-0.5%	\$14,500	\$7.01	2.0%
Medical Administrative Expenses	\$1,785	\$0.92	0.3%	\$3,253	\$1.57	0.5%
<b>Total Healthcare Expenses</b>	<b>\$521,010</b>	<b>\$268.02</b>	<b>87.2%</b>	<b>\$600,684</b>	<b>\$290.48</b>	<b>83.9%</b>
<b>Operating Margin</b>	<b>\$76,422</b>	<b>\$39.31</b>	<b>12.8%</b>	<b>\$115,401</b>	<b>\$55.81</b>	<b>16.1%</b>

\* Forecast is based on 9+3

## Non-Travel Meeting, Food, and Other Expenses

L.A. Care Health Plan Non Travel Meals and Catering, and Other Expenses for the Fiscal Year 2022-2023			
Proposed Program	Non-Travel Food Expenses	Other	Total
1. 2023 Annual Compliance Week	\$ 500	\$ 300	\$ 800
2. Behavioral Health Quality Committee (BHQC)	\$ 760	\$ -	\$ 760
3. Behavioral Health Steering and Stakeholder Meetings	\$ 743	\$ -	\$ 743
4. Board of Governors Offsite Meeting - June 2023	\$ 1,000	\$ 1,050	\$ 2,050
5. Board of Governors Retreat - September 2023	\$ 5,100	\$ 3,000	\$ 8,100
6. Catering for Board & Committee Meetings	\$ 10,000	\$ -	\$ 10,000
7. Catering for Health Promoters Program	\$ 31,000	\$ -	\$ 31,000
8. Catering for LAC Cal MediConnect(CMC) and Enrollee Advisory Committee(EAC) member meeting	\$ 1,360	\$ 4,800	\$ 6,160
9. Catering for L.A. Care Consumer Advisory Council(CAC) Member Engagement Sessions	\$ 4,080	\$ 8,000	\$ 12,080
10. Catering for L.A. Care Consumer Members (RCAC/ECAC/BOG)	\$ 75,880	\$ 163,550	\$ 239,430
11. CEO Business Development	\$ 2,500	\$ 2,500	\$ 5,000
12. Community Benefit Grant Review Committee Meetings	\$ 2,450	\$ 16,000	\$ 18,450
13. Credentialing-Peer Review Committee	\$ -	\$ 12,500	\$ 12,500
14. Customer Service and QI Performance Improvement Project (PIP) Trainings	\$ 15,300	\$ -	\$ 15,300
15. Pharmacy Quality and Oversight Committee (PQOC) Meeting	\$ 4,930	\$ 5,000	\$ 9,930
16. PPG Summit - Provider Communications	\$ 4,670	\$ 2,940	\$ 7,610
17. Provider Continuing Education (PCE) Program	\$ 60,300	\$ 99,700	\$ 160,000
18. Transform L.A. Program - Direct Network (DN) Practice Engagement	\$ 9,003	\$ -	\$ 9,003
19. Quarterly joint PICC/PQC Committee	\$ 1,350	\$ 10,080	\$ 11,430
<b>Proposed Program Total</b>	<b>\$ 230,926</b>	<b>\$ 329,420</b>	<b>\$ 560,346</b>



## Proposed Programs:

Since March 2020, L.A. Care has followed the guidance of the County of Los Angeles Department of Public Health “Stay-at-Home Order”, which has limited our ability to hold face-to-face meetings, business travel and in-person staffing events. The budget proposed in this section represents a 2 percent increase in the budget request compared to the FY 2021-22 budget and a 39 percent reduction as compared to the FY 2020-21 budget. Actual spending, however, may be further impacted in the next fiscal year as the situation with the COVID-19 Pandemic continues to evolve. Programing will resume normally when guidance determines it is safe to do so.

### Provider Continuing Education (PCE) Program

L.A. Care Provider Continuing Education (PCE) Program is an accredited educational program with Continuing Medical Education (CME) for L.A. Care providers and other physicians, and Continuing Education (CE) for nursing staff and other healthcare professionals.

L.A. Care is an accredited CME Provider with commendation by the California Medical Association (CMA) for MDs, DOs, PAs, and also an accredited CE Provider by the California Board of Registered Nursing for NPs and RNs, and an accredited CE Provider by the California Association of Marriage and Family Therapists (CAMFT) for LCSWs, LMFTs, LPCCs, and LEPs. The PCE Program CME/CE activities and events specifically target the low performing primary care physicians related to their HEDIS scores and Star Performance to improve quality of patient care and physician-patient relationships. Other target audiences are high performing providers, new L.A. Care providers, L.A. Care staff, and other healthcare professionals.

The PCE Program will hold CME/CE activities throughout the year, with emphasis on the identified needs of L.A. Care providers and other healthcare professionals through conducted surveys and ongoing feedback. The PCE Program will coordinate four full-day CME/CE Conferences for in-depth content related to quality improvement of patient care, partnerships and best practices. It will also provide three evening CME/CE events to target Quality Improvement, HEDIS and other clinical improvement topics. There will also be eight online courses/webinars to reach hard-to-target L.A. Care network providers in L.A. County.

In addition, the program will offer online activities/online courses on content areas that are important for improving providers’ competency, performance and patient outcomes. CME/CE Event expenses will include venue and food costs, and stipends for guest speakers to cover preparatory costs. Since mid-March 2020, the PCE Program has continued in a virtual format (monthly webinars via Cisco WebEx) in response to COVID-19 pandemic, and is anticipated to resume in-person CME/CE events as soon as it is safe to do so.

### Meetings with Providers and Other External Stakeholders

Various mandatory, regulatory, and advisory meetings are held at L.A. Care’s facilities, including committee meetings, trainings, and educational conferences. The goals of which are to support and strengthen L.A. Care’s ability to provide a safety net for the communities we serve. The budget for FY 2022-23 is similar to FY 2021-22 as the meetings have continued to be conducted in a virtual environment as a result of the COVID-19 pandemic.

Such meetings include:

- Board of Governors and other Governing Committees
- Performance and Improvement Collaborative Committee (PICC)
- Physician Quality Committee (PQC)
- Behavioral Health Steering Committee and Behavioral Health Quality Committee (BHQC)
- Credentialing Committee
- Community Benefit Grant Review
- Quality Initiative trainings for PPGs and other clients to improve performance



- Pharmacy Quality and Oversight Committee (PQOC)
- Transform LA Program – Direct Network Engagement
- PPG Summit – Provider Communications

## Business Development

Many community events are held annually to strengthen L.A. Care’s relationship with its members. L.A. Care representatives are engaged in business development activities related to the sales and promotion of the various products offered. Collaborative meetings with sister health plans, the L.A. County Department of Health Services, providers, and members all contribute to the expansion of L.A. Care’s Safety Net Initiatives. Continuation of these development activities are an integral part of the messaging and branding strategy in relationship building with providers, members, and external stakeholders. Planning anticipates that some of these events may be held in person, but most will be held virtually or will be suspended as the COVID-19 pandemic guidance updates.

Events and programs include:

- CEO Business Development
- LAC Cal MediConnect (CMC) and Enrollee Advisory Committee(EAC) member meeting
- Health Promoters Program
- Community Outreach & Engagement Events including RCAC & ECAC meetings and RCAC Conferences

## Sales, Marketing, and Advertising Strategy

### Advertising and Promotions

*(dollars in thousands)*

<b>Fiscal Year</b>	<b>Total**</b>
FY21-22 Forecast*	\$6,125
FY22-23 Budget	\$10,596

*\*Forecast is based on 9+3*

*\*\*Total excludes sponsorships*

FY 2022-23 will see the Marketing team continue to grow our Brand Marketing with the continuance of our celebratory campaign for L.A. Care’s 25<sup>th</sup> anniversary. We will also continue our products, CRCs, and Plan Partner campaigns. We will maximize tactical media elements with a goal of growing our consumer voice in the market and impact choice enrollment. We will also be officially launching our advertising campaign for the D-SNP product launch on October 1, 2022. We look to conduct more research and focus groups to obtain further insights for our corporate brand. Research and focus group will also be conducted for our co-marketing Plan Partner, Medi-Cal program. For our CRCs, we will further expand our brand awareness campaigns by introducing research and focus groups, to measure the success of the past previous years. In addition to traditional and digital media campaigns tasked with creating growth opportunities, marketing will also be introducing market data for more efficient advertising to support growth and retention. FY 2021-22 presented us with unanticipated campaigns, such as the Human Resources Recruitment campaign. Marketing will also be factoring in miscellaneous advertising campaigns required for FY 2022-23.

The Marketing team will roll out three campaigns in the Fall which will aim at driving enrollment for the Medi-Cal, D-SNP, and L.A. Care Covered products. Our Plan Partner digital co-marketing program is set to begin in August 2022, carrying through to the end of the year, as an effort to continue growth in 2023. For our Medi-Cal line of business (including Plan Partners), we will factor in the change in the market dynamics with introduction of the Kaiser’s direct contract set to begin in 2024. In addition, our Covered California Open Enrollment Campaign for L.A. Care Covered will begin in October 2022 and ramp up through January 2023. Our campaign efforts will

employ traditional elements like Outdoor, Radio and TV, but will be paralleled by tactical digital programs. Marketing will then look to roll out a Spring and Summer campaign post the Fall/Winter period to refocus our advertising on our corporate Brand campaign, D-SNP, Medi-Cal, and the Community Resource Centers. Marketing will continue to leverage its Channel Performance reporting process that has helped us monitor and manage our Marketing Channels for optimization and performance improvement through a newly launched response dashboard.

## Printing and Mailing

*(dollars in thousands)*

<b>Fiscal Year</b>	<b>Total</b>
FY21-22 Forecast*	\$20,792
FY22-23 Budget	\$23,735

*\*Forecast is based on 9+3*

Marketing will serve as the center of material development, printing, and distribution through our relationships with local print and fulfillment vendors. The critical focuses in FY 2022-23 will be to enhance the tracking of all charges by cost center and to reflect those charges against each cost center's budget. This Marketing budget management will continue to include a level of transparency for all budget owners, allowing them to have a clear line of sight to their spending in real-time. The objective is to provide a clear understanding of all the projects produced annually and to understand their financial impact, and assess any gaps, inefficiencies, and redundancies in member communications.

Marketing will continue the effort of reducing costs through competitive bidding and leverage digital tools to enhance our current member communication. The project management system, Podio, continues to archive print estimates and invoices, which allows us to reference historical jobs to better bid and price projects for business units. In addition, the Marketing and Sales teams will leverage vendor portals for efficient print production workflows. We will continue to partner with the Member Services team to help grow our digital communications tools (Portal, Email, text messaging) so we can switch to these communication touchpoints upon regulatory approvals being granted. Marketing will also work with vendors to find a way to bring our member journey experience to an actionable and potentially automated outcome.

## Broker Fees

*(dollars in thousands)*

<b>Fiscal Year</b>	<b>CMC</b>	<b>LACC</b>	<b>Total</b>
FY21-22 Forecast*	\$1,179	\$19,989	\$21,168
FY22-23 Budget	\$2,705	\$25,321	\$28,026

*\*Forecast is based on 9+3*

Our broker partners continue to be critical in establishing new sales channels and growing existing programs. We have steadily grown our broker pool for Cal MediConnect to include over 300 agents, to serve as an extension of our Sales team, and will be approximately doubling our presence and agencies for D-SNP. On the L.A. Care Covered front, our broker network has proved very valuable, helping us grow our product to almost 120,000 members – with over 62 percent of our members now coming to us through our broker agent pool. Our focus will continue to be on training, education and resource development for the Broker Community, insuring we can give our agents the tools they need to benefit our providers, community-based organizations, members and prospective

members. Being able to demonstrate the value of these partnerships is critical to the success of our sales strategy and tactics.

## Community Health Improvement Programs

The proposed Community Health Improvement Program budget for FY 2022-23 allocates \$46.0 million of L.A. Care's financial reserves for selected projects to be funded throughout the fiscal year. Community Health Improvement Programs include the Community Health Investment Fund (CHIF), Elevating the Safety Net, Blue Shield Promise Grant, Community Resource Centers, First 5 L.A. Grant, and Community Programs (which includes Community Clinic Program, Community Benefits Program, Promotoras, and Sponsorships).

Statement of Community Health Improvement Programs							
Fiscal Year 2022-23							
(dollars in millions)							
	CHIF	Elevating the Safety Net	Blue Shield Promise Grant	Community Resource	First 5 L.A. Grant	Community Programs *	Total
Administrative Expenses	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.8)	(\$2.8)
Community Investments - Revenue	-	-	6.3	-	0.5	-	6.8
Community Investments - Expense	(10.0)	(11.4)	(10.5)	(17.6)	(0.5)	-	(50.0)
Net Surplus (Deficit)	<b>(\$10.0)</b>	<b>(\$11.4)</b>	<b>(\$4.2)</b>	<b>(\$17.6)</b>	<b>(\$0.0)</b>	<b>(\$2.8)</b>	<b>(\$46.0)</b>
* Community Programs include Community Clinic Program, Community Benefits Program, Promotoras, and Sponsorships							

Community Health Improvement Programs (dollars in thousands)	Forecast* FY 2021-22	Budget FY 2022-23
<b>Community Health Investment Fund (CHIF)</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Elevating the Safety Net</b>		
Medical Degree Program	5,000	-
Medical School Scholarship	3,114	3,370
Physician Loan Repayment Program	7,958	4,000
Provider Recruitment Program	6,000	4,000
Residency Support Program	6,778	-
National Medical Fellowship	150	-
Subtotal	<b>29,000</b>	<b>11,370</b>
<b>Blue Shield Promise Grant <sup>(1)</sup></b>	<b>17,000</b>	<b>10,499</b>
<b>Community Resource Centers</b>	<b>14,791</b>	<b>17,610</b>
<b>First 5 L.A. Grant <sup>(2)</sup></b>	<b>275</b>	<b>472</b>
<b>Community Programs</b>		
eManagement & CTAP	405	-
Community Clinic Program /SCOPE Plan	495	490
Community Benefits Program	747	874
Promotoras/Health Promoter Program	257	334
Sponsorships / In-Kind	1,100	1,150
Subtotal	<b>3,004</b>	<b>2,848</b>
<b>Total</b>	<b>74,070</b>	<b>\$52,799</b>

\*Forecast is based on 9+3

Note 1: Excludes Blue Shield Promise Grant Revenue of \$ 11.5M in the 9+3 Forecast and \$6.3M in the FY22-23 Budget

Note 2: Excludes First 5 L.A. Grant Revenue of \$0.2M in the 9+3 Forecast and \$0.5M in the FY22-23 Budget

## **Community Health Investment Fund (CHIF)**

**\$10 Million**

The Board of Governors established the Community Health Investment Fund (CHIF) program to improve access and quality of care by filling gaps and supporting infrastructure to benefit the underserved and the safety net that serves them. CHIF is managed by the Community Benefits Department. Its overarching funding goals for FY 2022-23 include:

1. Support the health care safety net to improve infrastructure and address racial inequities,
2. Address social determinants of health that result in inequities,
3. Close the health disparities gap, and
4. Empower and invest in health/social determinants of health related organizations that address systemic racism.

Each year, staff presents to the Board a recommended budget allocation for CHIF grant making, which is divided between funds for predetermined initiatives and for those in response to external requests. The CHIF budget for FY 2021-22 was \$10.0 million, and at least \$10.0 million is recommended for FY 2022-23.

A total of \$10.0 million is recommended to be invested in initiatives that improve community and public health, expand equitable access to healthcare, and strengthen whole person care, with a focus on rectifying health conditions frequently experienced by under resourced communities. This may include projects that improve clinical delivery systems, such as care coordination and integration of medical, behavioral health and oral healthcare, along with those that address social determinants of health and root causes, including housing and food security, and systemic racism. CHIF funding will also support community efforts designed to improve physical and social environments that address the social determinants that deeply impact health, creating environments that enable individuals and communities to live in optimal health.

## **Workforce Development Initiative/Elevating the Safety Net (ESN)**

**\$ 11.4 Million**

L.A. Care's Elevating the Safety Net (ESN) is a long-term initiative to recruit highly-qualified primary care physicians into the Los Angeles County safety net. Since FY 2017-18 and in alignment with our mission to care for the most vulnerable people in Los Angeles County, the ESN initiative has invested over \$83.5 million of the \$155 million across ten programs to recruit, train and retain highly qualified primary care physicians who commit to practicing in our safety net. On May 5, 2022, L.A. Care's Board of Governors approved that we prioritize investing the remaining \$71.5 million in ESN funds for an additional five years across key programs listed below.

### **Medical School Scholarship Program**

**\$ 3.4 Million**

We will continue to offer full-tuition scholarships for eight students admitted to the Charles R. Drew University of Medicine and Science (four students) and the David Geffen School of Medicine at UCLA (four students). 'L.A. Care Scholars' are identified by each school based on their diversity and ethnic background, desire to work with vulnerable populations and demonstration of financial need.

### **Provider Loan Repayment Program**

**\$ 4.0 Million**

We will continue to support physicians who commit to serving our Medi-Cal members and vulnerable communities by awarding them up to \$5,000 per month to assist with student loan debt repayment. This program will be administered by a nonprofit organization, Uncommon Good, and applicants will be selected based on a competitive application process.

### **Provider Recruitment Program**

**\$ 4.0 Million**

Awards for up to \$125,000 will be granted to eligible clinics and practices to provide salary subsidies, sign-on bonuses, and/or relocation costs for new physicians or primary care psychiatrists recruited into the safety net. Clinics and practices will apply to the program through a competitive application process based on their need and history with L.A. Care.

## **Blue Shield Promise Grant**

**\$ 10.5 Million**

L.A. Care Health Plan and Blue Shield of California Promise Health Plan have committed a combined \$146 million over five years, to expand Resource Centers across Los Angeles County, both in terms of geographic footprint and services. Over five years, L.A. Care and Blue Shield Promise will jointly open seven new Resource Centers, remodel four existing centers and relocate three centers to larger locations, for a total of 14 centers. The co-branded facilities are called Community Resource Centers.

The Resource Centers will enhance community connections, address social needs and improve overall health outcomes for members and the entire community through free health screenings and on-site enrollment support for social service programs. Each jointly operated Resource Center will serve as a one-stop community destination, providing classes and services that will help keep center visitors active, healthy and informed.

While the Resource Centers are open to the public, L.A. Care and Blue Shield members will be able to access personalized health and wellness programs and services. The Resource Centers will serve as platforms to introduce health care technology such as telemedicine and health care mobile application support to help build L.A. Care and Blue Shield Promise members' capacity to manage their own health.

## **Community Resource Centers**

**\$ 17.6 Million**

The Community Resource Centers are aimed at addressing health disparities by creating a single point of service where the community can turn to for help with health education, assistance with navigating the health care delivery system and available programs and resources. Dedicated L.A. Care staff and contracted health education vendors provide a number of activities for health plan members and other community residents including health education, disease prevention, promotion of self-management tools and education on establishing or maintaining health coverage. Eleven Community Resource Centers have successfully been launched in Boyle Heights, East L.A., Inglewood, Lynwood, Pacoima, Palmdale, Pomona, Metro L.A., Wilmington, El Monte and Norwalk and are operated jointly with Blue Shield of California Promise Health Plan. During FY 2021-22, full Community Resource Center operations were restored with the resumption of in-person programming and child supervision services at all locations.

Since the opening of the first Community Resource Center in November 2007, the initiative has been successful in delivering well-integrated health education resources and services that address important health topics such as asthma, diabetes, and obesity. Three additional Community Resource Centers are projected to open during FY 2022-23 in Long Beach, West L.A., and South L.A. Larger locations in Lincoln Heights and in Panorama City to replace centers in Boyle Heights and Pacoima respectively, are also expected to be completed in FY 2022-23.

## **Help Me Grow: LA/First 5 LA**

**\$0.5 Million**

First 5 LA awarded LAC a grant of more than \$1.2M as part of Help Me Grow: LA, for a four-year partnership that will help safety net practices and clinics across the county integrate developmental screenings and monitoring protocols into their workflows to support LAC members ages 0-5 years old. LAC will contribute \$600K in "in-kind" services for a total program budget of over \$1.8M.





The program offers an education campaign for both providers and families/caregivers of young children about the importance of developmental screenings and when needed, intervention services available in the community. Early childhood development classes are offered to the community and members at the CRCs which also have educational materials on the program available in eight languages. Several of these materials are available on the member health education page on the company website. Three annual CME events for providers and care teams are scheduled for the program. In addition, the program includes a three year, ten practice pilot which provides on-site practice coach/facilitator support and a mini grant for up to \$5K per practice for achievement of the pilot program goals, namely increase the volume of developmental screenings and patient referrals by 15 percent for each metric.

## Community Clinic Program/ (SCOPE) Plan

**\$ 0.5 Million**

The Strengthening Clinic Operations and Patient Experience (SCOPE) initiative offers contracted Federally Qualified Health Centers and licensed community clinics opportunities to participate in and benefit from innovative programs and tailored services aimed at strengthening the delivery of high quality health care for our members.

Guided by IHI's Triple Aim Framework, the SCOPE Plan's three main objectives are to (1) improve patient experience, (2) improve health outcomes and (3) reduce unnecessary health care costs. Toward this end, current initiatives under the umbrella of our SCOPE plan focus on addressing several strategic areas:

-  Clinic Workforce Development and Leadership Training
-  Improved Patient Experience
-  Expanding Clinical and Care Management Best Practices
-  Enhanced Operations and Sustainability

Examples of initiatives include:

- Provider Leadership Program
- Customer Service Training
- Readiness Support and Technical Assistance for CalAIM initiatives including, Enhanced Care Management and Community Supports
- Capacity Building for Hard to Engage Populations in Primary Care
- Alternative Payment Methodology Planning and Technical Assistance

## Community Benefits Program Administration

**\$0.9 Million**

The Community Benefits Department staff is responsible for managing all aspects of L.A. Care's CHIF grant making activities. Every year L.A. Care commits a portion of its reserves to community benefit investments. Staff researches gaps in healthcare and best practices for impacting the health of marginalized, under resourced, and uninsured individuals. Program initiatives are developed and announced to the community, and proposals are reviewed by staff and external experts. Proposals that align with the mission and vision of the organization are presented to the appropriate authority according to Policy 603, for funding approval. Staff also oversees grant management, which includes reviewing status reports and providing strategic support to ensure grantees meet programmatic and fiscal obligations.



## Capital Expenditures and Other Projects

The list reflects projects proposed and may include amounts to be spent over multiple fiscal years. Projects primarily support infrastructure and systems improvements while allowing L.A. Care the flexibility to achieve Strategic Goals.

<b>L.A. Care Health Plan Capital Projects Fiscal Year 2022-2023</b> (dollars in thousands)				
<b>Project Description</b>	<b>Business Owner</b>	<b>Capital Expense</b>	<b>Operating Expense</b>	<b>Total</b>
CalAIM	Health Services	\$ 1,024	\$ 226	\$ 1,250
Care Catalyst - New HS Clinical System	Ops/Health Services	2,696	1,462	4,158
Clinic Based Assignment and FQHC APM	Provider/Health Services	1,180	635	1,816
CMS Interoperability Mandate	I.T.	1,264	557	1,821
DSNP Product Launch	Product	1,102	1,004	2,106
Edifecs Program	Ops	150	90	240
Oracle Upgrade	I.T.	1,934	1,090	3,024
Performance Optimization Program (Enterprise & Network)	EPO/Ops	2,252	1,240	3,492
Portals Strategy	Product	1,300	700	2,000
Provider Roadmap	Provider	2,051	2,428	4,479
QNXT Insourcing	I.T.	3,676	1,257	4,933
SAP/ERP	Finance	2,816	704	3,520
Security Enhancements Initiative	I.T.	1,100	275	1,375
Transparency in Coverage/No Surprises	Product	650	350	1,000
VOICE	Customer Service/Ops	3,901	694	4,596
Leasehold Improvements	Facilities	18,020	-	18,020
<b>Total Capital Projects</b>		<b>\$ 45,117</b>	<b>\$ 12,711</b>	<b>\$ 57,829</b>

### CalAIM

L.A. Care's staged implementation of the Department of Health Care Services (DHCS) program to improve quality outcomes and drive delivery system transformation through value based initiatives, modernization of systems, and payment reform. This program expands case management and delivers non-traditional, lower-cost services to address Social Determinants of Health (SDOH).

### Care Catalyst – New Health Services Clinical System

A multi-year program focused on replacing L.A. Care's Care Management platform to better meet members' care coordination needs. Utilization Managements (UM) capabilities have transitioned to the new platform. Current work focuses on platform optimizations for added efficiency and scalability. Population health management (PHM) and enhancements for Appeals and Grievances (A&G) are areas of upcoming focus.

### Clinic Based Assignment and FQHC APM

Enhancements to better manage the association between health plan members and community clinics in L.A. Care's systems. This functionality is to improve the experience of members receiving care in community clinics, as well as the providers serving them. It is also foundational to the implementation of the Alternative Payment Methodology (APM), which would enhance how clinics are compensated for care provided to members.

## **CMS Interoperability Mandate**

L.A. Care is making a multi-phase investment in provider and member data portability in accordance with CMS requirements. Current investments focus on patient access and provider directory APIs to improve information accessibility and drive better health outcomes. Future work will focus on payer-to-payer interfaces to ensure timely and efficient benefits coordination and transitions.

## **D-SNP Product Launch**

Under the California Advancing and Innovating Medi-Cal (CalAIM) initiative, the California Department of Health Care Services (DHCS) is transitioning Cal MediConnect (CMC) and the Coordinated Care Initiative (CCI) to a statewide Managed Long-Term Services and Supports (MLTSS) and Dual Eligible Special Needs Plan (D-SNP) structure. L.A. Care is developing and deploying a fully integrated D-SNP product and sun-setting its existing CMC product in the fourth calendar quarter of 2022.

## **Encounters & Risk Adjustment/EDIFECS**

Through several phased implementations L.A. Care is adding capabilities to its encounter data management system. Recent implementations have included the Edge Server, which improved the quality, quantity, and frequency of encounter submissions to CMS. Current improvements are focused on data produced for risk adjustment, and future work is expected to focus on improved extraction of encounter data for regulatory audiences and internal end-users.

## **Oracle Upgrade**

To ensure security and robust functionality, this initiative is to upgrade L.A. Care's Oracle database infrastructure and extend the life of the asset.

## **Performance Optimization Program (Enterprise & Network)**

This initiative is building data management and reporting tools to support L.A. Care's Enterprise Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring of the performance of non-delegated enterprise functions. NPOP monitors the performance of all entities in L.A. Care's service delivery model across lines of business.

## **Portals Strategy**

Target improvements in L.A. Care's portal infrastructure serving members and providers.

## **Provider Roadmap**

This is a multi-year, cross-functional program focused on improving L.A. Care's provider data quality and management, including enhancements to data intake, standardization and validation, storage, reporting, and operational use. Improvements are targeted at both technical infrastructure and business processes.

## **QNXT Insourcing**

L.A. Care is making progressive investments in its claims platform, with current work focused on the scalability and flexibility of development and test environments. This work is to improve the performance and cost-effectiveness of L.A. Care's claims infrastructure.

## **SAP/ERP – Finance System**

L.A. Care is continuing its implementation of SAP for financial management functions. After the successful deployment of Revenue Automation and the ERP including Accounts Payable, General Ledger, Cash Automation,



Managerial Reporting, Project Costs/Allocations and Fixed Assets, current work is focused on modernizing Budgeting and Forecasting, Financial Reporting and Analytics, Procurement Management and Broker Commission system. The SAP/ERP strategic project is expected to complete the original project scope by the end of the next fiscal year.

### **Security Enhancements Initiative**

The Security Enhancement Project makes infrastructure and process changes to improve the overall security posture for L.A. Care IT. This includes reviewing existing network design, virtualization architecture, and security tooling to ensure it meets and exceeds modern security standards and best practices. This project will also introduce tools to automate patching and endpoint configuration to enable L.A. Care to maintain its security posture.

### **Transparency in Coverage/No Surprises**

L.A. Care is deploying functionality to support two federal requirements. Plans in the individual and large group market are required by the CMS Transparency in Coverage Final Rule to make available certain data/information pertaining to cost-sharing, cost of services, and aggregated out-of-network claims data, provided on a per provider, per service basis. Additionally, the No Surprise Act prohibits balance billing of members for receiving out-of-network care. The rule also requires plans to provide an advance Explanation of Benefits (EOB) for covered services for in/out of network providers and/or facilities, as requested.

### **VOICE Program**

This is a multi-year modernization of L.A. Care's customer service infrastructure, focused on improving the quality and efficiency of member services. This includes upgrades for PCI compliance (protecting the privacy of payment information), as well as improvements in telephonic caller authentication, self-service telephonic features, member call back features, and customer relationship management (CRM) applications for member- and provider-facing services.

# FINANCIAL STATEMENTS

## L.A. Care Health Plan Comparative Income Statements

(dollars in thousands)

	FY 2020-2021 Actual	FY 2021-2022 Forecast*	FY 2022-2023 Budget
Member Months	28,667,788	31,044,265	33,036,235
Revenues			
Capitation	\$9,210,117	\$9,303,737	\$10,165,331
Total Revenues	9,210,117	9,303,737	10,165,331
Healthcare Expenses			
Capitation	4,834,938	4,957,717	5,649,475
Provider Incentives and Shared Risks	81,832	104,382	106,951
Inpatient Claims	1,141,371	1,217,321	1,328,343
Outpatient Claims	843,083	1,062,499	1,125,770
Skilled Nursing Facility	837,796	996,831	1,131,534
Pharmacy	760,355	271,361	134,956
Medical Administrative Expenses	83,490	84,001	97,498
Healthcare Expenses	8,582,866	8,694,111	9,574,526
MCR (%)	93.2%	93.4%	94.2%
Operating Margin	627,251	609,626	590,806
Total Administrative Expenses	470,080	518,638	510,090
Administrative Ratio (%)	5.1%	5.6%	5.0%
Income (Loss) from Operations	157,171	90,988	80,716
Margin before Non-Operating Inc (Exp) (%)	1.7%	1.0%	0.8%
Non-Operating Income (Expenses)			
Provision for Community Investments	(37,934)	(59,719)	(43,197)
Managed Care Tax, net	10,369	11,579	10,161
Investment Income, net	3,289	(17,910)	32,402
Net Surplus (Deficit)	\$132,895	\$24,938	\$80,082
Margin (%)	1.4%	0.3%	0.8%

\*The Fiscal Year 2021-22 forecast is based on 9 months of actual financial results through June 2022 and 3 months of forecast through September 2022.

**L.A. Care Health Plan**  
**Balance Sheet**  
**Fiscal Year 2022-23**  
(dollars in thousands)

	Actual as of September 30, 2021	Forecast as of September 30, 2022	Budget as of September 30, 2023
<i>Combined Balance Sheet</i>			
Current Assets			
Cash & cash equivalents	\$990,897	\$1,069,240	\$1,086,123
Investments, at fair value	1,223,897	1,063,588	1,045,990
Other current assets	2,567,644	3,082,865	3,364,365
Total current assets	4,782,438	5,215,693	5,496,478
Capital Assets, net	105,915	105,125	127,433
Other Assets			
Non-current Assets	3,523	2,346	1,746
Total Assets	<b>\$4,891,876</b>	<b>\$5,323,164</b>	<b>\$5,625,657</b>
Current Liabilities			
A/P and accrued liabilities	\$116,251	\$157,435	\$157,435
Subcapitation payable	2,837,547	3,098,343	3,435,891
Reserves for Provider Incentives	86,852	95,854	97,900
Reserves for claims	643,228	731,525	621,443
Deferred Revenue	14,540	70,003	50,003
Other accrued medical expenses	125,151	75,243	85,243
Grants payable	15,411	18,192	21,692
Total current liabilities	3,838,980	4,246,595	4,469,606
Non-Current Liabilities	3,441	2,176	1,576
Total Liabilities	3,842,421	4,248,771	4,471,182
Fund Equity			
Invested in Capital Assets	105,915	105,125	127,433
Restricted	600	600	600
Designated by Board of Governors			
Board Designated Funds	91,741	107,644	118,644
Unrestricted Net Assets	650,448	656,411	693,298
TNE (130% of Required)	200,751	204,613	214,500
Total Fund Equity	1,049,455	1,074,393	1,154,475
Total Liabilities and Fund Equity	<b>\$4,891,876</b>	<b>\$5,323,164</b>	<b>\$5,625,657</b>

**L. A. Care Health Plan**  
**Statement of Cash Flows**  
**Fiscal Year 2022-23**  
(dollars in thousands)

	<u>Forecast for the FYE</u> <u>September 30, 2022</u>	<u>Budget for the FYE</u> <u>September 30, 2023</u>
<i>Combined Statement of Cash Flows</i>		
Operating activities		
Net Surplus (Deficit)	\$24,938	\$80,082
Add: Depreciation/Amortization and Tax Provision	42,423	12,648
(Increase) Decrease in:		
Other current assets	(515,221)	(281,500)
Non-current Assets	1,177	600
Increase (Decrease) in:		
Accounts payable	41,184	-
Subcapitation payable	358,337	337,548
Reserves for provider incentives	9,002	2,046
Reserves for claims	88,297	(110,082)
Deferred revenue	55,463	(20,000)
Other accrued medical expenses	(49,908)	10,000
Grants payable	2,781	3,500
Non-current liabilities	(1,265)	(600)
Cash provided (used) by operating activities	<u>57,208</u>	<u>34,241</u>
Investing activities		
Sell (purchase) of investments	131,332	17,598
Capital assets (investment)	(24,235)	(45,117)
Cash (used) provided by investing activities	<u>107,097</u>	<u>(27,519)</u>
Cash provided (used) by Pass Through activities	<u>(85,962)</u>	<u>10,161</u>
Net increase (decrease) in unrestricted cash & equivalents	78,343	16,883
Unrestricted cash & equivalents - beginning of period	990,897	1,069,240
Unrestricted cash & equivalents - end of period	<u>\$1,069,240</u>	<u>\$1,086,123</u>

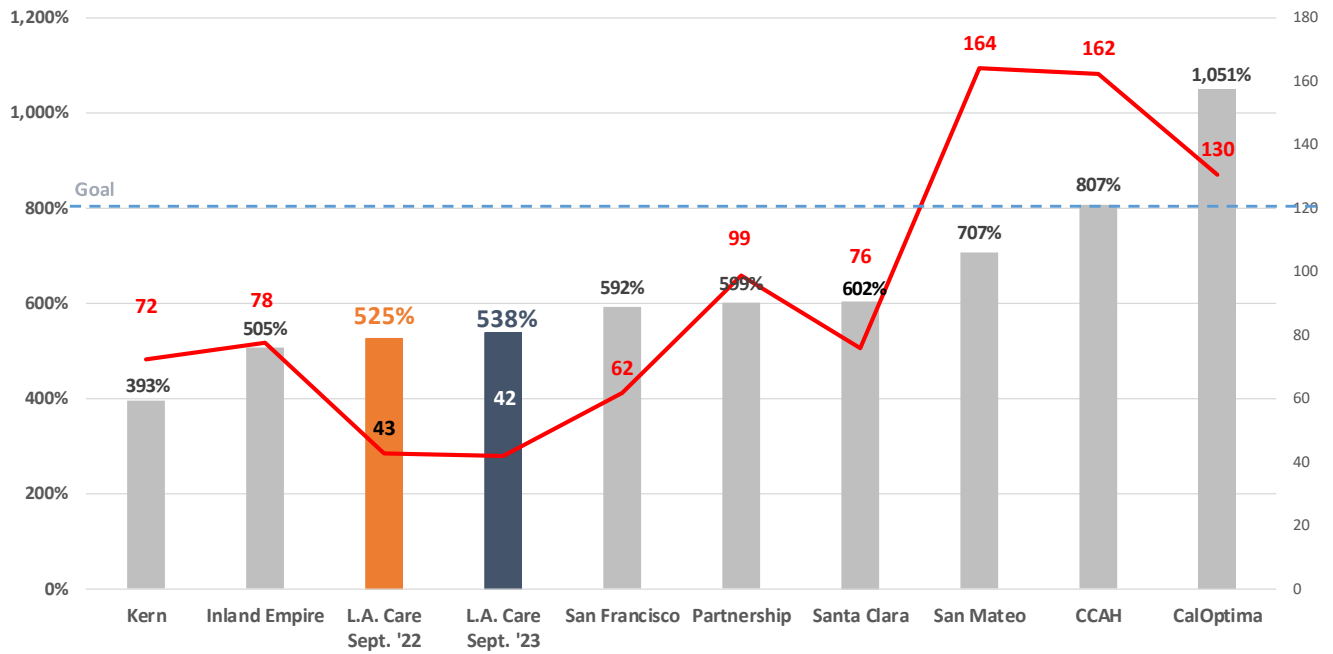
**L. A. Care Health Plan**  
**Required Tangible Net Equity Calculation**  
**Fiscal Year 2022-23**  
(dollars in thousands)

Budget as of  
September 30, 2023

*Tangible Net Equity (TNE) Calculation*

<b>Healthcare expenses:</b>	
1. 8% of first \$150 million of annualized healthcare expenses, except those paid on a capitated or managed hospital basis	\$12,000
2. 4% of the annualized health care expenses, except those paid on a capitated or managed hospital basis	60,605
3. 4% of the annualized hospital expenditures paid on a managed hospital basis	92,395
	<hr/>
Calculated TNE based on healthcare expenses	165,000
TNE (at 130% of State Required Level)	214,500
Fund equity	1,154,475
	<hr/>
Excess equity over required TNE	<u>\$939,975</u>

## TNE Chart and Days of Cash Comparison





DATE: August 23, 2022  
TO: Finance & Budget Committee  
FROM: Marie Montgomery, *Chief Financial Officer*

**SUBJECT: Monthly Investment Portfolio Securities Transaction Report for June, 2022**

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 June 1 to June 30, 2022.

L.A. Care's investment market value as of June 30, 2022, was \$1.8 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 \$254 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of June 30, 2022, 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.

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
through 06/30/2022

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
06/09/22	06/10/22	Buy	10,000,000.000	U.S. TREASURY BILL MAT 06/21/22 Cpn	912796W21	(9,998,029.17)		0.00	0.00	(9,998,029.17)
06/09/22	06/10/22	Buy	50,000,000.000	U.S. TREASURY BILL MAT 06/21/22 Cpn	912796W21	(49,990,145.83)		0.00	0.00	(49,990,145.83)
06/09/22	06/10/22	Buy	25,000,000.000	U.S. TREASURY BILL MAT 07/05/22 Cpn	912796W88	(24,984,739.58)		0.00	0.00	(24,984,739.58)
06/09/22	06/10/22	Buy	30,000,000.000	U.S. TREASURY BILL MAT 07/07/22 Cpn	912796R68	(29,980,852.50)		0.00	0.00	(29,980,852.50)
06/09/22	06/10/22	Buy	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/16/22 Cpn	313385YD2	(29,996,500.00)		0.00	0.00	(29,996,500.00)
06/10/22	06/13/22	Buy	20,000,000.000	U.S. TREASURY BILL MAT 07/19/22 Cpn	912796X20	(19,978,700.00)		0.00	0.00	(19,978,700.00)
06/10/22	06/13/22	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/19/22 Cpn	912796X20	(49,946,750.00)		0.00	0.00	(49,946,750.00)
06/10/22	06/13/22	Buy	40,000,000.000	U.S. TREASURY BILL MAT 07/26/22 Cpn	912796X38	(39,948,638.89)		0.00	0.00	(39,948,638.89)
06/10/22	06/13/22	Buy	40,000,000.000	U.S. TREASURY BILL MAT 07/21/22 Cpn	912796S42	(39,955,244.44)		0.00	0.00	(39,955,244.44)
06/10/22	06/13/22	Buy	20,000,000.000	U.S. TREASURY BILL MAT 12/08/22 Cpn	912796X61	(19,811,517.78)		0.00	0.00	(19,811,517.78)
06/10/22	06/13/22	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/14/22 Cpn	912796K57	(49,956,341.67)		0.00	0.00	(49,956,341.67)
06/10/22	06/13/22	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/14/22 Cpn	912796K57	(49,956,341.67)		0.00	0.00	(49,956,341.67)
06/10/22	06/13/22	Buy	40,000,000.000	U.S. TREASURY BILL MAT 07/28/22 Cpn	912796S59	(39,948,200.00)		0.00	0.00	(39,948,200.00)



## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
through 06/30/2022

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
06/10/22	06/13/22	Buy	50,000,000.000	CASH MGMT BILL MAT 09/13/22 Cpn 912796XV6	(49,831,013.89)		0.00	0.00	(49,831,013.89)
06/10/22	06/14/22	Buy	20,000,000.000	CASH MGMT BILL MAT 10/11/22 Cpn 912796YD5	(19,893,891.67)		0.00	0.00	(19,893,891.67)
06/07/22	06/14/22	Buy	5,250,000.000	VWALT 2022-A A1 LEASE MAT 06/20/23 Cpn 1.72 92868AAA3	(5,250,000.00)		0.00	0.00	(5,250,000.00)
06/16/22	06/16/22	Buy	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/17/22 Cpn 313385YE0	(29,998,916.67)		0.00	0.00	(29,998,916.67)
06/16/22	06/16/22	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/17/22 Cpn 313385YE0	(49,998,194.44)		0.00	0.00	(49,998,194.44)
06/16/22	06/17/22	Buy	14,000,000.000	U.S. TREASURY BILL MAT 08/02/22 Cpn 912796X46	(13,976,520.83)		0.00	0.00	(13,976,520.83)
06/08/22	06/21/22	Buy	1,600,000.000	CCG 2022-1 A1 EQP 144A MAT 06/14/23 Cpn 1.84 12511JAA3	(1,600,000.00)		0.00	0.00	(1,600,000.00)
06/14/22	06/22/22	Buy	5,100,000.000	AMCAR 2022-2 A1 CAR MAT 06/19/23 Cpn 2.19 03065WAA3	(5,100,000.00)		0.00	0.00	(5,100,000.00)
06/15/22	06/22/22	Buy	7,700,000.000	EFF 2022-2 A1 FLEET 144A MAT 06/20/23 Cpn 2.76 29374JAA3	(7,700,000.00)		0.00	0.00	(7,700,000.00)
06/21/22	06/22/22	Buy	7,500,000.000	SUMITOMO MITSUI TRUST NY YCD MAT 09/22/22 Cpn 2.12 86564MME5	(7,500,000.00)		0.00	0.00	(7,500,000.00)
06/22/22	06/23/22	Buy	30,000,000.000	U.S. TREASURY BILL MAT 07/07/22 Cpn 912796R68	(29,990,841.67)		0.00	0.00	(29,990,841.67)

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
through 06/30/2022

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
<b>Fixed Income - cont.</b>									
06/28/22	06/29/22	Buy	5,000,000.000	U.S. TREASURY BILL MAT 08/02/22 Cpn 912796X46	(4,994,829.17)		0.00	0.00	(4,994,829.17)
			<b>681,150,000.000</b>		<b>(680,286,209.87)</b>		<b>0.00</b>	<b>0.00</b>	<b>(680,286,209.87)</b>
06/01/22	06/01/22	Coupon		CT STATE GO TXB MAT 06/01/22 Cpn 4.18 20772KNT2		26,777.60	0.00	0.00	26,777.60
06/01/22	06/01/22	Coupon		SVENSKA HANDELSBANKEN YCD F MAT 09/01/22 Cpn 1.72 86959RXQ8		5,439.58	0.00	0.00	5,439.58
06/02/22	06/02/22	Coupon		SUMITOMO MITSUI BANK FRN YCD MAT 08/02/22 Cpn 1.62 86565C4F3		2,020.06	0.00	0.00	2,020.06
06/07/22	06/07/22	Coupon		NORDEA BANK ABP NY YCD MAT 06/07/22 Cpn 0.70 65558UPT3		2,450.00	0.00	0.00	2,450.00
06/10/22	06/10/22	Coupon		CRVNA 2021-P2 A2 CAR MAT 07/10/24 Cpn 0.30 14687TAB3		633.47	0.00	0.00	633.47
06/10/22	06/10/22	Coupon		CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2		4,735.23	0.00	0.00	4,735.23
06/10/22	06/10/22	Coupon		CRVNA 2022-P2 A1 CAR MAT 06/12/23 Cpn 1.51 14686JAA8		3,045.47	0.00	0.00	3,045.47
06/13/22	06/13/22	Coupon		MMAF 2022-A A1 EQP 144A MAT 05/03/23 Cpn 1.48 55317RAA0		7,831.21	0.00	0.00	7,831.21
06/14/22	06/14/22	Coupon		BANK OF NOVA SCOTIA FRN YCD MAT 09/14/22 Cpn 1.61 06417MVT9		1,915.97	0.00	0.00	1,915.97
06/15/22	06/15/22	Coupon		ALLYA 2022-1 A1 CAR MAT 05/15/23 Cpn 1.36 02008JAA4		6,902.97	0.00	0.00	6,902.97

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Account Name: L.A. CARE HEALTH PLAN

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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
06/15/22	06/15/22	Coupon		ARIFL 2022-A A1 FLEET 144A MAT 04/17/23 Cpn 1.49 00217QAA9		3,585.69	0.00	0.00	3,585.69
06/15/22	06/15/22	Coupon		CARMAX 2019-1 A3 CAR MAT 03/15/24 Cpn 3.05 14315NAC4		838.06	0.00	0.00	838.06
06/15/22	06/15/22	Coupon		CARMX 2019-2 A3 CAR MAT 03/15/24 Cpn 2.68 14316LAC7		1,658.98	0.00	0.00	1,658.98
06/15/22	06/15/22	Coupon		CARMAX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18 14315PAD7		5,528.94	0.00	0.00	5,528.94
06/15/22	06/15/22	Coupon		CARMX 2021-4 A2A CAR MAT 11/15/24 Cpn 0.24 14317JAB3		595.49	0.00	0.00	595.49
06/15/22	06/15/22	Coupon		CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2		2,062.50	0.00	0.00	2,062.50
06/15/22	06/15/22	Coupon		HALST 2020-B A3 CAR LEASE 144A MAT 09/15/23 Cpn 0.51 44891PAC8		2,163.89	0.00	0.00	2,163.89
06/15/22	06/15/22	Coupon		HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7		808.88	0.00	0.00	808.88
06/15/22	06/15/22	Coupon		HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7		195.41	0.00	0.00	195.41
06/15/22	06/15/22	Coupon		HONDA 2021-2 A2 CAR MAT 11/15/23 Cpn 0.17 43811JAB3		388.64	0.00	0.00	388.64
06/15/22	06/15/22	Coupon		HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6		6,000.00	0.00	0.00	6,000.00
06/15/22	06/15/22	Coupon		HYUNDAI 2021-A A2 CAR MAT 02/15/24 Cpn 0.23 44933LAB9		168.26	0.00	0.00	168.26
06/15/22	06/15/22	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		4,906.32	0.00	0.00	4,906.32

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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
06/15/22	06/15/22	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		1,177.08	0.00	0.00	1,177.08
06/15/22	06/15/22	Coupon		MERCEDES 2021-B A2 LEASE MAT 01/16/24 Cpn 0.22 58769KAC8		839.25	0.00	0.00	839.25
06/15/22	06/15/22	Coupon		CA SAN FRANCISCO USD GO/ULT MAT 06/15/22 Cpn 1.38 79771TQR1		3,628.47	0.00	0.00	3,628.47
06/15/22	06/15/22	Coupon		U.S. TREASURY NOTE MAT 12/15/23 Cpn 0.13 91282CBA8		7,500.00	0.00	0.00	7,500.00
06/15/22	06/15/22	Coupon		TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5		1,937.63	0.00	0.00	1,937.63
06/15/22	06/15/22	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		1,484.83	0.00	0.00	1,484.83
06/15/22	06/15/22	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		148.89	0.00	0.00	148.89
06/15/22	06/15/22	Coupon		TOYOTA 2021-A A2 CAR MAT 07/17/23 Cpn 0.16 89240BAB4		73.72	0.00	0.00	73.72
06/15/22	06/15/22	Coupon		WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6		357.10	0.00	0.00	357.10
06/15/22	06/15/22	Coupon		WOLS 2022-A A1 LEASE MAT 04/17/23 Cpn 0.98 98163NAA4		1,614.27	0.00	0.00	1,614.27
06/15/22	06/15/22	Coupon		WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2		3,725.83	0.00	0.00	3,725.83
06/16/22	06/16/22	Coupon		GMCAR 2021-A A2 CAR MAT 06/17/24 Cpn 0.27 380149AB0		394.30	0.00	0.00	394.30
06/16/22	06/16/22	Coupon		GMCAR 2022-2 A1 CAR MAT 04/17/23 Cpn 1.21 362585AA9		3,792.74	0.00	0.00	3,792.74

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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
06/16/22	06/16/22	Coupon		INTER-AMERICAN DEV BANK FRN MAT 09/16/22 Cpn 1.70 45818WCP9		1,730.38	0.00	0.00	1,730.38
06/18/22	06/18/22	Coupon		HONDA 2019-1 A3 CAR MAT 03/20/23 Cpn 2.83 43814WAC9		350.56	0.00	0.00	350.56
06/18/22	06/18/22	Coupon		HONDA 2021-3 A2 CAR MAT 02/20/24 Cpn 0.20 43815EAB0		371.72	0.00	0.00	371.72
06/20/22	06/20/22	Coupon		GMALT 2021-2 A2 LEASE MAT 07/20/23 Cpn 0.22 380144AB1		302.02	0.00	0.00	302.02
06/20/22	06/20/22	Coupon		GMALT 2022-2 A1 LEASE MAT 05/22/23 Cpn 1.53 36266FAA7		7,804.67	0.00	0.00	7,804.67
06/20/22	06/20/22	Coupon		SRT 2021-C A2 LEASE 144A MAT 04/22/24 Cpn 0.29 80286CAB6		619.77	0.00	0.00	619.77
06/20/22	06/20/22	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		846.20	0.00	0.00	846.20
06/20/22	06/20/22	Coupon		VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9		2,694.18	0.00	0.00	2,694.18
06/20/22	06/20/22	Coupon		VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9		811.62	0.00	0.00	811.62
06/20/22	06/20/22	Coupon		VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9		203.73	0.00	0.00	203.73
06/20/22	06/20/22	Coupon		VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9		2,058.52	0.00	0.00	2,058.52
06/20/22	06/20/22	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		3,239.04	0.00	0.00	3,239.04
06/20/22	06/20/22	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		1,587.13	0.00	0.00	1,587.13

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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
06/21/22	06/21/22	Coupon		EFF 2022-1 A1 FLEET 144A MAT 04/20/23 Cpn 1.49 29375JAA2		2,344.26	0.00	0.00	2,344.26
06/22/22	06/22/22	Coupon		SUMITOMO MITSUI TR NY YCD MAT 06/22/22 Cpn 0.88 86564MEZ7		16,316.67	0.00	0.00	16,316.67
06/25/22	06/25/22	Coupon		BMW 2021-2 A2 LEASE MAT 11/27/23 Cpn 0.19 09690AAB9		566.36	0.00	0.00	566.36
06/25/22	06/25/22	Coupon		BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6		704.21	0.00	0.00	704.21
06/25/22	06/25/22	Coupon		FHMS KF36 A MAT 08/25/24 Cpn 1.46 3137FBAR7		1,650.33	0.00	0.00	1,650.33
06/25/22	06/25/22	Coupon		FHMS KI04 A 1MOFRN CMBS MAT 07/25/24 Cpn 1.48 3137FNAV2		565.50	0.00	0.00	565.50
06/25/22	06/25/22	Coupon		FHMS KI05 A MAT 07/25/24 Cpn 1.46 3137FQXG3		490.85	0.00	0.00	490.85
06/25/22	06/25/22	Coupon		FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 1.34 3137FVNA6		1,688.13	0.00	0.00	1,688.13
06/25/22	06/25/22	Coupon		FHMS KI07 A SOFRFRN MAT 09/25/26 Cpn 0.89 3137H3KA9		2,735.20	0.00	0.00	2,735.20
06/25/22	06/25/22	Coupon		FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 0.92 3137H4RC6		1,522.65	0.00	0.00	1,522.65
06/01/22	06/25/22	Coupon		FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75		5,440.11	0.00	0.00	5,440.11
06/25/22	06/25/22	Coupon		FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 1.15 3137FYUR5		1,144.97	0.00	0.00	1,144.97
06/27/22	06/27/22	Coupon		BMWOT 2022-A A1 CAR MAT 05/25/23 Cpn 1.35 05602RAA9		9,757.22	0.00	0.00	9,757.22

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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
06/27/22	06/27/22	Coupon		FHMS KF38 A MAT 09/25/24 Cpn 1.45 3137FBUC8		553.15	0.00	0.00	553.15
06/27/22	06/27/22	Coupon		BANCO SANTANDER FRN YCD SOF MAT 07/25/22 Cpn 1.65 05966DE32		3,016.57	0.00	0.00	3,016.57
06/30/22	06/30/22	Coupon		INTL FINANCE CORP FRN SOFRRA MAT 06/30/23 Cpn 1.59 45950KCW8		9,805.25	0.00	0.00	9,805.25
						<u>198,247.70</u>	<u>0.00</u>	<u>0.00</u>	<u>198,247.70</u>
06/01/22	06/01/22	Income	1,062.620	STIF INT MAT Cpn USD		1,062.62	0.00	0.00	1,062.62
06/01/22	06/01/22	Income	8,559.410	ADJ NET INT MAT Cpn USD		8,559.41	0.00	0.00	8,559.41
			<u>9,622.030</u>			<u>9,622.03</u>	<u>0.00</u>	<u>0.00</u>	<u>9,622.03</u>
06/09/22	06/09/22	Contributn	100,000,000.000	NM MAT Cpn USD	100,000,000.00		0.00	0.00	100,000,000.00
06/10/22	06/10/22	Contributn	365,000,000.000	NM MAT Cpn USD	365,000,000.00		0.00	0.00	365,000,000.00
			<u>465,000,000.000</u>		<u>465,000,000.00</u>		<u>0.00</u>	<u>0.00</u>	<u>465,000,000.00</u>
06/01/22	06/02/22	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 06/07/22 Cpn 912796V89	19,986,137.50	12,525.00	54.17	0.00	19,998,662.50
06/03/22	06/06/22	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 06/07/22 Cpn 912796V89	19,986,079.73	13,638.33	(3.61)	0.00	19,999,718.06

Payden &amp; Rygel

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06/21/22	06/22/22	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 06/23/22 Cpn	912796R43	9,992,416.95	7,367.78	(31.08)	0.00	9,999,784.72
06/21/22	06/22/22	Sell Long	1,000,000.000	U.S. TREASURY BILL MAT 06/23/22 Cpn	912796R43	999,241.69	736.78	(3.11)	0.00	999,978.47
06/24/22	06/27/22	Sell Long	30,000,000.000	U.S. TREASURY BILL MAT 06/28/22 Cpn	912796W39	29,972,835.42	26,081.25	(503.75)	0.00	29,998,916.67
06/24/22	06/27/22	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 06/28/22 Cpn	912796W39	49,954,725.70	43,468.74	(839.59)	0.00	49,998,194.44
			<b>131,000,000.000</b>			<b>130,891,436.99</b>	<b>103,817.87</b>	<b>(1,326.97)</b>	<b>0.00</b>	<b>130,995,254.86</b>
06/10/22	06/10/22	Pay Princpl	547,395.579	CRVNA 2021-P2 A2 CAR MAT 07/10/24 Cpn 0.30	14687TAB3	547,395.58		52.51	0.00	547,395.58
06/10/22	06/10/22	Pay Princpl	689,603.140	CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82	14687KAB2	689,603.14		50.42	0.00	689,603.14
06/10/22	06/10/22	Pay Princpl	1,282,975.492	CRVNA 2022-P2 A1 CAR MAT 06/12/23 Cpn 1.51	14686JAA8	1,282,975.49		(0.00)	0.00	1,282,975.49
06/13/22	06/13/22	Pay Princpl	380,670.538	MMAF 2022-A A1 EQP 144A MAT 05/03/23 Cpn 1.48	55317RAA0	380,670.54		0.00	0.00	380,670.54
06/15/22	06/15/22	Pay Princpl	2,379,301.910	ALLYA 2022-1 A1 CAR MAT 05/15/23 Cpn 1.36	02008JAA4	2,379,301.91		0.00	0.00	2,379,301.91
06/15/22	06/15/22	Pay Princpl	411,538.763	ARIFL 2022-A A1 FLEET 144A MAT 04/17/23 Cpn 1.49	00217QAA9	411,538.76		(0.00)	0.00	411,538.76
06/15/22	06/15/22	Pay Princpl	96,756.272	CARMAX 2019-1 A3 CAR MAT 03/15/24 Cpn 3.05	14315NAC4	96,756.27		0.00	(389.53)	96,756.27
06/15/22	06/15/22	Pay Princpl	130,654.639	CARMX 2019-2 A3 CAR MAT 03/15/24 Cpn 2.68	14316LAC7	130,654.64		0.00	(844.67)	130,654.64



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06/15/22	06/15/22	Pay Princpl	309,654.311	CARMAX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18 14315PAD7	309,654.31		(2,337.35)	0.00	309,654.31
06/15/22	06/15/22	Pay Princpl	324,872.468	CARMX 2021-4 A2A CAR MAT 11/15/24 Cpn 0.24 14317JAB3	324,872.47		2.08	0.00	324,872.47
06/15/22	06/15/22	Pay Princpl	593,223.540	CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2	593,223.54		29.82	0.00	593,223.54
06/15/22	06/15/22	Pay Princpl	819,822.319	HALST 2020-B A3 CAR LEASE 144A MAT 09/15/23 Cpn 0.51 44891PAC8	819,822.32		(41.08)	0.00	819,822.32
06/15/22	06/15/22	Pay Princpl	303,773.181	HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7	303,773.18		5.90	0.00	303,773.18
06/15/22	06/15/22	Pay Princpl	73,386.788	HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7	73,386.79		607.71	0.00	73,386.79
06/15/22	06/15/22	Pay Princpl	468,367.135	HONDA 2021-2 A2 CAR MAT 11/15/23 Cpn 0.17 43811JAB3	468,367.14		0.00	1.70	468,367.14
06/15/22	06/15/22	Pay Princpl	161,257.791	HYUNDAI 2021-A A2 CAR MAT 02/15/24 Cpn 0.23 44933LAB9	161,257.79		0.00	5.96	161,257.79
06/15/22	06/15/22	Pay Princpl	272,259.615	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	272,259.62		(3,238.70)	0.00	272,259.62
06/15/22	06/15/22	Pay Princpl	65,317.890	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	65,317.89		(718.97)	0.00	65,317.89
06/15/22	06/15/22	Pay Princpl	558,155.344	MERCEDES 2021-B A2 LEASE MAT 01/16/24 Cpn 0.22 58769KAC8	558,155.34		21.70	0.00	558,155.34
06/15/22	06/15/22	Pay Princpl	235,904.266	TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5	235,904.27		0.00	(746.23)	235,904.27
06/15/22	06/15/22	Pay Princpl	192,280.635	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	192,280.64		0.00	0.01	192,280.64

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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
06/15/22	06/15/22	Pay Princpl	19,280.647	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	19,280.65		0.00	0.00	19,280.65
06/15/22	06/15/22	Pay Princpl	396,072.220	TOYOTA 2021-A A2 CAR MAT 07/17/23 Cpn 0.16 89240BAB4	396,072.22		0.00	(5.89)	396,072.22
06/15/22	06/15/22	Pay Princpl	318,814.797	WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6	318,814.80		0.00	4.73	318,814.80
06/15/22	06/15/22	Pay Princpl	676,766.695	WOLS 2022-A A1 LEASE MAT 04/17/23 Cpn 0.98 98163NAA4	676,766.70		0.00	0.00	676,766.70
06/16/22	06/16/22	Pay Princpl	317,849.055	GMCAR 2021-A A2 CAR MAT 06/17/24 Cpn 0.27 380149AB0	317,849.06		0.00	7.08	317,849.06
06/16/22	06/16/22	Pay Princpl	875,174.606	GMCAR 2022-2 A1 CAR MAT 04/17/23 Cpn 1.21 362585AA9	875,174.61		0.00	0.00	875,174.61
06/18/22	06/18/22	Pay Princpl	148,646.213	HONDA 2019-1 A3 CAR MAT 03/20/23 Cpn 2.83 43814WAC9	148,646.21		0.00	(144.02)	148,646.21
06/18/22	06/18/22	Pay Princpl	251,173.154	HONDA 2021-3 A2 CAR MAT 02/20/24 Cpn 0.20 43815EAB0	251,173.15		13.79	0.00	251,173.15
06/20/22	06/20/22	Pay Princpl	409,550.958	GMALT 2021-2 A2 LEASE MAT 07/20/23 Cpn 0.22 380144AB1	409,550.96		0.00	3.08	409,550.96
06/20/22	06/20/22	Pay Princpl	305,542.004	SRT 2021-C A2 LEASE 144A MAT 04/22/24 Cpn 0.29 80286CAB6	305,542.00		9.11	0.00	305,542.00
06/20/22	06/20/22	Pay Princpl	128,890.957	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	128,890.96		8.78	0.00	128,890.96
06/20/22	06/20/22	Pay Princpl	627,639.812	VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9	627,639.81		36.04	0.00	627,639.81
06/20/22	06/20/22	Pay Princpl	113,915.111	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	113,915.11		0.00	(370.01)	113,915.11

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
through 06/30/2022

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
06/20/22	06/20/22	Pay Princpl	28,595.018	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	28,595.02		0.00	(88.74)	28,595.02
06/20/22	06/20/22	Pay Princpl	288,925.918	VERIZON 2019-B 1A1 PHONE MAT 12/20/23 Cpn 2.33 92349GAA9	288,925.92		(834.35)	0.00	288,925.92
06/20/22	06/20/22	Pay Princpl	316,491.903	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	316,491.90		0.00	(1,400.42)	316,491.90
06/20/22	06/20/22	Pay Princpl	155,081.032	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	155,081.03		(663.49)	0.00	155,081.03
06/21/22	06/21/22	Pay Princpl	270,484.721	EFF 2022-1 A1 FLEET 144A MAT 04/20/23 Cpn 1.49 29375JAA2	270,484.72		(0.00)	0.00	270,484.72
06/21/22	06/21/22	Pay Princpl	1,679,350.918	GMALT 2022-2 A1 LEASE MAT 05/22/23 Cpn 1.53 36266FAA7	1,679,350.92		0.00	0.00	1,679,350.92
06/25/22	06/25/22	Pay Princpl	576,147.788	BMW 2021-2 A2 LEASE MAT 11/27/23 Cpn 0.19 09690AAB9	576,147.79		18.67	0.00	576,147.79
06/25/22	06/25/22	Pay Princpl	82,543.621	BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6	82,543.62		0.00	(329.72)	82,543.62
06/25/22	06/25/22	Pay Princpl	1,160.449	FHMS KF36 A MAT 08/25/24 Cpn 1.46 3137FBAR7	1,160.45		0.00	0.44	1,160.45
06/25/22	06/25/22	Pay Princpl	606.856	FHMS KF38 A MAT 09/25/24 Cpn 1.45 3137FBUC8	606.86		0.00	0.38	606.86
06/25/22	06/25/22	Pay Princpl	605,079.534	FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 1.34 3137FVNA6	605,079.53		0.00	(0.00)	605,079.53
06/25/22	06/25/22	Pay Princpl	124,745.214	FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 0.92 3137H4RC6	124,745.21		(0.00)	0.00	124,745.21
06/01/22	06/25/22	Pay Princpl	11,843.808	FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75	11,843.81		0.00	(105.13)	11,843.81

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
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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
06/25/22	06/25/22	Pay Princpl	204,520.199	FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 1.15 3137FYUR5	204,520.20		0.00	0.00	204,520.20
06/27/22	06/27/22	Pay Princpl	2,125,674.811	BMWOT 2022-A A1 CAR MAT 05/25/23 Cpn 1.35 05602RAA9	2,125,674.81		(0.00)	0.00	2,125,674.81
			<b>21,357,739.635</b>		<b>21,357,739.66</b>		<b>(6,977.40)</b>	<b>(4,400.98)</b>	<b>21,357,739.66</b>
06/01/22	06/01/22	Mature Long	1,280,000.000	CT STATE GO TXB MAT 06/01/22 Cpn 4.18 20772KNT2	1,280,000.00		0.00	0.00	1,280,000.00
06/02/22	06/02/22	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 06/02/22 Cpn 912796Q44	49,975,906.25	24,093.75	0.00	0.00	50,000,000.00
06/07/22	06/07/22	Mature Long	30,000,000.000	U.S. TREASURY BILL MAT 06/07/22 Cpn 912796V89	29,988,893.33	11,106.67	0.00	0.00	30,000,000.00
06/07/22	06/07/22	Mature Long	1,400,000.000	NORDEA BANK ABP NY YCD MAT 06/07/22 Cpn 0.70 65558UPT3	1,400,000.00		0.00	0.00	1,400,000.00
06/09/22	06/09/22	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 06/09/22 Cpn 912796R35	49,963,852.78	36,147.22	0.00	0.00	50,000,000.00
06/14/22	06/14/22	Mature Long	30,000,000.000	U.S. TREASURY BILL MAT 06/14/22 Cpn 912796V97	29,976,372.92	23,627.08	0.00	0.00	30,000,000.00
06/14/22	06/14/22	Mature Long	5,000,000.000	U.S. TREASURY BILL MAT 06/14/22 Cpn 912796V97	4,997,511.11	2,488.89	0.00	0.00	5,000,000.00
06/14/22	06/14/22	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 06/14/22 Cpn 912796V97	49,975,111.11	24,888.89	0.00	0.00	50,000,000.00
06/14/22	06/14/22	Mature Long	15,000,000.000	U.S. TREASURY BILL MAT 06/14/22 Cpn 912796V97	14,991,733.33	8,266.67	0.00	0.00	15,000,000.00
06/15/22	06/15/22	Mature Long	5,000,000.000	CA SAN FRANCISCO USD GO/ULT MAT 06/15/22 Cpn 1.38 79771TQR1	5,000,000.00		0.00	0.00	5,000,000.00

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
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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
06/16/22	06/16/22	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 06/16/22 Cpn	912796J42	49,972,601.67	27,398.33	0.00	0.00	50,000,000.00
06/16/22	06/16/22	Mature Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/16/22 Cpn	313385YD2	29,996,500.00	3,500.00	0.00	0.00	30,000,000.00
06/17/22	06/17/22	Mature Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/17/22 Cpn	313385YE0	29,998,916.67	1,083.33	0.00	0.00	30,000,000.00
06/17/22	06/17/22	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/17/22 Cpn	313385YE0	49,998,194.44	1,805.56	0.00	0.00	50,000,000.00
06/21/22	06/21/22	Mature Long	40,000,000.000	U.S. TREASURY BILL MAT 06/21/22 Cpn	912796W21	39,972,851.67	27,148.33	0.00	0.00	40,000,000.00
06/21/22	06/21/22	Mature Long	10,000,000.000	U.S. TREASURY BILL MAT 06/21/22 Cpn	912796W21	9,998,029.17	1,970.83	0.00	0.00	10,000,000.00
06/21/22	06/21/22	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 06/21/22 Cpn	912796W21	49,990,145.83	9,854.17	0.00	0.00	50,000,000.00
06/22/22	06/22/22	Mature Long	7,500,000.000	SUMITOMO MITSUI TR NY YCD MAT 06/22/22 Cpn 0.88	86564MEZ7	7,500,000.00		0.00	0.00	7,500,000.00
06/23/22	06/23/22	Mature Long	49,000,000.000	U.S. TREASURY BILL MAT 06/23/22 Cpn	912796R43	48,962,995.34	37,004.66	0.00	0.00	49,000,000.00
			<b>554,180,000.000</b>			<b>553,939,615.62</b>	<b>240,384.39</b>	<b>0.00</b>	<b>0.00</b>	<b>554,180,000.00</b>
06/01/22	06/01/22	Withdrawal	(2,994.260)	CUSTODY FEE MAT	Cpn USD	(2,994.26)		(2,994.26)	0.00	(2,994.26)
06/02/22	06/02/22	Withdrawal	(70,000,000.000)	WD MAT	Cpn USD	(70,000,000.00)		(70,000,000.00)	0.00	(70,000,000.00)
06/06/22	06/06/22	Withdrawal	(20,000,000.000)	WD MAT	Cpn USD	(20,000,000.00)		(20,000,000.00)	0.00	(20,000,000.00)

## TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2022  
through 06/30/2022

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
06/14/22	06/14/22	Withdrawal	(80,000,000.000)	WD MAT	Cpn	USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
06/17/22	06/17/22	Withdrawal	(80,000,000.000)	WD MAT	Cpn	USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
06/21/22	06/21/22	Withdrawal	(100,000,000.000)	WD MAT	Cpn	USD	(100,000,000.00)		(100,000,000.00)	0.00	(100,000,000.00)
06/23/22	06/23/22	Withdrawal	(40,000,000.000)	WD MAT	Cpn	USD	(40,000,000.00)		(40,000,000.00)	0.00	(40,000,000.00)
06/27/22	06/27/22	Withdrawal	(80,000,000.000)	WD MAT	Cpn	USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
			(470,002,994.260)				(470,002,994.26)		(470,002,994.26)	0.00	(470,002,994.26)

## TRANSACTIONS BY TYPE

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

06/01/2022  
through 06/30/2022

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
06/01/22	06/01/22	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
06/01/22	06/01/22	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
06/01/22	06/01/22	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
06/01/22	06/01/22	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
06/01/22	06/01/22	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
06/15/22	06/15/22	Coupon		CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2		512.04	0.00	0.00	512.04
06/15/22	06/15/22	Coupon		CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8		411.67	0.00	0.00	411.67
06/15/22	06/15/22	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		435.42	0.00	0.00	435.42
06/15/22	06/15/22	Coupon		CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5		357.68	0.00	0.00	357.68
06/15/22	06/15/22	Coupon		FIFTH THIRD 2019-1 A3 CAR MAT 12/15/23 Cpn 2.64 31680YAD9		55.72	0.00	0.00	55.72
06/15/22	06/15/22	Coupon		FORDL 2021-B A3 LEASE MAT 10/15/24 Cpn 0.37 345329AC0		277.50	0.00	0.00	277.50
06/15/22	06/15/22	Coupon		HONDA 2019-3 A3 CAR MAT 08/15/23 Cpn 1.78 43815NAC8		154.82	0.00	0.00	154.82
06/15/22	06/15/22	Coupon		JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7		361.92	0.00	0.00	361.92

## TRANSACTIONS BY TYPE

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

06/01/2022  
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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
06/15/22	06/15/22	Coupon		JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6		165.00	0.00	0.00	165.00
06/15/22	06/15/22	Coupon		KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2		443.33	0.00	0.00	443.33
06/15/22	06/15/22	Coupon		MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6		200.00	0.00	0.00	200.00
06/15/22	06/15/22	Coupon		TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5		144.68	0.00	0.00	144.68
06/15/22	06/15/22	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		142.12	0.00	0.00	142.12
06/15/22	06/15/22	Coupon		WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9		245.00	0.00	0.00	245.00
06/16/22	06/16/22	Coupon		GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8		93.50	0.00	0.00	93.50
06/20/22	06/20/22	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		256.25	0.00	0.00	256.25
06/20/22	06/20/22	Coupon		SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4		208.33	0.00	0.00	208.33
06/20/22	06/20/22	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		110.98	0.00	0.00	110.98
06/20/22	06/20/22	Coupon		VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9		372.08	0.00	0.00	372.08
06/25/22	06/25/22	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		92.50	0.00	0.00	92.50
06/25/22	06/25/22	Coupon		BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6		167.67	0.00	0.00	167.67



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

06/01/2022  
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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
06/01/22	06/25/22	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		636.96	0.00	0.00	636.96
06/01/22	06/25/22	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		1,008.53	0.00	0.00	1,008.53
06/01/22	06/25/22	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		477.72	0.00	0.00	477.72
06/01/22	06/25/22	Coupon		FHMS K031 A2 MAT 04/25/23 Cpn 3.30 3137B3NX2		2,200.00	0.00	0.00	2,200.00
06/01/22	06/25/22	Coupon		FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8		2,091.00	0.00	0.00	2,091.00
06/01/22	06/25/22	Coupon		FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6		1,412.40	0.00	0.00	1,412.40
06/01/22	06/25/22	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20
06/01/22	06/25/22	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88
06/25/22	06/25/22	Coupon		FHMS KI05 A MAT 07/25/24 Cpn 1.46 3137FQXG3		33.28	0.00	0.00	33.28
06/01/22	06/25/22	Coupon		FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77 3137FREB3		278.13	0.00	0.00	278.13
06/01/22	06/25/22	Coupon		FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53 3137FUZN7		105.22	0.00	0.00	105.22
06/01/22	06/25/22	Coupon		FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75		275.63	0.00	0.00	275.63
06/01/22	06/25/22	Coupon		FHMS KSMC A2 CMBS MAT 01/25/23 Cpn 2.62 3137B04Y7		1,939.46	0.00	0.00	1,939.46

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

06/01/2022  
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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
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 12/31/25 Cpn 0.38 91282CBC4		3,845.63	0.00	0.00	3,845.63
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 06/30/26 Cpn 0.88 91282CCJ8		2,056.25	0.00	0.00	2,056.25
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 12/31/26 Cpn 1.25 91282CDQ1		2,906.25	0.00	0.00	2,906.25
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 12/31/26 Cpn 1.25 91282CDQ1		2,906.25	0.00	0.00	2,906.25
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 06/30/24 Cpn 1.75 9128286Z8		7,743.75	0.00	0.00	7,743.75
06/30/22	06/30/22	Coupon		U.S. TREASURY NOTE MAT 12/31/23 Cpn 2.63 9128285U0		7,809.38	0.00	0.00	7,809.38
						<b>69,659.21</b>	<b>0.00</b>	<b>0.00</b>	<b>69,659.21</b>
06/09/22	06/10/22	Sell Long	37,000.000	U.S. TREASURY NOTE MAT 01/31/23 Cpn 0.13 91282CBG5	36,562.07	16.61	0.00	(442.17)	36,578.68
06/09/22	06/10/22	Sell Long	118,000.000	U.S. TREASURY NOTE MAT 01/31/23 Cpn 0.13 91282CBG5	116,603.36	52.97	0.00	(1,408.78)	116,656.33
06/09/22	06/10/22	Sell Long	460,000.000	U.S. TREASURY NOTE MAT 12/31/22 Cpn 0.13 91282CBD2	455,471.88	255.73	0.00	(4,512.61)	455,727.61
			<b>615,000.000</b>		<b>608,637.31</b>	<b>325.31</b>	<b>0.00</b>	<b>(6,363.56)</b>	<b>608,962.62</b>
06/15/22	06/15/22	Pay Princpl	25,920.322	CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2	25,920.32		0.00	(316.66)	25,920.32
06/15/22	06/15/22	Pay Princpl	23,282.641	CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5	23,282.64		0.00	1.88	23,282.64

## TRANSACTIONS BY TYPE

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

06/01/2022  
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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
06/15/22	06/15/22	Pay Princpl	11,621.687	FIFTH THIRD 2019-1 A3 CAR MAT 12/15/23 Cpn 2.64 31680YAD9	11,621.69		0.00	0.25	11,621.69
06/15/22	06/15/22	Pay Princpl	19,805.930	HONDA 2019-3 A3 CAR MAT 08/15/23 Cpn 1.78 43815NAC8	19,805.93		0.00	0.01	19,805.93
06/15/22	06/15/22	Pay Princpl	31,729.983	JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7	31,729.98		0.00	0.74	31,729.98
06/15/22	06/15/22	Pay Princpl	17,614.185	TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5	17,614.19		0.00	0.23	17,614.19
06/15/22	06/15/22	Pay Princpl	18,404.254	TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2	18,404.25		0.00	(0.00)	18,404.25
06/20/22	06/20/22	Pay Princpl	16,903.732	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	16,903.73		1.15	0.00	16,903.73
06/25/22	06/25/22	Pay Princpl	19,653.243	BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6	19,653.24		0.00	0.38	19,653.24
06/01/22	06/25/22	Pay Princpl	584.880	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	584.88		0.00	(5.71)	584.88
06/01/22	06/25/22	Pay Princpl	926.060	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	926.06		0.00	(9.03)	926.06
06/01/22	06/25/22	Pay Princpl	438.660	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	438.66		0.00	(3.73)	438.66
06/01/22	06/25/22	Pay Princpl	1,087.161	FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77 3137FREB3	1,087.16		0.00	0.00	1,087.16
06/01/22	06/25/22	Pay Princpl	38,148.800	FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53 3137FUZN7	38,148.80		0.00	0.43	38,148.80

## TRANSACTIONS BY TYPE

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

06/01/2022  
through 06/30/2022

<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L &lt; 1 Yr Amort Cost</i>	<i>G/L &gt; 1 Yr Amort Cost</i>	<i>Total Amount</i>
<b>Fixed Income - cont.</b>									
06/01/22	06/25/22	Pay Princpl	600.086	FHMS KS01 A2 CMBS MAT 01/25/23 Cpn 2.52 3137B1U75	600.09		0.00	(1.47)	600.09
			<u>226,721.625</u>		<u>226,721.62</u>		<u>1.15</u>	<u>(332.67)</u>	<u>226,721.62</u>
06/01/22	06/01/22	Mature Long	320,000.000	MN ST GEN FUND REVS-TXBL MAT 06/01/22 Cpn 3.50 604146DQ0	320,000.00		0.00	0.00	320,000.00

**LA CARE**  
**Cash Activity by Transaction Type GAAP Basis**  
Accounting Period From 06/01/2022 To 06/30/2022

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
BUY										
06/03/22	06/01/22	06/03/22	BKAMER19	74456QBS4	PUBLIC SERVICE ELECTRIC	1,500,000.00	(2,250.00)	(1,461,765.00)	0.00	(1,464,015.00)
06/09/22	06/07/22	06/09/22	BKAMER19	46647PCB0	JPMORGAN CHASE & CO	2,500,000.00	(5,150.42)	(2,274,375.00)	0.00	(2,279,525.42)
06/09/22	06/09/22	06/09/22	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	140,302.77	0.00	(140,302.77)	0.00	(140,302.77)
06/24/22	06/22/22	06/24/22	BKAMER19	26884ABF9	ERP OPERATING LP	1,252,000.00	(5,253.19)	(1,182,451.40)	0.00	(1,187,704.59)
TOTAL BUY						5,392,302.77	(12,653.61)	(5,058,894.17)	0.00	(5,071,547.78)
DIVIDEND										
06/01/22	06/01/22	06/01/22	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	606,153.83	962.08	0.00	0.00	962.08
TOTAL DIVIDEND						606,153.83	962.08	0.00	0.00	962.08
INTEREST										
06/01/22	06/01/22	06/01/22	BKAMER19	010392FK9	ALABAMA POWER CO	0.00	79,875.00	0.00	0.00	79,875.00
06/01/22	06/01/22	06/01/22	BKAMER19	438516CB0	HONEYWELL INTERNATIONAL	0.00	33,750.00	0.00	0.00	33,750.00
06/05/22	06/05/22	06/05/22	BKAMER19	46647PAY2	JPMORGAN CHASE & CO	0.00	80,460.00	0.00	0.00	80,460.00
06/06/22	06/06/22	06/06/22	BKAMER19	07330NAT2	TRUIST BANK	0.00	51,062.50	0.00	0.00	51,062.50
06/12/22	06/12/22	06/12/22	BKAMER19	24422ESP5	JOHN DEERE CAPITAL CORP	0.00	33,500.00	0.00	0.00	33,500.00
06/15/22	06/15/22	06/15/22	BKAMER19	91324PDJ8	UNITEDHEALTH GROUP INC	0.00	78,750.00	0.00	0.00	78,750.00
06/15/22	06/15/22	06/15/22	BKAMER19	976656CL0	WISCONSIN ELECTRIC POWER	0.00	15,375.00	0.00	0.00	15,375.00
06/27/22	06/27/22	06/27/22	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										
06/03/22	06/02/22	06/03/22	BKAMER19	74153WCN7	PRICOA GLOBAL FUNDING 1	1,250,000.00	6,125.00	1,252,175.00	0.00	1,258,300.00
06/09/22	06/08/22	06/09/22	BKAMER19	06051GEU9	BANK OF AMERICA CORP	2,750,000.00	37,308.33	2,769,772.50	0.00	2,807,080.83
06/09/22	06/09/22	06/09/22	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	606,153.83	0.00	606,153.83	0.00	606,153.83
TOTAL SELL						4,606,153.83	43,433.33	4,628,101.33	0.00	4,671,534.66
WITHDRAW										
06/07/22	06/07/22	06/07/22	BKAMER19	CASHCASH6	C-04 BANK FEE	0.00	0.00	0.00	(721.46)	(721.46)
TOTAL WITHDRAW						0.00	0.00	0.00	(721.46)	(721.46)

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**LA CARE**  
**Cash Activity by Transaction Type GAAP Basis**  
Accounting Period From 06/01/2022 To 06/30/2022

Cash Date	Trade/Ex- Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/ Withdrawals	Total Amount
GRAND TOTAL						10,604,610.43	431,514.30	(430,792.84)	(721.46)	0.00
Avg Date 9										



August 23, 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 3<sup>rd</sup> 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 3<sup>rd</sup> Quarter of FY 2021-22.

## AFS-004 Non-Travel Expense Report Q3 FY 21-22

Division	April - June 2022	Description
Health Services	\$ 1,146	Expenses are related to refreshments for performance improvement projects.
Human Resources	\$ 7,008	Expenses are primarily related to the New Hire Orientation refreshments.
Legal Services	\$ 877	Expenses are attributable to refreshments for the committee meetings.
<b>Total Non-Travel Expenses</b>	<b>\$ 9,031</b>	

## AFS-027 Travel Expense Report Q3 FY 21-22

Division	April - June 2022	Description
Chief Product Officer	\$ 8,144	Expenses are related to attendance of California Association of Health Plans (CAHP) and Association of Black Foundation Executives (ABFE) conferences.
Clinical Operations	\$ 2,433	Expenses are related to L.A. Care staff mileage reimbursement and nursing license renewals.
Executive Services	\$ 1,816	Expenses are related to attendance of California Association of Health Plans (CAHP) and Association for Community Affiliated Plans (ACAP) conference.
Finance Services	\$ 12,749	Expenses are related to attendance of Fundamental Payroll Certification (FPC) and Government Investment Officer's Association conferences, Society of Actuaries (SOA) meetings, and Associate of the Society of Actuaries (ASA) training.
Grants	\$ 1,128	Expenses are related to L.A. Care staff mileage reimbursement.
Health Services	\$ 24,969	Expenses are related to attendance of Association of Managed Care Pharmacy (AMCP) and International Association of Business Communicators (IABC) conference, continuing education fees, and staff expense and mileage reimbursement for clinics.
Human Resources	\$ 159	Expenses are related to L.A. Care staff mileage reimbursement.
Information Technology	\$ 3,550	Expenses attributable to travel required to attend Anti-Racism and Cultural Awareness training and LA Care staff mileage reimbursement
Operations	\$ 8,415	Expenses related to attendance of Anti-Fraud Alliance (AFA) conference, approved L.A. Care staff education and travel, and staff transportation for CRC visits.
Strategic Services	\$ 4,604	Primarily attributable to attendance of Association for Community Affiliated Plans (ACAP) conference, support fees for CRC workshops and Outreach events, and approved L.A. Care staff transportation for site visits and meetings.
<b>Total Travel Expenses</b>	<b>\$ 67,967</b>	





**L.A. Care Health Plan**  
**AFS-006 Authorization and Approval Limits Quarterly Report**  
**April 2022 - June 2022**

New POs and Contracts	
Vendor Name	PO and Contract Total
Daponte Simpson Rowe PC	\$ 8,000,000.00
Uncommon Good, A California Nonprofit Corporation (Grantee)	\$ 7,952,465.00
Alchemy Data Centers, LLC	\$ 4,407,256.62
I Color Printing & Mailing Inc	\$ 3,567,854.99
2426 North Broadway, Inc. (Lease)	\$ 3,396,343.00
Sierra Pacific Constructors, Inc.	\$ 3,123,532.00
BIG Language Solutions LLC	\$ 2,600,000.00
Arent Fox LLP	\$ 900,000.00
White Memorial Medical Center Charitable Foundation (Grantee)	\$ 897,600.00
Toney HealthCare Consulting, LLC	\$ 800,000.00
Edifecs, Inc.	\$ 670,937.00
Charles R. Drew University of Medicine and Science (Grantee)	\$ 640,609.84
Canon Solutions America Inc	\$ 623,644.00
Isaacs   Friedberg LLP	\$ 600,000.00
salesforce.com, inc. (Parent Company of MuleSoft, LLC)	\$ 530,657.30
Earth Print, Inc.	\$ 390,183.69
Carl Andrew Botterud	\$ 300,000.00
MetaSoftTech Solutions LLC	\$ 300,000.00
Nielsen Merksamer Parrinello Gross & Leoni, LLP	\$ 300,000.00
ePlus Technology, inc.	\$ 299,248.72
Wakely Consulting Group, LLC	\$ 288,100.00
Firstsource Group USA, Inc.	\$ 275,000.00
FireEye, Inc.	\$ 262,400.00
salesforce.com, inc. (Parent Company of MuleSoft, LLC)	\$ 257,509.68
Medica Talent Group Inc	\$ 250,000.00
NTT America Solutions, Inc.	\$ 245,000.00
HALO BRANDED SOLUTIONS, INC.	\$ 218,758.95
SHI International Corp	\$ 202,698.24
Community Clinic Association of Los Angeles County (Grantee)	\$ 200,000.00
Hogan Lovells US LLP	\$ 200,000.00
Jenner & Block LLP	\$ 200,000.00
Musick, Peeler & Garrett LLP	\$ 200,000.00
Reed Smith LLP	\$ 200,000.00
SSI (US) Inc	\$ 200,000.00
Aurora Systems Consulting, Inc	\$ 197,069.60
Fierce Software Corporation	\$ 196,804.26
Absolute Ops LLC	\$ 192,000.00
Skillsoft Corporation	\$ 177,847.16
salesforce.com, inc.	\$ 170,729.73
Berkeley Research Group, LLC	\$ 168,000.00
GHA Technologies Inc	\$ 158,612.69
Deepa Gupta	\$ 150,000.00
The Achievable Foundation (Grantee)	\$ 150,000.00
Sovos Compliance, LLC	\$ 142,344.16
Optiv Security, Inc.	\$ 135,689.63
Rebecca E. Lynch	\$ 125,200.00
Sonia P. Guzman	\$ 125,030.00
Central City Community Health Centers (Grantee)	\$ 125,000.00
Chinatown Service Center (Grantee)	\$ 125,000.00
Coastal Developmental Services Foundation (Grantee)	\$ 125,000.00
East Valley Community Health Center, Inc. (Grantee)	\$ 125,000.00
El Proyecto Del Barrio, Inc. (Grantee)	\$ 125,000.00
Garfield Health Center (Grantee)	\$ 125,000.00
JWCH Institute, Inc. (Grantee)	\$ 125,000.00
Los Angeles Christian Health Centers (Grantee)	\$ 125,000.00
Martin Luther King, Jr. Community Health Foundation (Grantee)	\$ 125,000.00
Pomona Community Health Center (Grantee)	\$ 125,000.00
St. John's Well Child & Family Center (Grantee)	\$ 125,000.00
Uptimum Medical Group & IPA (Grantee)	\$ 125,000.00
Via Care Community Health Center (Grantee)	\$ 125,000.00
White Memorial Community Health Center (Grantee)	\$ 125,000.00
CenturyLink Communications, LLC	\$ 119,501.28
SAS Institute, Inc.	\$ 117,891.00
iXerv Americas Inc	\$ 112,888.00
F5 Networks, Inc.	\$ 111,248.21
Aon Consulting, Inc.	\$ 105,000.00
Best Best & Krieger LLP	\$ 100,000.00
Hanson Bridgett LLP	\$ 100,000.00
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo P.C.	\$ 100,000.00
God's Pantry	\$ 86,900.00
SonBern LLC.	\$ 84,240.00
Control Air Holdings Inc	\$ 83,796.00
PHASES INC	\$ 74,952.00
Community Clinic Association of Los Angeles County	\$ 72,000.00
International Business Machines Corporation	\$ 70,165.74
Office Depot, Inc.	\$ 69,905.01
MEND - Meet Each Need with Dignity	\$ 67,500.00
SAP America, Inc.	\$ 67,470.51
God's Pantry (Grantee)	\$ 63,156.00
Healthy Cooking LLC	\$ 61,080.00
JeffersonLarsonSmith, LLC	\$ 60,000.00

New POs and Contracts	
Vendor Name	PO and Contract Total
salesforce.com, inc.	\$ 52,500.00
Maria J. Davila	\$ 51,200.00
Intex Restoration, Inc	\$ 50,762.55
California Hospital Assessment and Reporting Task Force (CHA	\$ 45,000.00
Angie Gomez	\$ 41,120.00
Vendor Credentialing Service LLC	\$ 38,025.00
Critical Care Training Center	\$ 36,400.00
ABF Data Systems, Inc	\$ 36,240.00
IBISWorld, Inc.	\$ 36,000.00
Indeed, Inc.	\$ 35,970.00
Cognizant TriZetto Software Group, Inc.	\$ 27,000.00
Crenshaw Chick, LLC	\$ 25,000.00
Southern California Grantmakers (Grantee)	\$ 25,000.00
The World Professional Association for Transgender Health, I	\$ 25,000.00
Amtext Delivery Systems	\$ 24,736.32
SKKN, INC.	\$ 22,903.75
GM Voices, Inc.	\$ 20,000.00
Franklin Covey Client Sales, Inc.	\$ 17,850.00
Luxor Printing Inc.	\$ 16,394.40
Christopher Lopez	\$ 16,200.00
Playcore Wisconsin, Inc.	\$ 14,871.88
NICE Systems Inc	\$ 12,240.00
VideoGuard, LLC	\$ 12,000.00
Zipari, Inc.	\$ 12,000.00
Purchaser Business Group on Health	\$ 11,954.58
Victoria Serna Garcia	\$ 10,400.00
PhotoShelter, Inc.	\$ 9,999.00
Amazon Capital Services, Inc.	\$ 9,604.90
Lakeshore Equipment Company	\$ 8,339.76
Uline, Inc.	\$ 7,616.39
BrandFuse, inc.	\$ 6,282.50
EPI-USE Labs, LLC.	\$ 5,820.19
Sustainable Economic Enterprises of Los Angeles	\$ 5,000.00
O'Reilly Media, Inc.	\$ 4,990.00
GOANIMATE, INC.	\$ 3,996.00
Altair Engineering Inc.	\$ 3,990.00
Datawatch Corporation	\$ 3,990.00
Lands' End, Inc	\$ 3,783.70
Dewey Pest Control	\$ 3,705.00
I.D. Systems & Supplies, Inc.	\$ 3,489.88
Digicert, Inc.	\$ 2,990.60
Muir-Chase Plumbing Co., Inc.	\$ 2,934.00
ISC Electronic Systems, Inc	\$ 2,520.00
RLG Enterprises, Inc	\$ 2,360.00
Blue Ribbon Technologies, LLC	\$ 2,340.00
Ollivier Corporation	\$ 2,160.00
Your Glass Connection, Inc.	\$ 2,145.00
WW North America Holdings LLC	\$ 961.00
Norm's Refrigeration, LLC.	\$ 325.00
Administrative Services Co-Op	\$ 305.43
Social Chow Media Group LLC	\$ 300.00
<b>Total</b>	<b>\$ 49,883,536.84</b>



**L.A. Care Health Plan**  
**AFS-006 Authorization and Approval Limits Quarterly Report**  
**April 2022 - June 2022**

<b>Amended Vendor Contracts</b>				
<b>Vendor Name</b>	<b>Current Contract Total</b>	<b>Amendment</b>	<b>New Contract Total</b>	<b>Term Date</b>
LexisNexis Risk Solutions FL Inc.	\$ 3,600.00	\$ 3,600.00	\$ 7,200.00	5/31/2023
Franklin Covey Client Sales, Inc.	\$ 17,850.00	Time Only	\$ 17,850.00	8/31/2022
Elliot Scott	\$ 22,000.00	\$ 14,400.00	\$ 36,400.00	9/30/2022
Council for Affordable Quality Healthcare, Inc.	\$ 32,800.00	\$ 11,000.00	\$ 43,800.00	4/22/2023
Canon Solutions America Inc	\$ 35,000.00	\$ 35,000.00	\$ 70,000.00	12/27/2022
Infosys Limited	\$ 41,300.00	Time Only	\$ 41,300.00	5/1/2022
Brent Powell	\$ 42,400.00	\$ 8,000.00	\$ 50,400.00	12/31/2023
Antelope Valley Partners for Health	\$ 44,804.00	\$ 4,800.00	\$ 49,604.00	12/31/2022
FanelliPM	\$ 64,394.00	\$ 3,000.00	\$ 67,394.00	12/31/2022
Canon Solutions America Inc.	\$ 95,000.00	\$ 98,500.00	\$ 193,500.00	12/27/2022
Sonia P. Guzman	\$ 96,400.00	\$ 4,800.00	\$ 101,200.00	8/31/2023
Canon Solutions America Inc.	\$ 97,500.00	Time Only	\$ 97,500.00	4/6/2024
Ex Novo, Inc	\$ 116,411.00	Time Only	\$ 116,411.00	12/31/2022
St. John's Well Child & Family Center	\$ 150,000.00	Time Only	\$ 150,000.00	6/1/2023
The Achievable Foundation	\$ 150,000.00	Time Only	\$ 150,000.00	6/1/2023
Venice Family Clinic	\$ 150,000.00	Time Only	\$ 150,000.00	6/1/2023
NTT America Solutions, Inc.	\$ 150,000.00	\$ 200,000.00	\$ 350,000.00	9/30/2024
City of Pasadena	\$ 167,500.00	Time Only	\$ 167,500.00	6/30/2022
Berkeley Research Group, LLC	\$ 168,000.00	Time Only	\$ 168,000.00	3/31/2023
Infosys Limited	\$ 194,554.00	\$ 595,294.40	\$ 789,848.40	10/31/2022
Health Management Associates Inc.	\$ 207,400.00	\$ 268,600.00	\$ 476,000.00	12/31/2022
Press Ganey Associates, Inc.	\$ 210,000.00	\$ 119,785.57	\$ 329,785.57	4/30/2024
FRASCO, Inc	\$ 214,000.00	Time Only	\$ 214,000.00	9/30/2023
3M Company	\$ 240,010.81	\$ 220,965.88	\$ 460,976.69	2/28/2022
Advize Health LLC	\$ 245,000.00	Time Only	\$ 245,000.00	12/31/2022
The Center to Promote Healthcare Access Inc.	\$ 249,757.00	Time Only	\$ 249,757.00	9/21/2023
Mandiant, Inc.	\$ 262,400.00	Scope Only	\$ 262,400.00	4/14/2025
IVA Solutions, Inc.	\$ 300,000.00	Time Only	\$ 300,000.00	12/31/2023
Bloom Insurance Agency, LLC	\$ 345,475.00	Time Only	\$ 345,475.00	5/5/2023
Health Management Associates Inc.	\$ 381,990.00	\$ 460,700.00	\$ 842,690.00	12/31/2022
Corporate Translation Services, LLC	\$ 440,000.00	\$ 200,000.00	\$ 640,000.00	2/28/2024
Tivity Health, Inc.	\$ 500,000.00	\$ 100,000.00	\$ 600,000.00	12/31/2024
Invent Health Inc.	\$ 526,400.00	\$ 3,288,450.00	\$ 3,814,850.00	4/30/2025
Instant InfoSystems	\$ 595,012.75	\$ 38,335.00	\$ 633,347.75	10/1/2022
Resources Connection Inc.	\$ 705,000.00	\$ 700,000.00	\$ 1,405,000.00	12/31/2022
California Coverage and Health Initiatives	\$ 977,564.22	\$ 970,840.26	\$ 1,948,404.48	10/31/2022
AT&T Corp	\$ 1,020,000.00	Time Only	\$ 1,020,000.00	12/31/2023
Charles R. Drew University of Medicine and Science	\$ 1,374,100.00	Time Only	\$ 1,374,100.00	12/31/2024
Solugenix Corporation	\$ 1,383,301.00	\$ 1,118,503.00	\$ 2,501,804.00	6/30/2022
Language Line Services, Inc.	\$ 1,775,000.00	\$ 700,000.00	\$ 2,475,000.00	3/31/2024
Infocrossing, LLC	\$ 2,747,949.00	Time Only	\$ 2,747,949.00	12/31/2023
Cognizant Technology Solutions U.S. Corporation	\$ 3,394,776.00	\$ 856,525.00	\$ 4,251,301.00	9/30/2022
Change Healthcare Resources Holdings Inc.	\$ 4,100,000.00	\$ 1,000,000.00	\$ 5,100,000.00	9/30/2022
Diversified Data Development Corporation	\$ 8,036,000.00	Time Only	\$ 8,036,000.00	7/31/2022
Diversified Data Development Corporation	\$ 8,036,000.00	Scope Only	\$ 8,036,000.00	7/31/2022
Language Line Services, Inc.	\$ 9,000,000.00	\$ 3,600,000.00	\$ 12,600,000.00	4/17/2024
Customer Motivators, LLC	\$ 10,653,374.41	\$ 63,192.04	\$ 10,716,566.45	5/31/2023
Emin Adjemian	N/A	Time Only	N/A	12/31/2022
Stride Health, Inc. (EAA)	N/A	Time Only	N/A	12/31/2022
HCL America Inc. (MSA)	N/A	Time Only	N/A	12/31/2022
Aduro, Inc. (MSA)	N/A	Time Only	N/A	12/31/2022
Advantmed, LLC (MSA)	N/A	Time Only	N/A	6/30/2025
KCAL Health Insurance Services (EAA)	N/A	Scope Only	N/A	12/31/2022
Level 3 Financing, Inc. (MSA)	N/A	Scope Only	N/A	12/31/2023
Pediatric & Family Medical Center (MOU)	N/A	Scope Only	N/A	7/31/2024
			\$ 74,444,314.34	



**L.A. Care Health Plan**  
**AFS-007 Authorization and Approval Limits Quarterly Report**  
**April 2022 - June 2022**

**Vendor Selection - Sole Source**

Vendor Name	Contract Total	Paid As Of 04/01/22	Vendor Selection	For Internal Use: Description
MetaSoftTech Solutions LLC	\$ 300,000.00	\$ -	Sole Source	Vendor provides for temporary staffing of developers and business systems analysts.
MinuteClinic, LLC	\$ 750,000.00	\$ 4,995.00	Sole Source	COVID-19 Testing Services for to individuals designated by L.A. Care

# BOARD OF GOVERNORS

## Finance & Budget Committee

### Meeting Minutes – June 28, 2022

1055 W. 7<sup>th</sup> 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



**L.A. Care**  
HEALTH PLAN

#### Management/Staff

John Baackes, *Chief Executive Officer*

Terry Brown, *Chief of Human Resources*

Augustavia Haydel, *General Counsel*

James Kyle, MD, *Chief of Equity & Quality Medical Director*

Tom MacDougall, *Chief Technology & Information Officer*

Marie Montgomery, *Chief Financial Officer*

Noah Paley, *Chief of Staff*

Acacia Reed, *Chief Operating Officer*

Richard Seidman, MD, MPH, *Chief Medical Officer*

\*Absent \*\* Via Teleconference

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	<p>Ilan Shapiro MD, <i>Committee Chairperson</i>, called the L.A. Care and JPA Finance &amp; Budget Committee meetings to order at 1:06 p.m. He welcomed everyone and summarized the process for public comment during this meeting.</p> <p>Board Meetings are conducted electronically so that everyone participating can be safe and practice social distancing. 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.</p> <p>Comments from anyone who would like to address the Board and its committees are welcome and there are instructions on the Agenda. Staff sends all comments received before the meeting to the Board members in writing. 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.</p>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>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.</p>	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today's meeting was approved.	<b>Approved unanimously by roll call. 3 AYES (Booth, Roybal and Shapiro)</b>
<b>PUBLIC COMMENTS</b>	There were no public comments.	
<b>APPROVE CONSENT AGENDA</b>	<ul style="list-style-type: none"> <li>• May 24, 2022 meeting minutes</li> <li>• ImageNet, LLC Contract Amendment <u><b>Motion FIN 100.0722</b></u> To authorize staff to create amendment #3 of SOW #1 to increase the contract amount from \$1,400,000 to \$4,101,233 (incremental increase of \$2,701,233) and extend the term through September 30, 2025. This amendment will allow ImageNet, LLC continue to support L.A. Care Claims Processing Services as well as adding Provider Dispute Resolutions (PDR) Processing Services.</li> <li>• OptumInsight, Inc. Contract Amendment <u><b>Motion FIN 101.0722</b></u> To authorize staff to create amendment #1 of SOW #25 to increase the contract amount from \$1,380,000 to \$4,522,887 (incremental increase of \$3,142,887) and extend the term through December 31, 2025. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Itemized Bill Review services.</li> <li>• North Star Alliances Contract Amendment <u><b>Motion FIN A.0622</b></u> To authorize staff to increase the total funds available in the existing \$1,600,000 contract with North Star Alliances, LLC by \$250,000 for a new total amount of</li> </ul>	<p><b>Approved unanimously by roll call. 3 AYES</b></p> <p>The Committee approved including FIN 100 and FIN 101 on the Consent Agenda for the July 28, 2022 Board of Governors' meeting.</p> <p>FIN A.0622 and FIN B.0622 do not require full Board approval.</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><b>\$1,850,000 to provide event planning, logistics, staffing and execution services through October 1, 2022.</b></p> <ul style="list-style-type: none"> <li>Cognizant Contract to provide Healthcare Effectiveness Data and Information Set (HEDIS) &amp; Align. Measure. Perform (AMP) software and services <b>(FIN B)</b>  <b><u>Motion FIN B.0622</u></b>  <b>To authorize staff to execute a contract with Cognizant to provide Healthcare Effectiveness Data and Information Set (HEDIS) &amp; Align. Measure. Perform (AMP) software and services for the period of August 2022 through July 2023 with fees not to exceed \$1,184,500.</b></li> </ul>	
<b>CHAIRPERSON'S REPORT</b>	<p>Chairperson Shapiro noted that these are troubling times, with many things happening in the financial world as well as in our community. Fuel prices are going up, families are hurting and our patients are feeling it. L.A. Care is working to secure a financial structure and resources to move forward. Marie Montgomery, <i>Chief Financial Officer</i>, will be reporting on next steps for the projects being implemented and key aspects of financial decisions.</p>	
<b>CHIEF EXECUTIVE OFFICER'S REPORT</b>	<p><i>(Board Member Perez joined the meeting.)</i></p> <p>John Baackes, <i>Chief Executive Officer</i>, reported that enrollment for income-eligible Los Angeles County residents aged 50 and up (regardless of immigration status) has started with a few hundred added in May and around 16,000 new members in June. Preliminary enrollment in July indicates 92,000 new Medi-Cal members, and it is expected that 70-80,000 of those are in this newly-eligible category. Most of the new members have received care at Los Angeles County Department of Health Services (DHS) provider sites or at federally qualified health centers (FQHCs). L.A. Care will make sure these new members are assigned to the same primary care provider from which they previously received care. This is an important part of Chairperson Shapiro's comments about financial stability. Adding new members brings increased revenue and increased responsibility. L.A. Care has prepared for the new enrollment. Additional details will be provided at future meetings.</p>	
<b>COMMITTEE ITEMS</b>		
<b>Chief Financial Officer's Report</b> <ul style="list-style-type: none"> <li><b>SAP Project Update</b></li> </ul>	<p><i>(Board Chairperson De La Torre joined the meeting.)</i></p> <p>Ms. Montgomery reported that typically the May Financial report would be presented. There is a change in plans, as there is claims correction activity for the private hospitals directed payments pools. The distribution for each contracted hospital is calculated on encounters</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>accepted by California Department of Health Care Services (DHCS). In the reconciliation for January through June of 2021 there are claims that were not accepted by DHCS. The corrected claims process reviews attributes on previously paid claims so they can be accepted by DHCS, and the original paid claim is reversed. June 30 is the deadline to submit all corrected claims to DHCS for the next round of payments to those facilities. Given the tight timeline, L.A. Care prioritized the submissions of the corrected claims and not the reversal of the original paid claims. Additional time will be required to determine the amount of a receivable for May for the reversal of the original claims, and the recalculation of the impact on L.A. Care's reserves. It was the right thing to process the corrected claims so the facilities will receive credit for those services in the next round of payments, but it caused additional challenges for L.A. Care in closing the books for May. The May and June financials will be presented for review and approval by the Board at the meeting on July 28, 2022.</p> <p>Ms. Montgomery announced that an update on the SAP project, a multi-phase project to improve financial systems, will be presented. She introduced Angela Bergman, <i>Controller (a copy of her presentation can be obtained by contacting Board Services)</i>.</p> <p>Ms. Bergman described the SAP strategic project to implement a software system that is transformational for the Finance Department. She noted that prior to the beginning of the Finance modules, there were SAP modules implemented for time and attendance, payroll and Human Resources functions. Ms. Bergman described the status of each phase of the implementation and planning and evaluating additional deployments.</p> <p>1. Deployed- Live</p> <ul style="list-style-type: none"> <li>• Phase 1: Premium Billing. Deployed on October 1, 2020 for CY 2021 L.A. Care Covered (LACC) Enrollment.</li> <li>• Phase 2: Disbursements (Claims and provider capitation payments). Deployed on June 1, 2021.</li> </ul> <p>2. In-Flight: Expected deployment date June 30, 2022</p> <ul style="list-style-type: none"> <li>• Phase 3: Enterprise Resource Planning (ERP). Core Financial System for the General Ledger, Fixed Assets, Project Cost, Accounts Payables, and Managerial Reporting.</li> <li>• Phase 4: Revenue automation for Medi-Cal and Medicare including retroactive rate and enrollment recalculations. Automation of Plan Partner capitation.</li> </ul>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>Enhancements: For phases 1 &amp; 2, which include provider capitation process and interface redesign, (LACC) - zero dollar invoices, electronic bank statements, and system enhancements for the CalAIM program.</li> </ul> <p>3. Planning and Evaluating</p> <ul style="list-style-type: none"> <li>Budget and Forecast - Planning Phase – Target first quarter 2023</li> <li>Ariba – SciQuest replacement - Future Phase</li> <li>Cadillux - Broker Commission Calculations - Future Phase</li> </ul> <p>Ms. Bergman noted that the implementation is proceeding on the appropriate timeline, and she reviewed accomplishments in phase 1, when L.A. Care replaced a third-party contractor with in-house SAP billing and automated payments for LACC. This included providing a portal for members with more options for payment and a function for real-time feedback from members. There was automation of many processes that had previously been conducted manually. Ms. Bergman described the manual payment and journal entry processes that were automated in phase 2.</p> <p>Phases 3 and 4 will be implemented on June 30, 2022. Phase 3 includes the core data system for SAP, including the chart of accounts, reporting capabilities, accounts payable, fixed assets, and project costing and reporting. This phase eliminates separate processes. Phase 4 will automate revenue processes. Enhancements for phase 1 and 2 are ongoing, with increased automation of banking and reconciliation.</p> <p>Future modules are planned for automating budget and forecasting, analytics, reporting and analysis. Evaluation is also underway for an updated and automated procurement system and a broker management system.</p> <p>Ms. Bergman presented the project benefits and impacts:</p> <ul style="list-style-type: none"> <li>Leverage SAP functions and process automation to maximize operational efficiency and standardization which will result in cost savings.</li> <li>Provide senior leadership with dashboard capability and improved financial reporting.</li> <li>Increase collaboration among teams through process SAP integration, which motivates and requires the Finance staff to understand the process from end-to-end.</li> <li>Create a single integrated platform (SAP) allowing the entire Finance Organization to: <ul style="list-style-type: none"> <li>Develop a strategic perspective for the benefit of all departments.</li> <li>Benefit from the fact that all data is now accessible via a common source and common toolsets.</li> </ul> </li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>○ Reduce the needs for disparate skill sets and separate databases.</li> <li>○ Adapt nimbly to changes in federal and state regulations and to changes in membership, providers and services.</li> <li>○ Strengthen, enforce, and monitor Internal Controls.</li> </ul> <p>Many benefits to L.A. Care and its providers, members and vendors have already been realized as the goals are achieved for this project.</p> <p>Board Member Booth asked if SAP is tracking everything needed for compliance. Ms. Bergman indicated that it will assist with tracking for compliance, and thus far results are positive. There are additional processes to be automated.</p> <p>Board Member Booth asked if any data had been lost in moving to the new system. Ms. Bergman responded that has been minimal and the data was captured and manually entered.</p> <p>Board Member Booth asked if the missing data was predicted. Ms. Bergman noted it is an ongoing process and continual improvement is needed. Staff is confident that material items are corrected.</p> <p>Board Member Booth asked what is being done to avoid the errors. Ms. Bergman indicated that parallel testing and checking expected results against actual results are conducted.</p> <p>Board Member Booth asked about the acronym, MPSS. Ms. Bergman defined this as “Medical Payment Services and Systems”, which is the area in the Finance Department that processes claims and capitation payments.</p> <p>Board Member Booth asked about the provider information used for PaySpan and printing checks. Ms. Montgomery responded the provider data used in Finance is the same that is used among L.A. Care’s other departments.</p> <p>Board Member Booth asked about interoperability, or if there are other functions that staff would like to have in the new system. Ms. Montgomery responded that as the interfaces come into the financial system, the data is vetted up front. Finance staff works closely with Information Technology on improvements in this step. SAP does not lose any transactions, but the missing attributes are flagged and corrections are made.</p> <p>Board Member Booth asked about payment for pre-authorized services where the final request for payment is not matched with the prior authorization. Ms. Montgomery indicated that the adjudication of claims occurs in the QNXT system, not in Finance. Payments are</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	made through SAP. Acacia Reed, <i>Chief Operating Officer</i> , added that denial of a claim may happen where an authorization is not found. There is not a matching issue in QNXT.	
<p>Approve Operations Motions</p> <ul style="list-style-type: none"> <li>Health Management Systems (A Gainwell Company) Contract Amendment</li> </ul>	<p>Ms. Reed introduced a motion for a vendor in the payment integrity area, Health Management Systems (HMS). This vendor performs a number of services in an attempt to identify waste or abuse, and isolate the financial impact of credible allegations of fraud. This amendment would increase the contract amount from \$21.37 to \$42.8 million, extending the contract term to December 31, 2025.</p> <p>L.A. Care needs these services and are required to take affirmative steps to detect, investigate, and prevent fraud, waste, and/or abuse. See, e.g., 42 U.S.C. § 1396a, 28 CCR § 1300.71. The Payment Integrity team has designed their activities to ensure that federal and state taxpayer dollars are spent appropriately on delivering quality, necessary care, and preventing fraud, waste, and abuse from taking place. To that end, staff is implementing initiatives to ensure that:</p> <ul style="list-style-type: none"> <li>Eligibility decisions are made correctly;</li> <li>Prospective and enrolled providers meet federal and state participation requirements;</li> <li>Services provided to enrollees are medically necessary and appropriate; and</li> <li>Provider payments are made in the correct amount and for appropriate services.</li> </ul> <p>L.A. Care has contracted with this vendor since February 2016, and staff are pleased with their work as it is currently generating approximately \$55 million in savings and recoveries on an annual basis as a result of these agreements.</p> <p>Board Member Booth asked if payment is from recoupment, and about the rate of payment. Ms. Reed confirmed that payment is on a commission basis. Erik Chase, <i>Senior Director, Claims Integrity</i>, responded that HMS provides three services for coordination of benefits; two are retrospective and one is prospective. The two retrospective services are contingency based, and the prospective services is paid per record.</p> <p>Board Member Booth asked about services provided by OptumInsight. Mr. Chase indicated that OptumInsight provides services related to claims rule-based editing, which is a different service.</p> <p>Board Member Booth asked if there are any complaints from providers about delays in payment. Mr. Chase noted that happens very rarely, because DHCS also uses HMS, and that data is typically aligned.</p>	

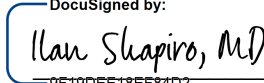
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<ul style="list-style-type: none"> <li>Toney Healthcare Consulting contract amendment (<b>FIN 103</b>)</li> </ul>	<p><b><u>Motion FIN 102.0722</u></b> To authorize staff to amend the contract in the amount of \$21,454,010 (not to exceed a total contract amount of \$42,822,666) with Health Management Systems (A Gainwell Company) to provide Cost Avoidance, Direct Bill and Disallowance services through December 31, 2025.</p> <p>Ms. Reed summarized a motion related to Toney Healthcare Consulting, which provides staff augmentation for clinical services in the care management, utilization management and Managed Long Term Care Services and Supports programs. The contract amendments will extend the contract for those services until 2023.</p> <p><b><u>Motion FIN 103.0722</u></b> To authorize amendment extensions of the current contracts with Toney Health Care Consulting (SOWs 3 &amp; 7) and execute new SOW 12 for UM and CM services through February 28, 2023, at an additional cost of \$3,308,800 for a total UM/CM contract not to exceed \$15,261,371.</p>	<p>Motions FIN 102 and FIN 103 were simultaneously approved unanimously by roll call. 5 AYES (Booth, De La Torre, Perez, Roybal and Shapiro)</p> <p>The Committee approved including FIN 102 and FIN 103 on the Consent Agenda for the July 28, 2022 Board of Governors' meeting.</p>
<p>Approve Information Technology Motions</p> <ul style="list-style-type: none"> <li>Cognizant Technology Solutions Contract Amendment</li> <li>Cognizant Technology Solutions for Hosting Services for L.A. Care's core systems</li> </ul>	<p>Tom MacDougall, <i>Chief Information Officer</i>, summarized two motions for contracts with Cognizant Corporation. The first motion is for staff augmentation used for the Salesforce implementation in the Customer Service Center, Community Resource Centers and in the Sales &amp; Marketing department. Salesforce is a contact system which will be implemented to record interactions with members and providers. The original contract amount was \$5.3 million and this extension will be for \$1 million to extend the term to the end of 2022.</p> <p><b><u>Motion FIN 104.0722</u></b> To amend the existing contract with Cognizant in the amount of \$1,065,000 (total contract not to exceed \$6,388,069) for continued Salesforce implementation activities through December 31, 2022.</p> <p>Mr. MacDougall summarized a motion to amend a purchase order with Cognizant in the amount of \$3,650,000 through December 31, 2022 for Cognizant hosting services. This includes the claims adjudication platform, QNXT, which Ms. Montgomery mentioned earlier in the meeting.</p> <p><b><u>Motion FIN 105.0722</u></b> To amend the existing contract with Cognizant Technology Solutions in the amount of \$3,650,000 (total contract not to exceed \$99,884,459), for continued hosting services for L.A. Care's core systems through December 31, 2022.</p>	<p>Motions FIN 104 and FIN 105 were simultaneously approved unanimously by roll call. 5 AYES</p> <p>The Committee agreed by consensus that these two motions be added to the Consent Agenda for the July 28, 2022 Board of Governors meeting.</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Public Comments on the Closed Session agenda items.	There were no public comments.	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Finance &amp; Budget Committee meeting adjourned at 1:57 p.m.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, 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.</p> <p><b>CONTRACT RATES</b> Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p><b>REPORT INVOLVING TRADE SECRET</b> Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Technology, Business Plan Estimated date of public disclosure: <i>June 2024</i></p>	
<b>RECONVENE IN OPEN SESSION</b>	<p>The meeting reconvened in open session at 2:10 pm.</p> <p>Ms. Haydel advised the public that no reportable actions were taken during the closed session.</p>	
<b>ADJOURNMENT</b>	The meeting adjourned at 2:10 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:  
  
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Ilan Shapiro MD, MBA, FAAP, FACHE, *Chairperson*  
Date Signed 8/23/2022 | 4:31 PM PDT

# BOARD OF GOVERNORS

## Compliance & Quality Committee Meeting

### Meeting Minutes – June 16, 2022

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



**L.A. Care**  
HEALTH PLAN

#### Members

Stephanie Booth, MD, *Chairperson*

Al Ballesteros, *MB A*

Hilda Perez

John Raffoul\*

G. Michael Roybal, MD

Nina Vaccaro

\* *Absent*

#### 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*

Michael Sobetzko, *Senior Director, Risk Management and Operations Support, Compliance*

Elysse Tarabola, *Senior Director, Regulatory Compliance, Compliance*

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 Health Plan'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 will continue to meet virtually and the Board will review that decision as provided in the Brown Act.

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Chairperson Stephanie Booth, MD, called the L.A. Care Compliance & Quality Committee and the L.A. Care Health Plan Joint Powers Authority Compliance & Quality Committee meetings to order at 2:02 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.	
<b>APPROVAL OF MEETING AGENDA</b>	The Meeting Agenda was approved as submitted.	<b>Approved unanimously by roll call. 4 AYES (Booth, Perez, Roybal and Vaccaro)</b>
<b>PUBLIC COMMENT</b>	There was no public comment.	

**APPROVED**

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>APPROVAL OF MEETING MINUTES</b>	Chairperson Booth stated that recommendations by the committee were correctly captured in the meeting minutes. The May 19, 2022 meeting minutes were approved as submitted.	<b>Approved unanimously by roll call. 4 AYES</b>
<b>CHAIRPERSON REPORT</b>	Chairperson Booth stated that the committee recently adopted a monthly schedule. It is not clear if they would like to adopt a schedule similar to the Finance & Budget Committee and the Executive Committee meetings, which do not meet in July. She asked the committee members if they would like to have a July meeting. Board Member Roybal responded that it would depend on topics that need to be discussed by the committee. Board Member Perez agreed with Board Member Roybal. Board Member Vaccaro responded that she agrees, and if there is anything urgent they need to discuss, the committee could meet in July. Chairperson Booth noted that there is still a need to review the committee charter and she suggested discussing this topic again the end of the meeting.	
<b>CHIEF MEDICAL OFFICER REPORT</b>	<p>Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, gave the following report:</p> <p>World Blood Donor Day was June 14. He noted that Terry Brown, <i>Chief Human Resource Officer</i>, is on the Regional Advisory Board for the Red Cross, and L.A. Care has hosted several blood donation events. Charles Drew, MD, was instrumental in the development of technology that enabled the safe storage and use of blood. He is credited with this scientific breakthrough that has saved many lives.</p> <p>The Healthcare Effectiveness Data and Information Set (HEDIS) survey for Measurement Year 2021 is underway and L.A. Care will submit all data for all lines of business. He announced that Katrina Miller-Parrish, MD, FAAFP, <i>Chief Quality and Information Executive</i>, will speak on the matter later in this meeting.</p> <p>Los Angeles County is currently in a medium community level of transmission of the COVID-19 pandemic. He noted that level does not require wearing masks, and masking indoors remains optional. If the transmission rate reaches six per 100,000 people, it will move the county into a higher level of prevention practices. L.A. Care continues to encourage everyone to wear masks indoors, wash hands frequently, and use antiviral oral medications if necessary. The Federal Drug Administration Advisory Committee has approved the Moderna and Pfizer vaccines for children under five years of age. It is considered a next step in taking control of the pandemic.</p> <p>Currently there are 12 known cases of the Monkey Pox virus in Los Angeles County. The virus is mainly transmitted by men who have sex with men and men experiencing homelessness. Los Angeles County Department of Public Health is stepping up its messaging, focusing on men who have sex with men and men experiencing homelessness.</p> <p>Dr. Seidman updated the Committee about the nation's baby formula shortage. He noted that availability is getting better. The federal government has relaxed limitations on formulas people in the Women's, Infant and Children's program (WIC) can buy. The supply is also increasing. The US will import baby formula from Spain and California has already begun to import from Australia.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>He noted that the Department of Health Care Services (DHCS) published an annual preventive services report for 2020. Overall, urban counties out performed rural counties in California in providing preventive services. Los Angeles County did well in comparison with other counties. L.A. Care didn't perform well in lead screening and well-child visits, as has been previously reported.</p> <p>Board Member Perez commented that at the start of the pandemic, L.A. Care held a vaccine campaign at the community resource centers. Some people received the Johnson &amp; Johnson vaccine and a booster. She asked if those people are considered to be fully vaccinated. Dr. Seidman responded that people should reach out to their doctor. Information is also on the L.A. Care website. "Up-to-date" means fully vaccinated, and it is recommended to keep up with boosters when recommended. People that got the Johnson &amp; Johnson vaccine are eligible for boosters. Board Member Perez asked how many at home tests members can get. Dr. Seidman responded that L.A. Care members can receive up to eight COVID-19 tests per month, and eight per household from the federal government.</p> <p>Board Member Vaccaro pointed out that there is one confirmed case of Monkey Pox at a community clinic. She asked if well-child visits and lead screening continue to be at issue because children are not going in-person to doctor appointments. Dr. Seidman responded that the well-child measure is a very difficult measure to meet because multiple visits are required. If children miss shots at an early age it is difficult to catch up with the HEDIS measure. He recently went to a pharmacy and asked about the COVID-19 tests. He was directed to pay at the front and seek reimbursement from his commercial health plan. Medi-Cal members only need to show their Medi-Cal card to get the COVID home test kit.</p> <p>Dr. Miller-Parrish thanked Board Member Perez for helping with the wording for the HEDIS campaign. She said that L.A. Care submitted all HEDIS data and has submitted the Population Needs Assessment. DHCS asked to use L.A. Care's submission as an example for other plans for the Population Needs Assessment, and she thanked the cross-functional teams that worked on it. Other health plans have also begun to ask L.A. Care for help with putting together their Population Needs Assessment and Population Health Management documents. She noted that the California Advancing and Innovating Medi-Cal (CalAIM) has many more requirements for population health management, and in particular for transition of care. There is much work to be done to make sure the entire network is following the requirements for transition of care.</p> <p>Board Member Perez thanked Dr. Miller-Parrish for the opportunity to speak to staff and help make the wording more conversational. She noted that when she goes to resource centers, people point out social media, such as Facebook and Instagram, as being the best place to receive information. She said that many members do not have computers but they do have smart phones.</p> <p><i>(Board Member Ballesteros joined the meeting.)</i></p>	



AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>BACK TO CARE CAMPAIGN</b>	<p>Betty Santana, <i>Senior Manager, Quality Improvement Initiatives, Quality Improvement</i>, presented information about L.A. Care's Back to Care Campaign <i>(a copy of the presentation can be obtained from Board Services)</i>.</p> <p>Addressing the Pandemic's Effect on Preventive Health</p> <ul style="list-style-type: none"> <li>Throughout 2020, COVID-19 reduced preventive care rates, especially well care visits and cancer screenings.</li> <li>In 2021, the Clinical Initiatives team focused on efforts to improve preventive care visits and screening rates.</li> <li>Based on feedback from our members and providers we knew... <ul style="list-style-type: none"> <li>People were hesitant to visit the doctor</li> <li>We needed a large scale campaign to address people's reluctance to seek care</li> </ul> </li> <li>Social Media was the ideal modality for a large scale intervention. <ul style="list-style-type: none"> <li>"Back to Care" was launched 8/31/2021.</li> </ul> </li> <li>Since then, we have built upon this campaign and are adding new modalities to remind our members to get "Back to Care!"</li> <li>Our goal is to improve rates back at least to pre-pandemic levels.</li> </ul> <p>Social Media Campaign– #BackToCareLA</p> <ul style="list-style-type: none"> <li>Strategy <ul style="list-style-type: none"> <li>Paid social media campaigns.</li> <li>Partnered with Blue Shield Promise, Anthem Blue Cross and Health Net to: <ul style="list-style-type: none"> <li>Align messaging with health plans to push "Back to Care" messaging far and wide!</li> <li>Use the campaign hashtag: #backtocareLA</li> <li>Tag all health plans in posts.</li> <li>Plans could design the posts how they wanted – just had to stick to the messaging and use the hashtag.</li> <li>Request each plan agreed to spend at least \$10,000.</li> </ul> </li> </ul> </li> <li>Key Messaging <ul style="list-style-type: none"> <li>Safe to visit the doctor's office</li> <li>Do not further delay preventive care</li> </ul> </li> </ul> <p>Messaging and Hashtags</p> <ul style="list-style-type: none"> <li>Message 1: Health care providers are keeping their offices clean and safe. Call your doctor to make an appointment for any care you might have missed during the COVID-19 pandemic.</li> <li>Message 2: Don't skip check-ups, mammograms, or lab tests. Call your doctor to make an appointment for any care you might have missed during the COVID-19 pandemic.</li> <li>BacktoCareLA <ul style="list-style-type: none"> <li>L.A. Care Health Plan (Facebook &amp; Instagram - @LACareHealth)</li> </ul> </li> </ul>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS						ACTION TAKEN
	<ul style="list-style-type: none"><li>- Blue Shield of California (Facebook &amp; Instagram- @BlueShieldca)</li><li>- Anthem Blue Cross Medi-Cal (Facebook - @AnthemBlueCrossCA)</li><li>- Health Net, LLC (Facebook - @HealthNetInc) (No Instagram account)</li></ul> All Health Plans will be participating in 2022.						
	Program Evaluation						
	<ul style="list-style-type: none"><li>• Cost \$14,579 to L.A. Care and \$40,079 across plans</li><li>• Los Angeles community members viewed messaging nearly 3 million times!</li><li>• This effort was achieved at a cost per impression of only \$0.01 and cost per reach of \$0.04.</li></ul>						
		Reach	Impressions	Engagement	Number of posts	Amount spent	Dates
	L.A. Care	340,043	739,708	287,562	10	\$ 14,579	8/30/21- 9/3/21; 9/6/21- 9/30/21
	Health Net	255,887	464,477	17,164	11	\$ 11,000	9/14/21- 11/23/21
	Anthem Blue Cross	295,873	1,334,885	2,237	3	\$ 11,000	9/8/21- 10/6/21
	Blue Shield Promise	46,000	458,523	2,115	4	\$ 3,500	9/22/21- 10/22/21
TOTAL	937,803	2,997,593	309,078	28	\$ 40,079		

	<p>She thanked staff teams for their help with the campaign:</p> <ul style="list-style-type: none"> <li>• Communications</li> <li>• Marketing</li> <li>• Plan Partner Product</li> <li>• Quality Performance Management</li> <li>• Vaccine Command Center</li> <li>• Plan Partners &amp; Health Net</li> <li>• QI Initiatives</li> </ul> <p>Plans for 2022 and Beyond</p> <ul style="list-style-type: none"> <li>• launch #BacktoCareLA social media campaign in June</li> <li>• All Health Plans from the 2021 Campaign will be participating in 2022!</li> <li>• Other outreach strategies: <ul style="list-style-type: none"> <li>- Mailers</li> <li>- Automated Calls/Interactive Voice Response (IVR)</li> <li>- Text messaging!!!</li> </ul> </li> </ul> <p>Not all campaigns are branded with the Back to Care tagline but the outreach efforts use the same concept</p> <ul style="list-style-type: none"> <li>• L.A. Care is using a vendor to provide text messaging to L.A. Care Medi-Cal Direct (MCLA) members that have opted to receive messages.</li> <li>• HEDIS measures include: <ul style="list-style-type: none"> <li>- Well Care Visits for Children (WCV)</li> <li>- Cervical Cancer Screening (CCS)</li> <li>- Controlling Blood Pressure (CBP)</li> <li>- Comprehensive Diabetes Care (CDC)</li> <li>- Prenatal Care (PPC-1)</li> <li>- Post-partum Care (PPC-2)</li> </ul> </li> <li>• CCS: 35,777 members texted</li> <li>• WCV: 26,465 members texted</li> <li>• American Cancer Society <ul style="list-style-type: none"> <li>- Developed a series of videos for Instagram and Facebook highlighting two cancer survivors and a L.A. Care physician. Videos encouraged people to get their colorectal, breast, and other cancer screenings.</li> <li>- Developing co-branded mailers and social media posts.</li> <li>- HPV vaccine video will feature an L.A. Care member discussing the importance of vaccination.</li> </ul> </li> <li>• Youth Advisory Board lead by the Department of Public Health</li> </ul>	
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AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>- Youth leaders representing the various Service Planning Areas (SPAs) from around the county met with our team to provide feedback and help design a social media and mailer messaging and images to encourage well care visits.</li> <li>• Provider Offices <ul style="list-style-type: none"> <li>- Meet regularly with several provider groups in the L.A. Care network to keep them up-to-date with our campaigns</li> <li>- Partnering with clinics to provide in-person and/or virtual patient experience trainings by SullivanLuallin Group.</li> </ul> </li> <li>• Members <ul style="list-style-type: none"> <li>- Present on health topics and interventions to our member representatives in the Executive Community Advisory Committees (ECAC) to solicit feedback on our campaigns.</li> </ul> </li> </ul> <p>Other Initiatives  L.A. Care’s website page on Quality Improvement: <a href="https://www.lacare.org/providers/provider-resources/tools-toolkits/quality-improvement-program">https://www.lacare.org/providers/provider-resources/tools-toolkits/quality-improvement-program</a></p>	



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

## Clinical Care & Patient Experience Initiatives for 2022

Initiative	Launch Date*	Lines of Business**	Target Audience	Description/Notes
ADHD Provider Notification Letter	On-going	LACC MCLA	Providers	Letter notifying provider of patients needing follow up care after prescribing ADHD medication
Adolescent Social Immunization Media Campaign	February – March 2022	Community-based	Community-based	Facebook Ads encouraging adolescent immunizations
Antidepressant Medication Management Member Letter	May 2022	LACC MCLA CMC	Members	Member letter educating on importance of following antidepressant medication treatment plan and friendly reminder on other yearly check-ups (colorectal, cervical cancer, breast cancer screening)
Asthma Member Kit	August 2022	MCLA	Members	Asthma kit contains educational material emphasizing asthma rule of 2's and labels for relievers and controls
Back to Care Child and Adolescent Well-Child Campaign Mailings and Automated Calls	May 2022	LACC MCLA	Members	Postcard and automated calls to guardians of school aged children, encouraging them to schedule their child a visit to the doctor for checkups and shots.

\*Subject to change without notice. Rev. March 2022

\*\*CMC - L.A. Care Cal MediConnect Program for Medi-Medi Beneficiaries

Direct Network - L.A. Care Direct Network is the directly contracted network

LACC - L.A. Care Covered™ is L.A. Care Health Plan's product line under Covered California

MCLA - L.A. Care Medi-Cal Direct program

PASC - L.A. Care offers the Homecare Workers Health Care Plan, also known as the PASC-SEIU Plan

\*\*\*PPG - Participating Physician Group

\*\*\*PPG - Participating Physician Group

LAC 131422

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Initiative	Launch Date*	Lines of Business**	Target Audience	Description/Notes
Back to Care Adult Social Media Campaign	April 2022	Community-based	Community-based	Social media Campaign to encourage members/community to seek preventive care
Birthday Cards	On-going	CMC	Members	Birthday cards with preventive health reminders
Breast Cancer Screening Calls	April & October 2022	CMC MCLA	Members	Automated calls to members due for mammogram screening
Breast Cancer Screening Mailings	April & October 2022	CMC LACC MCLA	Members	Mailer to members due for mammogram screening
Breast Cancer Screening Social Media	October 2022	Community-based	Community-based	Social media posts encouraging breast cancer screening
Bright Futures Periodicity Schedule Mailings	June 2022	Medi-Cal	Providers	Mailer to PCPs regarding childhood services recommendations and information on funding opportunities through Prop. 56 for administering Adverse Childhood Experiences (ACES) and developmental screenings
California Right Meds Collaborative (CRMC)	On-going	CMC LACC MCLA PASC	Members	Specially trained community pharmacists will provide chronic disease management and education to qualified members
Cervical Cancer Screening Calls	June 2022	CMC MCLA	Members	Automated calls to members due for cervical cancer screening

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AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Chairperson Booth stated that she supports results and making sure money is being spent effectively, and she asked how L.A. Care knows this is effective. Ms. Bettsey responded that L.A. Care compares the period the messages went out and the volume of well care visits during that same period. If the volume of visits goes up, it indicates effectiveness. Dr. Seidman stated that internal studies will measure the benefit of these campaigns. Compared to when mail was used, which is very expensive, it is a better option. Physical address data L.A. Care has for its members can be incorrect and mail is returned as undeliverable. Cellphone numbers are usually valid and electronic messages are more cost effective. Chairperson Booth commented that she would like to review the data.</p> <p>Board Member Vaccaro asked if L.A. Care resolved the issue of not being able to mass text members due to Telephone Consumer Protection Act (TCPA) regulations. Auustavia J. Haydel, Esq., <i>General Counsel</i>, responded that exemptions were provided as part of the public health emergency, and L.A. Care has made use of those exemptions. Dr. Seidman responded that L.A. Care can't message its members without their consent. When consent is given, L.A. Care can text its members. There is an effort to add that consent to the Medi-Cal application. Thomas Mapp, <i>Chief Compliance Officer</i>, said that the DHCS stated that members provide consent because members initiate the enrollment relationship. John Baackes, <i>Chief Executive Officer</i>, commented that signing the application is consent.</p>	
<b>CHIEF COMPLIANCE OFFICER REPORT</b>	<p>Mr. Mapp and the Compliance Department staff presented the Chief Compliance Officer Report (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>The Compliance Officer Overview includes the following updates:</p> <ul style="list-style-type: none"> <li>• Compliance Department Staffing <ul style="list-style-type: none"> <li>a. Organization Chart</li> <li>b. Introduced Michael Sobetzko, <i>Senior Director, Risk Management and Operations Support</i></li> </ul> </li> <li>• Internal Audit Update</li> <li>• Risk Assessment Update</li> <li>• Noncompliance Issues Inventory</li> <li>• Out of Area Issue Update</li> <li>• Delegation Oversight Audit Schedule</li> </ul> <p>Mr. Mapp introduced Michael Sobetzko, <i>Senior Director, Risk Management and Operations Support</i>. Mr. Sobetzko stated that he is very excited to join the Compliance &amp; Quality Committee meeting, he sees great opportunities and has met incredible people. He has over 24 years of managed care experience, most recently with Health Net and Centene, where he oversaw Wellness Operations, Vendor Management, and Compliance Audits. He hopes the experiences will help him serve L.A. Care well.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN
<ul style="list-style-type: none"><li>2022 Internal Audit Update</li></ul>	Todd Gower, <i>Consultant, Compliance Internal Audit, Compliance</i> , gave an overview of the Internal Audit Plan, Risk Assessment, and Noncompliance Issues.				
	He reported that a number of changes were made to some aspects of the plan. They removed some audits, such as a pharmacy audit that was moved to the next calendar year, and added new audits for transportation and the mailroom process review. The new audits are complete and will be reported in August. The emergency claims review has been completed. There will be a kick off of other audits starting in the later part of June and in July.				
	Audit	Status Rating	Status	Next Steps	
	OOA Emergency Services Claims and Grievances Audit	Corrective Action Plans (CAP) with Management for final	CAP development complete and Final Audit Report complete and distributed to stakeholders and Legal Services	Test CAPS – Starting January 2023	
	Mail Processes Audit	Draft Report with Management for CAPs	Present draft audit Report to Facilities Management for review and development of CAPs (June 6)	Allow Facilities Management one week to develop CAPs and due dates	
	Transportation Benefit Audit (NMT & NEMT)	Fieldwork	Field work continues – estimated completion date July 1	Draft Audit Report – estimated draft completion date June 20	
Health Industry Collaborative Effort (HICE) Shared IT Integrity and Security Audits	Ongoing	Completed for 8 providers; MedPOINT provides IT services; MedPOINT CAP review is complete. Most controls are partially implemented. Overall MedPOINT has failed the audit. Team will decide if there is need to go second round of CAP activities. It is being considered to ask MedPOINT to have SOC2 Type 2 audit conducted. Detailed audit report is being prepared.	To be presented to HICE team, LA Care IT Security		

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN																							
<ul style="list-style-type: none"><li>Health Risk Assessment Update</li></ul>	IT Project and IT Configuration Audit	Kicking-Off in June	Currently with IT security for kick off planning stage, 2 <sup>nd</sup> week of June	Kick off and document gathering, and planning for field work																								
	Mr. Gower stated that HICE is a collaborative from the other health plans based on Synermed data quality. They found that many of the delegated entities had failed regarding their IT controls. All plans have been asked to participate, with L.A. Care leading this effort in cleaning up the IT control tool program for California.																											
	Chairperson Booth asked if it was the state or DHCS that asked L.A. Care to do this. Mr. Mapp responded that it was the Department of Managed Health Care (DMHC) as a result of the enforcement action.																											
	The risk assessment and mitigation information has been updated.																											
	Three Risk Mitigation activities (#'s 1,4,5) to be reviewed for 1) priority funding or accept current compensating controls for IA to test & 2) review the business unit's acceptance of current controls, which IA would test for effectiveness.																											
	Risk Mitigation activities (#'s 2,3,6) are in process:																											
	#2 – Implementation testing																											
	#3 – Waiting for assessment to establish ETA and funding needs																											
	#6 – Vendor selection																											
	2022 Non Compliance Issue Inventory																											
The non-compliance issue inventory has been updated and going through a clean-up process																												
1. There are currently 22 items that have been tracked																												
2. As of June:																												
<ul style="list-style-type: none"><li>Four issues have been closed or remediated – will be part of internal audit follow-up</li><li>Eighteen issues remain open with various updates to get remediated, seek prioritization for funding, waiting for upgrades, etc.</li></ul>																												
<table><tr><td></td><td colspan="2">Tracked by</td><td></td></tr><tr><td>Status</td><td>Compliance - BC/Risk</td><td>Compliance - RAM</td><td>Grand Total</td></tr><tr><td>Closed</td><td>2</td><td>1</td><td>3</td></tr><tr><td>Open</td><td>6</td><td>12</td><td>18</td></tr><tr><td>Remediated</td><td></td><td>1</td><td>1</td></tr><tr><td>Grand Total</td><td>8</td><td>14</td><td>22</td></tr></table>						Tracked by			Status	Compliance - BC/Risk	Compliance - RAM	Grand Total	Closed	2	1	3	Open	6	12	18	Remediated		1	1	Grand Total	8	14	22
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AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN																												
<ul style="list-style-type: none"><li>EPO 2022 Annual Audits</li></ul>	<table><tr><td></td><td colspan="3">Tracked by</td></tr><tr><td></td><td>Compliance - BC/Risk</td><td>Compliance - RAM</td><td>Grand Total</td></tr><tr><td>Member Impact</td><td></td><td></td><td></td></tr><tr><td>Direct - Clinical</td><td>4</td><td>3</td><td>7</td></tr><tr><td>Direct- Non-Clinical</td><td></td><td>6</td><td>6</td></tr><tr><td>Indirect</td><td>4</td><td>5</td><td>9</td></tr><tr><td>Grand Total</td><td>8</td><td>14</td><td>22</td></tr></table>					Tracked by				Compliance - BC/Risk	Compliance - RAM	Grand Total	Member Impact				Direct - Clinical	4	3	7	Direct- Non-Clinical		6	6	Indirect	4	5	9	Grand Total	8	14	22	
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	Marita Nazarian, <i>Director, Delegation Oversight</i> , reported:																																
	Delegation Oversight Annual Audit Updates																																
2020 & 2021 Annual Audits:																																	
<ul style="list-style-type: none"><li>Eight months of audit moratorium due to COVID-19</li><li>Conducted total of 42 annual audits<ul style="list-style-type: none"><li>Forty audits closed</li><li>Two escalated for non-compliance</li></ul></li><li>Exhibits attached</li></ul>																																	
2022 Annual Audits:																																	
<ul style="list-style-type: none"><li>Forty-seven delegates scheduled to be audited<ul style="list-style-type: none"><li>Seven will receive full annual audit</li><li>Forty will go through Risk Based Audit</li></ul></li><li>Risk Based Audits Methodology<ul style="list-style-type: none"><li>For areas of Utilization Management (UM), Cultural &amp; Linguistics, Provider Network, Compliance Program Effectiveness, and Critical Incidence</li><li>Based on deficiencies identified during: last annual audit, last DMHC/DHCS audits, monitoring results.</li></ul></li></ul>																																	
Chairperson Booth asked about the two escalated cases for noncompliance. Ms. Nazarian responded that Pioneer Medical Group and Superior Choice Medical Group were escalated and audited. Pioneer Medical Group had ten deficiencies that they could not agree on with L.A. Care. The corrective action plans (CAPs) were not acceptable to L.A. Care and revisions were requested multiple times. The Sanctions Committee conducted a review. Superior Choice Medical Group has not been reviewed by the Sanctions Committee, but the issues have been escalated. Discussions are underway with the Chief Executive Officer, and L.A. Care is working with them to address the issues.																																	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<ul style="list-style-type: none"> <li>• <b>2021 DHCS Medical Audit Update</b></li> </ul>	<p>Justin Muraki, <i>Compliance Advisor III, Compliance</i>, reported that L.A. Care received its final report on the 2021 DHCS Medical Audit on February 3. L.A. Care submitted CAPs for 27 findings on March 16. DHCS responded with document requests to validate implementation of CAPs, as well as request additional remediation as needed. There were a few areas that DHCS focused on, such Prior Authorization timeliness in the UM area, Appeals and Grievance processing timeline, continuity of care processes, and delegation oversight.</p>	
<p><b>ADJOURN TO CLOSED SESSION</b></p>	<p>Chairperson Booth asked Mr. Mapp and Dr. Seidman if they will have anything to report to the Committee in July. Mr. Mapp responded that the primary task is to review the charter, and he suggested that this can occur at the August meeting. He is not aware of pressing matters that would necessitate a July meeting. Dr. Seidman agreed with Mr. Mapp. Chairperson Booth asked if they can touch bases in July. She noted that while she is sure they have things to discuss, she is not sure of the timeframe. She is comfortable with waiting until August to meet again.</p> <p>Chairperson Booth asked the committee members if they would like to meet in December. Board Member Roybal suggested holding off on making that decision. Chairperson Booth stated that the Committee will not meet in July and will hold off on making a decision about the December meeting.</p> <p>The Joint Powers Authority Compliance &amp; Quality Committee meeting was adjourned at 3:35 pm.</p> <p>Ms. Haydel announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 3:42 pm.</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b> Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> <li>• L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069, Department of Health Care Services (Case No. Unavailable)</li> </ul> <p><b>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION</b> Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act Four Potential Cases</p>	
<p><b>RECONVENE IN OPEN SESSION</b></p>	<p>The Committee reconvened in open session at 4:59 p.m.</p> <p>There was no report from closed session.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>ADJOURNMENT</b>	The meeting was adjourned at 5:01 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:

\_\_\_\_\_  
Stephanie Booth, MD, *Chairperson*

Date Signed: \_\_\_\_\_

# BOARD OF GOVERNORS

## Audit Committee Meeting Minutes – December 13, 2021

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



**L.A. Care**  
HEALTH PLAN

### Members

Alvaro Ballesteros, MBA, *Chairperson*  
Layla Gonzalez  
Stephanie Booth, MD

### Management/Staff

John Baackes, *Chief Executive Officer*  
Augustavia J. Haydel, Esq., *General Counsel*  
Marie Montgomery, *Chief Financial Officer*

### Guests

Deloitte & Touche  
Rosie Procopio, *Audit & Assurance Managing Director*  
Angelica Kocharova, *Audit & Assurance Senior Manager*

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
<b>CALL TO ORDER</b>  Alvaro Ballesteros	Alvaro Ballesteros, MBA, <i>Committee Chair</i> , called the meetings to order for the L.A. Care Audit Committee and the L.A. Care Joint Powers Authority Audit Committee at 2:02 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings. He explained how the public can participate in the meetings. <ul style="list-style-type: none"> <li>The WebEx chat function will be available during the meeting for public comment. This is a new function so public comments can be made live and direct.</li> <li>L.A. Care will open the "chat" feature on Webex to submit public comments in real time and directly to the Audit Committee members. The log in information is at the top of the meeting Agenda. You must be logged into Webex to use the "chat" feature.</li> <li>L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.</li> </ul> (continued next page)	

**APPROVED**

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	<ul style="list-style-type: none"> <li>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.</li> <li>Chairperson Ballesteros will invite public comment period before each item is discussed, not after. The public comment will be read before the Committee starts to discuss the item.</li> <li>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.</li> </ul>	
<b>APPROVE MEETING AGENDA</b>  Alvaro Ballesteros	Today's Agenda was approved as submitted.	<b>Approved unanimously by roll call. 3 AYES (Ballesteros, Booth and Gonzalez)</b>
<b>PUBLIC COMMENT</b>	There was no public comment.	
<b>APPROVE MEETING MINUTES</b>  Alvaro Ballesteros	<b>The July 30, 2021 meeting minutes were approved as submitted.</b>	<b>Approved unanimously by roll call. 3 AYES</b>
<b>CHAIRPERSON'S REPORT</b>	There was no report from the Chairperson.	
<b>CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER REPORT</b>	<p>John Baackes, <i>Chief Executive Officer</i>, stated results are positive this year, reversing what was L.A. Care's most difficult year because of the COVID-19 pandemic in the prior fiscal year.</p> <p>Marie Montgomery, <i>Chief Financial Officer</i>, reported that the financial statement reflects the results that the Board reviewed earlier this month. The net surplus is approximately \$133 million. Ms. Montgomery highlighted significant items in the financial statements, such as claims reserves and the Incurred But Not Reported (IBNR) results.</p>	

**APPROVED**



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	As part of disclosures in the financial statements, there is a footnote disclosing \$142 million in favorable growth from the prior year, reserve balances reflect paid claim information. Due to the COVID-19 pandemic and changes in the claims payment patterns, L.A. Care was conservative in setting that reserve. There is \$45 million in explicit margin or provision for adverse deviation is a component of that amount.	
<b>COMMITTEE ISSUES</b>		
<b>Review of Audit Findings FY 2020-21</b>	<p>Deloitte &amp; Touche (D&amp;T) presented L.A. Care's audited financial statements for the fiscal year ended September 30, 2021. <i>(A copy of the report may be requested by contacting Board Services.)</i></p> <p>Rosie Procopio, <i>Audit &amp; Assurance Managing Director, D&amp;T</i>, provided an overview of the findings.</p> <ul style="list-style-type: none"> <li>• D&amp;T received full cooperation from management and staff and had unrestricted access to the senior management in the performance of the audits.</li> <li>• D&amp;T evaluated the significant qualitative aspects of the organization's accounting practices, including accounting policies, accounting estimates and financial statement disclosures and concluded that the policies are appropriate, adequately disclosed, and consistently applied by management.</li> <li>• Accounting estimates are an integral part of the combined financial statements prepared by management and are based on management's current judgments. Those judgments are ordinarily based on knowledge and experience about past and current events and on assumptions about future events. Significant accounting estimates reflected in the organization's 2021 audited financial statements include the Incurred but not Reported Claims ("IBNR") Reserve Valuation.</li> <li>• The valuation of IBNR reserve requires management estimation and judgment. Management uses significant assumptions and judgments in estimating the cost of claims, specifically those that are made to adjust IBNR reserve. Management also leverages calculations and estimates developed by its internal actuarial team when considering the liability estimate.</li> </ul>	

**APPROVED**

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	<ul style="list-style-type: none"> <li>• D&amp;T made inquiries of management and tested the design and implementation of internal control activities involving management's process for determining IBNR reserves.</li> <li>• D&amp;T conducted meetings with the organization's actuaries to assess the consistency of the methodology utilized for calculating the accruals for IBNR reserve estimate. Discussions were also held with claims operations personnel to better understand performance over time and its impact on the claims reserves.</li> <li>• Actuarial specialists from Deloitte Consulting LLP were involved to review management's methods and assumptions used to develop the reserve estimates and an independent range of reasonableness in order to corroborate management's estimate of its claims-based liability. The specialists assessed information such as claims inventory, high dollar claims and other environmental factors to conclude on actuarial assumptions utilized, including consideration of COVID-specific assumptions. Run-off data available were assessed subsequent to year-end close for potential recording or reporting. They performed data integrity testing of information utilized by actuaries, including a test of details on paid claims and claims inventory for accuracy and completeness.</li> <li>• D&amp;T performed a retrospective look-back (recast) of management's prior year estimates.</li> <li>• There were no uncorrected misstatements or disclosure items identified passed during our audit.</li> <li>• There were no material misstatements that were brought to the attention of management as a result of our audit procedures.</li> <li>• There were no disagreements with management related to matters that are material to the Organization's 2021 financial statements.</li> <li>• D&amp;T is not aware of any consultations that management may have had with other accountants about auditing and accounting matters during 2021.</li> </ul>	

**APPROVED**

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	<ul style="list-style-type: none"> <li>Throughout the year, routine discussions were held or were the subject of correspondence, with management. In our judgment, such discussions or correspondence did not involve significant findings or issues requiring communication to the Audit Committee.</li> </ul> <p>Ms. Procopio expressed her appreciation to the L.A. Care team</p> <p>Chair Ballesteros asked Committee members if there is need to talk to D&amp;T separately. The Committee members reached consensus that a discussion with the D&amp;T is not necessary.</p>	
Approve Audit Findings for FY 2020-21	<p><b><u>Motion AUD A.1221</u></b></p> <p>To accept the findings of the Deloitte &amp; Touches' audit of L.A. Care's financial statements for the fiscal year ended September 30, 2021, as presented.</p>	Approved unanimously by roll call. 3 AYES
ADJOURNMENT	The Chair adjourned the meeting at 2:45 pm.	

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

APPROVED BY:



Al Ballesteros, MBA, *Chairperson*

Date Signed: 8/5/2022

**APPROVED**