BOARD OF GOVERNORS
Technical Advisory Committee
Meeting Summary – April 11, 2024

1055 W. Seventh Street, Los Angeles, CA 90017

Members

Alex Li, *MD, Chief Health Equity Officer*, *Chairperson*
Sameer Amin, *MD*, *Chief Medical Officer*
John Baackes, *Chief Executive Officer**
Elaine Batchlor, *MD, MPH*
Paul Chung, *MD, MS*
Muntu Davis, *MD, MPH*,
Rishi Manchanda, *MD, MPH*
Santiago Munoz*
Elan Shultz
Stephanie Taylor, *PhD**

Management

Noah Paley, *Chief of Staff, Executive Services*
Acacia Reed, *Chief Operating Officer, Managed Care Services*
Phinney Ahn, *Executive Director, Medi-Cal Product Management*
Todd Gower, *Chief Compliance Officer*

** Absent ***Present (Does not count towards Quorum)*

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Alex Li, *MD*, *Chief Health Equity Officer,* called the meeting to order at 2:03 p.m. without a quorum. *The committee reached a quorum at 2:09 p.m.*	
APPROVAL OF MEETING AGENDA	The Agenda for today's meeting was approved.	**Approved Unanimously by roll call. 6 AYES (Amin, Chung, Davis, Li, Manchanda, Shultz)**
PUBLIC COMMENT	There were no public comments.	
APPROVAL OF MEETING MINUTES	The January 11, 2024 meeting minutes were approved as submitted.	**Approved Unanimously by roll call. 6 AYES**

APPROVED

<table>
<tr><th>AGENDA ITEM/
PRESENTER</th><th>MOTIONS / MAJOR DISCUSSIONS</th><th>ACTION TAKEN</th></tr>
<tr><td>CHAIRPERSON'S REPORT
• Chief Health Equity Update</td><td>Member Alex Li, MD, Chief Health Equity Officer, gave a Chief Health Equity Officer Update as part of the Chairperson's Report (a copy of the report can be obtained from Board services).

<u>Cyber Attack-Change Healthcare</u>
In late February, Change Healthcare, a subsidiary of UnitedHealth Group was hacked. Change Healthcare not only offers providers and payors an Information Technology (IT) solution to submit and receive claims, it is also greatly impacted pharmacies ability to check co-pay when they went to pick up their medications from pharmacies. Due to Change Healthcare's large market presence, this attack was significant and impacted nearly every sector of the health care ecosystem. Unfortunately, L.A. Care used Change Healthcare as its tool to receive claims from providers. For the most parts, providers who receive capitation payments were not impacted. However, for hospitals, skilled nursing facilities (SNFs), durable medical equipment (DME) suppliers and other health care providers who bill L.A. Care through the fee for service format, were impacted by this attack. L.A. Care's team have been working diligently with UnitedHealth Group to stand up an alternative process. In the meantime, the provider network team have sent out regular communications and conducted town hall meetings to keep the network appraised. L.A. Care has also advanced over $20 million to those providers who expressed hardship. Moving forward, L.A. Carewill modify its business processes to increase resiliency and redundancy.

<u>National Commission on Quality Assurance (NCQA) Health Equity Accreditation</u>
On March 11, 2024, L.A. Care received a notification from NCQA that it achieved the NCQA Health Equity Accreditation status, with a score of 98% or 86.5 out of 88 possible points. L.A. Care is extremely proud of its work in health equity and achieving this status. Nationally, there were around 170+ health plans out of around 1,100 health plans nationally that have received the NCQA Health Equity Accreditation status.

<u>Equity Practice Transformation Program Update</u>
The Department of Health Care Services (DHCS) Equity and Practice Transformation (EPT) program announced that 46 practices selected to L.A. Care as their managed care plan sponsor. 211 out of 700+ practices were selected to participate in the program.

On March 7, 2024, L.A. Care hosted its first session.
<table>
<tr><th>Type of Practice</th><th>Total Number of Practices</th><th>Total in Direct Network</th><th>Medi-Cal Members (LA Care and HealthNet) Impacted</th></tr>
<tr><td>Private</td><td>24</td><td>8</td><td>100,938</td></tr>
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FQHCs	22	5	488,981
Totals	46	13	589,919

DHCS 2024 Quality Withhold and Incentive Program (QWIP)

On March 11, 2024, DHCS shared with the managed care plans their preliminary proposal for their new QWIP. The QWIP is intended to be a program where a small percentage of the managed care plan's revenue is withheld and then earned back based on the 8 managed care accountability set (MCAS) and consumer and provider survey responses. The new modification of the program is to have a health equity framework and seeks to require health plans to address sub-populations that perform poorly in the MCAS measures.

ARTIFICIAL INTELLIGENCE AND HEALTH EQUITY

Ankoor Shah, *MD, MBA, MPH, Chief Medical Officer, Radiant Services, Principal Director, Healthcare Strategy & Consulting Accenture,* and Brandon Shelton, *Senior Director, Advanced Analytics Lab,* provided a presentation on Artificial Intelligence (AI) and Health Equity.

Dr. Shah's report on AI in healthcare addresses several key points regarding the current state and future implications of AI in the healthcare industry. He highlighted the fundamental supply and demand mismatch in healthcare, with an aging population and fewer workers, particularly physicians and nurses, projected for the future. This creates pressure on the healthcare system, necessitating the exploration of technological solutions to augment human capabilities. Dr. Shah discussed rising consumer expectations, with patients expecting more from healthcare providers, leading to increased pressure on the system. This occurs within the context of escalating healthcare costs, further complicating the delivery of care. He delved into the role of AI in healthcare and questions whether it has effectively reduced disparities and advanced health equity at scale.

Dr. Shah cited examples from the past two decades, such as electronic health records (EHRs) and wearable technology, highlighting their limitations and unintended consequences, including physician burnout and disparities in risk scoring algorithms. Dr. Shah noted the impact of AI on care management solutions, noting instances where algorithms have disproportionately affected certain patient populations, exacerbating disparities in care delivery. He discussed the concept of generative AI, which focuses on output creation without necessarily understanding the underlying logic. Dr. Shah emphasized the potential of generative AI but also underscored its significant limitations and risks, including the creation of inaccurate recommendations and concerns about data security and privacy. Dr. Shah encouraged critical reflection on the risks and concerns associated with AI in healthcare, seeking input from the audience to understand their

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	perspectives and considerations regarding AI implementation and its implications for health equity. Member Chung raised several concerns regarding security risks and intellectual property (IP) protection in the context of AI technology in healthcare. He noted that security risks tend to rise to the top of discussions, particularly issues related to protecting both model inputs and outputs. Member Chung highlighted the importance of discussing the basic aspect, which involves the degree to which globally applicable tools can be customized at individual or institutional levels. He questioned who owns the customization rights and how customization occurs on top of existing platforms. Member Chung acknowledged the challenges surrounding training and customization in the rapidly evolving field of AI in healthcare, noting that many are "making it up as they go along." He mentioned concerns about model hallucinations but emphasizes that those working with AI understand that models simply execute their programming based on the quality of the underlying data and prompts. Despite potentially alarming outputs from AI models, Member Chung suggested that the focus should be on the quality of data and interrogation rather than solely on the outputs themselves. He indicated that most people are likely focusing on the latter three concerns raised, although he acknowledged some uncertainty in this assumption. Mr. Limperis draws parallels between the historical adoption of electronic health records (EHRs) and the current trajectory of AI in healthcare. He highlighted the early adoption by institutions like Kaiser Permanente in 2002, noting that the floodgates truly opened in 2009 with the passage of the High Tech Act, which accelerated the modernization and widespread implementation of EHR systems. Mr. Limperis inquired whether Dr. Shah sees a similar path for AI in healthcare and how government regulation might influence this trajectory, particularly in the context of how EHRs were integrated into the industry. By referencing the regulatory framework that accompanied the adoption of EHRs, Mr. Limperis prompted Dr. Shah to consider how regulatory measures may shape the implementation and evolution of AI technologies in healthcare. Dr. Shah acknowledged the significant regulatory changes underway, emphasizing the need for both regulatory adaptation and innovative solutions beyond regulatory frameworks. He drew a parallel between the proliferation of electronic health records (EHRs) following the High Tech Act and the potential trajectory of AI in healthcare, highlighting interoperability as a crucial aspect that could either facilitate or hinder progress. Dr. Shah expressed optimism about the transformative potential of AI in addressing healthcare challenges, particularly in diagnosis, drug discovery, and addressing disparities. He cited examples such as AI-aided detection of	

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	precancerous conditions and ambient listening technology for administrative tasks, which could enhance efficiency and expand capacity in healthcare delivery. Addressing concerns about fairness and transparency in AI deployment, Dr. Shah outlined principles for responsible AI use, including human-centered design, fairness, transparency, and accountability. He stressed the importance of continuous monitoring and audit systems to address biases that may emerge over time. Regarding regulation, Dr. Shah highlighted various initiatives aimed at defining core principles and criteria for AI developers and users. He emphasized the complexity of the regulatory landscape, with multiple agencies and organizations contributing to rulemaking and compliance standards. Dr. Shah advised organizations to establish governance structures, conduct risk assessments, and prioritize responsible AI practices to navigate the evolving regulatory environment effectively. He also provided four key questions for organizations to assess their readiness and accountability in implementing responsible AI practices. Sameer Amin, MD, *Chief Medical Officer*,expressed concern regarding the discourse surrounding AI in healthcare, noting that much of the discussion has focused on branding rather than practical applications. He highlighted the confusion between predictive AI and generative AI and the need for clarity on how AI will be utilized in healthcare. Dr. Amin raised skepticism about the success of AI initiatives, citing past experiences where technological promises failed to materialize. He referenced instances such as clinical decision-making tools built into glasses and natural language software, which ultimately resulted in cumbersome pop-up screens rather than meaningful advancements. Drawing parallels to science fiction portrayals of AI, Dr. Amin emphasized the importance of realistic expectations and timelines for AI implementation. He urged caution in discussing AI and advocated for a more pragmatic approach to assessing its potential benefits and usability in clinical settings. Dr. Shah acknowledged Dr. Amin's concerns about the branding-centric discourse surrounding AI in healthcare, noting the prevalence of startups using AI as a buzzword without clear application. He highlighted the need for a more thoughtful approach, focusing on identifying real problems that AI can effectively address rather than pursuing flashy but superficial solutions. Dr. Shah emphasized the importance of deploying AI in back-office administrative tasks to reduce burdens and demonstrate tangible value to healthcare organizations. He stressed the significance of systematic deployment strategies to ensure meaningful integration and avoid superficial implementations driven solely by marketing appeal. Acknowledging the diversity of approaches across the market, Dr. Shah expressed agreement with Dr. Amin's concerns and offered to continue the discussion on this topic.	

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	In response to Member Batchlor's question about principals, Dr. Shah responded by emphasizing the importance of integrating technology to enhance rather than replace human tasks, advocating for a "human plus machine" approach. He underscored the need to prioritize human-centric goals in the design and deployment of technology, such as enabling more meaningful interactions between healthcare providers and patients. Dr. Shah urged a mindset shift towards building solutions around human needs and functions, rather than pursuing technology for its own sake. Member Batchlor enquired whether the human-centric approach advocated for in their discussion was a novel concept gaining traction. Member Batchlor acknowledged the historical emphasis on technology over human considerations and shared a personal anecdote about their son pursuing a graduate program in human factor engineering, indicating a personal interest in understanding the concept better. Dr. Shah noted that the current emphasis on human-centric approaches in AI implementation differs from previous waves, largely due to past experience with less thoughtful implementations. He observed a recent increase in discussion around ethical AI and responsible use, but noted that practical implementation still lags behind the discourse. Member Manchanda commented with three interrelated points regarding AI implementation: use cases, approach, and accountability. He applauded the acknowledgment of potential harms associated with AI, particularly from an equity standpoint, emphasizing the importance of considering harm as a default assumption in use case prioritization. Member Manchanda noted AI-enabled prior authorization and utilization management as an example of a use case with inherent risks. Member Manchanda spoke about the approach aspect, noting that while terms like "fairness" and "inclusiveness" are positive, they can be ambiguous and subject to co-optation. He advocated for explicit and inclusive framework that involves community and patient engagement from the outset, rather than as an afterthought. Member Manchanda discussed the necessity of ethical oversight throughout the implementation process, drawing parallels to the film industry's use of advisors for sensitive scenes. He stressed the need for ethical observers to ensure equitable application and mitigate the heightened risk of harm, particularly due to potential biases in large language models and datasets. Member Manchanda also underscored the importance of accountability and governance structures, pointing out the challenge faced by many plans in aligning internal systems with equity goals. He emphasized the need for involvement from those most impacted by AI implementation and highlighted the risk of bias in large datasets. Member Manchanda expressed curiosity about how the presented strategies would translate into actionable healthcare strategies.	

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	Dr. Shah responded with several considerations regarding the discussion on AI implementation and its potential harms. He expressed agreement with Member Manchanda while highlighting the opportunity costs of inaction. Dr. Shah acknowledged the risk of harm but emphasized comparing it to the alternative of human-only approaches, which have their own shortcomings. Dr. Shah stressed the importance of considering scalability in mitigating harm, particularly in solutions like care management. He suggested that smaller-scale iterative approaches could allow for better harm mitigation and responsible scaling compared to traditional methods reliant solely on human resources. Regarding prior authorization systems, Dr. Shah indicated his limited involvement in that area but noted the regulatory safeguards in place, such as requiring medical approval for care denials. He expressed hope that regulatory barriers would prevent the misuse of technology to deny care, although he acknowledged the potential for circumvention. Member Manchanda emphasized the importance of acknowledging the high risk of harm associated with AI, comparing it to drugs with a narrow therapeutic window. He clarified that recognizing this risk does not negate the consideration of potential benefits, which vary depending on specific use cases. Member Manchanda highlighted the discrepancy between the comprehensive expertise and strategic overview provided in the discussion and the more limited approaches taken by point solution vendors. He noted that many vendors pitch their technologies to healthcare plans without adequately addressing potential harms or providing necessary safeguards, thereby increasing overall risk.	
APPROVE THE TECHNICAL ADVISORY COMMITTEE CHARTER (TAC 100)	Chairperson Li, presented the following motion *(a copy of the materials can be obtained from Board Services)*: **To approve the revised Technical Advisory Committee Charter.** Member Manchanda moved to approve the committee charter with requested changes. He stated that while the Charter is well-crafted and logical, it lacks clarity on how the Technical Advisory Committee will enhance the existing work in engaging members and patients, such as community advisory committees. He suggested that the Charter should explicitly include ways to incorporate member voices and community engagement efforts. Member Manchanda noted the importance of integrating technical expertise on community engagement within the committee and stressed the need for communication to be a focal point in these discussions. Chairperson Li responded that that language can be included in the Charter. He added that the approval of the Charter can be postponed for another meeting. Member Manchanda responded that the Charter can be approved as long as there is a vehicle to elevate communication with	**proved Unanimously by roll call. 6 AYES (Amin, Chung, Davis, Li, Manchanda, Shultz)**

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	technical expertise. He trusted Chairperson Li to guide the committee and elevate that process and moved to approve the Charter as is. Member Davis seconded the motion, but asked that the committee incorporate other work and how the community will be involved.	
MEDI-CAL REDETERMINATIONS UPDATE	Karla Lee Romero, *Director, Medi-Cal Product Management,* gave an update on Medi-Cal Redetermination of eligibility *(a copy of the presentation can be obtained from Board Services).* Ms. Romero reviewed the end of the continuous coverage requirement in March 2023 and the subsequent unwinding period starting in April 2023, affecting beneficiaries with eligibility renewals in June and terminations beginning in July. Ms. Romero noted California's flexible approach during the unwinding, which improved engagement rates. She discussed a recent DHCS survey showing significant gaps in member awareness and engagement, with many members unaware of the renewal requirements or the process to restart coverage. She spoke about the need for continued outreach, noting that 32% of those who lost coverage were unaware of the renewal necessity, 37% wanted to restart coverage but did not know how, and 45% claimed they never received the renewal packet. As the unwinding period concludes in May, L.A. Care estimates about 330,000 members still need redetermination. Despite the unwinding ending, monthly redeterminations will continue. Ms. Romero noted that close to 2 million members have undergone renewal processing, with 73% maintaining coverage. She stressed the importance of consistent messaging to ensure members complete their renewal packets and maintain coverage. The update included details on L.A. Care's ongoing and planned outreach efforts to support members through the redetermination process.	
ADJOURNMENT	The meeting was adjourned at 4:01 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: DocuSigned by: Alex Li FF33F5D33BFB4D4...
Alex Li, MD, *Chairperson* 8/28/2024 | 8:56 AM PDT

Date Signed

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