EXECUTIVE COMMITTEE MEETING

Board of Governors

October 25, 2021 • 2:00 PM
L.A. Care Health Plan
1055 W. 7th Street, Los Angeles, CA 90017
AGENDA
Executive Committee Meeting
Board of Governors
Monday, October 25, 2021, 2:00 P.M.
L.A. Care Health Plan, 1055 West 7th Street, 10th Floor, Los Angeles

California Governor issued Executive Orders No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Accordingly, members of the public should now listen to this meeting via teleconference as follows:

To join and LISTEN ONLY via videoconference please register by using the link below:
https://lacare.webex.com/lacare/j.php?MTID=m419b88da634bb5e7a269b489688823ff

To join and LISTEN ONLY via teleconference please dial: (213) 306-3065
Access code: 2492 135 7730 Password: lacare

Members of the Executive Committee or staff may also participate in this meeting via teleconference. The public may listen to the Executive Committee meeting by teleconference. The public is encouraged to submit its public comments or comments on Agenda items in writing. You can e-mail public comments to BoardServices@lacare.org, or send a text or voicemail to: 213 628-6420.

The text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.

Comments received by voicemail, email or text by 2:00 pm on October 25, 2021 will be provided to the members of the Board of Governors that serve on the Executive Committee. Public comments submitted will be read for 3 minutes.

Once the meeting has started, voicemails, emails and texts for public comment should be submitted before the agenda item is called by the meeting Chair. If you wish to submit public comment on a specific agenda item, you must submit it at any time prior to the time the Chair announces the item and asks for public comment. Please take note that 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.

Please note that there could be a delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over. 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 concerning items on the Agenda. 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.

WELCOME

Hector De La Torre, Chair

1. Approve today’s meeting Agenda

2. Public Comment (please see instructions above)

3. Approve September 27, 2021 Meeting Minutes
Executive Committee Meeting Agenda  
October 25, 2021  
Page 2 of 3

4. Chairperson’s Report
5. Chief Executive Officer Report
   • 4th Quarter FY 2020-21 Vision 2021 Progress Report  

COMMITTEE ITEMS

6. Government Affairs Update

7. Ratify execution of Amendment A33 to Contract 04-36069, and Amendment A15 to Contract 03-75799, between L.A. Care Health Plan and the California Department of Health Care Services (EXE 100)  

8. Nomination for Charitable Organizations for donated Board Stipends

9. Community Health Investment Fund (CHIF) FY 2021-22 Priorities (EXE 101)  

10. Continue funding of Elevating the Safety Net Residency Support Program (EXE 102)  

11. Approve Revisions to Human Resources Policies
   • HR-602 Annual Organizational Incentive (EXE A)  
   • HR-609 Wage and Salary (EXE B)  

12. Approve the list of items that will be considered on a Consent Agenda for November 4, 2021 Board of Governors Meeting.
   • September 2, 2021 Board of Governors Meeting & Retreat Minutes  
   • September 27, 2021 Board of Governors Special Meeting Minutes  
   • Ratify execution of Amendment A33 to Contract 04-36069, and Amendment A15 to Contract 03-75799, between L.A. Care Health Plan and the California Department of Health Care Services, by L.A. Care Chief Executive Officer, John Baackes  
   • Accounting & Financial Services Revised Policies:
     ➢ Policy AFS 008 (Annual Investment Review)  
     ➢ Policy AFS-027 (Travel Expenses)  
   • Ntooitive Contract  
   • Change Healthcare Resources Contract Amendment  
   • Claris Health Contract Amendment Scope of Works 2, 4, and 6  

ADJOURN TO CLOSED SESSION (Est. time: 30 mins.)

13. CONTRACT RATES
   Pursuant to Welfare and Institutions Code Section 14087.38(m)
   • Plan Partner Rates  
   • Provider Rates  
   • DHCS Rates  
   • Plan Partner Services Agreement
14. 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: October 2023

15. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
   Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act
   Long Beach Memorial Medical Center et al v. L.A. Care Health Plan - AAA Case No. 012000002356

16. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:
   Four Potential Cases

RECONVENE IN OPEN SESSION

ADJOURN

Chair

The next Executive Committee meeting is scheduled on Monday, November 15, 2021 at 2:00 p.m.

Public comments will be read for three minutes or less.

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 listen to 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.

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 Government Code Section 54954.2 (a)(3) and Section 54954.3.

NOTE: THE EXECUTIVE COMMITTEE CURRENTLY MEETS ON THE FOURTH MONDAY OF MOST MONTHS AT 2:00 P.M. POSTED AGENDA and MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT www.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 at www.lacare.org.

AN AUDIO RECORDING OF THE MEETING MAY BE 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) 694-1250. 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.
BOARD OF GOVERNORS
Executive Committee
Meeting Minutes – September 27, 2021
1055 West 7th Street, Los Angeles, CA 90017

Members
Hector De La Torre, Chairperson
Al Ballesteros, Vice Chairperson
Robert H. Curry, Treasurer
Layla Gonzalez, Secretary
Stephanie Booth, MD
Hilda Perez

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

California Governor issued Executive Order No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Members of the public can listen to this meeting via teleconference.

<table>
<thead>
<tr>
<th>AGENDA ITEM/PRESENTER</th>
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| CALL TO ORDER         | Hector De La Torre, Chairperson, called to order the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee meetings at 2:59 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.  
• For those who provided public comment for this meeting by voice message or in writing, we are really glad that you provided input today. The Committee will hear your comments and we also have to finish the business on our Agenda today.  
• If you have access to the internet, the materials for today’s meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know.  
• Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes.  
• The Chairperson will invite public comment before the Committee starts to discuss the item. If the comment is not on a specific agenda item, it will be read at the general Public Comment item 2 on today’s agenda. | }
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| APPROVE MEETING AGENDA | The Agenda for today’s meeting was approved.  
(Board Member Perez joined the meeting.) | Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Curry, De La Torre and Gonzalez). |
| PUBLIC COMMENTS | There were no public comments. |  |
| APPROVE MEETING MINUTES | The minutes of the August 23, 2021 meeting were approved as submitted. | Approved unanimously by roll call. 6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez). |
| CHAIRPERSON’S REPORT | There was no report from the Chairperson. |  |
| CHIEF EXECUTIVE OFFICER REPORT | There was no report from the Chief Executive Officer. |  |
| Government Affairs Update | Cherie Compartore, Senior Director, Government Affairs, reported:  
• California’s Governor has signed about 20 bills into law this past week and has vetoed two bills. There are approximately 600 bills remaining for his action by October 10, 2021.  
• The Governor has not acted on any of the healthcare related bills, and he is likely to act on all of them as a package.  
• The Governor has signed AB 361 into law. This legislation extends the flexibilities of the Brown Act during a state of emergency declaration. These flexibilities are currently in place under the Executive Orders until September 30, 2021.  
• This will be a busy week for the federal congress. Under consideration in the U.S. Senate is a continuing resolution to fund the federal government past the end of the current fiscal year, which ends at midnight on September 30, 2021. If the continuing resolution is not passed, a shutdown will not affect payment of Medicaid, Medicare or Social Security benefits. A shutdown could affect processing of new applications for Medicare and Social Security benefits. Many non-essential government workers |  |
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could be furloughed and offices closed. There is language in the continuing resolution that could raise the debt ceiling.

- A second bill under consideration by the U.S. Congress is the proposed Infrastructure bill, with $1 trillion in spending. This bill has already passed the U.S. Senate but has not been passed by the House of Representatives. The Speaker of the House has indicated this bill will be brought to a vote on October 1, although some Democratic Congress members have signaled they will not vote for this bill without including a social spending bill.

- The social spending bill includes $3.5 trillion for programs such as paid family leave, universal pre-kindergarten and Medicaid expansion in some states. The costs will be paid by increasing taxes for corporations and families with income over $400,000. It is likely this bill will be pared down in order to get enough votes from House members. Democrats are trying to move this through reconciliation. Some Democrats are objecting to the total cost of the bill.

<table>
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<tr>
<th>PUBLIC COMMENTS</th>
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<tbody>
<tr>
<td>There were no public comments for the closed session items.</td>
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<tr>
<th>ADJOURN TO CLOSED SESSION</th>
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<td>The Joint Powers Authority Executive Committee meeting was adjourned at 3:08 p.m. Augustavia J. Haydel, Esq., General Counsel, announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:09 p.m.</td>
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<th>CONTRACT RATES</th>
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<td>Estimated date of public disclosure: September 2023</td>
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The following item was not discussed.

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<td>Long Beach Memorial Medical Center et al v. L.A. Care Health Plan - AAA Case No. 012000002356</td>
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<tr>
<td>Prime Healthcare Services- Alvarado LLC et al. v. Local Initiative Health Authority for Los Angeles County—</td>
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<tr>
<td>AGENDA ITEM/PRESENTER</td>
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<td>----------------------</td>
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<tr>
<td>Case No. 21STC1751</td>
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<tr>
<td>RECONVENE IN OPEN SESSION</td>
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<tr>
<td>ADJOURNMENT</td>
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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:
Hector De La Torre, Chair
Date: ____________________________

Executive Committee Meeting Minutes
September 27, 2021
Page 4 of 4
October 18, 2021

TO: Board of Governors

FROM: John Baackes, CEO

SUBJECT: 4th Quarter FY 2020-21 Vision 2021 Progress Report

This report summarizes the progress made on the activities outlined in Vision 2021, L.A. Care’s Strategic Plan. This is the fourth and final quarterly report for the 2020-21 fiscal year, which represents the third and final year of our three-year plan. The next progress report the Board of Governors will receive will be for L.A. Care’s next three-year Strategic Plan, Vision 2024.

This quarter L.A. Care continued to make steady progress while remaining responsive to the ongoing COVID-19 pandemic, including actively participating in vaccine rollout efforts.

L.A. Care’s notable fourth quarter activities include:

- In-person interventions resumed as our Community Resource Centers reopened and Community Health Workers (CHWs) began to meet members face-to-face at the Centers.
- New Community Resource Centers in Wilmington and El Monte opened to the public, bringing the total of operating centers to ten.
- We continued to focus on our multi-year, multi-faceted systems improvement projects (for customer service, financial management, provider data management, care management, and encounter management).
- L.A. Care reached its goal of 100% employee participation in Diversity, Equity, and Inclusion training.
1 High Performing Enterprise

A high functioning health plan with clear lines of accountability, processes, and people that drive efficiency and excellence.

Goal 1.1
Achieve operational excellence through improved plan functionality.

<table>
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<tr>
<th>Key Activities</th>
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<tr>
<td>Enhance the systems, tools, and processes to improve customer service through the Voice of the Customer (VOICE) initiative.</td>
<td>🟠</td>
<td>The VOICE program is close to successfully completing the first phase of the Call Flow Optimization project, which is the redesign of the Interactive Voice Response (IVR) call flows. The next phases will be to include features such as self-service tools, post-call surveys, and courtesy call backs. The new deployment date is tentatively set for Q1/Q2 of FY2021-22. Work continues on the development and enhancements of provider assignment/changes. VOICE is on track to deploy this enhancement in Q2 of FY2021-22.</td>
</tr>
<tr>
<td>Improve business functions related to financial management with the Enterprise Resource Platform (ERP).</td>
<td>🟠</td>
<td>With the go-live of Phase 2 for disbursements, all teams have been working to sustain the system and adapt to the new business functions. This includes new interfaces, reporting features, and automated processing of business tasks. We have also been working to develop the new Shared Risk functionality within SAP that will go live in a few months. Lastly, project planning has started and blueprinting has begun for Phases 3 and 4.</td>
</tr>
<tr>
<td>Modernize provider data management through continued operations of the Total Provider Management (TPM) initiative.</td>
<td>🟠</td>
<td>The TPM program has evolved into the Provider Roadmap Initiative, a multi-year program focused on improving L.A. Care’s provider data quality and management, including enhancements to data intake, standardization, validation, storage, and reporting processes. This initiative will, among other things, prioritize the use of the standardized provider file (SPF) to receive provider data directly from our PPG partners. This was the principal component of TPM. The Provider Roadmap Initiative will also leverage the validated provider data available through the partnership with Symphony Provider Directory Utility, will address some known infrastructure challenges that have historically limited our efficient use of available data, will employ the newly established data governance framework to ensure better data quality, and will enable the network</td>
</tr>
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Color Indicator Legend
- Green – On target, no issues
- Yellow – Some issues, probable risks, concerns
- Red – Major issues, high risk
- Blue – Complete
## Key Activities Status Update

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<tr>
<td>Improve coordination of care for members with the Care Catalyst initiative, and the Population Health Management System (SyntraNet/Thrasys).</td>
<td>Green</td>
<td>The Utilization Management (UM) module of the SyntraNet electronic platform is actively functioning as the tool for processing authorization requests received by the UM, Behavioral Health, and Long-Term Supportive Services departments. Modifications remain consistent and ongoing, including but not limited to, development of integrated modules such as UM Regulatory Reporting, In Lieu of Services (ILOS), Enhanced Care Management (ECM), and an electronic authorization request submission tool.</td>
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<tr>
<td>Implement strategies to improve encounters and risk adjustment processes.</td>
<td>Yellow</td>
<td>We have operationalized Phase 1 of the Edifecs EDGE Server project to include LACC encounter/claim data into the company’s Edifecs platform and will be implementing the EDGE Server module for transition and improvement of LACC Risk Adjustment related data submission. The project will be completed March 2022.</td>
</tr>
<tr>
<td>Implement improvements for diversity and inclusion within the L.A. Care workforce, as recommended by the L.A. Care Team Equity Council.</td>
<td>Green</td>
<td>The Equity Council will host its first Equity Council summit meeting for the Steering Committee where the team, provider, and member sub-councils will meet together to review a SWOT analysis and set plans for 2022. L.A. Care reached its goal of 100% employee participation in Diversity, Equity, and Inclusion training. In addition, upper management participated in cultural humility training.</td>
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### Goal 1.2

**Maximize the growth potential of our product lines.**

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<tr>
<td>Implement a product governance process to ensure enterprise-wide alignment for products, programs, and service offerings across all lines of business.</td>
<td>Green</td>
<td>Product leadership continues to lead cross-functional teams to ensure a consistent approach to issues across all products. The Chief Product Officer serves on key leadership committees to represent the needs of the products and to ensure alignment across the organization.</td>
</tr>
</tbody>
</table>
# Quarterly Progress Report
## July – September 2021

### Key Activities | Status | Update
--- | --- | ---
Create a tailored approach to member enrollment and retention, based on unique needs of the product. | [[Green]] | Member journey maps have been completed for each line of business (MCLA, CMC, LACC) and shared with Product Team owners. Marketing continues implementation and optimization of Covered California's American Rescue Plan marketing efforts. Marketing has finalized its planning efforts for Open Enrollment 2022 in collaboration with the Product and Strategic Planning teams.

Leverage our ability to offer member choice and provide value-added programs for all product lines. | [[Green]] | As L.A. Care plans for 2022 Covered California Open Enrollment and the development of a D-SNP, we are investigating offerings that would make our products competitive and balance price and provider choice, including expanded options for virtual care beyond our current telehealth offering.

Plan and prepare for the implementation of a Dual Eligible Special Needs Program to serve our dually eligible Medi-Cal and Medicare population. | [[Yellow]] | The Dual Eligible Special Needs Program (D-SNP) business case was approved by the Internal Review Board. Program planning is underway to document business requirements for all business units responsible for D-SNP program management. Monthly Department of Health Care Services (DHCS) Cal Medi-Connect to D-SNP Enrollment Transition Workgroups continue. State policy on Exclusively Aligned Enrollment (EAE) for D-SNP has been solidified; operational processes to support EAE to be developed by the state in partnership with stakeholders.

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2 High Quality Network

A network that aligns reimbursement with member risk and provider performance to support high quality, cost efficient care.

Goal 2.1
Maintain a robust provider network that supports access to high-quality, cost efficient care.

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<tr>
<td>Engage in a provider network strategy that meets distinct business and competitive needs of all products and ensures that members receive high-value care.</td>
<td>Green</td>
<td>The current Q4 network adequacy rate for September 2021 is 97%, which continues to exceed Q3 results. Focus remains on supporting our contracted physicians as they continue to care for our growing membership (increase of 5.13% from Q3 to Q4). Phase 2 will include expanding the specialty network throughout the remainder of L.A. County, preparing us for any future expansion of the Direct Network, as applicable.</td>
</tr>
<tr>
<td>Optimize oversight of delegated functions.</td>
<td>Green</td>
<td>The Delegated Entities Manual was posted on L.A. Care’s website on July 13, 2021. The next annual review will be completed in 2022.</td>
</tr>
<tr>
<td>Implement initiatives to promote diversity and equal opportunity among vendors, providers, and purchased services, as recommended by the Vendor and Provider Equity Council.</td>
<td>Green</td>
<td>On August 18th, L.A. Care hosted its first Small Business Day, held virtually, to encourage and teach small and minority-owned businesses how to be a competitive bidder for L.A. Care and other vendor opportunities. More than 100 participants registered for the event.</td>
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Goal 2.2
Build foundational capabilities to support expansion of the L.A. Care Direct Network.

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<tr>
<td>Strategically develop, expand, and address gaps in the Direct Network to meet all member needs.</td>
<td>Green</td>
<td>L.A. Care is focused on growing specialty access to prevent future gaps, to increase member choice, and to improve access and availability for members. As this specialty access grows, and where access to specialty care is found to be adequate, contracted PCPs for that area can have their panels opened for member choice enrollment. To date, the team has identified about 130 contracted PCPs whose panels can be opened.</td>
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# Quarterly Progress Report
## July – September 2021

### Key Activities Status Update

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<tr>
<td>Through continuous use of targeted provider recruitment data, analytics, and</td>
<td></td>
<td>Through continuous use of targeted provider recruitment data, analytics, and dashboards, L.A. Care continues to improve network adequacy for the Direct Network.</td>
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<td>dashboards, L.A. Care continues to improve network adequacy for the Direct</td>
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<tr>
<td>Network.</td>
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<td>Improve the operations of all L.A.</td>
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<td>L.A. Care continues to direct efforts to provide clarity to providers through trainings that explain the Direct Network (DN) referral and prior authorization (PA) process while also refining the PA form, which will lead to an enhancement of the online PA lookup tool. The DN reference guide will be updated following the implementation of those refinements and enhancements. Updates currently being made to business requirements will yield improvements to the clinical operations tool (SyntraNet), including the electronic authorization features.</td>
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<td>Care functions necessary to support and scale up the Direct Network.</td>
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### Goal 2.3

**Providers receive the individualized information and resources they need to provide high-quality care with low administrative burden.**

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<td>Provide practices with actionable data, education, and resources to support</td>
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<td>The IPAs submitted their progress updates for their 2021 Action Plans. L.A. Care and Plan Partner staff are reviewing and will provide feedback by next month. The Provider Opportunity Reports are being produced and distributed on a monthly basis, which show up-to-date compliance rates and member gaps in care for HEDIS. Utilization Management (UM) Reports and Quarterly Encounter Reports give additional actionable data for monitoring. The new off-season 2020 Medicare member experience survey (CAHPS + Health Outcomes Survey) results were shared with CMC IPAs. Focused meetings to go over those results and discuss opportunities for improvement began with select IPAs. Our provider engagement efforts continue with multiple interactions with office staff helping to optimize services, coding, and data submission. The L.A. Care Provider Continuing Education (PCE) Program offered several webinars to L.A. Care providers, staff, and other healthcare professionals; webinar topics included: • Perinatal Mood and Anxiety Disorders (PMADs) • Post-COVID Care • Women’s Reproductive Health and Cancer Screenings • Pediatric and Adult Asthma Management</td>
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<td>ongoing efforts to improve quality and NCQA status.</td>
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## Key Activities | Status | Update
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Celebrate top providers and improved performance. | | During this quarter PCE Program webinars had an average of 107 participants and an average of 43% of the total audience were L.A. Care Providers.

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Offer access to loan repayment and recruitment assistance for new physicians (Elevating the Safety Net). | | The 2021 Provider Recognition Event was successfully held in February and was included in the Q2 progress report. Planning for 2022 is underway.

• **Provider Recruitment Program (PRP)** – We continue to grow the PRP program, with 129 providers hired.
• **Provider Loan Repayment Program (PLRP)** – L.A. Care’s investment in this program has supported 97 actively participating providers to date. With the most recent investment in this program approved by the Board of Governors in September 2021, starting in the Fall of 2021, we anticipate awarding between 30-60 new providers as well as extending awards for 22 providers completing their three year service commitment, for two additional years of awards to pay off their remaining educational debt.

Support practice transformation and use of electronic resources such as Electronic Health Records (EHRs), Health Information Technology (HIE), and virtual care. | | • L.A. Care and First 5 LA are partnering to help practices improve screening and resources for child development.
• HIT and Health Services are finishing the second part of the L.A. Care virtual care strategy which includes advocacy and quarterly market updates.
• The eManagement program ended 9/30.
• L.A. Care partnership with LANES to support the California Health Information Exchange Onboarding Program (CalHOP) ended 9/30.
### 3 Member-Centric Care

Member-centric services and care, tailored to the needs of our varied populations.

**Goal 3.1**

**Understand our member needs so we can better manage their care and plan for the future.**

<table>
<thead>
<tr>
<th>Key Activities</th>
<th>Status</th>
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<tbody>
<tr>
<td>Use all available data sources, including the Optum Impact Symmetry Suite (Member360), to assess and improve the population health of our membership.</td>
<td>🟢</td>
<td>L.A. Care is preparing for an upgrade to the Optum Symmetry Suite. The upgrade adds enhancements to how risk scores are calculated. In anticipation of coming NCQA and CalAIM requirements we are working to ensure that the Optum risk score does not create any biases based on race, ethnicity, language, functional status, or other sources of health disparities. We need to demonstrate to NCQA and DHCS that we have a method in place for addressing and remediating such biases. L.A. Care is still working with Optum to incorporate the results of their person-level Social Vulnerability Index into the user interface of the Symmetry Suite. L.A. Care continues to add more detailed SDOH indicators to our annual Population Health Assessment to identify disparities. We have added race and ethnicity to the Impact Pro tool. This now enables staff to query lists of members based on race and ethnicity.</td>
</tr>
</tbody>
</table>

Incorporate assessment of social needs into the day-to-day work of staff who interact directly with members. | 🟢 | Care Management  
The Care Management team continues to assess all its members for Social Determinants of Health (SDOH) needs and works to address all identified gaps by educating members about their benefits, such as Cal-Fresh, In-Home Support Services (IHSS), General Relief (GR), Supplemental Security Income (SSI) and linking members to community based resources such as L.A. Food Banks, Project Angel Food, Coordinated Entry System, State Rent Relief Program, and others. Additionally, the Care Management team has been proactive about providing members with COVID vaccine education and linkage.  

**Social Services**

Compliance hosted a kickoff for the DHCS All Plan Letter (APL) that requires plans to collect Social Determinants of Health data. Health Equity and Population Health Management will help lead these efforts to inform and ensure providers are coding for social determinants of health. |
## Key Activities

### Improve coordination of care for members with the Care Catalyst initiative, and the Population Health Management System (SyntraNet/Thrasys).

The Utilization Management (UM) module of the SyntraNet electronic platform is actively functioning as the tool for processing authorization requests received by the UM, Behavioral Health, and Long-Term Supportive Services departments. Modifications remain consistent and ongoing, including but not limited to, development of integrated modules such as UM Regulatory Reporting, In Lieu of Services (ILOS), Enhanced Care Management (ECM), and an electronic authorization request submission tool.

---

### Goal 3.2

**Address members’ unmet health and social needs by making care accessible in the right way, at the right place, at the right time.**

#### Key Activities

- **Increase access to virtual care by implementing the initial steps of L.A. Care’s Virtual Care Strategy.**

  - The Virtual Specialty Care Program’s (V-SCP) specialty care contracts and credentialing needs with Children Hospital Los Angeles, HubMD (a Southern California multi-specialty adult virtual specialty group), and Beacon (adult and pediatric psychiatric services) are in the final stages of being completed.
  - A Direct Network-focused primary care provider and practice recruitment plan has been reviewed and vetted.
  - The aim is to launch the V-SCP (an end-to-end and integrated eConsult, telehealth visit, and in-person specialty face-to-face program) by January 2022.
  - The V-SCP program will make available 20 adult virtual care specialties and eight high volume pediatric specialties, which will provide additional access and an organized approach to specialty care resources and telehealth services for both our members and our Direct Network primary care providers.

- **Expand care management at Community Resource Centers/Family Resource Centers.**

  In-person interventions resumed as our Community Resource Centers reopened and the Community Health Workers (CHWs) began to meet members face-to-face at the Centers. The Care Management Program will work on deploying the team back in the community beyond the walls of the Centers so that the CHWs can meet members in their homes and accompany them to provider visits. To do this effectively and safely the team will be trained on COVID safety precautions for field visits.
Quarterly Progress Report
July – September 2021

Key Activities Status Update
Implement strengthened or expanded activities to promote equity among members, as recommended by the Member Health Equity Council.

The Member Health Equity Council reviewed its metrics for this fiscal year and have begun to identify new metrics for the upcoming fiscal year. Next fiscal year, we will continue our focus on establishing new partnerships to expand our reach. Food security and black maternal health are two areas of focus. The Consumer Health Equity Council continues to meet on a quarterly basis.

4 Health Leader

Recognized leader in improving health for low income and vulnerable communities.

Goal 4.1

Be a local, state, and national leader to advance health and social services for low income and vulnerable communities.

<table>
<thead>
<tr>
<th>Key Activities</th>
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<tbody>
<tr>
<td>Advocate for policies that improve access to care and quality of life for low income communities.</td>
<td></td>
<td>L.A. Care submitted a letter to the House Energy and Commerce and Senate Health, Education, Labor, and Pensions committees in response to their May 2021 Request for Information regarding the concept of a public option. L.A. Care’s response addressed the committees’ questions and offered L.A. Care as an example of a successful public option. L.A. Care also held ten congressional office visits in July to further discuss public option legislation and to consider L.A. Care as a viable public option. L.A. Care took a support position on Congressional legislation that would remove harmful barriers to federal public benefits for immigrants. The LIFT the BAR Act eliminates the current five-year waiting period for access to Medicaid, the Children’s Health Insurance Program (CHIP), the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and the Supplemental Security Income (SSI) program. This will restore access to critical aid for Green Card holders, DACA recipients, individuals granted Special Immigrant Juvenile Status (SIJS), and other lawfully present immigrants. This bill is sponsored by Congressman Tony Cardenas. Finally, while the Governor’s 2021-22 budget called for providing state-funded Medi-Cal benefits to undocumented individuals age 65 and older, L.A. Care had communicated its</td>
</tr>
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</table>
### Quarterly Progress Report

**July – September 2021**

<table>
<thead>
<tr>
<th>Key Activities</th>
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<tr>
<td><strong>Demonstrate the value of a public option.</strong></td>
<td></td>
<td>In addition to submitting a letter in response to the Request for Information noted in the update provided above, L.A. Care CEO John Baackes wrote an Op-Ed in Roll Call and a post for the Los Angeles Area Chamber of Commerce Health Care Waiting Room blog this quarter. Both pieces advocate for improving the Affordable Care Act, particularly by establishing a public option, and offer L.A. Care as an example of a successful public option.</td>
</tr>
<tr>
<td><strong>Contribute to and participate in the State’s Medi-Cal Waiver design efforts to ensure waiver programs support and meet member needs.</strong></td>
<td></td>
<td>L.A. Care has continued to focus on internal readiness efforts in preparation for the aspects of CalAIM set to launch on January 1, 2022, specifically Enhanced Care Management (ECM) and In Lieu of Services (ILOS). We also continue to support waiver design discussions and advocate on behalf of our members through conversations with the state, workgroup meetings, public comment periods, and similar engagement opportunities.</td>
</tr>
<tr>
<td><strong>Identify and prioritize actions, programs, and interventions to promote equity and social justice internally and externally, as recommended by the Equity Council Steering Committee.</strong></td>
<td></td>
<td>We are tracking the current immigration and refugee crises for their impact on our members and considering how L.A. Care can best be supportive. We are also examining how we can continue to effectively speak to social justice issues and pursue meaningful interventions.</td>
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</table>

**Goal 4.2**

**Implement initiatives that improve the health and wellbeing of those served by safety net providers.**

<table>
<thead>
<tr>
<th>Key Activities</th>
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<tbody>
<tr>
<td><strong>Continue and expand the Elevating the Safety Net initiative.</strong></td>
<td></td>
<td>• <strong>Health Career Internship Program</strong> – This quarter, 34 interns successfully completed their internship experiences at Federally Qualified Health Centers, community-based organizations, the Community Clinic Association of Los Angeles County, and L.A. Care. Of the 34 interns, 12 supported projects focused on health equity and the reduction of health disparities, 11 are seeking careers in medicine, and the remainder supported an array of operations and programs.</td>
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<tr>
<td></td>
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<td>• <strong>Residency Support Program (RSP)</strong> – L.A. Care’s investment has supported 38 residents and 4.0 faculty FTE in L.A. County to date. In August 2021, L.A. Care invited 19</td>
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## Key Activities Status Update

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<tr>
<th>Key Activities</th>
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<tbody>
<tr>
<td>AltaMed, Charles R. Drew University (CDU), UCLA and Adventist Health White Memorial to submit applications for a third cycle of funding. Funding recommendations to sustain residency training are under review and will be available for approval by our Board members as early as November 2021.</td>
<td></td>
</tr>
<tr>
<td><strong>Medical School Scholarships</strong> – Eight new medical students (four at CDU and four at UCLA) started their journey to become practicing physicians with a full four-year tuition scholarship starting in 2021. L.A. Care’s investment now supports 4 cohorts and 32 medical students total.</td>
<td></td>
</tr>
<tr>
<td><strong>Provider Recruitment Program (PRP)</strong> – We continue to grow the PRP program, with 129 providers hired.</td>
<td></td>
</tr>
<tr>
<td><strong>Provider Loan Repayment Program (PLRP)</strong> – L.A. Care’s investment in this program has supported 97 actively participating providers to date. With the most recent investment in this program approved by the Board of Governors in September 2021, starting in the Fall of 2021, we anticipate awarding between 30-60 new providers as well as extending awards for 22 providers completing their three year service commitment, for two additional years of awards to pay off their remaining educational debt.</td>
<td></td>
</tr>
<tr>
<td><strong>Elevating Community Health</strong> – Fifty-four CHWs have participated in the program to date and the third cohort continued its training this quarter, completing three of six continuing education sessions covering Home Visitation, Accompaniment, and Transitions of Care. The Center for Caregiver Advancement’s IHSS training program has graduated 4,181 IHSS workers to date.</td>
<td></td>
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<tr>
<td><strong>National Medical Fellowship (NMF)</strong> – The 2021 NMF Primary Care Leadership Program (PCLP) took place June 14-July 23, 2021. With funding support from L.A. Care, three medical students, three physician assistant students and one nursing student were matched with four sites: North East Valley Health Corporation, St. John’s Well Child and Family Center, Venice Family Clinic and Watts Healthcare Corporation.</td>
<td></td>
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<tr>
<td><strong>Keck Graduate Institute (KGI) Master of Science in Community Medicine (MSCM)</strong> – Twenty-two students (part of the charter class), who have received full-tuition scholarships, continued their participation in KGI’s new two-year online MSCM program this quarter. Upon completing the MSCM program, which will prepare students to work in underserved and underrepresented communities, students will also have the option to pursue additional training in medicine at KGI.</td>
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### Color Indicator Legend

<table>
<thead>
<tr>
<th>Color</th>
<th>Description</th>
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<tbody>
<tr>
<td>Green</td>
<td>On target, no issues</td>
</tr>
<tr>
<td>Yellow</td>
<td>Some issues, probable risks, concerns</td>
</tr>
<tr>
<td>Red</td>
<td>Major issues, high risk</td>
</tr>
<tr>
<td>Blue</td>
<td>Complete</td>
</tr>
</tbody>
</table>
### Key Activities

| Expand the number, size, and scope of our Community Resource Centers to a total of 14 sites across 11 Regional Community Advisory Committee regions in partnership with Blue Shield of California Promise Health Plan. | Green | Eight Community Resource Centers continued operations this quarter. The Boyle Heights location remained closed due to the pandemic but staff was deployed to the East L.A. center. The new Inglewood center is under construction and is scheduled for completion in November 2021. Staff continues to work remotely. New centers in Wilmington and El Monte opened to the public, bringing the total number of operating centers to ten. Larger replacement sites for the Boyle Heights and Pacoima centers have been identified. |
| Continue to optimize the Health Homes Community-Based Care Management Entity network and improve operations, pending clear direction from the State on Medi-Cal waiver design efforts. | Yellow | L.A. Care has continued to work with its Health Homes CB-CMEs to support capacity building. L.A. Care hosted a learning collaborative event that focused on themes from care planning coaching and allowed CB-CMEs to share with each other and showcase successes. Additionally, L.A. Care continued its annual audit of CB-CMEs in Q4, and is providing feedback to CB-CMEs to support ongoing performance improvement. Prospective Enhanced Care Management (ECM) providers, including CB-CMEs transitioning from L.A. Care’s Health Homes network, submitted ECM Certification applications and began development of Readiness and Gap Closure plans. The process is intended to support ECM operational readiness for a successful January 2022 program launch. |

### Color Indicator Legend

- **Green** – On target, no issues
- **Yellow** – Some issues, probable risks, concerns
- **Red** – Major issues, high risk
- **Blue** – Complete
Board of Governors
MOTION SUMMARY

Date: October 25, 2021
Motion No. EXE 100.1121
Committee: Executive
Chairperson: Hector De La Torre

Issue: Request to ratify execution of Amendment A33 to L.A. Care’s Medi-Cal Contract (04-36069), and to ratify execution of Amendment A15 to L.A. Care’s Hyde Contract (Contract No. 03-75799) with the California Department of Health Care Services (DHCS), by L.A. Care Chief Executive Officer, John Baackes.

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

Background: L.A. Care received Amendment A33 and Amendment A15 from DHCS on October 1, 2021 with a request that it be reviewed, signed, and returned to DHCS by October 15, 2021. Amendment A33 modifies the contract term of the primary Medi-Cal Agreement and Amendment A15 modifies the contract term of the Hyde Agreement. Effective dates for both contracts are extended to December 31, 2022.

Member Impact: There is no member impact.

Budget Impact: There is no impact to 2021-22 budget.

Motion: To ratify execution of Amendment A33 to Contract 04-36069, and to ratify execution of Amendment A15 to Contract 03-75799, between L.A. Care Health Plan and the California Department of Health Care Services, by L.A. Care Chief Executive Officer, John Baackes.
1. This Agreement is entered into between the State Agency and Contractor named below:

State Agency’s Name (Also known as DHCS, CDHS, DHS or the State)
Department of Health Care Services
Contractor’s Name (Also referred to as Contractor)
L.A. Care Health Plan

2. The term of this Agreement is: August 1, 2003 through December 31, 2022

3. The maximum amount of this Budget Act Line Items
Agreement after this amendment is: 4260-601-0912 and 4260-601-0555

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

I. Amendment effective date: December 31, 2021 or until approved by DGS (if DGS approval is required).

II. Purpose of amendment: It extends the contract term to December 31, 2022. DHCS is obtaining a continuation of the services identified in the original agreement.

III. Certain changes made in this amendment are shown as: Text additions are displayed in **bold and underline**. Text deletions are displayed as strike through text (i.e., *Strike*).

IV. Paragraph 2 (term) on the face of the original STD 213 is amended to read: August 1, 2003 through **December 31, 2022**. All references to the former contract term of August 1, 2003 through December 31, 2021 in any exhibit incorporated into this agreement are hereinafter deemed to read August 1, 2003 through December 31, 2022.

(Continued on next page)

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CALIFORNIA Department of General Services Use Only</th>
</tr>
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<tbody>
<tr>
<td><strong>L.A. Care Health Plan</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Contractor’s Name (If other than an individual, state whether a corporation, partnership, etc.)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>By (Authorized Signature)</strong></td>
<td><strong>Date Signed (Do not type)</strong></td>
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<tr>
<td></td>
<td></td>
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<tr>
<td>Printed Name and Title of Person Signing</td>
<td></td>
</tr>
<tr>
<td>John Baackes, Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td><strong>Address</strong></td>
<td></td>
</tr>
<tr>
<td>1055 West 7th Street, 10th Floor</td>
<td></td>
</tr>
<tr>
<td>Los Angeles, CA 90017</td>
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<tr>
<th>STATE OF CALIFORNIA</th>
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<tbody>
<tr>
<td><strong>Agency Name</strong></td>
<td><strong>By (Authorized Signature)</strong></td>
</tr>
<tr>
<td>Department of Health Care Services</td>
<td></td>
</tr>
<tr>
<td><strong>Printed Name and Title of Person Signing</strong></td>
<td></td>
</tr>
<tr>
<td>Michelle Retke, Chief Managed Care Operations Division</td>
<td></td>
</tr>
<tr>
<td><strong>Address</strong></td>
<td><strong>Exempt per: W&amp;I Code Section 14087.55(c)</strong></td>
</tr>
<tr>
<td>1501 Capitol Avenue, MS 4415, P.O. Box 997413</td>
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<tr>
<td>Sacramento, CA 95899-7413</td>
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</table>
V. Exhibit E, Attachment 2, PROGRAM TERMS AND CONDITIONS, is amended to read:

11. Term

A. The Contract will become effective April 1, 2005, and will continue in full force and effect through December 31, 2022 subject to the provisions of Exhibit B, Provision 1. Budget Contingency Clause, the Centers for Medicare and Medicaid Services waiver approval, and Exhibit D(F), Provision 3. Federal Contract Funds.

VI. All rights, duties, obligations and liabilities of the parties hereto otherwise remain unchanged.
1. This Agreement is entered into between the State Agency and Contractor named below:
   
   **State Agency's Name**
   Department of Health Care Services
   
   **Contractor's Name**
   L.A. Care Health Plan

2. The term of this Agreement is: April 1, 2005 through December 31, 2022

3. The maximum amount of this Agreement after this amendment is: 4260-601-0912 and 4260-601-0555

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

   I. **Amendment effective date:** December 31, 2021 or until approved by DGS (if DGS approval is required).

   II. **Purpose of amendment:** It extends the contract term to December 31, 2022. DHCS is obtaining a continuation of the services identified in the original agreement.

   III. Certain changes made in this amendment are shown as: Text additions are displayed in **bold and underline**. Text deletions are displayed as strike through text (i.e., **strike**).

   IV. Paragraph 2 (term) on the face of the original STD 213 is amended to read: April 1, 2005 through December 31, 2022. All references to the former contract term of April 1, 2005 through December 31, 2021 in any exhibit incorporated into this agreement are hereinafter deemed to read April 1, 2005 through December 31, 2022.

   (Continued on next page)

   All other terms and conditions shall remain the same.

   **IN WITNESS WHEREOF**, this Agreement has been executed by the parties hereto.

   **CONTRACTOR**
   Contractor’s Name *(If other than an individual, state whether a corporation, partnership, etc.)*
   L.A. Care Health Plan
   By *(Authorized Signature)*
   Printed Name and Title of Person Signing
   John Baackes, Chief Executive Officer
   Address
   1055 West 7th Street, 10th Floor
   Los Angeles, CA 90017

   **STATE OF CALIFORNIA**
   Agency Name
   Department of Health Care Services
   By *(Authorized Signature)*
   Printed Name and Title of Person Signing
   Michelle Retke, Chief
   Managed Care Operations Division
   Address
   1501 Capitol Avenue, MS 4415, P.O. Box 997413
   Sacramento, CA 95899-7413

   **CALIFORNIA**
   Department of General Services
   Use Only
   Exempt per: W&I Code Section 14087.55(c)
Date: October 25, 2021

Motion No. EXE 101.1121

Committee:

Chairperson: Hector De La Torre

Issue: This motion outlines the Community Health Investment Fund (CHIF) priorities for FY 2021-22.

Funding will align with the following CHIF priorities:
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 organizations that address systemic racism.

Background: On September 2, 2021, as part of the general organizational budget, the L.A. Care Board of Governors approved a CHIF funding allocation of $10 million for FY 2021-22.

All CHIF grants are well-vetted before they reach the Board of Governors. This includes Community Benefits staff, a review committee composed of internal staff and community experts, Strategic Planning Senior Director, and CEO authorization. Grant requests over $250,000 will be brought to the Board for final approval. Upon approval, a grant agreement is executed with the grantee, outlining responsibilities and accountability to perform according to agreed objectives. Grantees will submit progress reports bi-annually and progress will be reported to the Board annually. Additionally, staff will also report monthly to the Board on approved grants and sponsorships.

Member Impact: CHIF funds will help to support safety net providers and social service agencies to increase access to care, improve quality of care, including health outcomes, address social determinants of health, reduce health disparities, and minimize racial inequities for marginalized populations. This support will also be within the context of the ongoing COVID-19 pandemic and its aftermath, including the impact to L.A. Care members throughout Los Angeles County.

Budget Impact: On September 2, 2021, as part of the general organizational budget, the L.A. Care Board of Governors approved a CHIF funding allocation of $10 million for FY 2021-22.

Motion: 1. To approve the recommended approach for the Community Health Investment Fund (CHIF) FY 2021-22 allocation of up to $10 million in the following priority categories:
   (a) support the health care safety net to improve infrastructure and address racial inequities, recommended at $4.1 million,
   (b) address social determinants of health that result in inequities, recommended at $2.4 million,
   (c) close the health disparities gap, recommended at $1.8 million, and
   (d) empower and invest in organizations that address systemic racism, recommended at $1.7 million.

2. Delegated authority to the CEO to implement the CHIF program and approve up to $250,000 per grant through September 30, 2022. This authority will allow L.A. Care to make grants for larger projects as well as respond to COVID-19 ongoing needs and its aftermath. Also, allow for CEO to adjust CHIF priority category amounts noted above to align with changing community needs and requests. All other policies and approvals related to grant making investments will remain in place.
TO: Executive Committee
FROM: Wendy Schiffer, Senior Director, Strategic Planning
Roland Palencia, Director, Community Benefit Programs

SUBJECT: Community Benefits, CHIF Program Priorities for FY 2021-22

In 2000, L.A. Care Health Plan’s Board of Governors established the Community Health Investment Fund (CHIF) program to improve health care access and quality of care for underserved populations and to support the safety net that serves them. To date, CHIF funding has supported 822 projects with an investment of over $107.0 million, benefitting community-based clinics, social service organizations, and the Los Angeles County public health and healthcare systems.

On September 2, 2021, L.A. Care’s Board of Governors approved a CHIF funding allocation of $10 million as part of L.A. Care’s fiscal year 2021-22 budget, matching the previous fiscal year allocation.

**CHIF Priorities for FY 2021-22**

To best support L.A. Care’s strategic vision, Community Benefits staff has developed four overarching CHIF priorities:

1. *Support the health care safety net to improve infrastructure and address racial inequities*
   This CHIF priority will support projects that address the infrastructure needs of safety net providers in the context of overall healthcare needs and the ongoing and aftermath of the COVID-19 pandemic while addressing the exacerbated racial inequities in the health care system.

   The recommended allocation for this goal priority is $4.1 million, and the individual grant amount may range from $75,000 to $250,000. The funds may be distributed in the form of initiatives such as the Robert E. Tranquada, M.D. Safety Net infrastructure initiative, Oral Health Initiative, or through community-initiated ad hocs requests that do not fit in any of the initiatives released under this priority, but meet overall CHIF priorities.

2. *Address social determinants of health that result in inequities.*
   This priority focuses on social determinants that impact health and is designed to address issues such as housing, including those at risk of or experiencing homelessness or substandard housing conditions, poverty, and food insecurity. This could also include collaborating with sectors that promote a comprehensive approach to community wellness and health.
Community Benefits, CHIF Program Priorities FY 2021-22
Page 2 of 3

The recommended allocation for this goal priority is $2.4 million. The individual grant amount may range from $50,000 to $250,000. The funds may be distributed in the form of initiatives such as initiatives to increase food and income security or address eviction prevention, or through community-initiated ad hoc requests that do not fit in any of the initiatives under this priority.

3. Close the health disparities gap
This priority will support projects that directly address health disparities among low-income populations due to race or ethnicity, sex, sexual identity, age, disability, socioeconomic status, geographic location, and especially a combination and compounding of these and other environmental factors. This priority may also support data surveillance projects that help to inform this progress.

The recommended allocation for this goal priority is $1.8 million. The average individual grant amount may range from $75,000 to $250,000. The funds may be distributed in the form of initiatives such as the African American Infant and Maternal Success (AAIMS) initiative or through ad hoc requests that do not fit in any of the designed initiatives under this priority.

4. Empower and invest in organizations that address systemic racism.
This priority will support organizations that are deeply rooted in and/or are led by individuals from communities of color. These leaders and organizations have direct experience with the many overlapping issues affecting their communities, including the ensuing consequences of the COVID-19 pandemic and its aftermath. This priority also seeks to build the capacity of organizations that have historically been underfunded and under resourced by philanthropy. This priority is consistent with L.A. Care’s Statement of Purpose on racial inequities and aligns with L.A. Care’s Equity Council goals.

The recommended allocation for this goal priority is $1.7 million. The average individual grant amount may range from $25,000 to $250,000. The funds may be distributed in the form of initiatives such as the Equity and Resilience initiative, or through ad hoc requests that do not fit in any of the designed initiatives under this priority.

To select these priorities, Community Benefits staff has solicited input from L.A. Care management throughout the organization, including the Chief Executive Officer (CEO), and consulted with a number of community clinics, as well as philanthropic partners that invest in the safety net and other health areas. Within each priority area, CHIF funds will be distributed through a combination of initiatives that will require a request for applications (RFA) process and community-initiated proposals by individual organizations (ad hocs) that do not fit into any of the initiatives but align with a priority area.

Approval Process
In the attached motion, there is a request for the Board of Governors to delegate authority to the CEO to implement the CHIF priorities and for CEO to approve grant investments of up to $250,000 per grant through September 30, 2022. Any individual grant above the $250,000 threshold will be brought to the Executive Committee and then to the Board of Governors for final approval. This higher level of delegated authority will allow us to make some larger grants in an expedient manner, enabling us to respond to emerging needs such as COVID and vaccination response and CalAIM.
readiness. The motion also allows the CEO to adjust funding amounts between priority categories to align with evolving community needs.

All CHIF grants are well-vetted, going through at least four levels of approval before they reach the Board of Governors. This includes Community Benefits staff assessment, review committee recommendation, Strategic Planning Senior Director consent, and CEO and/or Board approval. All other policies and approvals related to grant making investments will remain in place. Consistent with policy 603, staff will submit monthly reports on CHIF grants approved in the previous month. This will be in addition to the annual Community Health Investment Fund Summary, usually submitted in June of every year, for the previous fiscal year that highlights grant accomplishments, areas of impact, media coverage, and community-wide acknowledgements.
**Board of Governors**

**MOTION SUMMARY**

**Date:** October 25, 2021

**Motion No.** EXE 102.1121

**Committee:** Executive

**Chairperson:** Hector De La Torre

**Issue:** Continue authorization of expenditures under the Elevating the Safety Net (ESN) initiative for the Residency Support Program (RSP)

**Background:** In 2019 and 2020, the Executive Board approved a combined $9,652,928 (two funding cycles) under the ESN initiative RSP to support expansion of graduate medical education training for 38 residents and 4.0 FTE faculty across five (5) teaching institutions: AltaMed Health Services Corporation (AltaMed), Children’s Hospital of Los Angeles, Charles R. Drew University of Medicine and Science (CDU), UCLA Foundation (UCLA), and White Memorial Medical Center Charitable Foundation (White Memorial).

**Residency Support Program (RSP)**

In 2021, L.A. Care invited AltaMed, CDU, UCLA, and White Memorial to apply for a third cycle of funding. After thoroughly reviewing the applications, the committee recommends an expenditure of up to $3.23 million to fund salaries and benefits for 25 residents across the four institutions over the course of three years. Grant awards will support residents starting in academic year 2022-23 through academic year 2024-25. Proposed awards are as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Expansion</th>
<th>Award</th>
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<tbody>
<tr>
<td>AltaMed</td>
<td>Family Medicine: 18 Residents for 3 years</td>
<td>$1,127,380</td>
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<tr>
<td>CDU</td>
<td>Internal Medicine: 1 Chief Resident for 1 year and 2 Internal Medicine Residents for 2 years</td>
<td>$640,610</td>
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<tr>
<td>UCLA</td>
<td>Pediatric Medicine: 2 Residents for 3 years</td>
<td>$558,231</td>
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<td>White Memorial</td>
<td>Family Medicine: 1 Resident for 3 years</td>
<td>$897,600</td>
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<td>Internal Medicine: 1 Resident for 3 years</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>25 Residents</td>
<td>$3,223,821</td>
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**Member Impact:** This initiative aligns with L.A. Care’s organizational goal 2.2: develop and implement strategies to promote quality performance in the provider network. The initiative also aligns with organizational goal 4.3: mobilize our community resources to ensure that we are responsive and accountable to the needs of our members and constituents. Goal 4.5 is also addressed: foster innovative approaches to improving the health status of our members and the quality of care provided by the safety net.

**Budget Impact:** L.A. Care will appropriate retained earnings, an element of the fund balance, to set aside as Board Designated and fund the workforce development initiative presented above.

**Motion:** Approve and authorize an expenditure of up to $3.23 million to continue funding awards under the Residency Support Program (RSP).
Date: October 25, 2021  
Motion No.  EXE A.1021

Committee: Executive  
Chairperson: Hector De La Torre

Issue: Approve revisions to Human Resources Policy & Procedure HR-602 Annual Incentive Program

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

Background: L.A. Care Health Plan (L.A. Care) has established the Incentive Program that provides monetary incentives to eligible employees based on the achievement of approved goals set by the Chief Executive Officer (CEO) or his/her respective designees. The award of an annual incentive payment is not automatic and is at the sole discretion of the Board of Governors. L.A. Care reserves the right to modify or terminate the Incentive Program.

Staff is proposing additional revisions to HR-602 Annual Incentive Program, as noted in the attached document.

Member Impact: None

Budget Impact: None

Motion: To approve the Human Resources Policy & Procedure HR-602 Annual Incentive Program, as presented.
### ANNUAL ORGANIZATIONAL INCENTIVE PROGRAM

**DEPARTMENT**  
HUMAN RESOURCES

**Supersedes Policy Number(s)**  
6503

### Dates

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**Legal Review Date**  
Click here to enter a date.

**Committee Review Date**  
Click here to enter a date.

### Lines of Business

- Cal MediConnect
- L.A. Care Covered
- L.A. Care Covered Direct
- MCLA
- PASC-SEIU Plan
- Internal Operations

### Delegated Entities / External Applicability

- PP – Mandated
- PP – Non-Mandated
- PPGs/IPA
- Hospitals
- Specialty Health Plans
- Directly Contracted Providers
- Ancillaries
- Other External Entities

### Accountability Matrix


### Attachments


### Electronically Approved By The Following

<table>
<thead>
<tr>
<th>OFFICER</th>
<th>DIRECTOR</th>
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<tbody>
<tr>
<td>NAME</td>
<td>Director, Human Resources Total Rewards</td>
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<tr>
<td>Terry Brown</td>
<td>Human Resources</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Sarah Viloria Diaz</td>
</tr>
<tr>
<td>Chief Human Resources Officer</td>
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1 of 6
### AUTHORIES
- HR-501, “Executive Committee of the Board: HR Roles and Responsibilities”
- California Welfare & Institutions Code §14087.9605
- L.A. Care By-Laws, §10.1 Purchasing, Hiring, Personnel etc.

### REFERENCES
- HR-608 Total Compensation Policy
- HR-609 Wage and Salary

### HISTORY

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<tr>
<td>August 2021</td>
<td>Added definitions of employment status; updated eligibility and proration guidelines</td>
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### DEFINITIONS

Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies: [http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures](http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures)
1.0 OVERVIEW:

1.1 The purpose of this policy is to define the Annual Organizational Incentive Program (Incentive Program) as a performance-based incentive program intended to motivate employees to establish and meet performance goals that support the initiatives identified by the organization.

1.2 L.A. Care Health Plan (L.A. Care) has established the Incentive Program that provides monetary incentives to eligible employees based on the achievement of approved goals set by the Chief Executive Officer (“CEO”) or his/her respective designees. The award of an annual incentive payment is not automatic and is at the sole discretion of the Board of Governors. L.A. Care reserves the right to modify or terminate the Incentive Program.

2.0 DEFINITIONS:

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the “Definitions” below.

2.1 Regular Employees – Regular employees are hired without a predetermined end date to employment. Employees are eligible for employer-sponsored benefits, and are also eligible for merit and incentive payouts.

2.2 Assignment with Limited Duration (ALD) Employees – ALD employees are hired, with a date of employment between one and two years, to complete a major project and/or implement a program. Employees are eligible for employer-sponsored benefits, and are also eligible for merit and incentive payouts.

2.3 Temporary Employees - Temporary employees are those who have been hired by L.A. Care for a temporary assignment and are on L.A. Care Payroll, and are ineligible for merit and incentive payouts.

2.4 Contingent Worker – Consultants, Contractors, Clinical Residents (unpaid), Temporary employees through a third–party vendor and are not on L.A. Care payroll, and are ineligible for merit and incentive payouts.

2.5 Per Diem Employees- Employees who usually do not work a regular schedule and are paid a higher hourly rate of pay in lieu of non-legislated benefits, and are ineligible for merit and incentive payouts.

2.6 Student Intern - Student Interns are from a Qualifying Educational Institution selected to participate in L.A. Care’s Internship Program who are brought in to gain experience in their field of study for a defined period of time, and are ineligible for merit and incentive payouts.

2.7 N/A

3.0 POLICY:

3.1 To be eligible for the Incentive Program, employees must:
3.1.1 must have three months of continuous service as a full time employee. L.A. Care temporary employees that transition into the same position on a full time regular basis will receive a prorated amount depending on their hire date;

3.1.2 shall not be in a position where the employee qualifies for a production or sales specific incentive program pursuant to the monthly/quarterly incentive program and wage and salary policies; and

3.1.3 shall not be on a final written warning or on an active performance improvement plan (PIP) for the period noted in the PIP. All eligible employees must have a satisfactory annual performance rating (may also be known as “meets expectations”) or higher.

3.1.4 be hired on or before June 30th of the current fiscal year.

3.1.5 be a Regular or ALD Employee (not Temporary Employee, Contingent Worker, Per Diem, or Student Intern).

3.1.6 not be on a Leave of Absence (LOA) for the full fiscal year.

3.1.7 be in a Regular or ALD position at least 3 continuous months in the fiscal year.

3.1.8 be in a Regular or ALD position at the time of review and payout of the incentive.

3.1.9 be actively employed by L.A. Care at the time of the incentive payout, and did not separate employment at the time of the incentive payout.

3.2 The Board of Governors will make an annual determination on the designated amount available for incentive payouts under the Incentive Program, based on predetermined measurable accomplishments as approved by the CEO, COO, or their respective designees.

3.3 Incentives may be paid throughout the fiscal year for employees that exceed predetermined financial or project goals as determined and at the discretion of the CEO.

3.4 An eligible employee must be actively employed by L.A. Care at the time of disbursement under the Incentive Program, and not on an extended and continuous Leave of Absence (LOA), to the extent permitted by law. Employees on LOA at the time of disbursement under the Incentive Program may be eligible for an incentive disbursement upon return from LOA.

4.0 PROCEDURES:
4.1 Goal Definition and Authorization

4.1.1 Eligible employees are required to identify incentive goals that support their service area’s alignment with the organization’s strategic initiatives; each service area is assigned their respective strategic priority by the CEO. Goals are developed using the S.M.A.R.T. approach (specific, measurable, achievable/attainable, realistic/relevant, time-bound).

4.1.2 Goal submissions will be reviewed and approved by the Chief Officer of each business line/service/operation area and appropriate supervisory delegate in the business line. Goal submissions must receive final approval from the Chief Officer of each business line in order to qualify for inclusion in this program.

4.2 Goal Management & Evaluation

4.2.1 Goals must meet all designated completion criteria in order for an employee to qualify for payment for the goal under the Incentive Program.

4.3 Payment of Incentive Bonuses

4.3.1 Approved incentive payouts under the Incentive Program will be paid to eligible employees within 90 days of the close of the fiscal year.

4.3.2 All incentive payouts under the Incentive Program are subject to applicable taxes according to IRS regulations, and will have employee and employer contributions contributed to under the 401a and 457 plans up to allowable maximum amounts/limits.

4.3.3 An eligible employee may receive a pro-rated share of an incentive payment under the Incentive Program based on the length of time the employee was actively employed during the review period following:

4.3.3.1 Mid-fiscal year new hires.
4.3.3.2 Part-time employees.
4.3.3.3 Changes in employee level/management categories within the fiscal year.
4.3.3.4 Changes in incentive type within the fiscal year.

4.3.3.5 Employees who converted from Contingent Worker to Regular Employee or ALD Employee will not have their Contingent Worker employment period included in the calculation of the incentive amount.
4.3.2.2 Employees who converted from Temporary Employee to Regular Employee or ALD Employee status will not have their Temporary employment period included in the calculation of the incentive amount.

4.3.3.6 Rehires within the same fiscal year, in which case the proration will be based on the days they were employed at L.A. Care as Regular Employee or ALD Employee during the fiscal year.

4.4 In the case of death, an eligible employee’s estate may receive disbursement under the Incentive Program. In the case of total disability or retirement, an eligible employee may receive disbursement under the Incentive Program for the length of time the employee was actively employed during the review period.

5.0 MONITORING:

5.1 Supervisors and managers are responsible for quarterly reviewing an employee’s progress towards annual goals, and making a determination at the end of the incentive goal period on whether an employee met his/her incentive goal(s).

5.2 Human Resources shall review its policies routinely to ensure they are updated appropriately and have processes in place to ensure the appropriate required steps are taken under this policy.

6.0 REPORTING:

6.1 Any suspected violations to this policy should be reported to your Human Resources Business Partner.

7.0 L.A. Care reserves the right to modify, rescind, delete, or add to this policy at any time, with or without notice.
Date: October 25, 2021

Committee: Executive

Chairperson: Hector De La Torre

Issue: Approve revisions to Human Resources Policy & Procedure HR-609 Wage and Salary

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

L.A. Care’s compensation philosophy is designed to reward employees for higher levels of performance and to pay all employees fairly and equitably, in comparison with both the external market and internal positions and classifications, and which reflects the duties and responsibilities of each employee’s job. The organization is committed to providing a work environment that supports all staff with dignity and respect and rewards individuals according to their accomplishments and work outcomes.

Staff is proposing additional revisions to HR-609 Wage and Salary, as noted in the attached document:

Member Impact: None

Budget Impact: None

Motion: To approve the Human Resources Policy & Procedure HR-609 (Wage and Salary), as presented.
**WAGE AND SALARY**

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**LINES OF BUSINESS**

- Cal MediConnect
- Internal Operations

**DELEGATED ENTITIES / EXTERNAL APPLICABILITY**

- PP – Mandated
- PP – Non-Mandated
- Specialty Health Plans
- Directly Contracted Providers
- PPGs/IPA
- Hospitals
- Ancillaries
- Other External Entities

**ACCOUNTABILITY MATRIX**

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<th>Enter department here</th>
<th>Enter policy §§ here</th>
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</thead>
</table>

**ATTACHMENTS**

- Enter all attachments here (e.g., desktop procedures/job aids, templates, reports, letters)

**ELECTRONICALLY APPROVED BY THE FOLLOWING**

<table>
<thead>
<tr>
<th>OFFICER</th>
<th>DIRECTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>Terry Brown</td>
</tr>
<tr>
<td>DEPARTMENT</td>
<td>Human Resources</td>
</tr>
<tr>
<td>TITLE</td>
<td>Chief Human Resources Officer</td>
</tr>
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</table>
1.0 OVERVIEW:

1.1 L.A. Care’s compensation philosophy is designed to reward employees for higher levels of performance and to pay all employees fairly and equitably, in comparison with both the external market and internal positions and classifications, and which reflects the duties and responsibilities of each employee’s job. The organization is committed to providing a work environment that supports all staff with dignity and respect and rewards individuals according to their accomplishments and work outcomes.

2.0 DEFINITIONS:
2.1 **Job** – a generic function that may or may not be filled by many incumbents, such as “Management AssociateDepartment Assistant” or “Member ServiceCustomer Solution Center Service Representative I.”

2.2 **Position** – a unique function being accomplished by a single individual, such as “Management AssociateDepartment Assistant -in the Behavioral Health department to the Director of Marketing.” Each Position is assigned a specific Position Control Number (PCN). All Jobs and Positions are classified in terms of the duties and responsibilities and the reporting relationships of the assignment.

2.3 **Position Job Description (JPD)** – defines in detail the Job’s Position’s essential functions, standards and expectations, scope, the specific requirements and skills necessary to perform the JobPosition, the PositionJob’s basic physical requirements, and other important information describing the details of the specific positionJob. The JPD is used as a basis for classification, reclassification, recruitment, and communication of Job expectations, roles and responsibilities.

2.4 **Salary Range** – range of pay that has been established to be paid to employees performing a particular job or function. Salary range has a minimum pay rate, midpoint, and maximum pay rate.

2.5 **Training** – Individuals placed in at a training level have little or no experience in meeting the defined competencies of the Job. Those placed at a training level are usually involved in a formal training program for a period not to exceed six (6) months. During the training period, specific training objectives and competencies are created with a combination of didactic and hands-on experiences being provided. Frequent competency evaluations and assessments are completed to ensure learning objectives are being met.

2.6 **Developing** – This level is used for employees possessing minimum Job requirements and/or for those having significant learning curves to become fully proficient in the Job’s duties, responsibilities and performance expectations. Individuals moving out of Training are moved to this level, as are individuals who are assigned to learn a new Job. Most often, persons being promoted to a higher salary level with different and more complex competencies are also moved to this point within the salary range.

2.7 **Proficient/Fully Proficient** – This level is used for employees possessing preferred Job requirements and consistently demonstrates near proficiency in all aspects of the Job’s duties, responsibilities, competencies and performance expectations. This individual is often viewed as a mentor and trainer.

2.8 **Fully Proficient** – At this level, an employee would demonstrate 100% proficiency in all aspects of assigned Job duties, responsibilities, competencies, and performance expectations.
2.8 **Expert** – At this level, an employee would possess unique knowledge, skills and abilities that far surpasses the market’s typical requirements and consistently demonstrates superior performance in all aspects of the job’s duties, responsibilities and performance expectations. This individual is often viewed as the “subject matter expert” and is often responsible for leading or overseeing teams.

2.9 **Salary Range Structure** – a group of salary grades with salary ranges for which an organization assigns each job or group of jobs.

2.10 **Salary Grade** – it is a predetermined compensation level within the Salary Range Structure for a given job within an organization.

2.11 **Salary Range** – it is the span of minimum, midpoint, and maximum base salary for a job.

2.12 **Lateral Transfer** – transfer of an employee from one position to another position with the same salary grade.

2.13 **Promotion** – advancement of an employee from one position to another with a higher level title and scope of responsibilities, i.e. movement from individual contributor to a management position or from a level I to a level II. This typically results in a higher salary grade.

2.14 **Demotion** – transfer of an employee from one position to another with a lower level title and scope of responsibilities, i.e. management title to individual contributor or a level II position to a level I position. This typically results in a lower salary grade.

2.15 **Regular Employee** – Regular employees are hired without a predetermined end date to employment. Employees are eligible for employer-sponsored benefits, and are also eligible for merit and incentive payouts.

2.16 **Assignment with Limited Duration (ALD) Employee** – ALD employees are hired, with a date of employment between one and two years, to complete a major project and/or implement a program. Employees are eligible for employer-sponsored benefits, and are also eligible for merit and incentive payouts.

2.17 **Temporary Employee** - Temporary employees are those who have been hired by L.A. Care for a temporary assignment and are on L.A. Care Payroll, and are ineligible for merit and incentive payouts.

2.18 **Contingent Worker** – Consultants, Contractors, Clinical Residents (unpaid), Temporary employees through a third-party vendor and are not on L.A. Care payroll, and are ineligible for merit and incentive payouts.


2.19 **Per Diem Employee** - Employees who usually do not work a regular schedule and are paid a higher hourly rate of pay in lieu of non-legislated benefits, and are ineligible for merit and incentive payouts.

2.20 **Student Intern** - Student Interns are from a qualifying educational institution selected to participate in L.A. Care’s Internship Program who are brought in to gain experience in their field of study for a defined period of time, and are ineligible for merit and incentive payouts.

3.0 **POLICY:**

3.1 This policy clarifies and establishes the various pay practices and establishes the specific procedures necessary to ensure fair and equitable treatment of all employees in matters relating to their pay, while also maintaining compliance with all applicable local, state, and federal regulations.

4.0 **PROCEDURES:**

4.1 **Classification of Positions/Jobs**

4.1.1. The essential duties and responsibilities of Positions/Jobs are evaluated by Human Resources (HR) to determine the appropriate titles, job requirements, and pay levels in comparison with the external market and with internal relationships. Management/Non-Management status, organizational structure, among other factors, are also evaluated as well.

4.1.2. Each JobPosition is assigned to a specific Job Title, Salary Grade, Exempt/Non-Exempt status, a specific Position Control Number, and other identifying data.

4.1.3. The Position Description (PD)JD is reviewed when the JobPosition becomes vacant or when changes occur in the Position’s Job’s essential functions.

4.2 **Reclassification of Positions/Position**

4.2.1. When the essential duties and responsibilities of a Position/Position have changed significantly over time, the Department Director and the
incumbent employee may initiate a request for review from Human Resources in consultation with the assigned Human Resources Business Partner (HRBP) for the Department. A revised JD Position Description (PD) form is created, and reviewed, by both the incumbent and the Department Director and submitted. Approval from the Resource Review Board and/or the Center for Organizational Excellence Board may be required.

1. Human Resources coordinates the evaluation of the changed position, refer to Position Control policy HR-311 for additional information.

4.2.2. Only current duties are evaluated. If future additional tasks are contemplated which could significantly alter the Position, it will be evaluated for Reclassification then.

4.3 —— Creation of New Positions

4.3.1. New Positions are normally requested through the annual budget approval process, but may be created at any time according to the specific needs of a Department. Specific approvals must be obtained according to Executive guidelines; refer to Position Control policy HR-311 for additional information.

4.3.2. The title and pay levels of new Positions approved in the budget process are not finalized until the new JPDs are submitted to Human Resources for review. Only after this review may any Position be activated and filled.

4.4 —— Salary Structure

4.4.1. All Job Classifications are assigned to a specific Salary Grade by the process described above under 4.1 Classification of Jobs.

4.4.2. Periodic salary surveys are conducted to discern trends in market salary movement to ensure that our Jobs are classified and paid fairly and equitably.

4.4.3. Each Salary Grade has a Salary Range which has a defined minimum, midpoint, and maximum. The mid-point is normally defined as the actual Market Rate, or the approximate average salary which is paid to fully-qualified, experienced employees performing similar work in our Labor Market.

4.5 —— Salary Rate Upon Hire

4.5.1. Placement of an individual within a defined Salary Range should be determined by the individual’s level of relevant experience; ability to
successfully meet competencies and/or exceed the expectations of a defined job, education level, and in consideration of internal equity. Preferred skills, education, training and experience are also taken into consideration. There are five (5) distinct levels within each salary range. Those levels are as follows:

4.5.1.1. Training: (Usually 10% below the minimum of the assigned Salary Range; Below market pay; usually minimum to lower first quartile of the assigned Salary Range)

4.5.1.2. Developing: (Below market pay/midpoint; at or below the target first to lower first second quartile of the assigned Salary Range)

4.5.1.3. Proficient/Fully Proficient: (Market competitive pay; at or close to the mid-point of a Salary Range)

4.5.1.4. Fully Proficient: (Slightly below or mid-point to close to the 75th third percentile quartile of the assigned Salary Range)

4.5.1.5. Expert: (at or above the 75th percentile third quartile of the assigned Salary Range)

4.5.2. At no time should the base salary exceed the maximum of the Job’s Salary Grade.

4.6 Wage Setting Guidelines

4.6.1. Offers Above Midpoint: Are reviewed with Total Rewards and Chief Human Resources Officer (CHRO).

4.6.2. Management salaries for Supervisor and above positions: are set by Total Rewards and CHRO.

4.6.3. Internal Equity: Is vital in the review and establishment of salary offers. The internal equity review helps to ensure fair and equitable pay and as we review salary offers, taking into consideration the applicable Federal, State, County and City laws, regulations, etc. Salary offer decisions have legal implications.

4.6.4. Consistency: Is key in maintaining compliance with Federal, State, County, and City laws, regulations, etc.

4.6.5. Exceptions to Standards: Always require additional review with Total Rewards and CHRO.
4.7 Salary Increases/Changes/Review

4.7.1. Annual Merit Increase /Annual Salary Review

4.7.1.1. Employees are continually evaluated on their performance throughout their tenure, but the formal evaluation process is accomplished on an annual basis, at the same time for all staff.

4.7.1.2. The evaluation process results in a final rating for the employee, which in turn is translated into a specific recommended range to increase amount to base salary using the established merit increase guidelines. The guidelines are based on the employee’s performance rating and the position of the employee’s salary in the Salary Range. Employees who are higher performers but lower in the Salary Range are recommended to have larger increases than employees who are lower performers but higher in the Salary Range. Additional elements such as salary history, employee with hard-to-find skillset, importance of the role to the organization’s overall objectives and success may also be considered in the merit increase recommendation.

4.7.1.3. Any increases to base salary will not exceed the maximum of the Job’s Salary Range. Should a merit increase recommendation go beyond the maximum of the Salary Range, a one-time lump sum payment (subject to taxes) is provided for the amount above the maximum.
1. 4.7.1.4. To be eligible for merit, employees must:

4.7.1.4.1 be hired on or before June 30th of the current fiscal year.
4.7.1.4.2 have no salary agreement in place (inclusive of salary changes, such as promotions, new hires, etc.).
4.7.1.4.3 not be on a Final Warning.
4.7.1.4.4 be a Regular Employee or ALD Employee (not Temporary Employee, Contingent Worker, Per Diem, or Student Intern).
4.7.1.4.5 not have a "Does Not Meet" performance rating.
4.7.1.4.6 not be on a Leave of Absence (LOA) for the full fiscal year.
4.7.1.4.7 be in a Regular or ALD position at least 3 continuous months in the fiscal year.
4.7.1.4.8 be in a Regular or ALD position at the time of performance review and payout initiation of the merit increase.
4.7.1.4.9 be actively employed by L.A. Care, and did not separate employment prior to the initiation of time of the merit payout increase.

4.7.1.5 The amount of the merit calculation will be prorated based on:
4.7.1.5.1 Mid-fiscal year new hires.
4.7.1.5.2 New hires between July 1st and September 30th in the previous year, as they were not included in the previous year’s merit.
4.7.1.5.3 Part-Time employees.

4.7.1.6 Employees who have converted from Temporary Employees to Regular Employees or ALD status will not have their Temporary employment period included in the calculation of merit.

4.7.1.7 Employees who have converted from Contingent Worker to Regular or ALD status will not have their Contingent Worker employment period in the calculation of merit.

4.7.1.8 Rehires within the same fiscal year will be prorated based on the days they were here employed as Regular Employee or ALD Employee during the fiscal year.
4.7.1.9. Proration can go as high as 125% to account for up to 3 months for the previous year not included in merit for the last fiscal year.

4.8 Special IncreaseSpot Bonus

A special increase may be granted to individuals or to groups of individuals, and are usually based on exceptional job performance, completion of a major project or other extenuating circumstance. These increases may be in the form of an increase to base pay or a one-time incentive bonus.

4.8.1. A Spot Bonus provides special recognition to an employee for a contribution that is considered “above and beyond”, and/or have exceeded expectations, for an action or accomplishment that is beyond the scope of the employee’s regular day-to-day activities and assignments. This is typically accomplished over a relatively short time period.

4.8.1.1. Examples:

- Successful completion/implementation of a project or program.

4.8.1.1.1 Solving a challenging problem.

4.8.1.1.2 Volunteering for extra assignments during critical times.

4.8.1.1.3

4.8.1.1.4 Taking over additional responsibilities for an employee who is on LOA, or for a vacant position. Sometimes this is done by providing a temporary salary adjustment. An employee cannot get both types of recognition for the same effort.

4.8.2. The Spot Bonus is a one-time payout and the amount varies based on the achievement. The department head requests for the bonus through their Human Resources Business Partner (HRBP), and the bonuses are approved by the CHRO.

4.9 Temporary Salary Adjustment

4.9.1. A Temporary Salary Adjustment (TSA) is additional compensation for an employee who has temporarily assumed a significant increase in
responsible for, and performance of, typically a higher-level job. A TSA may be considered for the same position or grade, and will be reviewed and approved on a case-by-case basis. An employee is not eligible for a TSA when the employee assumes responsibilities for a subordinate. An officer is not eligible for a TSA.

4.9.2. A TSA usually occurs due to a vacancy or an extended leave of absence (LOA). This assumed responsibility is in addition to the employee’s primary job responsibilities and reflects additional responsibilities and/or critical functions.

4.9.3. The TSA provided may range from 5% to 10% of the employee’s salary, depending on the degree of complexity of the additional responsibilities, and the length of time the employee is expected to assume the additional responsibilities. Anything outside of this range will be reviewed and approved on a case-by-case basis. TSA is a separate pay line item and not added to the employee’s base pay.

4.9.4. TSA must have a specified beginning and end date, when possible, and are not intended to cover periods of less than four weeks.

4.9.5. When the employee is no longer performing the temporary additional job duties, the TSA is ended. Usually a 1% of an employee’s salary will be added to their base pay as a thank you for doing the additional responsibilities. The 1% is not added if the employee was not performing successfully during the temporary period of time, or if the employee will be receiving a salary change due to a promotion or transfer or other reason.

4.9.6. All TSA must be approved by the HRBP, the Senior Director, Business Support Services and Organizational Effectiveness, the Director, HR Total Rewards, and the CHRO.

4.10 Temporary Salary Adjustment

4.10.1 Special Increase
Special increases to base pay may also be granted if it is determined that an individual’s Job is improperly classified to a specific Salary Grade or that a major shift in the labor market has occurred, requiring a change in the Salary structure.

Special increases for an individual Position or Job may be initiated by the Department Director, Officer or Human Resources HR, but must be reviewed by the HRBP and approved by the CHRO Chief of Human Resources for organization-wide consistency, before approval from the Chief Executive Officer, who has the final authority for these actions.

Directors are accountable for the level of expenditures in their departments, assuring that salary funds are available and approved through the budget process.

At no time will these increases result in a base salary that exceeds the maximum of the Job’s Salary Range.

4.10.2. The base salary will not exceed the maximum of the Job’s Salary Range.

4.10.3. The increase is effective on the first day of the pay period following the promotional special increase’s final approval.

4.11 Promotional or Reclassification Increase

4.11.1. A salary increase to base pay occurs when an employee is moved into a higher level Position. Wage is reviewed taking into consideration years of relevant experience and skills, internal equity, and amount of increase to assure organization-wide consistency. Anything Promotional Increases above 20% is are reviewed with Total Rewards and approved by CHRO or their CHRO’s designee.

This salary increase occurs when an employee is moved into another position that is assigned to a higher Salary Grade, or when an employee’s current Position is reclassified into a position with a higher Salary Grade. In Reclassifications, the employee does not compete for the reclassified
position but is automatically moved into the new title once the reclassification action has been approved, refer to Position Control policy HR 311 for additional information.

1. The guideline for the amount of increase in these cases is typically 5%. A higher increase is granted if it is needed to reach the minimum of the higher Salary Grade. A lower or higher increase amount may be appropriate according to the employee’s placement on the Salary Range, and considering the skills and experience of the employee, outside applicants and other internal incumbents in similar positions. The Chief of Human Resources, with the agreement of the Department Director, has the authority to determine the increase amount to assure organization-wide consistency.

4.11.2. The base salary will not exceed the maximum of the Job’s Salary Range.

4.11.3. The increase is effective on the date of promotion or on the first day of the pay period following the reclassification’s final approval.

4.12. Demotion Adjustment

4.12.1. A Demotion occurs when an employee moves into or is reclassified into a lower level Position assigned to a lower Salary Grade.

4.12.2. The salary shall normally be lowered to a rate within the lower Salary Grade that is appropriate for the skills and experience of any employee performing the essential duties of the Position, considering outside applicants and other internal incumbents in similar Positions. Department Directors have the authority to approve these salary changes.

Employee-Initiated Demotion – Should result in a decrease in wage based on applicable years of experience and skillsets for the new role. Any exceptions to this results in a second review with Total Rewards and/or approval by the CHRO or CHRO’s designee.

4.12.3. Leadership Initiated Demotion – Is reviewed on a case-by-case basis with the HRBP, Total Rewards and CHRO and may result in no change to the impacted employee’s compensation.

4.12.4. This adjustment will not result in a base salary that exceeds the maximum of the Job’s Salary Range.
4.12.5. Any change in salary is effective on the first day of the pay period following the final approval.

4.13 Lateral Transfer

4.13.1. A Lateral Transfer occurs when an employee moves into or is reclassified into a Position assigned with the same Salary Grade.

4.13.1.1. Lateral Transfers should result in no change in pay. Any exceptions to this result in a second review with Total Rewards and/or approval by the CHRO or CHRO’s designee.

5. MONITORING:

5.1 Human Resources shall review its policies routinely to ensure they are updated appropriately and have processes in place to ensure the appropriate required steps are taken under this policy.

6. REPORTING:

6.1 Any suspected violations to this policy should be reported to your Human Resources Business Partner or the Human Resources Department.

7. L.A. Care reserves the right to modify, rescind, delete, or add to this policy at any time, with or without notice.

REMOVE ALL BELOW
# New Position Description

## Staff Requisition

<table>
<thead>
<tr>
<th>General Position Information</th>
</tr>
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<tbody>
<tr>
<td><strong>Initial Date:</strong></td>
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<td><strong>Current Job Title:</strong></td>
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<td><strong>Requested Job Title:</strong></td>
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<td><strong>Department Number:</strong></td>
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<td>○ Regular</td>
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<td><strong>Until When?</strong></td>
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<td><strong>Hours per Week:</strong></td>
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<td><strong>Budgeted?</strong></td>
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## Position History

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## Position History Documents

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<th>Form</th>
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## Position Description

[Promotional Job Description]

*Provide a concise, 4-5 sentence description of the key job duties and requirements for consideration to be used for advertising, job posting and applicant screening purposes. Be specific, spell out acronyms, and focus on technical...*
<table>
<thead>
<tr>
<th>Contacts</th>
<th>Inside?</th>
<th>Reason for Contact</th>
<th>Frequency of Contact</th>
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**Working Relationships**

List the titles of individuals typically contacted, other than the direct supervisor or subordinates.

**Responsibility and Decision-Making**

Describe the types of decisions made and the types of decisions referred to others.

Types of decisions made without prior approval:

Types of decisions referred to higher authority:

How is the work assigned and reviewed, and what is the frequency and type of guidance provided by the supervisor:

**Major Challenges**

Describe 2-3 of the most difficult problems faced in doing the job and the means by which they are resolved.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Approach/Solution</th>
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**Persuasion Skills**

Provide examples of the need to persuade or convince others to accept the actions or recommendations of the position.

**Financial Impact**

Provide any financial measures that the job impacts: payroll, budget, accounting records, capitalization, etc.
## Skills and Requirements

### Dimensions: Complete the following qualitative data, if applicable.

1. Total Staff (including direct and indirect reports)
2. Annual Operating Budget
3. Other Scope Measurements

<table>
<thead>
<tr>
<th>Essential Functions of the Job</th>
<th>End Results Expected</th>
<th>% of Time</th>
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<tr>
<td>10</td>
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Subordinate: Job Titles (if any):

### Education, Training and Experience for the Position

<table>
<thead>
<tr>
<th>Education/Training</th>
<th>Required</th>
<th>Preferred</th>
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<tbody>
<tr>
<td>License/Certifications</td>
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<tr>
<td>Experience</td>
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<tr>
<td>Foreign Languages</td>
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</tbody>
</table>

### Physical Requirements

- Sedentary: Limited activity, no lifting, limited walking
- Light: Office work, some lifting, considerable walking
- Moderate: Mostly standing, walking, bending, frequent lifting
- Arduous: Heavy lifting, bending, crawling, climbing
### HR Section

<table>
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<th>HR-Approved Pay Grade:</th>
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<tr>
<td>Salary Range:</td>
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<td>Mid-Point</td>
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<td>Recruiting on hold</td>
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<td>Fill Date:</td>
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<td>Hire Data:</td>
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**Comments:**